

The Role of Financial and Non-Financial Information in the Perceived Effectiveness of Decision-Making in Portuguese SMEs

ABSTRACT

In an increasingly complex and uncertain business environment, organisations face growing demands in decision-making processes aimed at ensuring their sustainability and competitiveness. Within this context, access to relevant, reliable, and timely information becomes particularly important. Although financial information has traditionally been regarded as the primary support for decision-making, it is acknowledged that, when considered in isolation, it may be insufficient to capture the full complexity of organisational performance. In this regard, non-financial information emerges as an essential complement, incorporating strategic, operational, social, and environmental dimensions that influence value creation. Therefore, the interplay between financial and non-financial information and its relationship with decision-making effectiveness constitutes a relevant field of research within the context of Portuguese Small and Medium-sized Enterprises (SMEs).

The main objective of this study is to analyse the role of financial and non-financial information in the perceived effectiveness of decision-making in Portuguese SMEs. More specifically, the study seeks to characterise the patterns of use of these two types of information by managers, examine their association with the perceived effectiveness of decisions, and identify potential differences according to company size and sector of activity.

From a methodological perspective, the research is grounded in a positivist philosophy, based on the assumption that reality can be observed and analysed through measurable data. The approach adopted is deductive, relying on the formulation of hypotheses derived from the literature and their subsequent empirical testing. This is an explanatory study of a quantitative nature, which involves the collection of primary data through the administration of a questionnaire to managers of Portuguese SMEs. The data collected will be analysed using appropriate statistical techniques in order to test the proposed relationships between the variables under study.

It is expected that the findings will contribute to the advancement of the literature on decision-making processes in the SME context by providing empirical evidence on the relevance of integrating financial

and non-financial information. From a practical perspective, the study may support managers in adopting more informed and consistent decision-making practices, thereby fostering improvements in organisational performance and business competitiveness.

Keywords: Accounting; Financial Information; Non-Financial Information; Decision-Making; SMEs

Nome: Juliana Maria Ferreira Babo

Número de aluno: PG55475

Email: pg55475@alunos.uminho.pt

Mestrado: Contabilidade