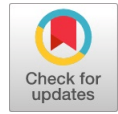


# Contribution of Recording of Accounting Data on The Performance of the Selected Supermarkets in Moshi Municipality, Tanzania



Ephraim Lewis, Nyanjige Mayala, Evans Ogoti

**Abstract:** This study aimed to assess the contribution of recording of accounting data on the performance of selected supermarkets in Moshi Municipality, Tanzania. This study was guided by the Records Continuum Theory, (1990s). The study used cross-sectional survey under quantitative approach method in assessing the accounting records in SMEs. It used a population of 150 small and medium businesses of supermarkets which are mainly registered to operate in Moshi Municipality area settings. The sample size was 100 small supermarkets, which was determined by using Slovin's formula. A simple random sampling technique was used to get respondents who were the managers, accountants /cashiers and storekeepers using two instruments; which were interview schedule and questionnaires. The interview schedule was for the managers and the questionnaires for accountants/cashiers and storekeepers. In ensuring validity of the research instruments, the researcher presented the questionnaires and the interview schedule to university experts for scrutiny and suggestion on their validity, relevance, clarity and suitability of the information contained. To establish the reliability and internal consistency of the research instruments, pilot testing was done with the help of Cronbach Alpha. The result of the Cronbach Alpha test was 0.749 of the reliability value, which indicated, that the tool (questionnaires) were reliable for the study. The study collected only primary data, and the quantitative data generated were analyzed using descriptive statistics which included percentages, frequency counts, mean and standard deviation, and data were presented using tables. The findings of the study showed that, recording of accounting data contributes to business performance between businesses (supermarkets). Based on the findings, it was concluded that, business enterprises especially supermarkets' performance is highly contributed by properly recording of accounting data, as indicated by the grand mean value of 4.20 which is above average of 3; and its standard deviation of 0.90. It was therefore recommended that SMEs should practice recording of accounting and maintain their financial records simple and consistent depending on the type of the businesses.

Education background of the accountants and storekeepers should be taking into consideration as the more they are educated, the more they reduce recording errors of the transactions; which will help to maintain constant financial performance. Authorities should decide and put into force some rules and regulations for any business, regardless of its size to perform recording of accounting of its activities because through the keeping of records; the business will maintain and increase its revenues and consequently the profits. This is because the authorities collect its taxes from the profits of these business enterprises.

**Key words:** Accounting, Accounting Practices, Small and Medium Enterprises, Business Performance, and Recording.

## I. INTRODUCTION

Recording of accounting data plays a vital role in running a business on the daily basis because it helps you track income and expenditures, ensure statutory compliance, and provide investors, management, and government with quantitative financial information which can be used in making business decisions. The American Institute of Certified Public Accountants (2022, [2]), defines recording of accounting as the process of classifying and summarizing in a significant manner and in terms of money, transactions and events which are, in part at least, of financial character and interpreting the result thereof. It is the process of identifying, measuring and communicating economic information to permit informed judgments and decisions by users of the information, (AICPA, 2022). Business performance, as used in practice by the AICPA, refers to a company's accomplishments as measured using a variety of metrics known as key performance indicators (KPIs), some of which include profitability, productivity, growth in sales revenues, assets, employment, and customer satisfaction ratings. Business performance will be indicated by increase in revenues of small enterprises, increase in assets and increase in number of employees. Terpilowski (2022, [20][26][8]) defined business performance as the ability of the organization to capitalize on its resources and accomplish its goals. However, this is a rather inclusive definition. The study consists of two important variable; which are accounting practices as the independent variable and business performance as dependent variable. In the context of Tanzania, small and medium enterprises are the mostly formalized undertakings engaging between 5 and 49 employees or with capital investment from Tshs.5 million to Tshs.200 million, and for the case of medium enterprises; they employ between 50 -99 number of employees with capital investment of above 200 million up to 800 million respectively.

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(URT, 2021) Recording of accounting data form an important part of management process in any organization as it provides essential information to the business in its initial stage of planning, controlling and decision making process. Good recording of accounting for instance enables entrepreneurs to make appropriate business decisions, ensure survival of the business and also monitor and evaluate business success. Therefore, recording of accounting refers to the normal, practical application of accounting policies that occurs within a business entity. The success or failure of any small and medium enterprise like those dealing with consumer goods (supermarkets), depends on keeping accurate and timely accounting information to give a clear business image, (Zotorvie, 2017, [23][24]). Recording practices involve the keeping of accounting records through documentations of all transactions of business entity including its assets, liabilities and capital related to the business.

