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Abstract

Title: The use of accounting as support for decision-making in Small and Medium-sized Enterprises: A case study for companies in the furniture and wood sector

The Portuguese business landscape is characterized by an overwhelming predominance of Small and Medium-sized Enterprises (SMEs), which represent approximately 99% of all productive units (INE, 2023), playing a decisive role in the national socio-economic dynamism. This relevance is particularly pronounced in the region covering the municipalities of Paredes and Paços de Ferreira, specifically in the industrial hubs of Lordelo and Rebordosa, where the furniture and wood sector constitutes the core of the local economy. However, accounting practices in these organizations are often limited to an instrumental function of tax and legal compliance, which significantly restricts their potential as a strategic management support tool. As evidenced by the literature (Pedroso & Gomes, 2024; Lavia López & Hiebl, 2018), an excessive reliance on the manager's intuition and empirical experience prevails in these contexts, to the detriment of structured accounting information.

Faced with this problem, this research aims to evaluate how SMEs use accounting to support decision-making and influence business performance. The specific objectives include identifying the prevalent management accounting practices in the region, assessing the level of literacy and valuation of financial information by managers, and analyzing the perception of the impact of these systems on organizational performance. Additionally, the study explores improvement opportunities through digital accounting and the implementation of Business Intelligence tools and Enterprise Resource Planning (ERP) systems.

In terms of methodology, an exploratory research approach with a mixed methods design (quantitative and qualitative) was chosen, allowing for both the measurement of practices and a deep analysis of local managers' subjective perceptions. Data collection will be operationalized through structured questionnaires directed at managers in the furniture and wood sector, strictly respecting the principles of informed consent and confidentiality. This study intends to bridge gaps in regional research and provide empirical evidence that values management accounting as an indispensable strategic asset for the competitiveness, resilience, and sustainability of local companies in the global market.

Keywords: Accounting; Decision-making; SMEs; Furniture Sector; Management Accounting.