

THE USE OF ACCOUNTING INFORMATION IN THE MANAGEMENT OF MICRO AND SMALL ENTERPRISES IN THE MUNICIPALITY OF POÇÃO/BRAZIL

O USO DA INFORMAÇÃO CONTÁBIL NA GESTÃO DAS MICRO E PEQUENAS EMPRESAS DO MUNICÍPIO DE POÇÃO

Gilson Cavalcanti de Freitas Júnior*

Carla Renata Silva Leitão**

ABSTRACT

The objective of this study has been to investigate the use of accounting information in the management of micro and small enterprises in the municipality of Poção, located in the State of Pernambuco, Brazil. By establishing this objective, the research intends to contribute to the study of the use of accounting information in the management of micro and small enterprises. The research is characterized as descriptive with a quantitative approach, and it has involved field research with the application of a questionnaire to micro and small entrepreneurs in the municipality of Poção. The results have revealed, among other aspects, that most micro and small entrepreneurs who have an accountant in their company use accounting information for decision-making. On the other hand, although 87.9% of the respondents recognize the importance of accounting information for management, 36.4% do not have an accountant. Furthermore, although managers of micro and small enterprises in the municipality of Poção consider accounting information to be important, its use in the decision-making process is not widespread given that their managers generally rely more on their own experience and, in some cases, even on intuition, thus failing to enjoy the benefits that this information can bring to the management of the company.

Keywords: micro and small enterprises; accounting information; management.

RESUMO

O objetivo deste estudo foi investigar o uso da informação contábil na gestão das micros e pequenas empresas do município de Poção, localizado no Estado de Pernambuco, Brasil. Ao estabelecer esse objetivo, a pesquisa pretende contribuir com o estudo do uso da informação contábil na gestão das micros e pequenas empresas. A pesquisa se caracteriza como descritiva, de abordagem quantitativa, e envolveu pesquisa de campo com aplicação de questionário aos micros e pequenos empresários do município de Poção. Os resultados revelaram, dentre outros aspectos, que a maioria dos micros e pequenos empresários que possuem contador em sua empresa utiliza a informação contábil para tomada de decisão. Por outro lado, apesar de 87,9% dos respondentes reconhecerem a importância das informações contábeis para a gestão, 36,4% não possuem contador. E, embora os gestores das micros e pequenas empresas do município de Poção considerem as informações contábeis importantes, seu uso no processo decisório não ocorre de forma ampla, dado que seus gestores geralmente confiam mais na própria experiência e, em alguns casos, até mesmo na intuição, deixando de usufruir dos benefícios que essas informações podem trazer

* **Academic title:** He has a degree in Business Administration from the Federal University of Campina Grande (2006) and an undergraduate degree in Accounting from the State University of Paraíba (2006). **Affiliation:** Federal Rural University of Pernambuco, UFRPE, Brazil. **Email:** gilson_cf_junior@yahoo.com.br **ORCID:** <https://orcid.org/0000-0002-4985-8038>



** **Academic title:** Doctorate in Business Administration from the Federal University of Rio Grande do Sul (2011). **Affiliation:** Federal Rural University of Pernambuco, UFRPE, Brazil. **Email:** carlaleitao_ufrpe@yahoo.com.br **ORCID:** <https://orcid.org/0000-0001-5175-8901>

para a gestão da empresa.

Palavras-chave: micro e pequenas empresas; informação contábil; gestão.

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1 INTRODUCTION

Micro and small enterprises are considered fundamental structures in the Brazilian economy. In the economic scenario, the participation of micro and small enterprises (MSEs) in the social and economic development of Brazil has been essential, especially with regard to the creation of new companies and consequently in the generation of employment and income (Silva, 2019). Data from the Brazilian Micro and Small Business Support Service (SEBRAE) show that 626,883 micro and small enterprises were opened throughout Brazil in 2020. Of this total, 535,126 (85%) were micro enterprises and 91,757 (15%) were small enterprises (SEBRAE, 2021).

Several factors can lead MSEs to a monetary imbalance that may be related to the lack of accounting understanding. Considering their size and the complexity to obtain financial resources, micro and small business owners choose to invest resources in production and forget to invest in accounting, in this way inverting the management process (Ribeiro, Freire, & Barella, 2013).

