EFFECT OF FINANCIAL ACCOUNTING INFORMATION QUALITY ON DECISION-MAKING IN PUBLIC BENEFIT ORGANIZATIONS IN UASIN GISHU COUNTY, KENYA

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Abstract: **Understanding the financial situation of an organization is crucial for effective decision-making and the quality of financial accounting information plays a significant role in this process. This research investigated how the quality of financial accounting information has an effects on decision-making within public benefit organizations (PBOs) in Uasin Gishu County, Kenya. A survey research design was employed to explore the relationship between financial accounting information quality and decision-making among these organizations. The study targeted a population of 1,203 registered public benefit organizations in Uasin Gishu County. A sample of 200 organizations, representing 2% of each stratum, was selected for the research. Data was collected from these organizations using self-administered questionnaires. Descriptive statistics, including mean and standard deviation, as well as inferential statistics such as multiple regression analysis, were utilized to examine the data. The findings revealed that the dimensions of financial accounting information—comparability, reliability, and relevance—were crucial for decision-making in public benefit organizations in Uasin Gishu County. The correlation analysis showed a strong, positive, and statistically significant relationship between these dimensions and decision-making. Additionally, regression analysis confirmed a positive association between comparability, reliability, relevance, and decision-making outcomes. In conclusion, the study found that financial accounting information in the public benefit organizations in Uasin Gishu County had sufficient levels of comparability, reliability, and relevance, making these characteristics essential for decision-making. The researcher recommends that management should enhance both the quantitative and qualitative aspects of financial statements to ensure they are easily comparable to industry standards. Further research is suggested to explore similar issues in the private sector to determine whether the findings are consistent or vary, and to investigate the reasons behind any differences.**

Keywords: **Comparable Accounting Information; Trustworthiness of Financial Accounting Information; Financial Accounting; Decision-Making.**

1. INTRODUCTION

Public Benefit Organizations (PBOs), encompassing non-governmental organizations (NGOs) and other nonprofit entities, play a pivotal role in addressing social needs, advocating for societal change, and promoting development across the globe (Anheier & Salamon, 2006). In Kenya, PBOs are integral to filling gaps in public services, particularly in sectors such as healthcare, education, environmental conservation, and community development (Ogada & Okello, 2015). These

organizations rely on financial resources from donations, grants, and partnerships to sustain their operations and achieve their missions (Odhiambo, 2017).

Effective decision-making within PBOs hinges upon the quality and accessibility of financial accounting information. Financial accounting information encompasses the reporting and analysis of financial transactions, providing stakeholders with insights into an organization's fiscal health, operational efficiency, and compliance with regulatory requirements (Aseka, 2019). High-quality financial information not only facilitates informed decision-making but also enhances transparency, accountability, and stakeholder confidence (Mwangi & Kamau, 2021).

Despite the recognized importance of financial accounting information, PBOs in Kenya often struggle to maintain consistent standards of reporting due to resource constraints, varying levels of financial literacy among staff and board members, and challenges in adopting standardized accounting practices (Ansong & Ansah, 2017). These factors can compromise the reliability and utility of financial reports, impacting stakeholders' ability to make strategic decisions regarding funding allocations, program expansion, and operational improvements (Ogada & Okello, 2015).

Uasin Gishu County in Kenya represents a microcosm of the diverse challenges and opportunities faced by PBOs. The county hosts a range of organizations, each with distinct missions and impact areas, contributing to local development initiatives and community welfare (Mutandwa, 2020). However, effective management of financial resources and transparent reporting practices are essential for ensuring accountability, gaining stakeholder trust, and sustaining long-term impact (Kombo & Kilika, 2018).

Financial accounting information serves as the foundation for assessing the financial health, performance, and accountability of PBOs. High-quality financial information enables stakeholders, such as donors, government entities, and beneficiaries, to make informed decisions regarding funding allocations, partnerships, and resource management (Aseka, 2019). However, PBOs in Kenya face challenges such as limited financial management capacity, compliance with regulatory requirements, and varying levels of transparency in financial reporting (Mutandwa, 2020).

Public Benefit Organizations (PBOs) in Kenya, including non-governmental organizations (NGOs), play a crucial role in social welfare and community development. Effective decision-making within these organizations relies heavily on the quality of financial accounting information available to stakeholders. In Uasin Gishu County, understanding how financial accounting information quality influences decision-making processes in PBOs is essential for improving transparency, governance, and organizational sustainability.

Research focusing on Uasin Gishu County will provide insights into the specific factors influencing financial accounting information quality and its impact on decision-making within PBOs. This study aims to identify best practices, challenges, and opportunities for improving financial management practices in these organizations.

