

Accounting Practices and Organizational Performance of Small Enterprises in Batangas City

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Abstract—The challenge of every small enterprise owner is to sustain and prolong the business operation. It is fundamental for every business to have proper accounting practices to facilitate efficient economic decisions. This study assessed the level of organizational performance of small enterprises in terms of organizational goal achievement, organizational effectiveness, and organizational efficiency records. It also measured the level of accounting practices in record keeping, budgeting practices, and payroll accounting. The correlation between the two variables were also determined because the researchers believe that this would help elevate the business as well as the country's economy. Statistical Package for Social Sciences (SPSS) was employed in the statistical analysis of data and Pearson moment of correlation (Pearson-r). A total of 60 respondents participated in the survey. Based on results, small enterprise owners or the bookkeepers practiced to highly practiced accounting practices with good to excellent organizational performance when grouped to years of operation and nature of the business. It also indicated that there is a strong positive relationship between accounting practices and organizational performance. Specifically, recordkeeping, and payroll accounting resulted in a very strong relationship to organizational efficiency records with computed r-values of .802 and .775, respectively. The researchers proposed an extension activity for small enterprise owners in Batangas City improve their accounting practices and organizational performance.

Index Terms—accounting practices, budgeting, payroll organizational performance, record keeping, small enterprises

I. INTRODUCTION

There are numerous ways to measure the organizational performance of small enterprises. Positive organizational performance leads to a positive effect on the economic growth of developing or developed countries. Having a good outcome on the organizational performance results in having a good flow of the economy between owners and customers. One of the measurements on how organizations perform good economic decisions is by the provision of financial information. It is fundamental to exercise proper accounting practices in order to supply efficient economic decisions made by business owners.

In the news from Manila Times dated January 30, 2016, Marcos states that Philippines small enterprises are not powerful in the ASEAN integration in the absence of government support. He added that SMEs comprise 99.6 percent of businesses in the country which includes 70% of employment for the country's total workforce. This means the downfall of the small enterprises will mean the downfall of the greater Philippine society. As of 2020, there are 106,175 total number of small enterprises in the country (Manila Times, 2016).

In the Philippines, the level of experience of small enterprise owners or the bookkeepers in accounting practices is not as much as competitive that affects their economic decisions toward organizational performance of the business. In addition to this, most of the owners hire external accountants to comply with business requirements in regard to accounting. The level of knowledge of business owners

relies on the skills of accountants alone and not on the business owners or the bookkeepers of the small enterprises that greatly affects the business performance.

Every small enterprise has its own challenge in order to maintain or to achieve a positive organizational performance. Small enterprise owners in Batangas City have their own difficulties in order to survive the competitive environment of different markets in the city, the economic change in the province, the stability of the profit and such. In order to surpass all of the challenges, proper accounting practices are needed for every small enterprise owners or the bookkeepers. There are 578 small enterprises in the city which comprises 75% of the total small and medium enterprises or SMEs. Moreover, what makes it more challenging is the lack of small enterprise owner or the bookkeepers in skills and knowledge about accounting practices. Owners or bookkeepers having few or worse, none, basis of financial information about their own business makes it more difficult to make economic decisions. This leads to negative or poor organizational performance.

In March 2020, the COVID-19 pandemic affected the business performance by having a lockdown in Batangas province. Small enterprises owners struggled on sustaining their operations. Some were unfortunately closed with poor organizational performance. This problem alarmed the people on how to improve or have a resolution on achieving positive organizational performance.

The accounting practice of record keeping, budgeting practices and payroll accounting, are the basic practices for the small enterprise owners or the bookkeepers to have.

Furthermore, goal accomplishment, effectiveness, and efficiency records are all indicators of an organization's performance. Therefore, this study was conducted in order to measure the correlation of accounting practices and the organizational performance of small enterprises in Batangas City.