According to Marion (2012), a company has at its disposal several sources of information, such as accounting, which is responsible for measuring and recording the operations that occur in the entity, and it can be seen as a support for financial managers by covering both the company's internal information and the market in which it operates.

In this context, Oleiro, Dameda, and Victor (2007) state that accounting information becomes essential for the maintenance and continuity of organizations, as it encompasses all their fiscal, management, or social interests. For Fernandes, Klann, and Figueredo (2011), accounting information is an essential part of contributing to the development of organizations and it can assist in the decisions that arise in the entrepreneur's routine.

For Ribeiro, Freire, and Barella (2013), this information can be advantageous for entrepreneurs in relation to the analysis of the economic and financial performance of local entities as well as in decision making, in addition to the future visualization of results, thus contributing to the continuous improvement of their ventures.

Nasi (1994) emphasizes the essentiality of accounting as an internal information tool for decision-making and management control, also highlighting the requirement for reliable accounting, which when inserted into the organizational structure can offer information collected from the various sectors of an entity, constituting thus a database for management purposes.

However, it can be observed that a considerable part of micro and small entrepreneurs do not use an effective management plan, which can contribute to the failure of their companies. This fact may be linked to the lack of support from their accounting professionals, which limits these small entrepreneurs to not use the information obtained through financial statements and refraining them from the benefits of data that can be useful in the management of their entity, since that such information can provide a basis for support in the decision-making process (CRC

SP, 2011).

Given this scenario, the study aims to answer the following question: **does the use of accounting information for the management of micro and small enterprises contribute to their effective management?** Furthermore, the article aims to investigate the use of accounting information in the management of micro and small enterprises in the municipality of Poção, located in the State of Pernambuco, Brazil. Accounting information, when properly perceived and applied, can contribute to an effective management by managers of MSEs, especially when they are located in a municipality with great potential for economic development, such as Poção, which stands out for its local craft production. Furthermore, it should be noted that this study contributes significantly to demonstrate that the use of accounting information for the management of MSEs is essential for a promising administration, and for this to occur, it is necessary for accounting professionals and managers to have a closer participatory relationship so that they can translate the information present in reports into a more accessible language, since, although most make decisions based on professional experience, it is the use of accounting information in an assertive way that will guide the decision-making process.

The article is divided into four sections, in addition to the introduction. Initially, the theoretical framework will be presented, with a brief contextualization of accounting information and the management of micro and small enterprises. Subsequently, methodological procedures are discussed and the results and final remarks are presented.

2 THEORETICAL REFERENCE

Next, this study presents its theoretical framework, starting from the management of micro and small enterprises, as well as the accounting information and management of micro and small enterprises and their characteristics, and finally, the previous studies carried out with objectives similar to this study.

2.1 Micro and small business management

In a universe where new technologies emerge daily and exacerbated competition has been installed both nationally and internationally, the adaptation of institutions to new types of production has become essential, according to the Organisation for Economic Co-operation and Development — OECD, which states that companies need to adapt and keep up with these changes, which involve the advancement of technology and globalization, in order to become more competitive and remain in the market (OECD, 2013).

According to Catelli (2006), business management is responsible for the success of an organization and its repercussion reflects its performance in the search for the optimization of its resources and processes, which have direct impacts on its activities with regard to the financial, economic, and social aspects in the environment in which it is inserted. In this perspective, companies seek competitive advantage through their management process aiming to achieve their goals.

According to Klippel (2014), the way an organization prepares its planning and outlines its strategies distinguishes successful companies from those that will not succeed in the market and will be part of the business bankruptcy statistics in Brazil. In this context, the presence of information that helps in the decision-making process is an essential tool to optimize resources, reduce costs, and leverage profit, thus improving the company's performance and continuity in the market.

Management is essential for any company regardless of its size or segment, since micro and small enterprises have fostered the country's economy, in this way contributing to regional

development and generating employment and income as much as large companies, which allows the country to grow (Stacke & Feil, 2017).

Micro and small enterprises have been gaining prominence in the current Brazilian sociocultural scenario and the growing expansion of micro and small enterprises has generated employment and development in the locations where they operate. According to Longenecker et al. (2011), companies contribute to the economy by providing new essential jobs for an ever-increasing workforce.