Financial Accounting Information Quality

Financial accounting information quality refers to the accuracy, reliability, relevance, and timeliness of financial data and reports produced by an organization (Aseka, 2019). In the context of Public Benefit Organizations (PBOs), high-quality financial information is crucial for stakeholders to assess the organization's financial health, performance, and compliance with regulatory standards (Ansong & Ansah, 2017).

Accuracy- is fundamental as it ensures that financial statements and reports truthfully represent the organization's financial position and performance. This includes the precise recording of transactions, adherence to accounting principles (such as GAAP or IFRS), and the absence of errors or misstatements that could mislead stakeholders (Mutandwa, 2020).

Reliability- of financial information implies that it is verifiable and trustworthy, providing a basis for stakeholders to make informed decisions. Reliable information is free from bias or manipulation and is supported by appropriate documentation and audit trails (Kombo & Kilika, 2018).

Relevance- indicates that the financial information is pertinent to the needs of users, such as donors, board members, government agencies, and program beneficiaries. Relevant information enables stakeholders to evaluate the organization's financial performance, assess the impact of its programs, and make decisions that support its mission and strategic objectives (Mwangi & Kamau, 2021).

Timeliness- refers to the prompt availability of financial information, allowing stakeholders to make timely decisions. Delays in financial reporting can undermine decision-making effectiveness, especially in fast-paced environments where quick responses to financial challenges or opportunities are necessary (Ogada & Okello, 2015).

Ensuring high-quality financial accounting information in PBOs involves adopting robust internal controls, employing competent financial personnel, and leveraging appropriate accounting software and systems (Odhiambo, 2017). Despite these measures, challenges such as resource constraints, varying levels of financial literacy among staff, and compliance with regulatory requirements can impact the consistency and reliability of financial reporting (Anheier & Salamon, 2006).

Addressing these challenges is critical for enhancing transparency, accountability, and organizational effectiveness within PBOs. By improving financial accounting information quality, organizations can strengthen stakeholder trust, attract sustainable funding, and optimize resource allocation for greater impact and sustainability (Ansong & Ansah, 2017)

Financial accounting information serves as the cornerstone of organizational transparency and accountability within PBOs. It encompasses the systematic recording, analysis, and reporting of financial transactions and activities (Aseka, 2019). Quality financial information enables stakeholders—such as donors, government agencies, board members, and beneficiaries—to assess an organization's financial health, efficiency in resource allocation, and adherence to regulatory standards (Mwangi & Kamau, 2021).

The reliability and comprehensiveness of financial reports are crucial for guiding strategic decisions within PBOs. Timely and accurate financial information allows management and governing bodies to evaluate performance, allocate resources effectively, and mitigate financial risks (Ansong & Ansah, 2017). Conversely, deficiencies in financial reporting can hinder transparency, erode stakeholder confidence, and impede organizational growth and sustainability (Ogada & Okello, 2015).

Decision Making

Decision-making within PBOs encompasses a range of strategic choices aimed at achieving organizational goals and fulfilling their missions. Key decisions include budget allocations, program expansions, fundraising strategies, and compliance with legal and regulatory requirements (Anheier & Salamon, 2006). These decisions are informed by a combination of financial data, operational assessments, stakeholder input, and strategic planning processes.

Effective decision-making relies on access to timely, relevant, and accurate financial accounting information. Such information not only facilitates informed choices but also enhances the organization's ability to respond to opportunities and challenges in a dynamic external environment (Kombo & Kilika, 2018). The integration of financial insights into decision-making processes strengthens organizational governance, enhances resource stewardship, and fosters sustainable growth and impact (Aseka, 2019).

Financial Accounting Information quality and Decision Making in PBOs

Financial accounting information quality refers to the accuracy, reliability, relevance, and timeliness of financial data and reports produced by an organization (Aseka, 2019). In the context of Public Benefit Organizations (PBOs), the quality of financial information significantly influences decision-making processes across various levels of the organization.

Accuracy is paramount in financial accounting information as it ensures that financial statements and reports truthfully represent the organization's financial position and performance. This involves meticulous recording of transactions and adherence to accounting principles (such as GAAP or IFRS), minimizing errors, and preventing misstatements that could mislead stakeholders (Mutandwa, 2020).

Reliability of financial information is crucial for building trust among stakeholders. Reliable information is verifiable, free from bias or manipulation, and supported by adequate documentation and audit trails (Kombo & Kilika, 2018). Stakeholders rely on reliable financial data to assess the organization's financial health, make informed investment decisions, and evaluate the effectiveness of resource utilization.

