

# The Relationship Between Accounting Information Quality and Decision-Making Efficiency of Small and Medium-Sized Enterprises in Samut Sakhon Province

Supaporn Rattanawisut<sup>1</sup>, Narumon Sutthitham<sup>2</sup>, Thongchai Chetbut<sup>3</sup>

<sup>1,2</sup>Faculty of Accountancy, Bangkokthonburi University, Bangkok, Thailand

<sup>3</sup>Faculty of Business Administration, Bangkok Thonburi University, Thailand

Email address: anny\_k\_1975@hotmail.com, narumon-Sut@gmail.com and isoconsultantandcoaching@gmail.com

**Abstract**— This study aimed to: (1) examine the level of opinions regarding the quality of accounting information among small and medium-sized enterprise (SME) operators in Samut Sakhon Province, (2) investigate the level of opinions on the decision-making efficiency of SME operators in Samut Sakhon Province, and (3) explore the relationship between accounting information quality and decision-making efficiency among SME operators in Samut Sakhon Province. A total of 400 respondents were selected using a simple random sampling method. Data were analyzed using descriptive statistics, including frequency, percentage, and standard deviation. Inferential statistical techniques were also applied, comprising Pearson's correlation coefficient and multiple regression analysis, to examine the relationships between variables and to assess the influence of accounting information quality on decision-making efficiency. The research results found that 1) the overall level of opinions regarding the quality of accounting information was at a high level; 2) the overall level of opinions regarding decision-making efficiency was at the highest level; and 3) the analysis of the relationship between accounting information quality and decision-making efficiency found that accounting information quality and decision-making efficiency were related in every aspect and at a high level at all values with a statistical significance of .01. From the hypothesis testing, it was found that accounting information quality in terms of decision-making relevance, fair representation, verifiability, and understandability had a positive relationship with overall decision-making efficiency with a statistical significance of .05.

**Keywords**— Accounting Information Quality, Decision-Making Efficiency.

## I. INTRODUCTION

Small and medium-sized enterprises (SMEs) constitute the country's largest business unit, supporting and generating a significant number of jobs. Therefore, they are considered a key mechanism for strengthening and enhancing the country's competitiveness. They play a role in developing and supporting growth in various key dimensions and play a crucial role in driving national economic growth (Office of Small and Medium Enterprises Promotion, 2023). Currently, SMEs face challenges from rapidly changing technologies, competition stemming from changing economic structures and consumer behavior (Sunisa Phusong et al., 2024), and marketing challenges. SMEs often lack marketing information, including competitor data, consumer behavior, and consumer access channels. This results in low consumer product recognition. Furthermore, problems arise from

inaccurate accounting plans due to unawareness of the true business situation, improper accounting planning, and the creation of multiple accounts to avoid taxes. This leads to confusion in profit reporting, impacting the business (Suthatip Bunruang et al., 2019).

Operating a business in a highly competitive economy requires entrepreneurs to possess knowledge and skills in various areas of business management. Furthermore, they should possess knowledge in production, marketing, accounting, finance, and human resources, all of which are fundamental skills that managers should possess. All of these knowledges are essential for entrepreneurs to prioritize. A successful business depends on a robust information system (Punyathas Kongkaew et al., 2021). To achieve business goals, entrepreneurs need accurate, timely, and reliable information to make effective business decisions. Furthermore, the quality of accounting data is essential for decision-making. This information reflects the business's performance and financial position, its profitability, and enables the use of this information to make more efficient business management decisions.

The quality of accounting data that will affect decision-making efficiency should have the following qualitative characteristics: 1) relevance to decision-making; 2) fair representation; 3) comparability; 4) verifiability; 5) timeliness; and 6) understandability (The Professional Council under Royal Patronage, 2020). Therefore, entrepreneurs play a crucial role in driving the organization to success. Effective planning, command, decision-making, control, and cost management processes rely on quality accounting data as a tool to support entrepreneurs' decision-making, enhancing efficiency. This results in efficient operations and the achievement of set objectives. Therefore, high-quality accounting data plays an important role in enabling executives to analyze, plan, control, and make appropriate decisions. The indicators or components of decision-making efficiency (Mongkol Kittiwutthikrai et al., 2021) include: 1) timeliness; 2) objective achievement; 3) maximum effectiveness; and 4) acceptance from stakeholders. Therefore, decision-making is crucial in operations. Effective decision-making can lead the organization to its goals. Techniques for considering operational approaches are used to determine the most appropriate options. And the decision-making results of the

organization's leaders will determine whether it will survive or be able to resolve the crisis (Benchawan Wongsuwan et al., 2024).

