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Use of Management Accounting Practices: A Remedy or Delusion for SMEs in Zimbabwe

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Abstract: This study examined the benefits associated with the use of Management Accounting Practices (MAPs) among Small and Medium Enterprises (SMEs) in Zimbabwe. Literature reveals that there are numerous benefits associated with the use of management accounting among SMEs. This study then sought to assess whether the benefits perceived in the use of management accounting are a myth or a reality among SMEs. A mixed-methods approach and purposive sampling technique were adopted, and data was collected from 188 SME firms from the four provinces in Zimbabwe. The study found that there is a low uptake of management accounting among SMEs in Zimbabwe. The findings indicated that the use of management accounting enables firms to raise more funds among small businesses. In addition, SMEs establish a competitive edge by utilizing MAPs to evaluate profitable prospects and possible risks, and the management accounting function fosters the cultural values necessary to achieve an organization's strategic objectives. The study recommends that there is a need to increase awareness of the benefits associated with the use of management accounting, which will enhance the uptake of MAPs. There is a need to increase awareness about the importance of MAPs in SMEs, as these tools are critical ingredients for success.

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1. Introduction

In developing countries, SMEs are regarded as a solution to economic development challenges (Saeed, 2002). According to the then Zimbabwean Minister of Finance, the Honourable Patrick Chinamasa, the SME sector has an important role to play in the economic development of the country as it constitutes over 70% of economic activities, contributes more than 50% of the country's GDP, and employs more than 60% (more than 5.8 million) of the country's workforce (RBZ, 2016). Zimbabwe, as a developing country in Africa with numerous economic challenges, has benefited a great deal from SMEs (MSMECD, 2018). The SME sector has been a catalyst for economic growth since the country attained independent status in 1980 (Bomani & Derera, 2015). The SME sector also contributes to the country's economy in various ways, as highlighted in the 2013 and 2016 Zimbabwe National Budget Statements. Some of these contributions include: the inducement of entrepreneurship; broadening of the tax base; driving rural development and contributing significantly to poverty alleviation; and exploiting niche

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markets as they are enabled by their pliability and innovation in the mainstreaming of the supply chain through backward and forward linkages (RBZ, 2016).

The importance of SMEs in Zimbabwe cannot be overstated, as they serve as the backbone of the country's economy, contributing significantly to employment generation, innovation, and overall economic growth (RBZ, 2012; Manyani, 2014). According to National Development Strategy I (NDS1) (2020), the Zimbabwean government recognises small businesses as the engine for transforming the country into a middle-income economy by 2030. However, the development of the SME sector is constrained by a plethora of challenges that are not limited only to working capital constraints, effective financial management, a lack of accounting expertise, low competitiveness, and difficulties in achieving economies of scale, which affect the survival of SMEs (Maseko & Manyani, 2011; RBZ, 2016). Limited access to skilled accounting professionals and a lack of IT infrastructure and software support are common challenges faced by SMEs in Zimbabwe (Musiiwa & Mutenheri, 2019).

Several studies state that management accounting plays a pivotal role in the success of an organisation in the modern business environment (Horngren *et al.*, 2009). Horngren *et al.* (2005), posit that management accounting enhances quality in planning, coordinating, monitoring, controlling, information processing, and developing efficacious business strategies. In addition to the above advantages, the use of MAPs among SMEs assists in the development of successful business strategies, withstanding competition from their larger counterparts, and assisting in their growth towards becoming larger corporations (Mia & Clarke, 1999; Reid & Smith, 2002; Ahmad, 2012). Financial information analysis plays a crucial role in the success of small businesses as it aids in the decision-making process among SMEs (Folk, Ray & Eric, 2002). Consequently, MAPs play a critical role in the success of smaller entities (Hopper, Koga & Goto, 1999; Reid & Smith, 2002), and their presence may not, by themselves, guarantee corporate success, but their absence negatively affects the entity's competitive advantage (Folk *et al.*, 2002; Reid & Smith, 2002). Considering the benefits obtained from the use of MAPs, it is, therefore, essential for SMEs to embrace them as they assist in promoting the survival and growth of the SME (Hopper *et al.*, 1999; Folk *et al.*, 2002). Consequently, the prevailing question arises: are MAPs a panacea or merely a myth for SMEs in Zimbabwe?