Relevance of financial information ensures that it meets the specific needs of stakeholders, such as donors, board members, government agencies, and program beneficiaries. Relevant financial reports enable stakeholders to understand the impact of the organization's activities, assess its financial sustainability, and align funding decisions with strategic objectives (Mwangi & Kamau, 2021).

Timeliness is essential for financial information to be actionable. Timely reporting allows decision-makers to respond promptly to financial opportunities or challenges, adjust strategies as needed, and maintain financial stability (Ogada & Okello, 2015). Delays in financial reporting can hinder decision-making effectiveness, particularly in dynamic environments where quick responses are required.

Effective decision-making within PBOs relies on the integration of high-quality financial accounting information into strategic planning and operational management processes. Decision-makers use financial data to allocate resources efficiently, monitor budgetary performance, assess the feasibility of new initiatives, and comply with regulatory requirements (Anheier & Salamon, 2006).

However, PBOs in Kenya often face challenges in maintaining high standards of financial accounting information quality. These challenges include limited financial management capacity, inadequate technological infrastructure for financial reporting, and varying levels of financial literacy among staff and board members (Odhiambo, 2017). Such challenges can compromise the accuracy, reliability, and timeliness of financial reports, thereby impacting decision-making processes within the organization (Ansong & Ansah, 2017).

Addressing these challenges is critical for enhancing organizational transparency, accountability, and sustainability. By improving financial accounting information quality, PBOs can strengthen stakeholder trust, attract sustainable funding, and optimize resource allocation for greater impact and long-term success (Odhiambo, 2017).

The relationship between financial accounting information and decision-making processes in PBOs is intricate and pivotal for organizational effectiveness. High-quality financial information empowers decision-makers to assess performance against strategic objectives, optimize resource allocation, and demonstrate accountability to stakeholders (Mutandwa, 2020). Conversely, deficiencies in financial reporting—such as inaccuracies, incompleteness, or delays—can undermine decision-making effectiveness, impairing the organization's ability to achieve its mission and maintain public trust (Odhiambo, 2017).

Public Benefit Organizations

Public Benefit Organizations (PBOs), encompassing non-governmental organizations (NGOs), charities, foundations, and community-based organizations, are pivotal actors in addressing diverse social, environmental, and developmental challenges globally (Anheier & Salamon, 2006). These organizations operate with a mission to serve the public interest, advocating for human rights, environmental sustainability, education, healthcare, and poverty alleviation among other causes (Ansong & Ansah, 2017).

Globally, PBOs play a crucial role in supplementing government efforts, particularly in regions with inadequate public services or humanitarian crises. They contribute significantly to achieving global development goals, such as those outlined in the United Nations Sustainable Development Goals (SDGs), by mobilizing resources, implementing grassroots initiatives, and influencing policy change (Anheier & Salamon, 2006).

In Kenya, PBOs are instrumental in bridging gaps in public service delivery, particularly in rural and marginalized communities. They undertake initiatives ranging from healthcare provision and education support to environmental conservation and advocacy for marginalized groups (Ogada & Okello, 2015). These organizations rely on diverse funding sources, including international grants, corporate partnerships, and individual donations, to sustain their operations and expand their impact (Mutandwa, 2020).

Despite their critical role, PBOs face common challenges globally and regionally. These include financial sustainability, capacity building in financial management and governance, regulatory compliance, and maintaining transparency and accountability (Mwangi & Kamau, 2021). The effectiveness of PBOs in achieving their missions hinges on their ability to navigate these challenges while maximizing their impact through strategic partnerships and innovative approaches (Odhiambo, 2017).

In regions facing socio-political instability or natural disasters, international NGOs often provide humanitarian aid, disaster relief, and long-term development assistance. These organizations operate under complex environments, balancing immediate humanitarian needs with sustainable development efforts and fostering partnerships with governments, local communities, and international donors (Kombo & Kilika, 2018).

Public Benefit Organizations operate within a unique governance framework aimed at balancing social impact with financial accountability. These organizations are entrusted with public resources and are expected to uphold high standards of transparency, integrity, and ethical conduct (Ogada & Okello, 2015). Effective financial management practices, including robust financial reporting and internal controls, are essential for fulfilling these responsibilities and sustaining organizational credibility and impact (Ansong & Ansah, 2017).

Understanding the dynamics of PBOs from both global and regional perspectives is essential for identifying best practices, addressing challenges, and enhancing their role in sustainable development. By improving financial management practices, fostering transparency, and strengthening governance frameworks, PBOs can enhance their credibility, attract diverse funding sources, and maximize their impact on communities and society at large (Ogada & Okello, 2015).