Amoako (2018, [4]) puts it that, Small and Medium Enterprises are regarded as the bedrock for industrialization. They play a very important role in the process of industrialization as well as its sustainability in every economy. The contributions of Small and Medium Enterprises to the economic development of most developing nations are overwhelming. Small Enterprises help in providing employment for a country working population, contribute to the government revenue generation through the payment of income tax of these employees, providing income in terms of their profit they made, dividend and wages to household as the case may be. According to Amoako (2018), improving in SMEs will also contribute to expanding the size of the directly productive sector in the economy, generating tax revenue for the government and facilitating poverty reduction through fiscal transfer and income from employment and firm ownership. Most Small and Medium Enterprises especially those dealing with retail stores are not registered as corporate bodies but as a sole proprietorship in which the registration procedures are not rigid as compared to other forms of business organizations. Due to this advantage, SMEs of retail stores are the largest form of business organization as they are found in almost everywhere in the country and the world at large. Despite their numbers and their importance across the country, studies shows that 60% of these enterprises fail at the initial stage of five years of operations of the business (Amoako, 2018). Good use of financial records assists business them to plan properly and also to curtail misappropriation of resources (Mwebesa et al 2018, [14]). Muchira (2012) observed that, good financial recording of business data can positively influence management decisions of business owners or managers. SMEs have been the backbone of economic growth and in driving industrial development (Omolomo, 2015, [17]).

Financial recording system and reporting is very critical to ensuring the survival and growth of these small and medium businesses especially those of supermarkets. The keeping of proper records and writing of financial statement have great benefits for enterprises. They serve as an important management tool for every business then provide an accurate reflection of financial performance of the business. They also serve as a means to monitor performance and measure the accuracy of income and expenditure (Adjei and Anokye, 2017, [3][18]).

Due to the Lack of proper recording of accounting data system, different stakeholders involved with the SMEs face a lot of difficulties. Sometimes owners or managers of the SMEs fail to understand about the actual financial status of their own business. According to Wood (2015, [22]), recording of accounting data system provide a source of information to owners and managers of SMEs operating in any industry for use in the measurement of financial performance.. As they don't create financial statements and have no analysis, they frequently have very bad asset management, credit management, and internal recording systems. They are frequently discovered to rely on single entry, manual, and illogical accounting techniques. All these things make the many Small and Medium Enterprises of retail stores unable to sustain in the competitive and sophisticated business arena and face a threat to ensure growth and sustainability. Isaac, et.al (2014, [7]), stated that, poor accounting recording is one of the top ten reasons why SMEs fail. They further argue that you cannot be in control of a business if you do not know what is coming and going out of the business. Therefore, with no recording of accounting data for these business transactions, the business is operating blindly.

## II. STATEMENT OF THE PROBLEM

Any business that wants to expand and function well must retain accurate financial records, thus this need is crucial. According to URT (2021, [21]), Tanzania is home to more than 3 million SMEs that employ more than 5 million people. These SMEs are primarily in the informal sector, nevertheless. Despite declining from 62.5% of GDP in 1990 to 39.7% in 2020, [6][25], the informal economy's estimated size has increased (URT, 2021). The industry is still thought to employ 62.5% of the urban labor force annually, which is larger than the formal sector's projected 8.5% share. According to the Tanzania Chamber of Commerce, Industry, and Agriculture, small and medium-sized firms make up more than 95% of all businesses in Tanzania. The bulk of SMEs in Tanzania are found in the clothing and tailoring, furniture, food processing, and retail of consumer goods industries, with women playing a significant role in these industries (URT, 2021). The key justifications cited for these SMEs' focus on these industries are the low investment costs and the absence of the requirement for sourcing resources from outside in these industries. Together, they contribute about 35% of the country's Gross Domestic Product (GDP). Due to the significance roles played by SMEs, instance being supermarkets to the economic development of the world, regions and Tanzania for example, there will be a need to study on what contributes to their performance; recording of accounting as one of them, in order to ensure that they continue to provide services to the growing communities in efficient and effective manner. Despite their numbers and their importance across the country, studies shows that 60% of these enterprises fail at the initial stage of five years of operations of the business, (Amoako, 2018).



However, there are little similar studies in Tanzania, such as Mkonyi (2018); it is therefore paramount for business enterprises to practice recording of accounting data on the daily basis. This study will therefore try to study the contribution of recording of accounting data on the performance of SMEs, a case of selected supermarkets in Moshi Municipality.