Various studies have been conducted in Zimbabwe on the level of adoption of management accounting by SMEs (Dlamini & Schutte, 2021) and factors influencing its usage in small businesses (Dlamini, 2022). However, this study observed that there is a dearth of research-based knowledge on the benefits obtained by SMEs through the use of management accounting among SMEs in Zimbabwe. The findings of this research will not only contribute to the existing body of knowledge on management accounting but also provide valuable recommendations for policymakers, SME owners, and practitioners in Zimbabwe. This study seeks to ascertain the benefits obtained through the use of MAPs among Zimbabwean SMEs. The study aims to determine whether MAPs can indeed serve as a panacea or remain a mere myth for SMEs in Zimbabwe. The paper has the following structure: Section 2 discusses literature related to the benefits of management accounting, and Section 3 presents the methodological path of this study. Section 4 presents and discusses the findings obtained from the study. Then the concluding section offers the conclusion and recommendations of the study.

2. Literature Review

This section provides a brief review of the literature on MAPs, global management accounting principles, literature related to the benefits obtained from the use of management accounting, and empirical evidence from previous similar studies.

2.1. MAPs

Conventional and modern MAPs fall into five broad categories, which are: “costing systems, budgeting systems, performance evaluation systems, decision support systems, and strategic management accounting systems” (Dlamini, 2020).

Costing Systems: Costing systems provide insights into the costs associated with production, enabling firms to make informed decisions regarding pricing, cost control, and resource allocation (Horngren et al., 2019). Accurate cost allocation helps identify profitable products or services, reduce waste, and optimize resource utilization, leading to improved financial performance (Chenhall & Langfield-Smith, 1998).

Budgeting Systems: Budgeting systems aid in planning and controlling financial resources within an organization. They set financial targets, allocate resources, and provide a basis for performance evaluation and corrective actions (Otley, 1999). Budgets promote coordination, accountability, and efficiency, resulting in improved firm performance (Hansen & Mowen, 2007).

Decision Support Systems: Decision support systems utilize financial and non-financial information to assist managers in making informed decisions (Atrill & McLaney, 2019). These systems employ techniques such as cost-volume-profit analysis, investment appraisal, and scenario analysis to evaluate alternatives. Effective decision support systems enhance decision-making quality, reduce risks, and optimize resource allocation, thereby enhancing firm performance (Langfield-Smith, 1997).

Performance Evaluation Systems: Performance evaluation systems measure and monitor individual, team, and organizational performance against predetermined goals and objectives (Merchant & Van der Stede, 2017). Key performance indicators (KPIs) are used to assess financial, operational, and customer-related aspects. Performance evaluation systems provide feedback, motivate employees, and drive continuous improvement efforts, leading to enhanced firm performance (Nuta, 2011; Ittner et al., 2003).

Strategic Management Accounting Systems: Strategic management accounting systems align MAPs with an organization’s strategic objectives. These systems integrate financial and non-financial information to guide strategic decision-making, performance measurement, and risk assessment (Simmonds, 1981). Strategic management accounting systems ensure that costing, budgeting, decision support, and performance evaluation systems are aligned with strategic goals, enhancing overall firm performance (Langfield-Smith, 2008).

2.2. Global Management Accounting Principles

According to CIMA (2015), global management accounting principles set to guide the implementation of MAPs. The four principles are:

Influence: The information obtained should provide insight that influences better decision-making in an organisation. Communication should be tailored so that it influences strategy development and execution.

Relevance: For management accounting information to provide influential insights, it should use the best available sources to get the most relevant information, which is the best context for the organisation.

Value: The impact of the value of the information should be analysed, and actions should be prioritised by their impact on outcomes. Information should be assessed to generate value for the entity.

Stewardship: Management accountants must be ethical, transparent, and trustworthy. Management accountants should ensure that business activities comply with the laws and should create and protect value for the entity (CIMA, 2021).

