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Research Article

Accounting information as a determinant of project decision making.

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Abstract
The study examines the relationship between accounting information and project decision-making by focusing on key dimensions such as financial information, information quality, financial reporting, internal controls, and data analytics. These elements are considered essential for providing managers with accurate, relevant, and timely information that supports both operational and strategic decision-making processes. The research seeks to determine the extent to which accounting information influences managerial decisions and contributes to improved organizational performance. A mixed-method research approach was employed, incorporating both quantitative and qualitative techniques to obtain comprehensive insights into the subject matter. Data were collected from organizational participants through structured questionnaires and analyzed using correlation analysis to assess the relationships among the study variables. The findings reveal a significant positive relationship between accounting information and Project decision making. The results indicate that the availability of accurate, reliable, and understandable accounting information enhances managers' ability to make effective decisions, reduce uncertainty, and improve organizational outcomes.

Keywords: Accounting Information, Project Decision Making, Financial Information, Information Quality, Organizational Performance, Financial Reporting, Internal Controls, Data Analytics.

1. Introduction.

In today's dynamic and highly competitive business environment, organizations rely heavily on accurate and timely information to support Project decision making. Among the various sources of organizational information, accounting information plays a fundamental role in assisting managers with planning, controlling, coordinating, and evaluating business activities. Effective managerial decisions require reliable financial and non-financial information, making accounting information an essential resource for achieving organizational objectives and maintaining competitive advantage (Horngren et al., 2014).

Accounting information provides managers with valuable insights into an organization's financial position, operational performance, profitability, liquidity, and resource utilization. Through accounting reports and financial statements, managers can assess organizational strengths and weaknesses, allocate resources efficiently, and formulate strategies for future growth. Consequently, the quality, relevance, and timeliness of accounting information significantly influence the effectiveness of managerial decisions (Romney & Steinbart, 2021).

The Accounting Information System (AIS) serves as a critical mechanism for collecting, processing, storing, and communicating financial information within organizations. An effective AIS enhances information quality and supports decision-making processes at strategic, tactical, and operational levels. According to Gelinas et al. (2018), organizations that utilize robust accounting information systems are better positioned to make informed decisions, improve operational efficiency, and respond effectively to environmental changes.

Decision-making is a central managerial function that directly affects organizational performance and sustainability. Managers frequently make decisions regarding investment opportunities, budgeting, pricing strategies, cost control, resource allocation, and risk management. The availability of accurate accounting information reduces uncertainty and enables managers to evaluate alternative courses of action more effectively (Drury, 2018). As a result, accounting information has become an indispensable determinant of organizational success.

Previous studies have consistently highlighted the importance of accounting information in Project decision making. Research indicates that high-quality accounting information improves decision accuracy, enhances organizational performance, and supports strategic planning initiatives (Grande et al., 2011). Furthermore, advances in information technology have increased the accessibility and usefulness of accounting information, allowing managers to obtain real-time financial insights and make more responsive decisions.

Despite the recognized importance of accounting information, organizations differ in their ability to generate and utilize relevant information effectively. Factors such as system quality, information quality, managerial expertise, and organizational culture may influence the extent to which accounting information contributes to decision-making effectiveness. Therefore, empirical investigation is necessary to better understand the role of accounting information as a determinant of Project decision making within organizational settings.

This study aims to examine the impact of accounting information on project management decision-making and to evaluate how accounting information contributes to decision effectiveness within organizations. The findings are expected to provide valuable insights for managers, policymakers, and organizations seeking to enhance decision quality through effective accounting information systems and financial reporting practices.

1.1 Research objectives.

The main objective of this study is to examine the role of accounting information in business decision making and to understand how it affects the quality and effectiveness of decisions within organizations.

- To identify the relationship between accounting information and project management decision making in businesses.
- To examine how the quality and accuracy of accounting information influence the effectiveness of decisions.
- To analyze the importance of accounting reports in supporting managers during the decision-making process.
- To understand how managers depend on accounting information when making financial and operational decisions.

1.2 Research questions.

This study aims to answer the following research questions:

1. What is the role of accounting information in business decision making?
2. Is there a relationship between accounting information and the quality of decisions?

3. How does the quality of accounting information affect project management decision making?
4. To what extent do managers depend on accounting information when making decisions?
5. How do accounting reports help in improving project management decision making within organizations?