### III. RESEARCH OBJECTIVE

To assess the contribution of recording of accounting data on the performance of the selected supermarkets in Moshi Municipality, Tanzania.

### IV. THEORETICAL FRAMEWORK

This study was guided by Records Continuum Theory. It works under the assumption that, where activities and interactions transform documents into records, evidence and memory that are used for multiple purposes over time is produced. The Records Continuum Theory is an abstract conceptual model that helps to understand and explore recordkeeping activities (as interaction) in relation to multiple contexts over space and time. Recordkeeping activities span a time period encompassing multiple action structures within recordkeeping, including contemporary recordkeeping, regulatory recordkeeping, and historical recordkeeping. Through policies, systems, organizations, processes, laws, and social mandates, archivists and record keepers are able to appraise records in a manner which accounts for the record from the time period prior to its creation to its use in current record keeping practices, (Alhassan & Muazu, 2014). The International Council on Archives defines the records continuum theory as ‘a consistent and coherent process of records management throughout the life of records, from the development of recording systems through the creation and preservation of records, to their retention and use as archives’ (Flynn, 2001, [5]). When operating in any one dimension of the continuum, all the other dimensions are present, although the particular focus may be creation, capture, organization or pluralization. The theory was formulated in the 1990s by Australian archival theorist Frank Upward. The theory provides the theoretical justification for keeping business records (Alhassan & Muazu, 2014). The theory involves a consistent and coherent regime of management processes of records from the time of the creation of these records through the preservation and use of those records. The records continuum theory focuses on the multiplicity of purposes. It aims at the development of record keeping systems that capture, manage, and maintain records with sound evidential characteristics for as long as the records are of value to the organization. (Mpumbane, 2020, [13]). The theory is based on four principles: The first principle is that, a concept of “record” which is inclusive of records of continuing value (archives) stresses their use for transactional, evidentiary, and memory purposes, and unifies approaches to archiving/recordkeeping, whether records are kept for a split second or a millennium. The second principle is that there is a focus on records as logical rather than physical entities, regardless of whether they are in paper or electronic form. The third principle is that institutionalization of the recordkeeping profession’s role requires a particular

emphasis on the need to integrate record keeping into business and societal processes and purposes. The final principle started that archival science is the foundation for organizing knowledge about record keeping. Such knowledge is revisable but can be structured and explored in terms of the operation of principles for action in the past, the present, and the future, (Mpumbane, 2020, [13]).

The theory promotes the integration of record keeping into the organization’s business systems and processes. The theory provides common understanding, consistent standards, unified best-practice criteria, and interdisciplinary approaches and collaborations in record keeping and archiving processes for both paper and digital worlds. It also provides sustainable record keeping to connect the past to the present and the present to the future, (McKemmish, 2001, [12]).

It provides a broader interpretation of records and record keeping systems offered by the lifecycle, (Flynn, 2001, [5]). The Continuum theory reminds us that records are created and maintained for use as a result of business and administration functions and processes, rather than as ends in them.

Given that record continuum does not define a record separately, the meaning and nature of records it contains in the recent electronic record environment are examined through the analysis of axis and dimension in a record continuum model. (McKemmish, 2001, [12]).

The theory is relevant in this study because it brings out the importance of keeping business records that can be helpful in tracking an organization’s performance. Without records, owners and managers of SMEs would remain oblivious of the progress of their firms. Other resource providers will not also know how well their resources are managed and whether or not they will get any returns from their investments. Record keeping has become the foundation on which the totality of modern businesses depends (Olukotun, et al, 2012, [16]). This is because record keeping helps a business to measure its performance and profitability. It can also assist owners to detect fraud quickly. Record keeping and good record management is, therefore, essential for any corporate body to grow and function effectively. (Olukotun, et al, 2012).

### V. REVIEW OF EMPIRICAL STUDIES

Kurniawati, (2016, [9]) carried a study on the impact of accounting records for business decision making and growth assessment of SMEs in Indonesia. A sample of seventy five SMEs was conveniently selected from Central Java, Indonesia. Data were gathered through interviews and questionnaires then analyzed through quantitative technique. The results showed that SMEs only kept records of cash inflows and outflows which helped the owners to assess their levels of income generated and how the businesses were growing. However scanty records were kept to assist in decision making. She recommended that SMEs be motivated to keep accounting records, since the role of SMEs in the development of any nation cannot be over emphasized.