CIMA and AICPA asserted that in applying MAPs, entities should adhere to the four principles in a continuous manner rather than in a sequential manner (CIMA, 2015). These principles were created to guide management in responding quickly to risks, making better decisions, and safeguarding the market value of the entity (CIMA, 2021). For instance, for effective application of management accounting, accounting personnel need to be skilled, competent, and apply MAPs with integrity to achieve the desired output (CIMA, 2021). However, the effective application of the four principles rests on the following three factors:

- i. To achieve sustainable success, it is important to understand and appreciate the need for management accounting.
- ii. use of appropriate tools and techniques, which must be continually refined, and
- iii. diagnosis of the environment to identify areas for improvement (CIMA, 2015).

At the same time, the management accountant should understand the management accounting needs of the organisation while appreciating the existing management accounting techniques that can be applied by the organisation (CIMA, 2021). Dlamini (2020) attested that not all management accounting is applicable to all environments; there is a need for the accounting personnel to scan their environment and choose techniques that best fit their circumstances. The following section will discuss the benefits associated with the use of management accounting in an organisation.

2.3. Benefits of using MAPs

Management accounting is an information-providing tool for managers that enables them to successfully execute their management functions for the betterment of the organisation (Bhimani & Bromwich, 2010). Lucas *et al.* (2013) highlight that management accounting provides vital information for effective decision-making purposes as well as supports companies in gaining and sustaining competitive advantages through offering the best quality products and services. The provision of quality information for effective decision-making by management is the principal objective of management accounting (Drury, 2012). Kaplan & Atkinson (1998) further highlighted that organisations should make the management accounting function part of their strategy development and implementation team as well as the organisation's value-creation team. In addition, Ahmad (2012) stated that management accountants should be part of the decision-making process and strategy development. The author further



acknowledged the value of management accounting in enhancing profitability due to improved quality, effective utilisation of resources, timely deliveries, continuous improvement, and waste reduction (Ahmad, 2017).

Furthermore, managers, in the pursuit of having successful businesses, need both financial and non-financial information (Dlamini, 2020). Management accounting provides valuable services to managers so they can perform their activities (Chenhall & Langfield-Smith, 1998). The success of an entity is measured by how it performs towards achieving the desired planned targets (Mia & Clarke, 1999). In that respect, Ahmad (2012) highlighted productivity, market share, quality, new product development, revenue growth rate, return on equity, and cost as areas of performance measures. Research indicates that effective budgeting and cost analysis can help SMEs control expenses, improve resource allocation, and enhance profitability (Chenhall & Langfield-Smith, 1998). Proper implementation of performance measurement and variance analysis can facilitate performance evaluation and enable SMEs to identify areas for improvement (Ahmad, 2017). Several scholars have supported the view that MAPs are the tools that can be applied by entities to measure and ensure their success as they enhance their competitive edge (Lorenz, 2015; Ahmad, 2012; Reid & Smith, 2002).

2.4. Empirical Studies

Hoque and James (2000), as well as Maiga and Jacobs (2003), carried out a study where they assessed the impact of the balanced scorecard and ABC costing on firm performance. Their results concurred, showing that a balanced scorecard and ABC costing have a positive, significant effect on firm performance. Similarly, Kennedy and Graves (2001) conducted a study examining the adoption of ABC accounting by 74 companies listed on the London Stock Exchange. Their study revealed that the use of ABC costing increased the company's value, and the companies that used ABC costing outshone those that did not adopt ABC costing.

A study conducted by Maiga and Jacob (2006) examined how the benchmarking approach affects quality enhancements. The survey revealed that benchmarking has a strong, positive, and significant impact on quality enhancements. However, other studies disregard MAPs as a positive contributor to firm performance (Klammer, 1973). In studying the effect of using multifaceted capital budgeting methods on performance, Klammer (1973) revealed that there is no reliable relationship between the two variables; hence, there is no guarantee of improving firm performance by merely adopting multifaceted capital budgeting methods. However, the study by Klammer was conducted 47 years ago. It is probably that by then, the business climate was not characterised by sophisticated business conditions, as Lorenz (2015) highlighted that the business environment had changed drastically, especially in the late 2000s. The assertion by Lorenz (2015) was supported by the findings obtained by Lunkes, Ripoll-Feliu, Giner-Fillol and Silva da Rosa (2015), who conducted a comparative study on capital budgeting practices for port companies in Brazil and Spain. Their study revealed that investment appraisal techniques are still applicable and that they enhance long-term decision-making.