Based on the aforementioned rationale and significance, the researcher is interested in conducting a study on “The Relationship Between the Quality of Accounting Information and the Decision-Making Efficiency of Small and Medium-Sized Enterprise (SME) Entrepreneurs in Samut Sakhon Province.” The objective of this study is to develop and improve the quality of accounting information to ensure its accuracy and usefulness for users, thereby enhancing decision-making efficiency. Furthermore, the findings from this research can serve as a guideline for developing and improving the quality of accounting information to be more accurate, reliable, and responsive to users’ needs. This, in turn, will enable SME entrepreneurs to utilize accounting information effectively in their decision-making processes, leading to improved performance, strengthened capabilities, and the promotion of sustainable business operations

## II. METHODOLOGY

### A. Research objectives

1. To study the level of opinions regarding the quality of accounting information among small and medium-sized enterprise (SME) entrepreneurs in Samut Sakhon Province.
2. To study the level of opinions on the decision-making efficiency of small and medium-sized business operators in Samut Sakhon Province.
3. To examine the relationship between the quality of accounting information and the decision-making efficiency of small and medium-sized enterprise (SME) entrepreneurs in Samut Sakhon Province.

### B. How to conduct research

The research entitled “The Relationship Between the Quality of Accounting Information and the Decision-Making Efficiency of Small and Medium-Sized Enterprise (SME) Entrepreneurs in Samut Sakhon Province” is a quantitative study aimed at examining the relationship between the quality of accounting information and the decision-making efficiency of SME entrepreneurs in Samut Sakhon Province.

The population used in this research was 37,181 small and medium-sized business operators in Samut Sakhon Province (Office of Small and Medium Enterprises Promotion, 2025). The sample group used in this research was 400 small and medium-sized business operators in Samut Sakhon Province. The researcher used a calculation method using Taro Yamane's formula (Taro Yamane, 1973) using a simple random sampling method.

### C. Research tools

The research instrument was a questionnaire consisting of 5 parts as follows: Part 1: General information of SME entrepreneurs. The questionnaire was closed-ended (Close-ended Response Question) consisting of gender, age, education level, and work experience. Part 2: General information of SME entrepreneurs including type of business, length of business operation, number of employees, and

annual income. Part 3: Opinions on the quality of accounting information of SME entrepreneurs in 6 areas: 1) Relevance to decision-making, 2) Fair representation, 3) Comparability, 4) Verifiability, 5) Timeliness, and 6) Understandability. The questionnaire is in the form of a rating scale, using the criteria for determining the weight of the evaluation to be chosen according to only 1 level of importance from a total of 5 levels, and using the average (Mean) and standard deviation (Standard deviation). Part 4 is the opinion on the efficiency of decision-making of small and medium-sized business operators in 4 areas: 1) Timeliness 2) Achievement of objectives 3) Maximum effectiveness 4) Acceptance from relevant parties. The questionnaire is in the form of a rating scale, using the criteria for determining the weight of the evaluation to be chosen according to only 1 level of importance from a total of 5 levels, and using the average (Mean) and standard deviation (Standard deviation). Part 5 is a questionnaire about the respondents' suggestions, which is in the form of expressing opinions (Open Ended).

### D. How to analyze data

1. Descriptive Statistics Analysis is a statistic used to describe or explain various characteristics of the data collected, presented in the form of frequency tables, percentages, and standard deviations (SD).
2. Inferential statistics analysis in Pearson Correlation Coefficient analysis to test the level of relationship and direction between independent and dependent variables and Multiple Regression Analysis to test the study hypothesis that accounting data quality has a positive relationship with decision-making efficiency.

## III. RESEARCH RESULTS

The research results on the relationship between the quality of accounting information and the efficiency in decision making of small and medium-sized business operators in Samut Sakhon Province in the following issues: 1. Analysis of the level of opinions on the quality of accounting information of small and medium-sized business operators in Samut Sakhon Province found that most of the respondents Overall opinions were at a high level ( $\bar{X}=4.10$ , S.D.=0.740). When considering each aspect in order of highest to lowest mean, it was found that the aspect of understandability ( $\bar{X}=4.38$ , S.D.=0.657) was the highest, followed by the aspect of fair representation ( $\bar{X}=4.13$ , S.D.=0.732), the aspect of relevance to decision-making ( $\bar{X}=4.10$ , SD=0.657), the aspect of verifiability ( $\bar{X}=4.03$ , S.D.=0.857), the aspect of timeliness ( $\bar{X}=4.02$ , S.D.=0.815), and the aspect of comparability ( $\bar{X}=3.92$ , S.D.=0.902), respectively. 2. Analysis of the level of opinions regarding the decision-making efficiency of SMEs in Samut Sakhon Province found that the majority of respondents had the highest overall opinion ( $\bar{X}=4.21$ , S.D.=0.602). When considering each aspect in order from highest to lowest mean, it was found that the aspect of achieving objectives was ( $\bar{X}=4.38$ , S.D.=0.654), followed by the aspect of maximum efficiency ( $\bar{X}=4.37$ , S.D.=0.747), the aspect of timeliness ( $\bar{X}=4.22$ , S.D.=0.650), and the aspect of acceptance from relevant parties ( $\bar{X}=4.08$ , S.D.=0.657), respectively. 3.