II. OBJECTIVES

This study was conducted to measure the relation of accounting practices and the organizational performance of small enterprises in Batangas City. With this, the researchers proposed extension activities to help business owners who struggle in sustaining or achieving good organizational performance in relation to the extent of the accounting practices done on their respective businesses. The extension activities rely on the correlation between the two variables to have precise and practical strategies for small enterprise owners or the bookkeepers in Batangas City. Specifically, this study sought to answer the following questions:

1. What is the profile of small enterprises in Batangas City in terms of:
 - 1.1. number of years in operation; and
 - 1.2. nature of the business?
2. What is the level of accounting practices of small enterprises in terms of:
 - 2.1. record keeping;
 - 2.2. budgeting practices; and
 - 2.3. payroll accounting?
3. To what extent do the organizational performance of small enterprise be assessed in terms of:
 - 3.1 organizational goal achievement;
 - 3.2 organizational effectiveness; and
 - 3.3 organizational efficiency records?
4. Do accounting practices relate to organizational performance of small enterprises?
5. How may accounting practices and organizational performance be compared when grouped according to profile?
6. What extension activities may be proposed to help small enterprise owners improve their organizational performance?

III. MATERIALS AND METHODS

Descriptive method was considered by the researchers to achieve the objectives of this study.

To solve the problems, analysis on correlation and comparison of the profile of the respondents and variables, respectively, were done. Information from the respondents, by the use of survey questionnaires given to them, served as the primary sources of this study while the secondary sources used were the journals, literature, studies, and articles.

On the trial run or dry run of the study, the target respondents were 30 small enterprise owners or the bookkeepers in Bauan, Batangas. The result must prove its reliability for the study to proceed on the actual data gathering. The statistician gave 0.988 reliability statistics

which was interpreted as excellent.

The researchers conducted a researchers' constructed survey questionnaires appropriate on the statement of the problem of this study. The questionnaire aimed to differentiate the profile of the respondent through its classification. Also, it was divided into its six sections to have a precise understanding of sub variables used in accounting practices and organizational performance. It served as a tool on knowing the level of accounting practices and organizational performance of small enterprises by four-key point Likert Scale is by having a 1-4 scale, 1 as its low level and 4 as its high level.

In the assessment of accounting practices of small enterprises, the Likert Scale measuring frequency as shown below was utilized:

Table 1. Accounting Practices Rating Scale

Response Scale	Mean Score	Interpretation
4	3.50-4.00	Highly Practiced
3	2.50-3.49	Practiced
2	1.50-2.49	Least Practiced
1	1.00-1.49	Not Practiced

In the assessment of organizational performance of small enterprises, the Likert Scale measuring agreement as shown below was utilized:

Table 2. Organizational Performance Rating Scale

Response Scale	Mean Score	Interpretation
4	3.50-4.00	Excellent
3	2.50-3.49	Good
2	1.50-2.49	Poor
1	1.00-1.49	Very Poor

The Statistical Package for Social Sciences (SPSS) was employed in the statistical analysis of data. Specifically, frequency and percentage, weighted mean, and Pearson-r for correlation were used.

IV. RESULTS AND DISCUSSION

Table 3. Distribution of Respondents by Years of Operation

Years of Operation	Frequency	Percentage
5 years and below	22	36
6-10 years	6	10
11-15 years	1	2
16-20 years	13	22
More than 20 years	18	30
Total	60	100

Results showed that most of the small enterprises in Batangas City were operating for 5 years and below. Having the most number of respondents operating for 5 years and

below can be associated with the fact that even in their starting years, small enterprise owners or the bookkeepers were already conducting such accounting practices. As Reynolds (2012) has mentioned in the article 'Why Building a Great Business Takes Time', the results of the statistics from Forbes is that successful small enterprises are created over years rather than months.[8]

Table 4. Distribution of Respondents by Nature of the Business

Nature of the Business	Frequency	Percent
Services	38	63
Merchandising	7	12
Financial Institution	2	3
Manufacturing	5	8
Real Estate	7	12
Others	1	2
Total	60	100

Results showed that the majority of the small enterprises in Batangas City were classified as service based on the nature of the business. This can be associated with the fact that small enterprises that provide services have a high appreciation of the use of accounting practices as part of their operations. According to Prachi (2018), business is a regular process of making money by serving the demands of customers through manufacturing products, distributing commodities, offering services, or doing all three at the same time.[7]