A study conducted in the USA by Gordon and Silvester (1999) exploring the effect of notice on a company's value for listed companies who are using ABC costing revealed that company stock values were not affected by the announcement, so they concluded that investors do not perceive ABC as a positive performance contributor. However, the conclusion drawn by Gordon and Silvester (1999)

cannot be used against the adoption of ABC systems since this was an announcement and not an empirical study by entities that have adopted the system.

The empirical evidence from the literature affirms that MAPs enhance the performance of both small and large entities (Chenhall & Langfield-Smith, 1998). Reid and Smith (2002) also emphasised that the use of MAPs among SMEs aids in their development and growth towards larger corporations. This was confirmed by Hopper *et al.* (1999), who also stated that MAPs play a critical role in the success of smaller entities as they provide information that empowers SMEs to face competition. Ahmad (2012) also affirms that MAPs improve the profitability of small businesses through continuous waste reduction, continuous improvement, and effective utilisation of resources. The relevant and meaningful information provided by MAPs further helps an entity improve its performance and cope with the rapidly changing business environment (Lunke *et al.*, 2015). Considering the benefits that accrue from the use of MAPs, it is therefore essential for SMEs to consider embracing MAPs because of their potential to enhance survival and growth (Ahmad, 2012).

3. Material and Methods

The study adopted a mixed-methods research design, as this approach combines qualitative and quantitative methods. This approach allows a comprehensive and holistic understanding of the use of MAPs in SMEs in Zimbabwe (Creswell & Creswell, 2017; Bryman, 2016). The use of both qualitative and quantitative approaches allowed for the exploration of both the subjective experiences of SME owners and managers as well as the objective financial and non-financial data associated with the benefits of using MAPs (Saunders, Lewis & Thornhill, 2019; Yin, 2017). A purposive sampling technique was used to select the respondents, as was applied by Sarfaraz and Mustafa (2021) in their study exploring the role of management accounting systems in the Indian manufacturing sector. Five-point Likert-scale questionnaires were used to collect quantitative data. The questionnaire included questions on the usage of MAPs, perceived benefits, and the impact on financial performance. Semi-structured interviews were conducted with SME owners, managers, and accounting professionals to gather qualitative data on their experiences, perspectives, and benefits related to the use of MAPs in SMEs (Denzin & Lincoln, 2017; Silverman, 2017; Marshall & Rossman, 2014). Data was collected from 188 SME firms; 173 questionnaires were returned; and 23 key informants were interviewed from the four provinces in Zimbabwe (Matabeleland North, Matabeleland South, Bulawayo Metropolitan, and Midlands). From the analysis of literature related to the use of management accounting, the study developed a conceptual model:

$$Fp = f(CBPDS)$$

Where:

Fp is the firm performance

CBPDS are MAPs under the five categories of management accounting: “costing systems, budgeting systems, performance evaluation systems, decision support systems, and strategic management accounting”. The model is presented in Figure 1.