Analysis of Pearson Correlation coefficient to test the level of relationship and direction between independent variables and dependent variables of small and medium-sized business operators in Samut Sakhon Province. It was found that the results of the analysis of Pearson Correlation coefficient found that accounting information quality and decision-making efficiency were significantly related at .01, with a value ( $r$ ) of .624 – .972. The correlation coefficient between accounting information quality variables and decision-making efficiency showed a relationship between accounting information quality and decision-making efficiency in every aspect, and the relationship was at a high level for every value; and 4. Hypothesis testing analysis: The researcher conducted a multiple regression analysis. The results of the analysis were as follows: Accounting data quality, decision-making relevance, representativeness, verifiability, and understandability were positively related to the decision-making efficiency of SMEs in Samut Sakhon Province. The researcher conducted a multicollinearity test using tolerance and variance inflation factor (VIF). The results showed that the variance inflation factor (VIF) ranged from 1.049 to 3.057, which is less than 10, indicating that all independent variables are not correlated with each other. Tolerance values ranged from 0.732 to 0.947, which is close to 1, indicating that there is no multicollinearity problem. When considering the multiple regression coefficient between the independent variables, accounting data quality was significantly related to the dependent variable overall decision-making efficiency at the .05 level.

#### IV. DISCUSS THE RESULTS

Discussion of Findings: The Relationship between Accounting Information Quality and Decision-Making Efficiency of Small and Medium-Sized Enterprise Operators in Samut Sakhon Province

The analysis of the level of opinions on the quality of accounting information of SMEs in Samut Sakhon Province found that the overall quality of accounting information was at a high level. The level of opinion on understandability was at the highest level. This may be because financial statements influence the use of economic decision making, making it easier to analyze business performance. Entrepreneurs can use accounting information to better plan, control, and make strategic decisions. This is consistent with the research of Sunisa Phusong et al. (2024) studying the relationship between accounting information quality and the performance of SMEs in Bangkok. The results of the study found that the overall level of opinions on the quality of accounting information was at a high level. The analysis of opinions on the decision-making efficiency of SMEs in Samut Sakhon Province revealed that overall decision-making efficiency was at the highest level.

The analysis of opinions on the decision-making effectiveness of SMEs in Samut Sakhon Province revealed that overall decision-making effectiveness was highest. The highest opinions were expressed in the areas of timeliness, objective achievement, and maximum effectiveness. This may be because timeliness increases competitiveness and reduces

risk. Achieving objectives enables businesses to achieve their goals and evaluate their success. Furthermore, maximum effectiveness leads to decisions that achieve desired quality and quantity as defined by the organization. Furthermore, it is a comprehensive, results-driven, and long-term strategic approach. This results in a competitive advantage for entrepreneurs, enabling systematic management, and generating stable and sustainable business outcomes. This aligns with the research conducted by Suthathip Bunruang et al. (2019) on the quality of accounting information affecting decision-making effectiveness of SMEs in Songkhla Province. The results revealed the highest opinions on overall decision-making effectiveness in the areas of acceptance by stakeholders, timeliness, and objective achievement.

The results of the analysis of the relationship between accounting information quality and decision-making efficiency of SMEs in Samut Sakhon Province. The study found that the correlation coefficient between the accounting information quality variables and decision-making efficiency was related to the accounting information quality and decision-making efficiency in all aspects, and the relationship was at a high level for all values. This is consistent with the research of Paisorn Sungsoombat (2021) who studied the quality of information and understanding of accounting information that affect the decision-making efficiency of executives in SMEs. The study found that the quality of overall accounting information was highly correlated with the overall decision-making efficiency at the .01 significance level. It was also correlated with the efficiency of decision-making in all aspects, which is consistent with the research of Suthathip Bunruang et al. (2019) who studied the quality of accounting information that affects the decision-making efficiency of SMEs in Songkhla Province. The study found that the correlation coefficient between the accounting information quality variables and the decision-making efficiency was at a high level for all values. And in line with the research, Punyatharat Kongkaew et al. (2021) studied the relationship between the quality of accounting information and the decision-making efficiency of partnership business executives in Pak Phraek Subdistrict, Thung Song District, Nakhon Si Thammarat Province. The study results found that the quality of accounting information has a high relationship with the decision-making efficiency of partnership business executives in Pak Phraek Subdistrict, Thung Song District, Nakhon Si Thammarat Province, with a statistical significance level of 0.01.