Research Problem

PBOs encounter challenges such as financial sustainability, governance complexities, regulatory compliance, and transparency in financial reporting (Anheier & Salamon, 2006). In regions affected by socio-political instability or humanitarian crises, these challenges are exacerbated, hindering their ability to deliver effective services and sustain long-term impact (Kombo & Kilika, 2018).

Moreover, international PBOs operate within diverse cultural, legal, and economic contexts, influencing their organizational dynamics and strategic decision-making processes (Ansong & Ansah, 2017). They often navigate complex environments while adhering to international standards and donor expectations, necessitating robust financial management practices and transparent reporting to maintain stakeholder trust and credibility (Mwangi & Kamau, 2021).

In Kenya, PBOs confront specific challenges such as limited financial resources, inadequate capacity in financial management, and compliance with evolving regulatory frameworks (Odhiambo, 2017). These challenges undermine their operational efficiency, constrain their ability to expand services, and jeopardize their sustainability and impact on local communities (Ogada & Okello, 2015).

Despite the critical role of financial management in enhancing organizational effectiveness and sustainability, there is a gap in understanding how the quality of financial accounting information influences decision-making processes within PBOs, both globally and specifically in Kenya's Uasin Gishu County. Existing literature predominantly focuses on specific aspects of financial management challenges or practices within PBOs, but there is a need for comprehensive research that explores the interplay between financial information quality, decision-making efficacy, and organizational performance across diverse contexts (Mutandwa, 2020).

Despite the recognized importance of financial accounting information in decision-making within PBOs, challenges persist in ensuring the quality, accessibility, and utility of financial reports. PBOs in Uasin Gishu County, like many others in Kenya, face obstacles such as limited financial management capacity, varying levels of compliance with regulatory standards, and insufficient resources for adopting advanced accounting technologies (Kombo & Kilika, 2018). These challenges can hinder organizational transparency, impede effective decision-making, and compromise the long-term sustainability of PBOs (Mwangi & Kamau, 2021).

Research Question

What is the effect of accounting information quality on decision making in public benefit organization organizations in Uasin Gishu County?

Specific Research Questions

This research aims to address the following objectives:

i)   What is the effect of comparable accounting information on decision-making in public benefit organizations in Uasin Gishu County?

ii) What is the effect of trustworthiness of financial accounting information on decision-making within public benefit organizations in Uasin Gishu County?

iii) What is the effect on financial accounting on decision-making within public benefit organizations in Uasin Gishu County?

Significance of the Study

This study seeks to address the gap in understanding the impact of financial accounting information quality on decision-making processes within PBOs in Uasin Gishu County, Kenya. By examining current practices, challenges, and perceptions related to financial management and decision-making, the research aims to provide actionable insights and recommendations. These findings can inform strategies for enhancing financial reporting standards, improving governance practices, and strengthening the overall effectiveness and sustainability of PBOs in the region (Anheier & Salamon, 2006).

The findings of this study are expected to contribute valuable insights into enhancing financial management practices and decision-making processes within PBOs in Uasin Gishu County. By identifying best practices, addressing challenges, and proposing practical recommendations, this research aims to support the sustainability and effectiveness of PBOs in Kenya's development landscape.

2. RESEARCH METHODOLOGY

Research Design

The research design chosen for this study is a quantitative research approach. This approach is suitable as it allows for the systematic investigation of the relationship between financial accounting information quality and decision-making processes within public benefit organizations. Quantitative methods enable the collection of numerical data that can be analyzed statistically to identify patterns, correlations, and causal relationships (Trochim, 2006).

Target Population

The target population for this study consists of public benefit organizations operating within a specific geographic region or jurisdiction. Public benefit organizations encompass various entities such as non-profit organizations, charities, NGOs, and other entities that operate for the public good without a profit motive (Bryce & Blackburn, 2013).

Public benefit organizations totaling 140 were the population for the study. A sample size of 46 was calculated and determined using the Rao soft sample size calculator. The respondents within the selected population were selected purposively. This was because the study required people with technical knowledge about the study.

Sampling Techniques and Sample Size

The study will utilize stratified random sampling. This method involves dividing the target population into homogeneous subgroups (strata) based on relevant characteristics such as organizational size, type of services provided, or financial turnover. From each stratum, a random sample of 46 organizations were selected to ensure representation across different segments of the public benefit sector (Saunders, Lewis, & Thornhill, 2019).

The sample size will be determined based on statistical power calculations to ensure sufficient representation and generalizability of findings. It will also consider practical constraints such as resources and accessibility to organizations within the target population (Cochran, 1977).

Data Collection Procedure

Survey Questionnaires were designed to collect quantitative data on perceptions of financial accounting information quality and its impact on decision making. Questions will be structured to measure variables such as accuracy, timeliness, relevance, and accessibility of financial information (Hair et al., 2019).