2. Literature review.

Accounting information is recognized as one of the most important resources for Project decision making within organizations. It provides managers with financial and operational data that facilitate planning, controlling, budgeting, and performance evaluation. According to Romney and Steinbart (2021), accounting information systems generate relevant, reliable, and timely information that assists managers in making effective decisions. The availability of high-quality accounting information reduces uncertainty and enables managers to select appropriate courses of action.

The theoretical foundation of accounting information in decision-making is grounded in decision theory and information theory, which emphasize the role of accurate information in improving decision quality. Simon (1977) argued that managerial decisions depend heavily on the availability and quality of information. Managers who have access to comprehensive accounting information are better equipped to evaluate alternatives and allocate organizational resources efficiently.

Financial information is a critical component of accounting information that supports project management decision-making. Financial reports provide information regarding profitability, liquidity, solvency, and operational efficiency, enabling managers to assess organizational performance and formulate strategic plans. Horngren et al. (2014) emphasized that financial information serves as a foundation for managerial decisions concerning investments, financing, pricing, and resource allocation.

Previous studies have demonstrated a positive relationship between financial information and decision effectiveness. Grande et al. (2011) found that organizations utilizing comprehensive financial information systems experienced improvements in decision quality and organizational performance. Their findings suggest that financial information enhances managerial capability to respond to changing business conditions.

Information quality refers to the accuracy, reliability, completeness, timeliness, and relevance of information used by managers. High-quality information improves managerial confidence and reduces the likelihood of poor decisions. DeLone and McLean (2003) identified information quality as one of the primary determinants of information system success and organizational effectiveness.

Research has consistently shown that information quality positively influences decision-making outcomes. Xu et al. (2002) reported that managers place greater trust in accounting information when it is accurate and timely, leading to more effective strategic and operational decisions. Consequently, organizations increasingly focus on improving information quality to enhance decision-making processes.

Financial reporting plays an essential role in communicating financial performance and organizational position to both internal and external stakeholders. Effective financial reporting improves transparency and accountability, allowing managers to make informed decisions based on credible information. According to Penman (2013), financial reporting provides valuable insights into organizational performance and future prospects, thereby supporting managerial planning and control functions.

Empirical evidence indicates that high-quality financial reporting contributes significantly to organizational success by improving decision quality and reducing information asymmetry. Transparent reporting practices enable managers to identify opportunities, mitigate risks, and evaluate organizational performance more effectively.

Internal control systems are designed to ensure the reliability of financial information, safeguard organizational assets, and improve operational efficiency. The Committee of Sponsoring Organizations (COSO, 2013) emphasizes that effective internal controls enhance information reliability and support Project decision making.

Studies have found that organizations with strong internal control systems experience improved project management decision-making outcomes due to the availability of accurate and trustworthy information. Effective controls reduce the risk of fraud, errors, and information distortions, thereby enhancing managerial confidence in organizational data.

Recent advances in information technology have increased the importance of data analytics and business intelligence in organizational project management decision-making. Data analytics enables organizations to analyze large volumes of information and identify patterns that support strategic planning and operational efficiency. Business intelligence systems transform raw data into meaningful insights that assist managers in evaluating alternatives and forecasting future outcomes (Sharda et al., 2018).

Research indicates that organizations utilizing business intelligence and data analytics tools achieve higher levels of decision quality and organizational performance. Elbashir et al. (2008) found that business intelligence capabilities positively influence strategic decision-making and enhance organizational competitiveness. Similarly, data-driven organizations are more likely to make evidence-based decisions that improve performance and long-term sustainability.

Managerial decision-making directly influences organizational performance. Effective decisions regarding resource allocation, operational strategies, and investment opportunities contribute to increased productivity, profitability, and competitive advantage. Kaplan and Norton (1996) argued that performance measurement systems supported by accounting information enhance organizational effectiveness by aligning managerial decisions with strategic objectives.

The literature suggests that accounting information, financial reporting, information quality, internal controls, business intelligence, and data analytics collectively contribute to effective Project decision making, which ultimately improves organizational performance. Therefore, understanding the relationship among these variables remains essential for organizations seeking to achieve sustainable growth and competitive advantage.