Table 5 Record Keeping

Record Keeping	Mean	Interpretation
The business is ...		
1. requiring various source documents (official receipts, vouchers, invoices etc.)before recording financial transactions.	3.73	Highly Practiced
2. maintaining the reconciliation of general account books, cash book records, and banking records.	3.53	Highly Practiced
3. preparing financial statements including income statement, balance sheet, changes in equity, statement of cash flows and notes to financial statements on a regular basis.	3.53	Highly Practiced

4. distributing transaction information to operations personnel to coordinate many of their key tasks.	3.48	Practiced
5. maintaining subsidiary records of its creditor/suppliers accounts.	3.43	Practiced
6. recording every transaction aligned to its account titles included in the chart of accounts	3.42	Practiced
7. providing backup of files to minimize risk of data loss.	3.38	Practiced
8. using computer equipment and/or other technology in recording transactions and preparing financial reports.	3.25	Practiced
9. using computer assisted software (example Microsoft word, excel or other similar applications) in recording transactions.	3.23	Practiced
10. maintaining an accounting department which is composed of qualified personnel.	3.22	Practiced
Composite Mean	3.42	Practiced

In terms of record keeping in the level of accounting practices, the results revealed a computed composite mean of 3.42 with verbal interpretation of practiced. It can be obtained in the results that record keeping is part of the measurement of accounting practices. Small enterprise owners or the bookkeepers in Batangas City practiced record keeping as part of their accounting practices in their respective businesses. This implies that respondents maintain the practice of record keeping in order to maintain the accounting records for business requirements. As stated by Piggott (2012), the term record keeping has already been used since the 1950s. It can be viewed that record keeping has been widely practiced for a long time by different sectors and its main role is for the archivists to interpret the records to further analyze the documents being kept.[6]

Table 6. Budgeting Practice

Budgeting Practices	Mean	Interpretation
The business is ...		
1. preparing an income budget that shows how and where money is earned.	3.25	Practiced

2. setting realistic and practical budget periods for planning, estimating, and tracking cash inflow/outflow.	3.17	Practiced
3. conducting budget planning at least once a year.	3.15	Practiced
4. budgeting its revenue and expenses aligned to its projected cash flow.	3.15	Practiced
5. performing capital budgeting that involves the cash inflows and outflows for its long-term operation.	3.12	Practiced
6. confirming the budget's relationship to its mission and long range/ strategic goals.	3.12	Practiced
7. using system of budgetary control in the organization, such as regular comparison of actual income or expenditure to planned income or expenditure to identify necessary corrective action.	3.10	Practiced
8. providing management with employees who are well trained and experienced in budget preparation.	3.08	Practiced
9. providing narrative notes to explain budget assumptions to its intended users.	2.93	Practiced
10. involving each employee from different departments when preparing the budget.	2.93	Practiced
Composite Mean	3.10	Practiced

In terms of budgeting practices in the level of accounting practices, the results revealed a computed composite mean of 3.10 with verbal interpretation of practiced. It can be derived from the results that budgeting practices are included in how small enterprise owners or the bookkeepers manage their accounting practices. This indicates that budgeting is not as highly prioritized on daily accounting practices for the reason that most given budgeting practices are practiced. Budgeting practices are usually used for long term operation, analysis, and optional for small enterprise owners or the bookkeepers. According to Shpak (2019), there are different formats that show activity estimates on how to manage cash to generate profit and are important in making business-related transaction decisions.[9]

Table 7. Payroll Accounting

Payroll Accounting	Mean	Interpretation
The business is ...		
1. preventing staff fraud or malpractice in relation to payroll activities by prohibiting unauthorized access to the payroll system.	3.55	Highly Practiced
2. ensuring to pay valid employees at the correct and authorized rate and prevents fictitious employees on the payroll system.	3.53	Highly Practiced
3. tracking the collection of daily, weekly, and monthly records of individual employees' time worked.	3.50	Highly Practiced
4. calculating and paying all necessary taxation and other deductions (SSS, PhilHealth, and etc.) of each employee to relevant authorities at least once a month.	3.45	Practiced
5. obtaining assurance that the payroll accounting system accurately calculates net salary and accounts for all disbursements.	3.40	Practiced
6. conducting payroll accounting at least once a month.	3.37	Practiced
7. producing and distributing all the necessary/statutory payroll outputs accurately in accordance at least once a month.	3.37	Practiced
8. correctly entering and adequately authorizing the payroll payment transactions (overtime, bonus, salary increases, etc.).	3.32	Practiced
9. providing holiday and sickness payments which are accurate, valid, and within both the business' policy and legislative requirements.	3.27	Practiced
10. conducting reconciliation of gross pay amounts to total payroll on the general ledger for the anomalies/errors to be promptly identified and resolved.	3.23	Practiced
Composite Mean	3.40	Practiced