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Yet their growth into bigger firms is often beset with many challenges. The study by Kurniawati (2016 [9]), 75 SMEs were insufficient to draw conclusion out of the population of his study. The quantitative technique of data analysis is unclear, taking into consideration that the data were gathered through interview and questionnaire. The researcher does not tell on which respondents used the questionnaires and the one used interview. The level of business growth cannot only be measured by income generated revealed from records kept on cash inflows and outflows. This study will however measure other key performance indicators of the level of performance other than income generated and education background of the practitioners of records keepers. In Cape Coast Metropolis, Ghana, a study by Lawrence (2017, [10]) looked at how business owners perceived the impact of accounting records on the expansion of small and medium-sized enterprises (SMEs). The study used a survey design and quantitative research methodology. A sample of 100 businesses was selected using the simple random sampling approach from a population of 135 registered SMEs from the Cape Coast Chamber of Commerce. For the study, structured survey questions were employed to collect primary data. 100 completed questionnaires were collected in total, and those were analyzed. Even though the majority (74%) of the SMEs surveyed believed accounting to be a crucial tool for business performance, the study indicated that the majority of them did not maintain comprehensive written records. Shortage of personal recording experience, a shortage of record keepers, a lack of resources, among other issues, were obstacles faced by SMEs owners in accounting. The majority of SME owners believed that accounting had an impact on SME performance, and the level of education of SME owners or managers also had a favorable link with their accounting practices, according to the study. This leads to the conclusion that the researcher wanted to investigate how SME owners perceived the impact of their accounting data. To make a sound judgment in that situation, the researcher needed both the quantitative and qualitative data. The qualitative data could be collected from the interview guide and quantitative data from the questionnaires of the research instruments which were ensured. To the contrary, this study collected quantitative data using questionnaires and the data from the interview schedule were used to supplement the data from the questionnaires. In Chuka Town, Kenya, Mutua (2015, [15]) conducted research on the impact of accounting methods on the expansion of small and medium-sized businesses. This study employed a survey methodology and an explanatory study design. Only 52.7% of the respondents had maintained financial records, according to the data. As a result, many firms lack useful records for the owner. The researcher concluded that accounting impacts on the growth and performance of SMEs in terms of level of sales, size of the business and level of profitability and there is need for cooperation therefore from all the stakeholders in ensuring small and medium businesses are operated in a more professional manner to attain the economic growth as whole. The researcher did not reveal the total number of population of the study and the sample size applied, that gave 52.7% of SMEs which kept financial records. Also, it was not told the exact figure of SMEs that lack financial records out of the population of the study. However, the researcher did not

mention some of these accounting impacts on the growth of SMEs. This study will address this gap to identify the number of SMEs which lack records keeping out of the population of the study. A second investigation into the impact of accounting records on the performance of Small and Medium Enterprises in Uganda was carried out by Mosha, (2019, [1]) at Entebbe Municipality. According to the report, most SMEs struggle to grow because of a number of obstacles, including inadequate accounting records. A company's ability to manage its finances and make wise financial decisions, which in turn enhances performance and growth, depends on having accurate accounting records. In addition to using questionnaires, secondary sources such reports, memos, and charters were examined. In order to understand and analyze the results and provide answers to the targeted research questions, the findings were processed using the SPSS data analysis tool. The research revealed that the majority of SMEs agree that maintaining accurate accounting records improves business operations, reduces record-keeping expenses, and fosters good record keeping. Additionally, business workshops provide details on how to maintain good records. A study of this nature should be conducted, however it should only focus on minor organizations. Finding out how small and medium-sized businesses are doing in terms of record keeping is important because the necessity for proper account record keeping grows as a business grows in size.. The researcher does not provide the methods or approaches applied and the research design employed. The total population and the sample size of the study were not given either, together with the sampling procedures. The researcher also did not describe the reliability and validity of the tools used in the study; and the exact figures obtained from the study through the primary and secondary data. This study will not consider secondary data but rather will confine itself in primary data by using quantitative approach in assessing the contribution of recording of accounting data in the performance of the selected supermarkets. In his study, Sunday (2022, [19]) reaffirmed that record-keeping is a crucial asset and the lifeblood of business, enabling every business endeavor to determine its financial situation at any time. His study's goal was to determine how financial records affected how well SMEs performed in Northern Taraba State, Nigeria. 95 SMEs were surveyed using a standardized questionnaire to gather primary data. Descriptive statistics and regression analysis were used to assess the data and test the hypotheses at 5% probability levels. Respondents concurred that asset records, inventory records, and cash records all had a favorable impact on the functioning of SMEs. The regression results revealed that 77% variations in the dependent variables are jointly explained by cash records, inventory records and assets records. It is therefore recommended that SMEs should perform records keeping and maintain their financial records simple and consistent employ experts in the field of accounting to guide and help reduce classification errors in books of original entries and sensitization of the SMEs on the needs to maintain constant financial performance.