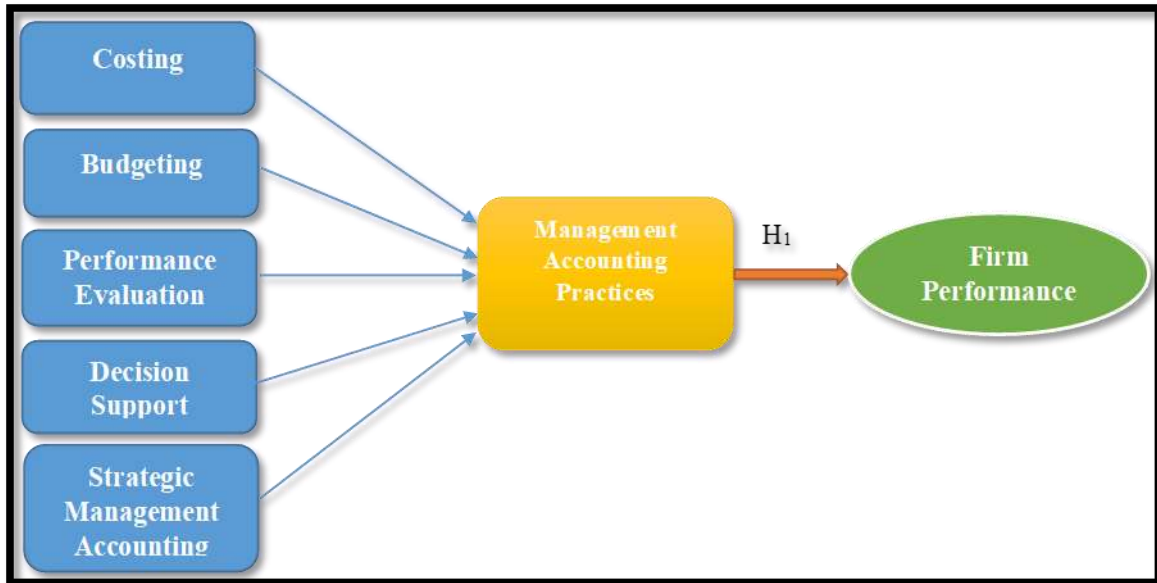


Figure 1. Conceptual Model
Source: Own formulation

Hypothesis

H₁: MAPs enhance firm performance among SMEs in Zimbabwe.

Table 1 provides a structured overview of the variables that are used in this study assessing the benefits of management accounting in enhancing financial performance among SMEs in Zimbabwe.

Table 1. Table of Variables

Variable	Description
<i>Dependent Variables</i>	
Financial performance	Overall financial health indicators of SMEs, including Return on assets and return on equity.
<i>*Independent Variables</i>	
Adoption of Management Accounting	The degree to which SMEs have implemented and integrated management accounting practices.
*Costing system	The ability of management accounting to identify, analyze, and control costs within SME operations.
*Budgeting system	Use of budgeting and forecasting techniques to plan and manage financial resources effectively.
*Performance evaluation	Utilization of key performance indicators (KPIs) and metrics for monitoring and evaluating financial performance.
*Decision support system	Application of various methods in enhancing effective decision making.
*Strategic Management Accounting	Integration of management accounting into strategic planning processes to align financial goals with business strategy.

Source: Own formulation

Regression model:

This research applied a regression model to ascertain the effects of MAPs on firm performance and SPSS version.

$$Fp = \beta_0 + \beta_1C1 + \beta_2B2 + \beta_3P3 + \beta_4D4 + \beta_5S5 + e...$$

Where:

F_p= firm performance

C₁= Costing

B₂= Budgeting

P₃= Performance evaluation

D₄= Decision support system

S₅= Strategic management accounting

In this model, the values of F_p, C₁, B₂, P₃, D₄, and S₅ were calculated using the mean score responses in all sets of Likert-scaled data provided by all SMEs. This approach was used by Ejike and Nweze (2019) in their study examining the effects of MAPs on financial performance in Nigeria. The study used descriptive statistics to summarize data obtained from the questionnaires, hence, frequencies, means, and percentages were used. Regression analysis was employed to explore relationships between variables and assess the significance of these relationships (Hair, Black, Babin & Anderson, 2019; Field, 2018). Data obtained from semi-structured interviews was transcribed from audio-records and thematically analysed, as suggested by Braun and Clarke (2006). Themes and patterns related to the use of MAPs were identified and coded. The analysis involved the identification of commonalities, differences, and emerging trends in the qualitative data. The qualitative and quantitative findings were integrated through a comparative analysis (Creswell & Clark, 2017). The convergence or divergence of the findings from both data sources was examined, and the results were synthesized to draw comprehensive conclusions regarding the benefits of using MAPs in SMEs in Zimbabwe. Triangulation was also applied in the integration of data from various sources. Triangulation collects quantitative and qualitative data, independently analyzes it, and draws conclusions with a separate analysis of each type of data (Almeida, 2018).