Documentary Analysis by reviewing financial reports, budgets, and other relevant documents to assess the actual quality of financial accounting information available to decision makers (Patton, 2015).

In order to achieve the objectives of the study, primary data was collected by holding in-depth interviews. The interviews involved discussions between the researcher and the respondents on the importance of management accounting information in decision-making. This approach was consistent with the work of researchers who argued that in-depth interviews constitute one of the vital approaches for understanding phenomena that have not been significantly studied. During the interview, a set of questions were designed to guide the researcher in the interview process. The quantitative data was collected using one set of questionnaires which was designed using a five-point scale, both closed and open ended questions were used. The other approach that was used in data collection is the documentation of literature search

A case study and a survey design were used in this study. The study design was based on a multi-method strategy which used both qualitative and quantitative research approaches. This helped to have a triangulation of different results. A multi-method strategy occurs when more than one research strategy and data source are used in a study of social phenomena.

Data Analysis and Presentation

The data which was collected through interview was edited and imported into SPSS through rich text format. Data was classified and organized into themes using mother and child nodes. Themes were merged and modified as meaning was attached to the data being analyzed. The coding resulted into concepts that were used to identify the emerging relationships amongst the different variables. The survey data that was generated from the questionnaires was analyzed using both exploratory and confirmatory statistical techniques. After receiving the completed questionnaires from the field, a data entry capture template was designed in the Statistical Package for Social Scientists (SPSS) which was used for data entry. After data entry and cleaning up, exploratory statistical data analysis was conducted using frequency distribution tables to summarize and display the respondents' views on the questions under study.

3. RESULTS

The Response Rate

The study achieved a response rate of 64%, indicating that 64% of the total respondents participated in the research. According to Babbie (2004), response rates of 50% are considered acceptable, 60% are good, and 70% are very good for analysis and publication. Therefore, based on these standards, the study's response rate of 64% is classified as good. Detailed results can be found in Table 1.

Table 1: Response Rate

	Response	% Response
Successful	128	64%
Unsuccessful	72	36%
Total	**200**	**100%**

Sample Characteristics

The sample demographics on gender, age, education, work experience and duration in the company were presented in this section.

Gender

Figure 2 displays the gender distribution among the respondents as investigated by the researcher. The data reveals that the majority of respondents, comprising 75.8%, were male, while female respondents accounted for 24.2%. These results indicate that the study was predominantly represented by male participants.
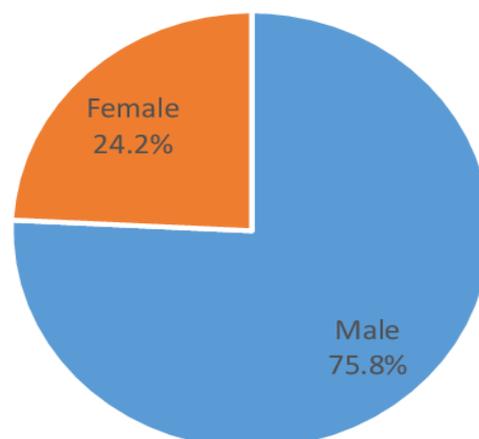

Figure 2: Gender

Age

Age bracket of the respondents was also a concern for the researcher. Figure 3 presented these findings
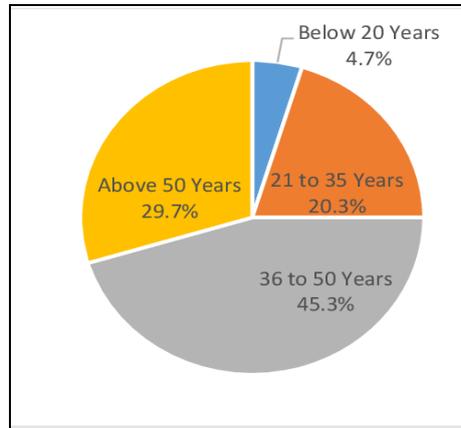

Figure 3: Age

Forty-five percent of the respondents fell within the age range of 36 to 50 years. Other thirty percent were aged over 50 years, while 20.3% were between 21 and 35 years old. Only five percent of the respondents were below 20 years old. These results suggest that the majority of the respondents were older individuals, typically beyond 36 years of age, likely at significant points in their careers.