According to Koteski (2004), micro and small enterprises are the pillars of the development of the Brazilian economy, since they are present throughout the national territory, in large quantities, and in the most varied sectors of the economy, generating job opportunities. However, in order to remain firm in the market against their competitors, micro and small enterprises need to develop a lasting competitive advantage and adopt an adequate business management for their field of activity, since the complexity and speed with which changes occur in the world are significantly great, and it is up to the managers of MSEs to devise strategies and plans to face these variables (Cordeiro & Ribeiro, 2002).

Complementary Law 123/2006, known as the General Law for Micro and Small Enterprises, classifies MSEs in relation to their revenue. A micro enterprise – ME must have an annual gross revenue less than or equal to BRL 360,000 (Ulliana, 2015, SEBRAE, 2021). Micro enterprises do not have limitations for business performance, however, it is necessary to have control over revenue and expenses, so that the manager can obtain information that helps in decision-making, and this control can be carried out through cash flow. Small enterprises — EPP, also defined by Law 123/2006, have an annual revenue limit of up to BRL 4.8 million (Ulliana, 2015, SEBRAE, 2021).

The Brazilian Micro and Small Business Support Service — SEBRAE proposes the classification of institutions according to the number of employees. Table 1 shows the classification of companies by number of employees according to the SEBRAE classification.

CLASSIFICATION	INDUSTRY	TRADE AND SERVICES
Micro	Up to 19 employees	Up to 9 employees
Small	From 20 to 99 employees	From 10 to 49 employees
Medium	From 100 to 499 employees	From 50 to 99 employees
Large	More than 500 employees	More than 100 employees

Table 1 - Classification of companies by number of employees

According to Table 1, companies are classified as Micro in the industry with up to 19 employees, small with 20 to 99 employees, medium with 100 to 499 employees, and large with more than 500 employees. As for the trade and services sector, micro enterprises are those that have up to 09 employees, small enterprises have 10 to 49 employees, medium enterprises have 50 to 99 employees, and finally, large enterprises are those with more than 100 employees.

2.2 Accounting information and management of micro and small enterprises

Accounting information is an indispensable tool for the development of planning, execution, and control for decision making in business management, thus becoming an essential resource to assist management in the decision-making process with reliable information, enabling effective results and the permanence of the company in the competitive market (Fidelis & Candido, 2006).

According to Horngren, Sundem, and Stratton (2004), users of accounting information

are divided into internal managers, who carry out planning and control in the short term and use the information in non-routine decision-making, and external managers, constituted by investors and government authorities, for example, who use the information to assist in decision-making directed at the institution. According to the Brazilian Accounting Council — CFC of 1995, accounting produces information with the objective of allowing those who use it to have a well-founded foundation for their decisions, through the perception of the state in which the institution is, covering its performance, risks, and opportunities offered.

Accounting, according to Oliveira, Müller, and Nakamura (2000) and Vieira and Barreto (2019), can be understood as an information system, being responsible for notifying the operations of an institution, composing a database that will be advantageous for administrative management, thus representing an efficient and effective management tool in decision-making.

According to Costa Júnior (2016), the accounting sector covers the fundamental aspects of information in an institution, comprising the objectives of measuring, recording, and demonstrating accounting occurrences related to the institution's activities through the Accounting Information System — SIC. This system is responsible for collecting, processing, and transforming facts and/or data into information, which may be useful to managers, auditors, and interested parties.

Corroborating the statement presented, Padoveze (2010) reports that the SIC is in charge of the information collected and the processing of non-financial operations, in addition to the provision of financial information, thus meeting the needs of managers and users of this information that encompass their strategic, tactical, and operational planning.

According to Coelho Neto et al. (2002) and Bitares et al. (2018), accounting information has had low adoption when used as a management tool to assist in decision making by micro and small entrepreneurs. Corroborating this statement, Albuquerque (2013) reports that micro and small enterprises use financial management tools less frequently because they have a flawed information system. This author also states that certain small business entrepreneurs are flawed in the use of accounting information in their management, while others do not have the resources for the accounting area.

In this aspect, according to Vaz and Espejo (2015), most entrepreneurs do not use accounting information, claiming that they do not see the advantages that its use can generate in the management of the company, treating accounting as an investment with no return. Corroborating this statement, Lucena (2004) reports that the lack of know-how in the use of accounting information can contribute to a culture in which this information is unnecessary for companies. On the other hand, a study with 29 engine overhaul companies in Paraná, Brazil, carried out by Oliveira, Müller, and Nakamura (2000), has shown that 90% of the evaluated companies used accounting information in their administrative management with a managerial focus.