The findings of the study do not show the impact of financial records on the performance of SMEs as the objective of the study state friendly rules and regulations regarding the establishment of SMEs and the regulatory constraints must be loosened to enable them run smoothly otherwise they will become a death trap for the businesses. However, they can use these findings to make the accounting practices mandatory by small and medium enterprises with considerations of their substantial benefits to them and the country at large. The study has gone through various empirical reviews related to the current study. Generally, most of the revealed studies have been conducted in different areas such as private companies, related business entities and public organizations. However, the present study was conducted in only private entities; which were the supermarkets to allow more findings. Moreover, most of the revealed studies have used both qualitative and quantitative in conducting their studies, but the present study will embrace only quantitative research approach in assessing the contribution of recording of accounting in the performance of the selected supermarkets in Moshi Municipality. In a nutshell, novelty of this study was embraced in filling these gaps.

### VI. METHODOLOGY

The study used cross-sectional survey under quantitative approach in assessing the contribution of recording accounting data in the selected supermarkets. The qualitative data generated from the managers by using the interview schedule were converted into themes, and were used to supplement the quantitative data. It used a population of 150 small and medium enterprises of selected supermarkets which are mainly registered to operate in Moshi Municipality. The sample size was the 100 supermarkets in this area, which was determined by using Silovin's formula. The total sample size for this study included 100 supermarket managers, 100 accountants or cashiers and 100 storekeepers. The purposive sampling technique was used to get respondents using two instruments which were questionnaires and interview

schedule. In ensuring validity of the research instruments, the researcher presented the instruments to the university experts for scrutiny and suggestions on their validity, relevance, clarity and suitability of the information contained in. To establish the reliability of the research instruments, pilot testing was conducted, in which; the researcher chose few respondents who were not part of the expected respondents in the study and gave them the questionnaires to check whether they will give the expected results as that of the actual field work. The researcher thereafter used Cronbach Alpha test on the results obtained, which resulted to reliability value of 0.749, indicating that the instrument was reliable for data collection. Only primary data were gathered for the study, and descriptive statistics, such as percentages, frequency counts, tables, means, and standard deviations, were used to assess the quantitative data produced. The SPSS program version 22 was used to examine the generated quantitative data.

### VII. FINDINGS AND DISCUSSION

After the researcher had given the questionnaires to the respondents, they filled in the tool and returned them to the researcher for analysis. Likewise the researcher administered the interview schedule to the managers of the supermarket, and those who had no time to be interviewed, the tools were left to them and being collected after the agreed time. Therefore, the following is the summaries of the resulted work:

#### A. Demographic Characteristics of Participants

This section presents the demographic information of the supermarkets accountants/cashiers and storekeepers. More specifically, this chapter only presents pertinent demographic information with implication to this study as they were inquired from the respondents. It is essential in this study in understanding certain background characteristics of the research participants. The demographic characteristics of the questionnaires respondents constituted of gender, age, education level, years of experience and their positions of work in the supermarkets. [Table 1](#) shows demographics characteristics of the mentioned participants:

**Table 1. Demographic Characteristics of the Accountants/Cashiers and Storekeepers (n=193)**

		f	N %
Gender	Male	84	44
	Female	109	56
Age	18-25	23	12
	26-35	96	50
	36-45	56	29
	Above 46	17	9
Education Level	Primary	9	5
	Secondary	60	31
	Diploma	79	41
	Degree	44	23
Years of Experience	Masters	0	0
	1-5	130	67
	6-10	53	27
	11-15	9	5
Position in your work	Above 16	1	1
	Accountant	53	27
	Cashier	46	24
	Storekeeper	94	49

Source: Field data, (2023)

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The survey included 84 men and 109 women from the supermarkets in the Moshi Municipality, as shown in table 1. This demonstrates that 44% of respondents were men and 56% were women. The fact that women often participate more in these enterprises can be used to explain why women are more dominant (URT, 2021). In addition, 44% of the responders were men and 56% were women. These findings indicate that there was representation of both male and female accountants/cashier and storekeepers in this study' females being more than males.