In terms of payroll accounting in the level of accounting practices, the results revealed a computed composite mean of 3.40 with verbal interpretation of practiced. It can be derived from the results that payroll accounting confirms that small enterprise owners or the bookkeepers practice it as part of their accounting practices. It includes mostly the process of distribution of wages or salaries to their employees. Small enterprise business contains a small number of employees, which shows that payroll accounting is practiced. According to Cameron (2020), payroll expenses are essential in an employer's book since recording payroll transactions is also a key in ensuring the accounting books are accurate. To be compliant, a company's payroll accounting must be kept up to date in order to get a good picture of the financial statement.[2]

Table 8. Organizational Goal Achievement

Organizational Goal Achievement	Mean	Interpretation
The business is ...		
1. maintaining the quality control on its business operation.	3.57	Excellent
2. reducing the customer complaints compared to the previous business period.	3.52	Excellent
3. achieving efficient operation when it comes to its production or service to the customers.	3.50	Excellent
4. keeping low costs on its operation in connection with reliable suppliers.	3.47	Good
5. maximizing every opportunity in the market competition.	3.43	Good
6. obtaining profitable operations, in which there is increasing revenue while limiting expenses.	3.38	Good
7. securing financial success regarding its capital and investments.	3.38	Good
8. attaining long term goals, such as expansion of personnel, broadening products or services, market competitiveness, increased earnings, and improved profit margin.	3.37	Good
9. meeting the short-term goals, such as specific, measurable, achievable, realistic, and timely goals.	3.35	Good

10. acquiring high work performance and retention of employees.	3.35	Good
Composite Mean	3.43	Good

In terms of organizational goal achievement, the results revealed a computed composite mean of 3.43 with a verbal interpretation of good. This implies that for small enterprise owners, organizational goal achievement is important in measuring the organizational performance as a whole. By achieving the short- term and long-term objectives of the enterprise, the small enterprise owners believe that they have achieved a good performance in handling their businesses. The finding is supported by the study of Brandman University (2020) that states setting up an organizational goal perspective is similar to making a company goal that must be met within a certain timeframe.[1]

Table 9. Organizational Effectiveness

Organizational Effectiveness	Mean	Interpretation
The business is ...		
1. building organizational systems and structures that support employees as they do their work.	3.48	Good
2. ensuring accountability for business ethics among employees at all levels.	3.47	Good
3. establishing its management with clear organizational objectives.	3.47	Good
4. training and orienting every employee in different departments to develop professional development necessary for business' success.	3.43	Good
5. focusing on employees and its operation on identifying and meeting customer expectations.	3.43	Good
6. building skills for innovation and flexibility in the workforce to continually achieve its objectives.	3.43	Good
7. building a cohesive leadership team with employees working together towards business objectives.	3.40	Good
8. setting workplace, productivity, and performance culture aligned for business' success.	3.40	Good

9. strengthening the culture of collaboration, resiliency, and adaptation to change towards business objectives.	3.40	Good
10. aligning and executing strategies in a way that meets financial goals and is consistent with core values.	3.38	Good
Composite Mean	3.43	Good

In terms of organizational effectiveness, the results revealed a computed composite mean of 3.43 with a verbal interpretation of good. This implies that for small enterprise owners, organizational effectiveness is important in measuring the organizational performance as a whole. By measuring the efficiency of an organization to meet the objectives using the given resources, the small enterprise owners believe that they have achieved a good performance in handling their businesses without stressing the employees. The finding is supported by Pedraza (2014), organizational effectiveness is a metric that shows whether or not a company is meeting its goals.[5]