In this context, Manzi (2016) emphasizes Accounting having the role of providing data to entrepreneurs in order to contribute to decision-making, making them assertive and agile. The authors Horngren, Sundem, and Stratton (2006) complete this idea by stating that accounting information has the purpose of supporting its users, as long as they are obtained clearly, so that managers achieve a good result.

In this perspective, the authors Bordin and Gatti (2001) emphasize that micro and small enterprises need a structured and updated accounting sector that comply with accounting standards in order to supply the production of information with reliability so that they can be used as a management tool in the decision-making instruction by the management.

In order to understand the importance of accounting information, Bernardes and Miranda (2011) have analyzed the success and failure of four micro and small enterprises and they have

noticed that, when entrepreneurs and accountants kept their efforts focused on collecting taxes, the company did not had a favorable growth, while successful companies used accounting information in their decision-making process.

2.3 Previous studies

The literature presents studies that complement each other and offer a basis for knowledge about the use of accounting information in the management of micro and small enterprises, and it is significant to point out that the research carried out by Ribeiro (2011), with 82 micro and small enterprises in Brasília, Brazil, has shown that entrepreneurs justify the impediments to the permanence of entities with, mainly, the economic inconsistency, the complexity to obtain financing, the high interest, and the loss of purchasing power, which demonstrates that the MSEs did not properly use accounting information to assist in the decision-making process, similarly to what has not been verified in a study focused on the planning area.

In a study carried out by Amorim and Silva (2012), in micro and small enterprises in the city of Salvador, Brazil, on the use of accounting information in their management, the authors have found that 46.67% of managers used accounting for the tax sector, 33.33% for the labor area, and only 20% use the information for decision making, thus concluding that the use of accounting for strategic purposes was little requested and that the selected universe did not have knowledge about the ability of accounting information to assist in the strategic method used in the institution.

Santos, Dorow, and Beuren (2016), in their investigations carried out in the city of Alto do Vale, Brazil, have observed that decision-making in MSEs is based on the personal experience of their managers, where management tools such as planning strategy, budgets, and return on investment are unknown or neglected by entrepreneurs despite them knowing their importance.

According to Silva and Marion (2013), managers of small enterprises present impediments to understanding accounting reports, and they claim that the technical language used is one of the main reasons for the low adherence to the use of information present in the reports. Coutinho et al. (2016) demonstrate in their research, carried out in João Pessoa, Brazil, in small enterprises, that several factors hinder the use of managerial accounting in micro enterprises and that 58% of the research participants revealed that this difficulty was linked to the lack of interest on the part of users and the increase in the fees charged. However, the authors emphasize that users of accounting information in the management of entities observe benefits, such as cost reduction and increased profitability.

In this context, in relation to studies aimed at the use of accounting information in the decision-making process, it can be observed that the basic objective of accounting to provide information to users is not being achieved, thus motivating the concern with MSEs that they are not using the main tools for the management of their project.

3 METHOD

The methodology used is characterized as descriptive, since according to the objective of the research, the observed data were recorded and described without undergoing intervention. According to Gil (1999), descriptive research seeks to describe the attributes of a specific population or phenomenon, and thus demonstrate relationships between variables. Gil (1999) also states that the focus of this type of study is to allow the improvement of ideas. According to Beuren (2008), descriptive studies aim to observe facts and record, analyze, classify, and interpret the collected data.

Regarding the approach to the problem, the method applied was quantitative, which allows a quantitative description of the data collected in relation to the use of accounting information in the management of micro and small enterprises. According to Creswell (2007), an approach is considered quantitative when the researcher makes use of elements such as cause and effect reasoning, hypotheses, use of measurement, theory testing, and also uses investigation strategies, which include experiments, surveys, and data collection.

This study has used the technique of survey and data collection through a questionnaire. According to Prodanov and Freitas (2013), the survey fits into a type of research in which the questioning is carried out directly with the individuals, who intend to identify the behavior through the application of a questionnaire. In this research, the questionnaire was structured in two stages, the first with the profile of the respondents and the second with questions that addressed the use of accounting information in the management of MSEs, including a Likert-type scale, with five levels ranging from 'never' to 'very frequently'.