Also, data in table 1 present the age of the research participants in groups. This helped the researcher to know the number of participant adults in the business who participated in the study. The adult age started from 26 to 45 years old, in which 50% of the respondents in this category were the adult between 26-35 years old and 29% were the adult of the age between 36-45 years old. 12% were the participants below the adult age and 9% were the participants above the adult age. These findings indicate that there was representation of all major ages.

Education level of the participants was included in this study as shown in table 1, in order to help the researcher to know the level of knowledge of the participants in understanding the questions asked in the questionnaires.. The table reveals that only 5% of individuals had completed elementary school, while 31% had completed secondary school. On the other hand, none of the respondents had a master's degree; instead, 41% had a diploma and 23% had a degree. This is the implication that majority of the respondents had enough knowledge to understand what had been asked by the researcher in the questionnaires; therefore the answers given were true and valid.

The number of years of experience from table 1 was relevant in this study as it helped the researcher to know the level of experience of the participants in the study. This was however, grouped into four groups; in which group one was the

experience between 1-5 years which had 130 (67%) and between 6-10 years which had 53 (27%) participants. Furthermore, between 11-15 year had 9 (5%) of the respondents and above 16 years had 1 (1%) respondents. These findings show that, majority of the respondents had lower experiences in the work and therefore their responses are not sufficient to justify the asked questions. It is only 27% of the responses are strong enough to make justification of study.

Table 1 also shows the position of work of the respondents in the supermarkets. It was included in the demographic characteristics of the participants in order to help the researcher to have a focus of the targeted experts in keeping accounting records. As shown in the table 53 (27%) were the accountants, 46 (24%) were the cashiers and 94 (49%) were the storekeepers. This is implication that, majority of the supermarkets has employed few accountants as compared to cashiers and storekeepers. Much of the responses did not come from the expected employees, who were the accountants/cashiers but from the storekeepers.

### B. Contribution of Recording of Accounting Data in the Performance of the Selected Supermarkets

The purpose of the study was to acquire data on how the performance of the chosen supermarkets was affected by accounting recording. Surveys with both closed-ended (Likert scale) and open-ended questions were used to gather data for this study question. The surveys were given to storekeepers and accountants/cashiers at supermarkets. Furthermore, data for this research question were obtained from interview schedule conducted with the supermarkets managers. [Table 2](#) shows the responses of the accountants/cashiers and storekeepers on how recording of accounting contributes to the performance of the selected supermarkets.

**Table 2. The Responses of Accountants/Cashiers and Storekeepers on Contribution of Recording of Accounting data to the Performance of the Supermarkets (n=193)**

		SD		D		U		A		SA		Mean	SD
		f	N %	f	N %	f	N %	f	N %	f	N %		
i	Proper recording of accounting data brings improvement in your business.	5	2.6%	4	2.1%	8	4.1%	50	25.9%	126	65.3%	4.49	0.88
ii	Educational background of the accountant in recording of accounting data helps your business to bring proper accounting records	2	1.0%	4	2.1%	11	5.7%	88	45.6%	88	45.6%	4.33	0.76
iii	Your business insures that dates, descriptions and amounts recorded on Cash Sales Receipts are up to date in recording of accounting data.	2	1.0%	5	2.6%	29	15.0%	101	52.3%	56	29.0%	4.06	0.79
iv	Proper accounting data helps to provide profit of your business	4	2.1%	24	12.4%	16	8.3%	61	31.6%	88	45.6%	4.06	1.11
v	Proper recording of accounting data helps to keep daily business records up to date hence increase revenues of your business	8	4.1%	12	6.2%	8	4.1%	62	32.1%	103	53.4%	4.24	1.07
vi	Recording of accounting data enables the business to manage its finances which eventually increases current assets	2	1.0%	6	3.1%	25	13.0%	78	40.4%	82	42.5%	4.20	0.86
vii	Recording of accounting data helps to make good financial decisions of your business; such as employment decisions	3	1.6%	7	3.6%	24	12.4%	70	36.3%	89	46.1%	4.22	0.91



viii	Recording of accounting data simplifies the process of process of preparations of financial statements	6	3.1%	12	6.2%	14	7.3%	80	41.5%	81	42.0%	4.13	1.00
ix	Recording of accounting data always minimize errors which would have effects in decision making	4	2.1%	15	7.8%	16	8.3%	84	43.5%	74	38.3%	4.08	0.98
x	Fraudulent and theft actions are minimized by recording of accounting data.	6	3.1%	16	8.3%	19	9.9%	68	35.4%	82	42.7%	4.08	1.08
<b>Grand mean and standard deviation</b>											<b>4.20</b>	<b>0.90</b>	