4. Results

Data collected using questionnaires and semi-structured interviews were analysed. Demographic information about participants is useful for contextualising their views about the phenomena under study (Ahmad, 2012; Muza, 2018). In this study, demographic information on the participants was collected in Part A of the research instruments. Data was collected from 188 SME firms; 173 questionnaires were returned; and 23 key informants were interviewed from the four provinces in Zimbabwe (Matabeleland North, Matabeleland South, Bulawayo Metropolitan, and Midlands). Most of the participants were in the range of 31 to 40 years (49%), followed by those in the range of 21 to 30 years (24%), those within the range of 41 to 50 years (20%), those above 51 years (7%), and there were no participants below 21 years.

Table 2. Profile of Respondents

		Frequency	Percent
Age of respondents			
	Below 20 years	0	0
	21-30 years	48	24
	31-40 years	99	49
	41-50 years	40	20
	Above 51 years	14	7
	Total	201	100
Highest education of respondents			
	PhD	0	0
	Masters	14	7
	Undergraduate degree	95	47
	Diploma	82	41
	Other	10	5
	Total	201	100
Size of the firm			
	Small	81	43
	Medium	107	57
	Total	188	100

Source: Own formulation

Table II reveals that 47% of the participants hold undergraduate degrees, 41% are diploma holders, 7% hold master’s degrees, 5% hold other qualifications, such as certificates, and there were no PhD holders. Those that held “other qualifications” possessed certificates from various professional boards, such as ACCA, CIMA, Zimbabwe Association of Accounting Technicians, and Certified Institute of Secretaries. Gray (2010) stated that management accounting is complex by nature, it requires appropriate and comprehensive training to be well understood. Drury (2012) further asserted that there is a need for personnel in the accounts department to be equipped with the knowledge and abilities necessary to deal with changes in management accounting. In light of the above assertions by Gray (2010) and Drury (2012), generally, in this study, most participants had the required qualifications to comprehend management accounting.

Table II also reveals that medium-sized firms have a higher representation of 57% than small-sized firms, which have a representation of 43%. The variations in the representation of these firms were noticed and anticipated at the initial stage of the study, so they did not distort the dataset, and this was similar to other previous studies (Ahmad, 2012; Ng & Kee, 2018). The study analysed data related to the use of MAPs by SMEs in Zimbabwe under five categories of MAPs as stated in Section 3. The study revealed that conventional MAPs are used more frequently than modern MAPs, as depicted in Table III.

Table 3. Usage of MAPs

Categories of MAPs	Other descriptive statistics		Frequency of use	
	Mean	Standard Deviation	Traditional MAPs	Contemporary MAPs
Costing Systems	4.31	0.87	82%	16%
Budgeting systems	4.06	0.93	73%	-
Performance evaluation systems	3.94	0.73	62%	33%
Decision support systems	3.87	1.01	59%	28%
Strategic management accounting systems	4.03	0.77	-	25%

Source: Own formulation

The findings revealed that in Zimbabwe, there is a low adoption rate of management accounting among small enterprises. Furthermore, the study also observed that Zimbabwean SMEs utilized traditional MAPs more frequently as compared to modern MAPs. For instance, 82% of the respondents use traditional costing systems, while contemporary costing systems have 16%. 73% use traditional budgets, and none use contemporary budgets. A mean value greater than 3 is seen as indicative of test-retest reliability (Ejike & Nweze, 2019). The standard deviation stood for the departure, or dispersion, from the “average” (mean). A low standard deviation indicates that the data points frequently lie very close to the mean, whereas a large standard deviation indicates that the data is distributed throughout a broad range of values. From the analysis above, the results reveal a low standard deviation, as shown in Table III. The responses from the survey reveal that the use of MAPs is important among SMEs in Zimbabwe and their application enable firms to raise more funds, as shown by a mean of 4.63 and a standard deviation of 0.74. Table IV depicts the results on the benefits of using MAPs by small businesses in Zimbabwe.