As for the research universe, it is formed by 117 micro and small enterprises located in the municipality of Poçoão, Brazil, which cover the sectors of economy of retail trade, in general, and civil construction. Sixty of the MSEs that made up this universe were contacted.

The questionnaire was sent by email to the companies and to the WhatsApp of the entrepreneurs of the MSEs from June 2 to 10, 2021. It is noteworthy that although the questionnaire was sent to the 60 MSEs, 33 responses were obtained, which means a return rate of 55.0%.

After data collection, they were organized and tabulated to obtain the frequencies of the responses obtained.

4 ANALYSIS AND DISCUSSION OF RESULTS

The results were divided into two blocks of answers, the first referring to the characterization of respondents and companies and the second block related to the use of accounting information in management.

It was observed that in relation to the gender of the research participants, 57.6% were female and 42.4% were male, as shown in Table 2.

	FREQUENCY	PERCENTAGE
Male	14	42.4%
Female	19	57.6%
Total	33	100%

Table 2 - Gender of respondents

Regarding the age group of the survey respondents, it was found that 48.5% were aged between 31 and 40 years, and only 3.0% was 60 years and over, as shown in Table 3.

	FREQUENCY	PERCENTAGE
Up to 30 years	4	12.1%
From 31 to 40 years	16	48.5%
From 41 to 50 years	6	18.2%
From 51 to 60 years	6	18.2%
More than 60 years	1	3.0%
Total	33	100%

Table 3 - Age group of respondents

As for the education of the research participants, it was found that 9.1% had completed

basic education, 33.3% had completed high school education, 39.4% had higher education, and 18.2% had a specialization, which demonstrates that most of them have a higher education level, as shown in Table 4.

	FREQUENCY	PERCENTAGE
Basic education	3	9.1%
High school education	11	33.3%
Higher education	13	39.4%
Specialization	6	18.2%
Total	33	100%

Table 4 - Education level of respondents

As for the role that the respondents occupied in the entity, 78.7% were owners, 15.2% were managers, and 6.1% reported having another role but did not specify which one. Table 5 presents the percentages corresponding to the roles of the respondents.

	FREQUENCY	PERCENTAGE
Owner	26	78.8%
Manager	5	15.2%
Other	2	6.1%
Total	33	100%

Table 5 - Role of respondents

When starting to characterize the companies, in relation to the activity in which they operate, it was found that 75.8% work in trade, 9.1% in industry, 12.1% in the provision of services, and only 3.0% reported that the company performs other activities, however, they were not specified, as shown in Table 6.

	FREQUENCY	PERCENTAGE
Trade	25	75.8%
Industry	3	9.1%
Service	4	12.1%
Other	1	3.0%
Total	33	100%

Table 6 - Company activity

As for the annual gross revenue of the companies studied, 54.5% had revenue of up to BRL 81,000.00, 30.3% from BRL 81,000.00 to BRL 360,000.00, 12.2% from BRL 360,000.00 to BRL 4,800,000.00, and only 3.0% had revenue above BRL 4,800,000.00, according to Table 7.

	FREQUENCY	PERCENTAGE
Up to BRL 81,000	18	54.5%
From BRL 81,000 to BRL 360,000	10	30.3%
From BRL 360,000 to BRL 4,800,000	4	12.1%
Above BRL 4,800,000	1	3.0%
Total	33	100%

Table 7 - Annual gross revenue of companies

Regarding the time of existence of the companies, 36.3% had more than 20 years of existence, 27.3% had from 2 to 5 years, 15.2% had from 6 to 10 years, 12.1% had from 11 to 15

years, 6.1% from 16 to 20 years, and only 3.0% had less than 2 years of existence. These data are represented in Table 8 below:

	FREQUENCY	PERCENTAGE
Less than 2 years	1	3.0%
From 2 to 5 years	9	27.3%
From 6 to 10 years	5	15.2%
From 11 to 15 years	4	12.1%
From 16 to 20 years	2	6.1%
More than 20 years	12	36.4%
Total	33	100%

Table 8 - Time of existence of the companies

With regard to the type of taxation of the company, the majority, 54.5%, falls under *Sim- ples Nacional*, 9.1% under Taxable Profit, and 36.4% reported not knowing how to inform; in addition, none of the companies studied indicated presumptive profit, as shown in Table 9. However, it is worth mentioning that the choice of taxation of MSEs is based on the economic-financial activity, revenues, incentives, etc. The fact that a considerable percentage of companies do not know how to inform the type of taxation may indicate that the managers of these MSEs do not have knowledge about types of taxation or were not guided by their accountants about it, or even that the information generated by accounting is not sufficient for these managers to identify or interpret the type of taxation of their projects.