Work Experience

Figure 4 illustrates the work experience distribution of the respondents examined by the researcher. Forty-two percent of the participants had accumulated more than 10 years of work experience, while 32.8% had less than 4 years of experience. Additionally, 25% of the respondents reported having between 4 to 10 years of work experience. These findings highlight that a majority of the participants possessed substantial professional experience, qualifying them effectively for inclusion in the study.
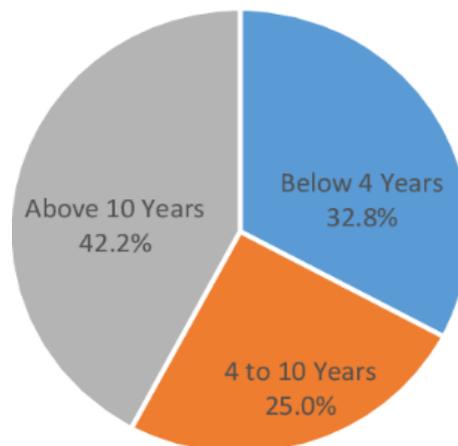

Figure 4: Work Experience

Education Level

The researcher conducted a study to determine the educational attainment of the respondents. According to Figure 5, the largest group, comprising 64.1% of the respondents, had achieved a bachelor's degree. A significant portion, accounting for 23.4%, had attained a master's degree. Furthermore, 11% of the respondents had obtained a PhD, while fewer than 2% (1.6%) had completed a diploma program as their highest level of education. These findings indicate that a majority of the respondents were highly educated, suggesting they possessed sufficient knowledge to provide accurate responses to the research questions. This level of education likely equips them to make informed decisions, drawing from their deep understanding of their organizational environments.
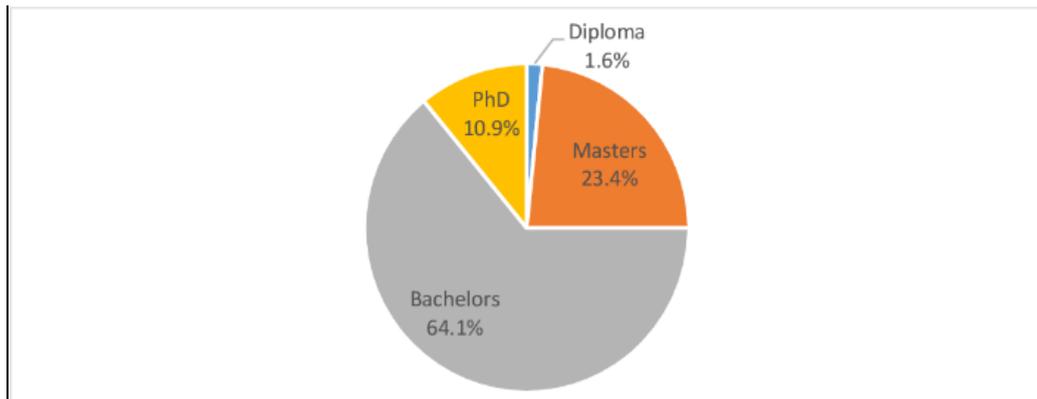
Figure 5: Education Level

Duration in the Organization

Figure 6 presented these findings. Majority of the respondents Diploma 1.6% Masters 23.4% Bachelors 64.1% PhD 10.9% 30 (64.1%) of the respondents had worked in their respective for 6 to 10 years while 23.4% of the respondents had worked in their institutions for above 10 years. Above twelve percent (12.6%) of the respondents were in their respective institutions for less than six years.
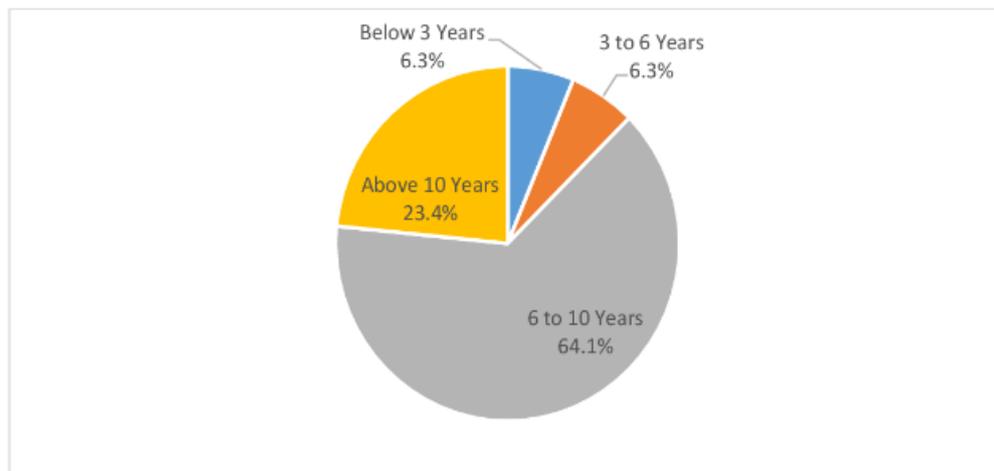

Figure 6: Duration in the Organization

Financial Accounting Information Quality and Decision Making

This section presents descriptive results and discussion of the predictor and dependent variables.

