

Accounting Information as a Tool for Management's Decision Making

¹Dr. Cross Ogohi Daniel, ²Dr Abbas Umar Ibrahim

¹*Department of Public Administration/Banking and Finance Nile University of Nigeria, Abuja +2347086253343¹*

²*Department of Business Administration Nile University of Nigeria, Abuja +2349038362865²*

**Corresponding Author: ¹Dr. Cross Ogohi Daniel*

ABSTRACT: Accounting information is known as the language of business as it is fundamental for record keeping, detailing and assessing events of economic values and exchanges that influence business endeavors. It forms all reports of a business money related execution from finance, cost, capital use and different commitments to deal income and proprietors' value. It gives money related data around ones business to the inner and outer clients, for example, directors, speculators and others. It is some of the time alluded to as a necessary chore, with the consummation being the choice that is helped by the accessibility of bookkeeping data (Arneld and Hope, 2009). The creation of choice, as everybody knows from individual experience is a difficult errand (Wada, 2006). Much of the time uncertainty is as awful as making a wrong one, in this manner an arrangement of activity is key. The management is always gone up against with the issue of elective basic leadership particularly realizing that assets are then again rare and constrained. It is hence relevant that great bookkeeping data be made accessible for legitimate and exact basic leadership, boost of benefit and ideal use of rare assets. Bookkeeping data isn't vital for assessment of the past and keeping the present on course; it is valuable in arranging the fate of the endeavor. Toward the finish of the spending time frame the outer outcomes are contrasted and planned execution and inconsistencies (change) are broke down for reasons for uncovering the causes to avoid re-event. Planning reveals potential bottlenecks before they happen facilitates the exercises of the whole organization by incorporating the plans and targets of different parts. The monetary allowance guarantees that the plans and targets of the parts are in consistency with the wide objectives of the organization.

Keywords:- Accounting Information, Management, Decision Making

I. INTRODUCTION

The board utilizes both financial related and non-monetary data to settle on compelling choices that would help accomplish the objectives and goals of the organization (Melisssa Bushman, 2007). Money related data utilized by the board bookkeepers incorporate deal development, benefits, return on capital utilized and pieces of the overall industry, non-pieces of the pie, non-budgetary data incorporate consumer loyalty level, creation quality, execution of contending items and client steadfastness. Basic leadership is nonetheless, the picking of elective game-plans utilizing psychological procedures. Settling on choice is vital when there is nobody clear strategy to pursue. Bookkeeping frameworks can help basic leadership by giving data pertinent to the choice and to the chiefs. Bookkeeping frameworks gives a check to the legitimacy through the procedure of evaluating and responsibility (Gray et al., 2006). Compelling and effective bookkeeping data assumes a focal job in the board basic leadership.

1.2 Statement of Problem

For the most part, the utilization of bookkeeping data is basic for basic leadership in any business organization. The issue anyway lies in the quality and legitimacy of the data, that is, if it's convenient, satisfactory and clear. As indicated by the report of the Joint Auditor's First Bank Annual Report and Account (2000/2001 page 30) distorted bookkeeping data was the explanation behind many fizzled banks in Nigeria. The significant motivation behind the utilization of bookkeeping data is to boost hazard, disappointment and vulnerabilities and furthermore remain in front of contenders. Despite the huge advantage of utilization of bookkeeping data, it is commonly recognized that most unfit bookkeepers produce off base data thus result in disappointment of organizations to accomplish wanted objective. There are instances of directors declining the utilization of bookkeeping data due to their failure to translate such information, in this manner making the organization to stay at 'business as usual risk'. These issues to a great extent add to the disappointment of the utilization of bookkeeping data in business with the outcome that off base choices are made to the impediment of the organization. It is against these backgrounds that this examination is being led.

1.3 Objectives of the Study

The objectives of this research include the following:

- i. To examine if there is any connection between the impression of the representatives and bookkeeping data of the firm.
- ii. To evaluate in the case of bookkeeping data influence the organization execution decidedly or contrarily.

1.4 Research Hypotheses

The accompanying Null theories are progressed and will be tried over the span of the examination

H₁: There is no critical connection between the view of workers and bookkeeping data

H₂: Accounting data does not have any impact on the organization's execution.

