

## MANAGEMENT ACCOUNTING PRACTICES OF THE PHILIPPINES SMALL AND MEDIUM-SIZED ENTERPRISES

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### ABSTRACT

The use of appropriate and adequate management accounting techniques can solve everyday business problem and can become a source of competitive advantage. This study describes the managerial use of management accounting information in developing country using a greater number and extensive description of the SMEs demographic profile, the level of its usefulness and understandability about the function of each management accounting practices undertaken. The findings of the study suggest that in the present day's business environment, enterprises are in need of help more of accountants as their business partner. Small enterprises obtained higher appreciation about the use of statement of cash flow analysis and operating budgets while financial budgets, capital budgeting decisions, managing customers' relationship and operating budgets were the very useful tools for the medium enterprises. It was appropriate that medium firms utilized more tools due to the nature and complexity of their operations. Small-sized enterprises might not really need some of the tools investigated, as medium-sized would. Overall, small and medium manufacturing enterprises know the cost-benefit approach of utilizing each tool for the organization activities. It can be effective in some situations but may not be successful in others. Therefore, the appropriateness of management accounting information depends upon the resources, operating activities, strategies and the size of the organization.

**Keywords:** Accountant, Manager, Management Accounting; Management Accounting Tools (MATs); Small-Medium-Sized Enterprises (SMEs).