**Source:** Field data, (2023) SD = Strongly Disagree, D = Disagree, U = Undecided, A = Agree and SA = Strongly Agree

The data in table 2 indicates that 176 (91.2%) of the respondent who were the accountants/cashiers and storekeepers agreed that proper recording of accounting brings improvement in their businesses, with also a strong mean of 4.49 and standard deviation of 0.88. This was disagreeing by (5%) respondents; this is the indication that there is a contribution between proper recording accounting and business performance. This implies that recording of accounting contributes to the performance of the supermarkets, and so business enterprises. The data in table 2 also indicates that, educational background of the recording staff helps the business in proper accounting records. This was agreed by 176 (91.2%) of the respondents and has the mean value of 4.33 and standard deviation of 0.76.

As indicated in the table, 2 respondents did not agree on the concept of proper accounting records and educational background as presented by the 2%. This implies that, educational background of the employees has a great contribution to the recording of accounting and eventually to business performance of the supermarkets.

81.3% of the respondents agreed of the business to ensure that dates, descriptions and amounts recorded on Cash Sales, receipts are up to date in recording of accounting data; only 17.6% of the respondents did not agree. Therefore, this indicates that supermarkets ensure that details such as dates, descriptions and amounts are recorded in the books and are up to date. In the issue of provision of profit of the business, The table number 1 shows that, more than half of the respondents (77%) with a mean of above average of 4.06 and standard deviation of 1.11. agreed that proper accounting records help to provide profits of the business. The data also indicate that, among 194 respondents 28 (14.5%) disagreed that proper accounting records help to provide profit of the business. This implies that there is a contribution of the accounting records of the business and the profits earned. This is in line with Mutua (2015), who conducted research on how accounting practices affect the growth of small and medium-sized businesses in Chuka Town, Kenya, and came to the conclusion that recording accounting data has an impact on how well SMEs perform in terms of sales volume, company size, and profitability. This finding implies that accurate accounting recording aids in the provision of firm earnings. Making sound financial decisions for the firm, such as hiring new employees, is aided by the recording of accounting data. This was agreed by 159 (82.4%) of the respondent and having a strong mean above average of 4.22 and standard deviation of 0.99. As a result, the recording of accounting data assists supermarkets in making wise business and employment decisions.

The data from table 2 also shows 165 (85.5%) of the participants with a mean value of 4.24 and standard deviation

of 1.07 agreed that, proper recording of accounting help to keep daily business records up to date and hence increase revenues of the business, it was only 20 (10.5%) of the respondents disagreed on that. This means, there is a relationship between recording of accounting and sales revenues of the business. ie. Proper recording of accounting data helps to keep daily business records up to date and consequently increase revenues of the business. This is in line with the findings by Kurniawat (2016), in his research on the impact of accounting records for business decision making and growth assessment of SMEs in Indonesia. Recording of accounting data also simplifies the process of process of preparations of financial statements as agreed by 161 (83.5%) of the participants and disagreed by 18 (6.3) participants, (table 2). Thus, the process of preparation of financial statements is highly contributed by recording of accounting data as indicated by the mean of above average of 4.13 and standard deviation of 1.00.

Table 2 shows that 160 respondents (82%) concur, with a mean above average of 4.20 and a standard deviation of 0.76, that capturing accounting data assists the organization to manage its finances, ultimately increasing its current assets. A total of 8 respondents (4%) disagreed with this, leaving 25 people uncertain. This suggests that the recording of accounting data contributes to increases in the company's current assets. Additionally, Sunday (2022, [19]) discovered in his research that asset records, inventory records, and cash records all had a favorable impact on the performance of SMEs. As a result of the aforementioned conclusion, it follows that accounting records help businesses manage their money and build up current assets.