II. LITERATURE REVIEWS

1.5.1 Accounting Information

The management is continually gone up against with the issue of elective basic leadership particularly realizing that assets are generally rare and constrained. It is subsequently appropriate that great bookkeeping data be made accessible for legitimate and precise basic leadership, amplification of benefit and ideal usage of rare asset. Bookkeeping is characterized by Webster's ninth new university lexicon, as "the arrangement of account and abridging business and monetary exchanges and investigating, confirming and revealing the outcomes. Bookkeeping in perspective on this investigation can be characterized conventionally as the methods by which chiefs are educated of both the procedure and money related status of a business concern.

Hodggett (2012), conceptualize bookkeeping data as the money related data about financial exercises. Every monetary substance (for example organizations, government offices, families, magnanimous elements) needs such data since it is utilized for settling on monetary choices about those elements. A financial occasion of an element is alluded to as an exchange. Exchanges are of two kinds: outer and inner.

Mbanefo, (2007) conceptualize bookkeeping as an estimation and correspondence framework to give monetary and social data around a recognizable element to allow clients to settle on educated decisions and choices prompting an ideal designation of assets and the achievement of the organizations targets.

Edwards (2012), characterizes Accounting has been characterized as the way toward recognizing, estimating, recording and conveying monetary data to allow educated decisions and financial choices. The main role of bookkeeping is to enable people to settle on financial choices. In our general public assets must be allotted among and inside a wide range of elements. Bookkeeping data gives the premise to settling on choices about asset designation. To be helpful, information must be distinguished, estimated, recorded, grouped, outlined and conveyed to potential clients. These are the basic components of bookkeeping.

As indicated by Fess and Niswonger (2008), bookkeeping is the way toward recognizing, estimating and imparting monetary data to allow educated decisions and choices by clients of the data. Bookkeeping data is sustenance for the board arranging and basic leadership. It alludes to report of important budgetary data with respect to the monetary exercises of an organization or business adventure.

III. RESEARCH METHOD

This research covers Dangote Nigeria Plc. Secondary data were obtained through books, journals, and internet. Empirical works of other scholars were consulted. A simple size of 133 was obtained from the population of 200 at 5% error tolerance and 95% degree of freedom using Yamane's statistical formula 133(100%) of the questionnaires distributed 110(83%) were returned and 23(17%) were not returned. The questionnaire was designed in Likert scale format. The researchers conducted a pre-test on the questionnaire to ensure the validity of the instrument. Pearson moment product co-efficient and regression analysis were used to test the hypotheses

Test of Hypotheses

Hypotheses One

H₁: There is critical connection between the view of workers and bookkeeping data

H₀: There is no critical connection between the view of workers and bookkeeping data.

Table I: Table of correlation between There are significance relationship between workers and bookkeeping data.

Correlations

		workers	Bookkeeping data
workers	Pearson Correlation	1	.536 **
	Sig. (2-tailed)	.110	.000
	N	110	110
Bookkeeping data	Pearson Correlation	.536 **	1
	Sig. (2-tailed)	.000	.110
	N	110	110

**Correlation is significant at the 0.01 level (2-tailed).

According to above calculations it is observed that amount of correlation coefficient between levels of workers is equal to 53.6 per cent and considering that a significant level is less than 5%. Then we can say that there is a positive relationship between workers on bookkeeping data. This implies that one per cent increase in effective bookkeeping data will lead to 53.6% increase in level of decision making.

Regression analysis test of connection between the view of workers and bookkeeping data Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.965 ^a	.716	.586	3.79952

a. Predictors: (Constant), bookkeeping data

Regression coefficient of R = .965 or 96.5% indicate that relationship exist between independent variables and dependent variable. The coefficient of determination $R^2 = 0.716$ which show that 71.6% of variation in level of employee's m explained by effective bookkeeping data. The development adjusted R-square in the table shows that the dependent variable, (level bookkeeping data) is affected by 58.6% by independent variable (views of workers). It shows that views of workers are responsible for effective bookkeeping data.

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	12.310	.901		13.656	.002
	1.056	.085	.536	12.426	.000

a. Dependent Variable: level of bookkeeping data

The coefficient of determination for views of workers is positive (1.056) and is highly significant (0.001) in ensuring level of development. The p-value of 0.000 is less than the t-statistic value of 12.426 and the standard error value of 0.085. This implies that a unit increase in views of workers will lead to 1.056 increases in level of effective bookkeeping data. Therefore, the null hypothesis is rejected and alternative hypothesis accepted that there is acritical connection between the view of workers and bookkeeping data.