	FREQUENCY	PERCENTAGE
Taxable Profit	3	9.1%
Presumptive Profit	-	-
<i>Sim- ples Nacional</i>	18	54.5%
I don't know	12	36.4%
Total	33	100%

Table 9 - Type of corporate taxation

Regarding the answers obtained for the questions about the use of accounting information, addressed in the second block of the questionnaire, it started with the question of whether the MSEs had an accountant. It was observed that 63.6% had an accountant and 36.4% did not. It should be noted that a considerable percentage of companies do not have an accountant, who is a practically indispensable professional in the contribution to good management. These data are presented in Table 10, below:

	FREQUENCY	PERCENTAGE
Yes	21	63.6%
No	12	36.4%
Total	33	100%

Table 10 - Existence of an accountant

The companies were questioned about the importance they attribute to the use of accounting information for the management of companies.

	FREQUENCY	PERCENTAGE
No importance	1	3.0%
Little importance	2	6.1%
Indifferent	1	3.0%

Important	12	36.4%
Very important	17	51.5%

Table 11 - Importance attributed to the use of accounting information for the management of companies

In Table 11, it can be seen that 87.9% of the managers consider it important or very important to use accounting information to manage their company, where 36.4% say it is important to use accounting information for company management and 51.5% consider it very important. It was also verified that 3% of the managers do not give importance to the use of this information for the management of their projects. Still observing the data shown in the table, it can be inferred that 6.1% of the respondents stated that it is not very important to use accounting information to manage their business. In this sense, 9.1% of managers consider the use of accounting information to be of little importance or unimportant in the management of their enterprises, which demonstrates that these micro and small enterprises do not have accountants.

The data presented here converge with the study of Moreira et al. (2013), who have investigated how micro and small entrepreneurs, associated with Teófilo Otoni's retail trade, perceive the importance of accounting information as a management resource to support the management of their business, noting that managers considered accounting information important in supporting the decision-making process.

From this point onwards, the questions were addressed only to companies that claimed to have an accountant.

When respondents were asked if they used accounting information for decision making, it was observed that 34.5% said yes, 17.2% said they do not use it, while 20.7% said they sometimes use accounting information. Table 12 shows the percentages obtained regarding the use of information for decision making.

	FREQUENCY	PERCENTAGE
Yes	10	34.5%
No	5	17.2%
Sometimes	6	20.7%

Table 12 - Use of accounting information by managers for decision making

The results presented in Table 12 corroborate those found by Hall et al. (2012), in which the authors have detected that the managers of MSEs use accounting information, but timidly, making decisions through their experiences and not by what accounting promotes.

Concerning the questioning about the purposes for which managers use the accounting services provided to their company, it was found, as shown in Table 13, that most managers use the services for tax purposes (76.2%) and 42.9% for management purposes. It was also observed that 42.9% used accounting services for personal department purposes and 14.3% reported that they use it for other purposes, but they did not specify what they would be. For this question, respondents could choose more than one alternative.

These findings corroborate Peçanha and Oliveira (2015), who indicate as one of the main deficiencies of micro and small enterprises the lack of control and planning of the use of their economic and financial resources, as they do not use effective information in the composition of their accounting.

	FREQUENCY	PERCENTAGE
Management purposes	9	42.9%
Tax purposes	16	76.2%
Personnel department purposes (payroll, termination...)	9	42.9%

Other	3	14.3%
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Table 13 - Purpose of the accounting services provided to the company

Table 14 presents the results of the question about which financial statements/reports are used for the company's decision making. According to Table 14, it can be seen that most of the survey respondents stated that they use payroll for decision-making, which corresponds to 34.5%; it is also noteworthy that 27.6% use the cash flow statement, 27.6% use financial indicators, 20.7% use the trial balance, 20.7% use the income statement for the period, 20.7% use other data, but they did not specify which, and 13.8% do not use any data.