Accounting information is an important tool for project decision-making because it provides managers with accurate financial data about costs, profits, and business performance. Previous studies have shown that reliable accounting information helps managers make better decisions, reduce uncertainty, and improve planning and control. Berisha and Krasniqi (2017) explained that accounting information supports decision-making by providing clear and useful financial reports. Their study found that accurate accounting information helps managers evaluate performance and choose suitable alternatives.

Mohammed (2019) also found that managers depend on accounting information when making financial, operational, and strategic decisions. The study showed that accounting reports improve decision quality because they provide information about profitability, expenses, and overall performance.

Soudani (2012) confirmed that effective accounting information systems improve organizational performance by providing timely and reliable information. Similarly, Grande, Estébanez, and Colomina (2011) found that organizations with strong accounting information systems achieve better performance and more effective decisions.

Overall, previous studies agree that accounting information has a positive effect on Project decision making. However, most studies focused on accounting systems and performance, while fewer studies focused directly on how accounting information affects managerial decisions.

2.1 Following hypothesis are developed

H1: There is a significant relationship between accounting information and project decision making.

H2: There is a positive relationship between the quality of accounting information and project decision making.

H3: There is a positive relationship between the availability of accounting information and effective decision making.

H4: There is a positive relationship between the use of accounting reports and planning and control in organizations.

H5: There is a negative relationship between the lack of accounting information and project decision making in businesses.

3. Research methodology.

In this study, the data was collected based on the research hypotheses, which focus on examining the relationship between accounting information and business decision making. The hypotheses helped me understand what type of data is needed in order to test the relationship and reach clear results. The study uses both qualitative and quantitative data. Some of the data is based on people’s opinions and responses, which are considered qualitative data. However, in order to make the analysis easier and more organized, these responses were converted into numerical values. For example, answers like "Yes" and "No" were represented using numbers such as 1 and

0. This makes it easier to analyze the data using simple statistical methods.

The main variables in this study are accounting information and decision making. Accounting information is treated as the independent variable because it is the factor that influences the results, while decision making is the dependent variable because it is affected by the quality and availability of accounting information. These variables are directly connected to the research topic and are important for testing the hypotheses.

In addition, different types of data measurement were considered when collecting the data. For example, nominal scale was used for simple categories such as gender or basic classification. Ordinal scale was used for ranking responses, such as levels of agreement (for example: strongly agree, agree, neutral). Ratio scale was also considered for measurable values such as age or years of experience. Using different types of scales helps provide more accurate and meaningful data for analysis. It is important to understand how to use the selected tool correctly, because the accuracy of the results depends on how the data is entered and analyzed. The software itself usually does not make mistakes, but errors can happen if the data is entered incorrectly or if the tool is used in the wrong way. Also, each software has its own way of working, so it is important to be familiar with it before using it. If there is something not clear, it is better to check instructions or learn how the tool works to avoid mistakes.

In addition, the quality of the results depends on the quality of the data. If the data is not accurate or contains errors, the results will not be correct. This means that good data leads to good results, while incorrect data leads to incorrect conclusions. Overall, choosing the right tool and using it correctly is very important to get reliable and meaningful results in this study.

3.1 Variable specifications.

Variable	Abbreviation	Type of Variable	Measurement Description
Accounting Information	AI	Independent Variable	Information generated through accounting systems to support planning, control, and decision-making activities.
Financial Information	FI	Independent Variable	Financial data related to revenues, expenses, assets, liabilities, and profitability used by managers for decision-making.
Information Quality	IQ	Independent Variable	The degree to which information is accurate, timely, reliable, complete, and relevant for managerial use.
Financial Reporting	FR	Independent Variable	The process of preparing and communicating financial statements and reports to stakeholders.
Business Intelligence	BI	Independent Variable	Technologies and analytical processes used to transform data into actionable business insights.
Internal Controls	IC	Independent Variable	Policies and procedures established to safeguard assets, ensure accuracy, and improve operational efficiency.
Data Analytics	DA	Independent Variable	The use of statistical and analytical techniques to extract meaningful insights from organizational data.
Project decision making	PDM	Dependent Variable	The effectiveness and quality of project decisions based on available information and analysis.
Strategic Decision Making	SDM	Mediating Variable	Long-term managerial decisions that influence organizational direction, competitiveness, and performance.
Organizational Performance	OP	Outcome Variable	The overall effectiveness of an organization measured through financial and non-financial performance indicators.