More so, it has been agreed that, recording of accounting data always minimize errors which would have effects in decision making. This is concept was agreed by 158 (81.8%) of the respondents (table 2). This has been disagreed by 19 (9.9%) of the respondents and 16 respondents (8%) who did not decide. This implies that, errors which normally affect business decision making are minimized by recording of accounting data. This eventually shows that fraudulent and theft actions are minimized by recording of accounting. This is also consistent with the conclusions of the study by Moshia (2019, [11]), whose results showed that the majority of SMEs believe that good accounting records lead to business improvement and that a set of procedures helps to reduce record-keeping errors and develop proper record keeping.



## Contribution of Recording of Accounting Data on The Performance of the Selected Supermarkets in Moshi Municipality, Tanzania

Table 2 also shows that, majority of the participants agreed on fraudulent and theft actions are minimized by recording of accounting data. It is shown to have a valid percentage of 78.1%, mean value 4.08 and standard deviation of 1.08. Minority of the respondents, about 11.3% did not agree that fraudulent and theft actions are minimized by recording of accounting data. This is the implication that recording of accounting data helps to minimize fraudulent and theft actions in the supermarkets.

**Table 3. The Responses of the Supermarket Managers on the Contribution of Recording of Accounting Data on the Performance of the Supermarkets As Administered by using the Interview Schedule**

		f	N %
Sales revenues	Increase	89	92
	Decrease	5	5
Supermarket's assets	No impact	3	3
	Increase	85	89
	Decrease	6	6
Number of employee	No impact	4	4
	Increase	83	88
	Decrease	4	4
	No impact	7	7

Source: Field data, (2023)

Data in table 3 shows the response of the participants who were interviewed by the researcher by using the interview schedule. The researcher interviewed those managers who had immediate time, but those who had no time the interview schedule with open ended questions were left for them to fill in. The researcher collected back the responses on the agreed time. The managers were asked to give their views on what do they think were contribution of recording of accounting on the performance of the supermarkets. Table 3 shows the responses from the participants:

Therefore, table 3 supplements the data from table 2 due to the fact that, 92% of the respondent agreed that recording of accounting increases sales revenues, 89% agreed that increases supermarkets assets whereas 88% said it increases number of employees. It was only 5% who disagreed that contribution of recording of accounting increases sales revenues, 6% disagree its contribution in increase the assets; while 4% disagreed on it in increasing number of employees. It is found from this data that, recording of accounting contributes to increase in sales revenues, increase in assets and number of employees of the supermarkets.

### VIII. CONCLUSION

Based on the findings obtained above, it is concluded that, business enterprises especially supermarkets' performance is highly contributed by recording of accounting data. It also brings business improvements in the enterprises as agreed by majority and had a mean of 4.49 and standard deviation of 0.88. This is because the mean above 3 shows the strong relationship between variables, and smaller standard deviation indicates high grouped data and high level of precision between variables. Also, education background of the accountants/ cashiers and the storekeepers has a great influence to recording of accounting hence business performance. It helps the practitioners in recording of accounting to bring proper records keeping, as indicated by

strong mean of 4.33 and standard deviation of 0.76 Proper recording of accounting helps to increase business assets, as shown in the table with the mean of 4.22 and standard deviation of 0.86, therefore; it should be practiced by all business owners. Additionally, it was discovered that accounting tracking aided businesses in making wise financial choices, including hiring. This has a mean of 4.22 and a standard deviation of 0.91, which shows that the research participants strongly agreed on it. The business enterprises should practice proper recording of accounting in order to aid them especially during making employment decisions. The ability to manage finances thanks to accounting records eventually leads to a rise in current assets, which have a mean of 4.20 and a standard deviation of 0.86. It is therefore concluded that, recording of accounting contributes to increase in sales revenues, current assets and number of employees of the supermarkets because the overall results of the research objective has an above average mean of 4.20 and standard deviation of 0.90, (table 2).

### RECOMMENDATIONS

From the conclusion, the researcher recommends that, SMEs should do recording of accounting and maintain their financial records continually and consistent depending on the type of the business enterprises. This is because proper recording of accounting brings improvement to the business, helps management to make its financial decisions such as increase in assets and number of employees. Management of the businesses should ensure that recording of accounting practitioners have enough education background in order to maintain competence in recording of accounting. Also, recording of accounting helps business to increase its sales revenues; thus it is an inevitable exercise to business enterprises. Furthermore, those business enterprises which do not practice and keep accounting records should do so in order for their business to benefit from the findings. More so, authorities should decide and put into force some rules and regulations for any business, regardless of its size to keep accounting records. This is because through the records the business will get more revenues, increase profits and consequently increases government revenues by paying appropriate taxes from the profits made.

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