	FREQUENCY	PERCENTAGE
Trial balance	6	20.7%
Balance sheet	4	13.8%
Income statement for the period	6	20.7%
Cash flow statement	8	27.6%
Statement of changes in equity	1	3.4%
Financial indicators	8	27.6%
Cost reports	3	10.3%
Payroll	10	34.5%
Other	6	20.7%
None	4	13.8%

Table 14 - Statements/reports with accounting information used for decision making

When questioned about which resources are most used for decision making in their company, it was observed that, as shown in Table 15, 65.5% make decisions based on their experience as an entrepreneur, and this same situation has been observed by Hall et al. (2012). It was also observed that 44.8% said they make decisions based on financial statements, 44.8% on reports, 37.9% make decisions based on market information, and 17.2% on other resources, but they did not specify which ones. It is noteworthy that for this question the respondents could point to more than one resource.

	FREQUENCY	PERCENTAGE
Entrepreneur's experience	19	65.5%
Financial statements	13	44.8%
Reports	13	44.8%
Market information	11	37.9%
Other	5	17.2%

Table 15 - Resources most used for decision making

Seeking to verify the respondents' perception of the use of accounting information in the management of their companies, a Likert-type scale with five levels was used (never, rarely, occasionally, frequently, and very frequently).

When managers were asked about the use of accounting information for decision making (Table 16), it was observed that only 3.7% use it very frequently, 20.7% use it occasionally, and 17.2% use it frequently. It was found that 13.8% of the respondents said they never use accounting information for this purpose.

	FREQUENCY	PERCENTAGE
Never	4	13.8%
Rarely	5	17.2%

Occasionally	6	20.7%
Frequently	5	17.2%
Very frequently	1	3.4%

Table 16 - Use of accounting information for decision making

The findings in Table 15 are correlated with the data in Table 16, where in Table 15, 65.5% of the respondents state that the most used resource in their decision-making process is the entrepreneur's experience; these findings reflect the information shown in Table 16, in that only 3.4% of managers of the micro and small enterprises that have accountants say they use accounting information for decision making. This fact reflects the lack of knowledge on the part of managers in interpreting the accounting information present in statements and reports, and it evidences the need for greater support and advice from the accounting professional of the organization.

Table 17 shows the answers provided by managers when asked how often they used accounting information. It can be seen that 10.3% of the managers never use accounting information. However, 24.1% said they use the information frequently or very frequently in management. According to Lima et al. (2004), the non-use of accounting information in the management of MSEs is common, as the authors have reported that most of the entrepreneurs they surveyed did not use accounting information in management. In this research, it was observed that this use, to a greater or lesser extent, is made by the majority.

	FREQUENCY	PERCENTAGE
Never	3	10.3%
Rarely	4	13.8%
Occasionally	7	24.1%
Frequently	6	20.7%
Very frequently	1	3.4%

Table 17 - Frequency of the use of accounting information

In the following question, the respondents should express themselves about how easy it is to understand the information provided by the accountant.

	FREQUENCY	PERCENTAGE
Never	2	6.9%
Rarely	3	10.3%
Occasionally	4	13.8%
Frequently	10	34.5%
Very frequently	2	6.9%

Table 18 - Ease of understanding of the accounting information provided by the accountant

As shown in Table 18, 34.5% stated that the information provided was often easy to understand, however, 6.9% said that the information provided was never easy to understand. Dias Filho (2000) reports that although accounting information is important in business decision making, most users cannot understand the information provided through the financial statements because they do not know the meaning of many terms that are used in the disclosure of economic and financial events. When comparing the results of this research with what has been found by Fiek and Loose (2017), when conducting a study with 29 micro and small enterprises, there was a low level of understanding in relation to accounting information, and the enterprises favored the non-use of these information in the management of their companies, which differs from the results presented here, since most respondents (55.2%) consider the accounting information pro-

vided by the accountant easy to understand, even if this does not always happen.