Information Comparability and Decision Making

The study aimed to investigate the impact of comparability on decision-making processes, with findings detailed in Table 2. A majority (53.1%) of respondents agreed that financial statements from different accounting periods are comparable, enabling users to draw meaningful conclusions. Additionally, 64% of respondents confirmed that financial statements prepared by their Public Benefit Organizations (PBOs) were consistent with those of other similar organizations, facilitating performance analysis across the sector.

Furthermore, 69% of respondents agreed that financial information simplified decision-making by aiding in the comparison of alternatives. Moreover, 64.1% of respondents found that the qualitative characteristics of financial statements in their PBOs could be easily compared to industry averages, enhancing evaluative capabilities.

Additionally, 64% of respondents agreed that users of financial information could effectively compare reports from different time periods. The overall mean score for comparability was 3.5, with a standard deviation of 1.25, indicating a moderate level of perceived importance among respondents. These findings underscore the significant role of information comparability as a determinant of effective decision-making within PBOs.

Table 2: Information Comparability and Decision Making

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Devia tion
Statements are comparable between accounting periods	6.2%	21.1%	19.5%	35.9%	17.2%	3.4	1.18
Statements are consistent with those of other PBOs	11.7%	16.4%	7.8%	46.1%	18.0%	3.4	1.28
Information helps users choose among alternatives	10.9%	11.7%	8.6%	50.0%	18.8%	3.5	1.24
Qualitative characteristics	13.3%	14.8%	7.8%	41.4%	22.7%	3.5	1.35
Users able to compare financial reports for different periods	6.2%	21.1%	8.6%	44.5%	19.5%	3.5	1.20
Average						**3.5**	**1.25**

Information Reliability and Decision Making

The study aimed to explore the influence of information reliability on decision-making processes, with findings presented in Table 3. A substantial 79.7% of respondents affirmed that accounting information used by management in Community-Based Organizations (CBOs) is verifiable, indicating a high degree of trustworthiness in the data. Additionally, 74% of respondents agreed that financial information is faithfully represented, underscoring its pivotal role in the decision-making process.

Moreover, 76.5% of respondents acknowledged the predictive value of reliability in accounting information, which assists in making informed decisions about future actions. Furthermore, 71% of respondents noted the neutrality of financial information, reinforcing its dependability in decision-making contexts. A significant 88% of respondents agreed that information derived from accounting systems demonstrates completeness, facilitating thorough decision-making processes.

The overall mean score for information reliability was 3.9, with a standard deviation of 1.04, indicating a strong perceived importance among respondents. These findings highlight the critical role of reliable accounting information as a determinant of effective decision-making within CBOs.

Table 3: Information Reliability and decision making

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Devia tion
Information verifiability	4.7%	4.7%	10.9%	65.6%	14.1%	3.8	0.91
Faithful Representation	7.8%	7.0%	10.9%	51.6%	22.7%	3.7	1.12
Predictive value	3.9%	10.9%	8.6%	57.0%	19.5%	3.8	1.01
Financial information Neutrality	4.7%	11.7%	12.5%	36.7%	34.4%	3.8	1.16
Information Completeness	3.1%	3.1%	6.2%	14.1%	73.4%	4.5	0.97
Average						**3.9**	**1.04**

Information Relevance and Decision Making

The study aimed to investigate the impact of information relevance on decision-making processes, with results detailed in Table 4. A significant 83% of respondents acknowledged the timeliness of financial accounting information, emphasizing its critical role in making pivotal decisions within Public Benefit Organizations (PBOs). Additionally, an overwhelming majority (85.9%) agreed that financial information provided valuable feedback, enabling managers to effectively respond in decision-making contexts.

Furthermore, 76.5% of respondents affirmed the consistency in the release and development of financial data, highlighting its reliability for decision-making purposes. Moreover, a substantial 87.5% of respondents noted the predictive value of financial accounting information, which aids in making informed decisions about future actions.

The overall mean score for information relevance was 4.1, with a standard deviation of 0.98, indicating a high level of perceived importance among respondents. These findings underscore the crucial role of relevant financial accounting information as a determinant of effective decision-making within PBOs.