Table 10. Organizational Efficiency Records

Organizational Efficiency Records	Mean	Interpretation
The recordkeeping of the business is ...		
1. preventing the losing of essential source documents on every transaction.	3.45	Good
2. promoting easier access to data while maintaining confidentiality of financial statements.	3.43	Good
3. preventing misappropriation of the business' funds.	3.43	Good
4. providing efficient analysis on financial information by avoiding redundant processes.	3.40	Good
5. providing an efficient way of organizing, tracking, and managing files in different departments.	3.38	Good
6. preventing purposeful or accidental information leak.	3.37	Good
7. providing an efficient system to manage current inventory, as well as retention schedule.	3.37	Good
8. manifesting efficient and compliant management services, such as flexibility on	3.35	Good

any professional services.		
9. making the location and retrieval of critical information easier for correction error during the auditing period.	3.35	Good
10. saving the accountants' time and effort in providing financial information needed in the business operation.	3.33	Good
Composite Mean	3.39	Good

In terms of organizational efficiency records, the results revealed a computed composite mean of 3.39 with a verbal interpretation of good. This implies that for small enterprise owners, organizational efficiency records are important in measuring the organizational performance as a whole. By having good record management to keep good records, the small enterprise owners believe that it helps businesses protect institutional memory. Murray (2021) also stated that the purpose of keeping records is to have accurate and correct data on the performance of the organization.[4]

Table 11. Relationship Between Accounting Practices and Organizational Goal Achievement

Variables	p- values	Computed r- values	Interpretation	Decision	Verbal Interpretation
Record Keeping	.000	.723	Strong Positive Relationship	Reject Ho	Significant
Budgeting Practices	.000	.642	Strong Positive Relationship	Reject Ho	Significant
Payroll Accounting	.000	.735	Strong Positive Relationship	Reject Ho	Significant

As shown in the table, results of the Pearson-r indicate a correlation between organizational goal achievement and the three accounting practices; record keeping, budgeting practices, and payroll accounting as evidenced by r- value ranging from .642 to .735, interpreted as having a strong positive relationship. As supported by the work of Webster (2020), budget alignment with business strategy and KPI or goal development is an important aspect of a successful budget—and crucial to accomplishing your organization's goals.[11]

Table 12. Relationship Between Accounting Practices and Organizational Effectiveness

Variables	p- values	Computed r-values	Interpretation	Decision on Ho	Verbal Interpretation
Record Keeping	.000	.680	Strong Positive Relationship	Reject Ho	Significant
Budgeting Practices	.000	.607	Strong Positive Relationship	Reject Ho	Significant
Payroll Accounting	.000	.717	Strong Positive Relationship	Reject Ho	Significant

The results of the Pearson-r indicate a correlation between organizational effectiveness and the three accounting practices; record keeping, budgeting practices, and payroll accounting as evidenced by r-value ranging from .607 to .717, interpreted as having a strong positive relationship. As contemplated in the study of Ugoani (2019), budget management is a valuable tool for improving managerial behavior and is essential for encouraging managers to attain organizational goals.[10]

Table 13. Relationship Between Accounting Practices and Organizational Efficiency Records

Variables	p- values	Computed r-values	Interpretation	Decision on Ho	Verbal Interpretation
Record Keeping	.000	.802	Very Strong Positive Relationship	Reject Ho	Significant
Budgeting Practices	.000	.662	Strong Positive Relationship	Reject Ho	Significant
Payroll Accounting	.000	.775	Very Strong Positive Relationship	Reject Ho	Significant

For the results of Pearson-r in terms of organizational efficiency records and the three accounting practices, it indicates a correlation as evidenced by r-value ranging from .662 to .802, interpreted as having a strong positive relationship on budgeting practices and a very strong positive

relationship on record keeping and payroll accounting. Gray (2020) also agrees that keeping records and developing a budget would also contribute to keeping the company in good health.[3]

Table 14. Comparison of Responses of Different Variables based on Years of Operation