Although 34.5% of micro and small entrepreneurs claim to find it easy to understand the accounting information provided by their accountant, 17.2% of the findings indicate that they never or rarely manage to understand the information provided by their accountant. It is important for the accountants of these organizations to translate this information in a clear and accessible language so that managers can understand the data that the reports present and use them to their advantage. Furthermore, this fact warns about the use of information without knowledge, which can cause a burden for the company, since most MSEs end up being part of the corporate mortality statistics because of mismanagement and misuse of accounting information.

The next question asked managers about whether the accounting reports provided by their accountant made it possible to gather the accounting information necessary for decision making.

	FREQUENCY	PERCENTAGE
Never	5	17.2%
Rarely	2	6.9%
Occasionally	2	6.9%
Frequently	11	37.9%
Very frequently	1	3.4%

Table 19 - Accounting reports and decision making.

As shown in Table 19, 37.9% stated that these reports often allowed the collection of information, while 17.2% responded that they never contributed to this end. According to Albuquerque (2011), in his study of MSEs in Manaus, Brazil, although reports are used for decision-making, the frequency is considered moderate, which does not allow practices such as the projection of scenarios that allow the permanence of the company.

Table 20 shows the answers provided by managers about their difficulties in using accounting information.

	FREQUENCY	PERCENTAGE
Never	2	6.9%
Rarely	5	17.2%
Occasionally	7	24.1%
Frequently	4	13.8%
Very frequently	3	10.3%

Table 20 - Difficulties in using the accounting information

According to the data in Table 20, it can be observed that 6.9% stated that this difficulty never occurs and 17.2% of the managers responded that they rarely experience difficulty in using this information, but most point to the occurrence of difficulties in using it. Coutinho et al. (2016) report in their study in João Pessoa, Brazil, carried out with small enterprises, that 58% of the participants of their research also revealed a difficulty in using the information, which may be associated with the lack of interest on the part of users. This result was in line with the findings of this study.

Thus, it is inferred from the data in Table 15, where respondents could choose more than one option, that although 65.5% of managers use their business experience to manage their business, as they have been in the business sector for a long period, managers use accounting information and know how to interpret the reports, a fact that can be observed in the findings of Table 20, where 48.2% of respondents say (never 6.9%, rarely 17.2%. and occasionally 24.1%) they have difficulty using accounting information.

5 FINAL REMARKS

This study sought to investigate the use of accounting information in the management of micro and small enterprises in the municipality of Poção, Brazil, in which the use of accounting services was identified in 63.6% of them.

Data analysis revealed that most micro and small entrepreneurs who have an accountant in their company use accounting information for decision making and that most of the survey respondents reported that they use this information for fiscal, management, and personal department purposes.

On the other hand, although 87.9% of respondents recognize the importance of accounting information for management, 36.4% do not have an accountant and among those who do, 17.2% do not use accounting information in the management of their companies. It was also found that accounting information has been notably more focused on complying with legal and tax requirements, that is, it can be inferred that for these entrepreneurs accounting is focused on complying with legal and bureaucratic obligations.

The study also revealed that the most used resource in the decision-making process of the companies is the manager's experience and that, although the financial statements and reports are a resource used by 44.8% of the respondents, they have difficulty understanding this information, thus hindering its use.

In this way, it is concluded that the managers of MSEs in the municipality of Poção consider accounting information important, however, its use in the decision-making process does not occur in a broad way, since managers usually trust more their own experience and, in some cases, even use intuition as a resource to achieve more efficient results.

In view of the findings of this research, it was observed that accounting information is still used timidly by managers because of the lack of knowledge and interpretation of reports. With this, it is important the presence in the organization of an active accounting professional who is knowledgeable of their activities, advising managers and demystifying the accounting information present in reports. This possibility, aligned with the managers' business experience, allows the entrepreneur to have a broader and deeper view of the market in which they are inserted, making their decision-making process more assertive and thus generating a competitive differential for the organization.

For future research, it is suggested to investigate elements that facilitate and restrict the use of accounting in the management of micro and small enterprises, as well as studies aimed at the perception of managers about accounting information in the management of micro and small enterprises. Thus, in relation to the limiting factors for this study, the health crisis that the world experienced with the COVID-19 pandemic stands out, which did not allow for this research to be carried out in person with entrepreneurs (study population). Another aspect faced was the slowness in receiving the answers to the questionnaires sent and the resistance on the part of managers to talk about accounting, which shows that they were afraid or ashamed of not knowing how to answer the questions.

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