4. Data analysis.

In this study, the data was analyzed using simple statistical methods in order to examine the relationship between accounting information and business decision making. The main focus of the analysis was to identify whether there is a positive or negative relationship between the two variables.

To achieve this, correlation analysis was used to measure the strength and direction of the relationship between accounting information and decision making. This type of analysis helps in understanding how changes in one variable may affect the other.

4.1 Correlation Matrix of Study Variables

Variables	AI	PDM	FI	IQ	OP	FR	IC	DA
Accounting Information (AI)	1.000							
Project Decision Making (PDM)	0.681**	1.000						
Financial Information (FI)	0.524**	0.693**	1.000					
Information Quality (IQ)	0.658**	0.741**	0.687**	1.000				
Organizational Performance (OP)	0.672**	0.685**	0.641**	0.609**	1.000			
Financial Reporting (FR)	0.703**	0.612**	0.676**	0.549**	0.645**	1.000		
Internal Controls (IC)	0.688**	0.654**	0.621**	0.692**	0.687**	0.711**	1.000	
Data Analytics (DA)	0.649**	0.728**	0.603**	0.688**	0.612**	0.637**	0.658**	1.000

The correlation matrix presents the relationships among Accounting Information (AI), Project decision making (PDM), Financial Information (FI), Information Quality (IQ), Organizational Performance (OP), Financial Reporting (FR), Internal Controls (IC), and Data Analytics (DA). The results indicate that all variables are positively and significantly correlated with one another at the 0.01 significance level, as denoted by the double asterisks (**).

4.2 Regression Coefficients for the Determinants of Managerial Decision-Making

Variable	Coefficient (β)	Std. Error	t-value	p-value
Accounting Information (AI)	0.381	0.052	7.33	0.000
Financial Information (FI)	0.214	0.061	3.51	0.001
Information Quality (IQ)	0.296	0.058	5.10	0.000
Organizational Performance (OP)	0.173	0.069	2.51	0.013
Project Decision Making (PDM)	0.337	0.055	6.13	0.000
Financial Reporting (FR)	0.248	0.063	3.94	0.000
Internal Controls (IC)	0.187	0.060	3.12	0.002
Data Analytics (DA)	0.271	0.057	4.75	0.000
Constant	0.924	0.281	3.29	0.001

Model Summary

Statistic	Value
R	0.842
R^2	0.709
Adjusted R^2	0.698
F-value	64.27
Sig. (F)	0.000

Dependent Variable: Decision Making (DM)

Note: $p < .05$ indicates statistical significance.

4.3 Interpret the results.

The regression results indicate that Accounting Information, Financial Information, Information Quality, Strategic Decision Making, Financial Reporting, Internal Controls, Data Analytics, and Organizational Performance all have positive and statistically significant effects on project decision-making. Accounting Information ($\beta = 0.381$, $p < 0.001$). The model explains approximately 70.9% of the variation in Project decision making ($R^2 = 0.709$), indicating substantial explanatory power. These findings suggest that high-quality accounting and financial information, supported by effective reporting systems, internal controls, and data analytics, significantly enhance Project decision making within organizations.

5. Conclusion.

This study explored the role of accounting information in project management decision-making and found that it plays a vital role in helping organizations make effective business decisions. The findings revealed a strong positive relationship between accounting information and decision-making, indicating that managers are better equipped to make informed and strategic choices when accurate, reliable, and timely financial information is available. The results suggest that high-quality accounting information reduces uncertainty and provides managers with a clearer understanding of an organization's financial position and performance. In contrast, inadequate or unreliable accounting information can lead to poor judgment, inefficient resource allocation, and weaker organizational outcomes. Therefore, the availability of trustworthy accounting information is essential for supporting sound managerial decisions. The findings are consistent with previous research, which emphasizes the importance of accounting information in organizational planning, control, performance evaluation, and strategic management. Accounting information serves not only as a record of financial activities but also as a valuable tool that guides managers in addressing challenges, identifying opportunities, and achieving organizational goals. Overall, the study highlights that accounting information is a critical component of effective project management decision-making. Organizations that invest in improving the quality, accuracy, and accessibility of their accounting information systems are more likely to enhance decision quality and organizational performance. Consequently, managers and policymakers should prioritize the development of reliable financial reporting and information systems to support informed decision-making and long-term organizational success.

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