Table 4. Benefits of using MAPs

	Mean	Standard deviation
MAPs give businesses the ability to obtain capital more cheaply and in bigger volumes than they might otherwise.	4.63	0.74
The management accounting function creates plans that let the business take advantage of financial breakthroughs to establish a competitive edge that lasts.	4.01	0.56
The management accounting team indicates critical elements that affect performance as well as high-risk areas that need improvement.	4.32	0.87
To gain a competitive edge, management accountants put their expertise to use by helping managers assess potential profitability and impending hazards.	3.89	0.95
Risks are decreased and a competitive advantage is produced through the management accounting function.	3.88	0.91
Modern MAPs are applicable in Zimbabwe.	2.97	1.44
The management accounting division establishes the cultural values required for the firm to meet its strategic goals.	3.74	1.01
Management accounting provides information to management to facilitate decision-making.	4.07	0.82
The use of MAPs has led to a rise in return on equity.	4.26	0.85
The use of MAPs has enhanced return on asset.	4.05	0.67

Source: Own formulation

The above results indicate that SMEs establish a competitive edge by utilizing MAPs to evaluate profitable prospects and possible risks, and the managerial accounting role promotes the cultural values required to accomplish the strategic goals of a business. This result concurs with the findings by Ejike and Nweze (2019) and Ahmad (2012). Furthermore, the study also found that MAPs provide information to management to facilitate decision-making; this is in harmony with the extant literature, which cites management accounting as a tool that enhances effective decision-making (Lucas *et al.*, 2013; Drury, 2012; Bhimani & Bromwich, 2010). A mean of 4.26 and 4.05 based on the fact that MAPs have increased ROE and ROA reveals that management accounting enhances firm performance. These results were also obtained by Ahmad (2017). However, the study revealed that modern MAPs have fewer benefits among SMEs in Zimbabwe, and the respondents indicated in the interviews that most of the modern MAPs were not compatible with the prevailing economic environment in Zimbabwe. The

respondents highlighted that traditional MAPs yielded more benefits as they also required less sophisticated equipment and extensive training. Table 5 reveals the regression model summary.

Table 5. Model Summary

R	R Square	Adjusted R Square	Sig.
0.871 ^a	0.782	0.631	0.0002

The regression model indicates a p-value less than 5%, which shows that there are significant benefits to using MAPs among SMEs (R value of 0.871 and R squared of 0.782). The p-value is a statistical measure that determines the significance of a predictor variable in explaining the dependent variable’s variance. In this case, a p-value less than 0.05 suggests that the relationship between management accounting and firm performance is statistically significant.

5. Conclusion

The study sought to examine the benefits of using MAPs among SMEs in Zimbabwe. According to the survey, few SMEs in Zimbabwe are using management accounting. Furthermore, Zimbabwean SMEs use traditional MAPs more frequently as compared to modern MAPs. The results also revealed that the use of MAPs is important among SMEs in Zimbabwe, and they enable firms to raise more funds among small businesses. In addition, SMEs establish a competitive edge by utilizing MAPs to evaluate profitable prospects and possible risks, and managerial accounting role promotes the cultural values required to accomplish the strategic goals of a business. The study also found that MAPs provide information to management to facilitate decision-making and increase ROE and ROA, revealing that management accounting enhances firm performance. The regression model revealed that there are significant benefits obtained through the use of MAPs among SMEs. These findings were in harmony with extant literature and empirical findings from other studies (Ejike & Nweze, 2019; Ahmad, 2017; Lucas *et al.*, 2013; Ahmad, 2012; Drury, 2012; Bhimani & Bromwich, 2010). However, the research observed that the usage of MAPs is done on a voluntary basis as there are no regulations fostering its use; hence, there is a low usage.

In light of the above, it is recommended that the awareness on the benefits of using MAPs should be increased as it will enhance the uptake of MAPs. There is a need to increase awareness about the application of MAPs in SMEs, as these tools are critical elements for success. Policymakers should consider introducing financial incentives or tax breaks for SMEs that invest in the adoption of MAPs and this can ease the financial burden associated with implementing new accounting systems. Government and other stakeholders should encourage, and fund financial literacy programs targeted at SME owners and employees to enhance their understanding of MAPs as this can contribute to improved adoption and effective utilization. Furthermore, policymakers should offer consultancy services or establish advisory boards that provide guidance to SMEs on the effective implementation of MAPs. The results of this study may be used by professionals and scholars to comprehend the benefits of using management accounting, and the academic fraternity can further conduct more studies in MAPs among SMEs to address the paucity of literature.



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