Hypothesis two

H₂: Accounting data has a significant impact on the organization's execution.

H₀: Accounting data does not have any impact on the organization's execution.

Table II: Table of correlation between the Accounting data and organisations execution

Correlations

		Accounting data	Organisations execution
Accounting data	Pearson Correlation	1	.473**
	Sig. (2-tailed)	.110	.000
	N	110	110
Organisationsexecution	Pearson Correlation	.473 **	1
	Sig. (2-tailed)	.000	.110
	N	110	110

** . Correlation is significant at the 0.01 level (2-tailed).

According to above calculations is observed that amount of correlation coefficient between accounting data and improving in the organisations execution is equal to 47.3 per cent and considering that a significant level is less than 5%. Then we can say that there is a positive relationship between accounting data and improving in the organisations execution. This implies that one per cent increase in accounting data will lead to 47.3% increase in organisations execution.

Regression analysis test of accounting data and organisations execution

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.773 ^a	.624	.722	3.96426

a. Predictors: (Constant), accounting data

Regression coefficient of R = .773 or 77.3% indicate that relationship exist between independent variables and dependent variable. The coefficient of determination $R^2 = 0.624$ which show that 62.4% of variation in improving the organisations execution is explained by accounting data. The adjusted R-square in the table shows that the dependent variable, (improving the organisations execution) is affected by 72.2% by independent variable (accounting data). It shows that there is significant relationship accounting data and organisations execution.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	15.036	.806		18.644	.000
Accounting data	1.319	.125	.473	10.520	.000

a. Dependent Variable: improving the accounting data.

The coefficient of determination for accounting data is positive (1.319) and is highly significant (0.000) in improving in the organisations execution. The p-value of 0.000 is less than the t-statistic value of 10.520 and the standard error value of 0.125. This implies that a unit increase in accounting data will lead to 1.319 increases in the organisations execution. Therefore, the null hypothesis is rejected and alternative hypothesis that accounting data has a significant impact on the organization's execution.

IV. DISCUSSIONS OF FINDINGS

Bookkeeping data is gone for data framework that produces reports to the intriguing gatherings about financial exercises and friends' condition. The essential goal of bookkeeping is to give data that is valuable to basic leadership purposes. It implies that bookkeeping is a data giving movement. The target of bookkeeping is just to deliver data utilized by directors to run organization's activity. Bookkeeping additionally offers data to the intriguing gatherings about monetary execution and friends' condition. Accountings job is to accumulate information about a business' exercises, give a way to the information's stockpiling and handling, and after that convert those information into helpful data. A bookkeeping framework comprises of the work force, techniques, innovation, and records utilized by an organization to create bookkeeping data and (2) to impart this data to leaders. Bookkeeping data is crude information concerning exchanges that have been changed into money related numbers that can be utilized by financial leaders. In any case, bookkeeping data is learning or news about retribution of budgetary issues. Bookkeeping data is vital to a wide range of exercises inside and past an organization. Bookkeeping data is basic to business activities.

The trial of theory saw that the elective speculation was acknowledged while dismissing invalid speculation.

- i. The investigation uncovered that bookkeeping data has critical impact on the management basic leadership at a factual noteworthy dimension.
- ii. The investigation likewise uncovered that the assembling business needs educated monetary choices that would upgrade by and large execution.
- iii. The investigation uncovered that bookkeeping data forestall the need of recalling different exchanges in Dangote Nigeria Plc.
- iv. Moreover, it was additionally uncovered that there is a connection between the impression of workers and bookkeeping data because of the way that workers and their delegate are keen on the data which empowers them to evaluate the capacity of the endeavor to give compensation, retirement benefits and so on.

- v. The examination demonstrates that bookkeeping data relies upon the impression of the nature of data by the client.
- vi. Other than the consequence of the investigation revealed that there is a critical connection between time factor and bookkeeping data as upheld by the discoveries of Choe (1998) who set that bookkeeping data improve productivity of activity.
- vii. Discoveries of the examination uncovered that time factor is vital on account of periodicity idea which characterizes a particular interim of time for which a substance's reports are readied.
- viii. Resulting on the abovementioned, the discoveries of the examination demonstrate that the planning can be a financial year, characteristic year, quarterly or month to month.
- ix. The investigation additionally uncovered through the aftereffect of the last speculations that bookkeeping data has impacts on organization's execution by means of gainfulness, efficiency and adequacy.