Hypothesis testing results indicate that accounting information quality is positively related to decision-making efficiency of SMEs in Samut Sakhon Province. The study found that accounting information quality is positively related to decision-making efficiency of SMEs. This is because when accounting information is of high quality, entrepreneurs can analyze financial situations more clearly, plan appropriate strategies, and make more effective business decisions. This is consistent with the research of Mongkol Kittiwutthikrai and Manasada Chaisuaniyakarn (2022) that studied the relationship between management accounting information quality and decision-making efficiency of SMEs in the

construction industry in Ubon Ratchathani Province. The study found that management accounting information quality, in terms of data accuracy, relevance to the problem, conciseness and easy understanding, and accessibility, have a positive relationship and impact on overall decision-making efficiency.

#### Summary

The researcher can summarize the research results as follows:

1. The results of the research on the level of opinions regarding the quality of accounting information of small and medium-sized business operators in Samut Sakhon Province found that most respondents had overall opinions at a high level. When considering each aspect, it was found that the aspect of understandability had the highest level of opinions. The aspect of fair representation, relevance to decision-making, verifiability, and comparability had high levels of opinions.
2. The results of the research on the level of opinions regarding the efficiency of decision-making of small and medium-sized business operators in Samut Sakhon Province found that most respondents had the highest overall opinions. When considering each aspect, it was found that the aspects of achieving objectives, the aspect of maximum effectiveness, and the aspect of timeliness had the highest levels of opinions. As for the aspect of acceptance from those involved, the level of opinions was high.
3. Analysis of Pearson Correlation coefficient found that the relationship between accounting information quality and decision-making efficiency is related in every aspect and the relationship value is high at all values with statistical significance at .01.
4. Multiple Regression Analysis found that accounting information quality, relevance to decision-making, fair representation, verifiability, and understandability were positively related to decision-making efficiency of small and medium-sized business operators in Samut Sakhon Province, with statistical significance at the .05 level.

#### V. SUGGESTIONS

1. SMES should prioritize the preparation of accurate and complete accounting data, as data quality directly impacts the accuracy of business decision-making, benefiting management, strategic planning, and business direction.

2. Further studies should be conducted to compare the decision-making performance of executives in other business types with those in the studied business type. This can help draw comprehensive conclusions and more clearly reflect differences in business contexts, such as information technology factors, entrepreneurial experience, or the local economic environment.

#### REFERENCES

- [1] Benchawan, W., Suwit, W., & Pattariya, H. (2024). *The relationship between accounting information quality, blockchain technology application, and decision-making effectiveness of companies listed on the Stock Exchange of Thailand*. *Journal of Management and Development, Ubon Ratchathani Rajabhat University*, 11(1), 180.
- [2] Federation of Accounting Professions. (2020). *Announcement of the Accounting Profession Council: Conceptual framework for financial reporting*. Retrieved February 8, 2025, from file:///C:/Users/User/Downloads/Frame%20work.pdf
- [3] Mongkol, K. & Manasada, C. (2021). The Relationship between the quality of Management Accounting and DecisionMaking Efficiency of the SMEs Construction Industry in UbonRatchathani Province. *Journal of Accountancy and Management, Mahasarakham University*, 14(1), 66.
- [4] Office of Small and Medium Enterprise Promotion. (2023). *SME promotion plan, 5th edition (2023–2024)*. Retrieved February 10, 2025, from <https://www.sme.go.th/uploads/file/download-20230412083828.pdf>
- [5] Punyathas, K., Sopitpilai, T., & Ornthai, C. (2021). *The relationship between accounting information quality and decision-making efficiency of partnership business executives in Pak Phraek Subdistrict, Thung Song District, Nakhon Si Thammarat Province*. *Journal of MCU Social Science Review*, 10(1), 161.
- [6] Sopispilai, T., Phatcharee, P., Supaporn, K., Araya, K. & Chalermkiat, R. (2022). *The Relationship between the Quality of Accounting Information and the Performance of SMEs in the South*. *Journal of Management Sciences, Songkhla Rajabhat University*, 1(1), 21-22.
- [7] Sunisa, P., Duangkamol, C. & Jutathip, C. (2024). *Relationship between accounting information quality and operating results of small and medium-sized businesses in Bangkok*. *Interdisciplinary Academic and Research Journal*, 4(4), 92.
- [8] Suttatip, B., Preechaya, C. & Muttanachai, S. (2019). *The Relationship between the quality of Management Accounting and DecisionMaking Efficiency of the SMEs Construction Industry in UbonRatchathani Province*. *Economics and Business Administration Journal Thaksin University*, 11(1), 78–79.
- [9] Wanunporn, C. (2023). *A Study of Business Environment on Accounting Information Quality and Decision-making Efficiency of Small and Medium Enterprises (SMEs) in Khon Kaen Province*. *journal of Humanities and Social Sciences Nakhon Phanom University*, 13(3), 187.
- [10] Yamane, T. (1973). *Statistics an introductory analysis*. New York: Harper and Row Publication.