YO		Accounting Practices			Organizational Performance		
		Record Keeping	Budgeting Practices	Payroll Acc.	Org. Goal Ach.	Org. Effic.	Org. Effic. Records
5 years and below	Mean	3.4091	3.1364	3.4864	3.5273	3.4682	3.4591
	N	22	22	22	22	22	22
6-10 years	Mean	3.2308	2.8000	3.0308	3.2308	2.9846	3.2000
	N	13	13	13	13	13	13
11-15 years	Mean	3.7000	2.9000	3.9000	3.4000	4.0000	4.0000
	N	1	1	1	1	1	1
16-20 years	Mean	3.7167	3.4167	3.5833	3.5333	3.5833	3.5500
	N	6	6	6	6	6	6
More than 20 years	Mean	3.4611	3.1778	3.4667	3.4278	3.6222	3.3444
	N	18	18	18	18	18	18

The computed means ranged from 2.50 to 4.00 interpreting to have practiced to highly practiced accounting practices as well as good to excellent organizational performance of small enterprises in Batangas City. The lowest mean generates 2.80 mean for budgeting practices.

The overall comparison means when grouped based on years of operation does not necessarily change the result. Small enterprise owners or bookkeepers practiced accounting practices with good organizational performance only.

Table 15. Comparison of Responses of Different Variables based on Nature of the Business

Nature of the Business		Accounting Practices			Organizational Performance		
		Record Keeping	Budgeting Practices	Payroll Acc.	Org. Goal Ach.	Org. Effect.	Org. Efficiency Records
Services	Mean	3.4711	3.0921	3.4184	3.4658	3.5132	3.3868
	N	38	38	38	38	38	38
Merchandising	Mean	3.1143	2.7714	3.1857	3.3429	3.2714	3.3857
	N	7	7	7	7	7	7
Financial Institution	Mean	3.8000	3.8000	3.6500	3.5000	3.5500	3.6000
	N	2	2	2	2	2	2
Manufacturing	Mean	3.6200	3.2400	3.6800	3.4600	3.5200	3.4800
	N	5	5	5	5	5	5
Real Estate	Mean	3.2143	3.0429	3.1429	3.2714	2.9714	3.2571
	N	143	9	9	14	14	71

The computed means ranged from 2.50 to 4.00 interpreting to have practiced to highly practiced accounting practices as well as good to excellent organizational performance of small enterprises in Batangas City. The lowest mean generates 2.77 mean for budgeting practices. The same lowest mean on the comparison of means when grouped to years of operation.

The overall comparison means when grouped based on the nature of the business resulted to have the same frequency of accounting practices and agreement on organizational performance. Small enterprise owners or bookkeepers practiced accounting practices with good organizational performance only.

Output of the Study: Extension Activities

1. Title of the Project

Extension Activities for Small Enterprise Owners in Batangas City

2. Location

The extension activities will be conducted in Batangas State University - Main Campus, multi-function hall in Batangas City.

3. Duration

The extension activities will start on January 8, 2022 and end on March 26, 2022 every Saturday, 8:00 am - 11:00 am.

4. Type of Community Extension Service

Socio-economic upliftment can be achieved through small scale business seminars, entrepreneurship training, and livelihood programs.

5. Department Involved

The department involved is the College of Accountancy, Business, Economics, and International Hospitality Management (CABEIHM) Department of Batangas State University - Main Campus.

6. Project Leader and Coordinators

The expected project leaders and coordinators are BatStateU project leaders, coordinators, faculty members and student volunteers.

7. Cooperating Agencies

The cooperating agencies are the Municipality of Batangas City and Batangas State University - Main Campus.

8. Beneficiaries

The beneficiaries are small enterprise owners or the bookkeepers of the businesses in Batangas City.

9. Total Cost of the Project

The total cost of the project amounts to ₱ 34,556.00.

10. Rationale of the Project (brief description of the situation)

To respond to the insufficient knowledge of small enterprise owners or the bookkeepers in Batangas City when it comes to their accounting practices such as record keeping, budgeting practices and payroll accounting, towards the improvement of their organizational performance.