V. CONCLUSION

The study discovered that bookkeeping data plays out an essential job on the management choices and organization exhibitions, which has been appeared to be real power in basic leadership. The sorts of bookkeeping data that an organization creates shift with so much factors as the extent of the organization, regardless of whether it is openly possessed, and the data needs of the board. The sorts of bookkeeping data required rely upon the kinds of business choice made by the board. It implies that the job of bookkeeping data is help chief in settling on business choices. Bookkeeping data is grouped in to three distinct sorts as indicated by the advantages for the clients: 1. Statutory Accounting Information is the data will be set up as per existing guidelines. 2. Budgetary Information is the bookkeeping data exhibited as spending that is helpful for inside arranging, appraisal, and basic leadership. 3. Extra Accounting Information is other bookkeeping data arranged by the organization so as to build the adequacy of basic leadership. The examination endeavored to address the issue with the ill-advised utilization of bookkeeping data by chiefs and representatives which fills in as noteworthy shackles upsetting the adequacy of the board basic leadership.

The essential point of this examination is to asses and assesses the impact of the utilization of bookkeeping data on the board basic leadership of Dangote Nigeria Plc. The technique utilized in the investigation is that of study, and furthermore both essential and optional wellsprings of information were utilized.

VI. RECOMMENDATIONS

From the conclusion ahead, the following recommendations are made:

- i. Companies ought to counsel proficient bookkeepers when beginning a business to find out about the different laws that influence them additionally to acclimate themselves with the assortment of money related records that they should keep up.
- ii. Clear-cut meaning of long haul corporate goal, inside which the bookkeeping data framework will work, ought to be given.
- iii. Decision making ought to be regulated in adaptable and variable unbending adherences to bookkeeping data, which are obviously appropriated for current conditions. This will make the entire bookkeeping framework gain believability and viability.
- iv. The organization ought to dependably track past occasions in the event of future reason, this can be conceivable with the utilization of PC or by completely computerizing the organization's task.
- v. An expert bookkeeper ought to be utilized by the organization so as to keep significant data and stay with precise records of the record.
- vi. Employees ought to be urged to create themselves by getting to be experts in their picked Profession; this will influence the organization to develop decidedly.
- vii. Effective correspondence and data stream is imperative for a decent bookkeeping framework, and organizations ought to give correspondence channels among top and lower dimensions of the board with respect to long and transient goals and the useful issues of actualizing those destinations.
- viii. Efforts ought to be made to gauge the impacts of at present utilized bookkeeping idea on the management basic leadership.
- ix. Regular gathering with staff ought to be sorted out to disperse data about the organization and furthermore inspire input that assistance to improve the organization.
- x. Further research can likewise include a replication of the present investigation in other industry to know whether the discoveries of this examination can finish the trial of generalizability.

REFERENCES

- [1]. Melissa, B. (2007), "Overview of Management Accounting". New York, NY: Thomas Reuters RIA Group. online article
- [2]. Choe, J.M. (1998), "The Effects of User Participation on design of Accounting Information System", *Information and Management*, Vol. 34, pp.185-198
- [3]. Gray (1996), 'Accounting will only be relevant in 356-86"', <http://www.oppapers.com/essays/accounting>.
- [4]. Hoggett J, Edwards L, Medlin J. *Accounting in Australia*: John Willey & Sons; 2003. 1072 p.
- [5]. Mbanefo, C.A.O.: *Management Information System and Cost Control*, 1997 Universities Pub. Co. 11 Central School Road. Box 386, Onitsha-Nigeria. page 24
- [6]. Gibson, C. H. (2011). *Financial Statement Analysis*, 12th Edition. Norwalk, Connecticut: South-Western Cengage Learning.
- [7]. Gitman, L. J. & Zutter, C. J.). *Principle of Managerial Finance*, 13th Edition. Boston: Prentice Hall Pearson Education. (2012)

**Corresponding Author: ¹Dr. Cross Ogohi Daniel
¹Department of Public Administration/Banking and Finance Nile University of Nigeria,
Abuja +2347086253343¹*