11. Objectives (General and Specific)

- Determine and identify the activities where small enterprise owners or the bookkeepers in Batangas City will be knowledgeable on the importance of accounting practices towards their organizational performance which will be used as basis in coming up with the proposed activities/strategies.
- Provide opportunities for small enterprise owners or the bookkeepers in Batangas City to be aware of the importance of accounting practices to their businesses.
- Promote excellent organizational performance to small enterprise owners or the bookkeepers in Batangas City that will help them to prolong their business operations.

12. Description of the Project, Strategies and Methods

Table 16 below shows the date, time, person involved and

the lesson to be discussed in the project. Every Saturday from 8:00-11:00 am starting January to March 2022, the researchers, BatStateU project leaders, coordinators, faculty members and student volunteers will be responsible to help on conducting the extension activities for small enterprise owners or bookkeepers in Batangas City. Activities will be mainly focusing on accounting practices of record keeping, budgeting practices and payroll accounting as well as on organizational performance assessing organizational goal achievement, organizational effectiveness, and organizational efficiency records.

The participants will be assessed, attend discussions, inspirational talks, watch demonstrations, conduct consultations, open forums on the challenges and share topics about accounting practices and organizational performance. This will be useful to motivate small enterprise owners or the bookkeepers in Batangas City on accounting practices and be mindful of their organizational performance.

Persons Involved: The persons involved are the small enterprise owners or the bookkeepers, the researchers who made this proposal, BatsStateU project leaders and coordinators, faculty members, and student volunteers. The expected people are involved in preparation and assisting for the success of the proposed extension activities.

13. Financial Plans/ Sources of Fund

The Batangas State University and BatStateU project directors and coordinators will support the financial plan. The researchers will also seek financial assistance from officials of the Batangas City Government.

Total Cost of the Project:

Total Materials	₱ 6,656.00
Total Tokens & Certificates	6,300.00
Total Food	<u>21,600.00</u>
Total Cost of the Project	<u>₱ 34,556.00</u>

14. Functional Relationships with the Collaborating Agencies

The University and the CABEIHM have the same mission: to identify and determine extension activities that will promote and increase small business owners or the bookkeepers' knowledge of accounting practices and organizational performance. The activity will indeed be successful since the extension activities have objectives.

15. Monitoring and Evaluation Mechanics

At the completion of the extension activities, the participants will be given an evaluation form to fill out and return, which will serve as the basis for the project's success.

16. Plans for Ensuring the Sustainability of the Project

The researchers, project leaders, and coordinator of the College of Accountancy, Business, Economics, and International Hospitality Management (CABEIHM) Department, will revisit the agreement and provide constant communication and reports to sustain the projects sustainability.

V. CONCLUSION

Based on the findings, the following conclusions were drawn:

1. Majority of the small enterprise owners in Batangas City operate their businesses to provide services. Likewise, most of the respondents own their businesses for 5 years and below.
2. Small enterprise owners or the bookkeepers practiced record keeping, budgeting practices and payroll accounting as part of their accounting practices.
3. Small enterprise owners resulted in good organizational performance for organizational goal achievement, organizational effectiveness, and organizational efficiency records.
4. The accounting practices attained strong positive relationship organizational performance. Specifically, record keeping, and payroll accounting resulted in a very strong positive relationship to organizational efficiency records.
5. In comparison of means, small enterprise owners or the bookkeepers practiced to highly practice accounting practices with good to excellent organizational performance when grouped to years of operation and nature of the business.
6. Based on the result of the study, extension of activities for small enterprise owners in Batangas City were proposed.

VI. RECOMMENDATION

After the conclusions has been drawn, the following recommendations are worth considering:

1. The small enterprise owners or the bookkeepers may consider participating in the proposed extension activities for them to be informed on the importance of conducting proper accounting practices and for the improvement of their organizational performance.
2. The business industry and business enthusiasts may be able to know and consider the way on how the business operation works in relation to various factors such as accounting practices and organizational performance that may help them once they've started their own business.
3. The business students may enhance their knowledge on the use of accounting practices and its correlation in the operation of business in achieving excellent organizational performance.
4. The future researchers may use this as a basis and may conduct another study with additional variables of accounting practices and organizational performance to further prove the correlation between the two as well as to validate the results of the study.

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