Table 4: Information Relevance and Decision Making

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Devia tion
Accounting Information Timeliness	4.7%	6.2%	6.2%	43.8%	39.1%	4.1	1.06
Feedback Value	4.7%	4.7%	4.7%	50.0%	35.9%	4.1	1.01
Understandabilit y of Information	1.6%	6.2%	3.1%	40.6%	48.4%	4.3	0.91
Consistency in release of development of financial data	7.8%	3.1%	12.5%	65.6%	10.9%	3.7	0.99
Predictive value	3.1%	4.7%	4.7%	46.9%	40.6%	4.2	0.95
Average						**4.1**	**0.98**

Decision Making at Public Benefit Organizations

The study focused on assessing public benefit organizations (PBOs) in Uasin Gishu County, with results summarized in Table 5. A significant proportion of respondents, 57.8%, acknowledged the existence of robust measures for problem recognition within their PBOs, aimed at identifying gaps and addressing related issues. Furthermore, 65.6% of respondents indicated that specifications, goals, and objectives addressing problems were clearly defined in their organizations, facilitating effective decision-making.

Moreover, 65% of respondents agreed that their PBOs had well-defined methodologies for making decisions concerning various concerns. A majority, 68.7%, affirmed that actions were consistently implemented according to established decision-making processes within their organizations. Additionally, 68% of respondents acknowledged that management effectively utilized feedback from external parties to enhance future decision-making in their PBOs.

Overall, these findings highlight the importance of structured approaches and feedback integration in decision-making processes within public benefit organizations in Uasin Gishu County.

Table 5: Decision Making

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Devia tion
Statements are comparable between accounting periods	6.2%	21.1%	19.5%	35.9%	17.2%	3.4	1.18
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Users able to compare financial reports for different periods	6.2%	21.1%	8.6%	44.5%	19.5%	3.5	1.20
Average						**3.5**	**1.25**

Pearson Correlation Analysis

In Table 6, the Pearson correlation analysis revealed strong and positive correlations between decision making and each of the independent variables: comparability (0.770), reliability (0.831), and relevance (0.696). Importantly, all predictor variables—comparability, reliability, and relevance—were statistically significant at a level of 0.000 each. These findings underscore the robust relationships between these variables and decision-making outcomes.

Table 6: Pearson Correlation Analysis

Variable		Decision Making	Comparability	Reliability	Relevance
Decision Making	Pearson Correlation	1			
	Sig. (2-tailed)				
Comparability	Pearson Correlation	0.770	1		
	Sig. (2-tailed)	0.000			
Reliability	Pearson Correlation	0.831	0.757	1	
	Sig. (2-tailed)	0.000	0.000		
Relevance	Pearson Correlation	0.696	0.563	0.703	1
	Sig. (2-tailed)	0.000	0.000	0.000	

Source: Researcher (2017)

Regression Analysis

Fit of Model

Table 7 illustrates the effectiveness of the regression model in elucidating the variables examined in this study. The results indicate that the predictor variables—comparability, reliability, and relevance—adequately account for decision-making processes. Supported by an R square value of 0.757, these findings suggest that these predictors collectively explain 75.7% of decision-making variability. Consequently, 24.3% of the variance in decision making remains attributable to factors outside the scope of this study.

Table 7: Fit of Model

Model	Coefficient
R	0.87
R Square	0.757
Adjusted R Square	0.752
Std. Error of the Estimate	0.56924

Analysis of Variance

Table 8: Analysis of Variance

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	125.424	3	41.808	129.022	0.000
Residual	40.181	124	0.324		
Total	**165.605**	**127**			

In Table 8, the ANOVA statistics revealed that the overall model was highly statistically significant, as indicated by a probability (p) value of 0.000. This significance is underscored by the fact that the reported p-value is lower than the conventional threshold of 0.05, signifying robust statistical support. These results affirm that the independent variables—comparability, reliability, and relevance—are effective predictors of decision-making processes.

Regression of Coefficients

In Table 9, the regression coefficients demonstrate a positive association between decision-making and three key variables: comparability, reliability, and relevance, with beta coefficients of 0.326, 0.619, and 0.381 respectively. Importantly, all these independent variables—comparability, reliability, and relevance—showed statistically significant relationships, with p-values of 0.000, 0.000, and 0.001 respectively. These findings underscore that comparability, reliability, and relevance are crucial factors influencing decision-making processes.

Table 9: Regression of Coefficients

Variable	Unstandardized Coefficients	Std. Error	t	Sig.
(Constant)	-1.466	0.345	-4.25	0.000
Comparability	0.326	0.07	4.675	0.000
Reliability	0.619	0.109	5.675	0.000
Relevance	0.381	0.117	3.251	0.001

According to the findings, enhancing comparability by one unit is associated with a corresponding 0.326-unit increase in decision-making outcomes. Similarly, an increase in reliability by one unit correlates with a 0.619-unit rise in decision-making effectiveness. Moreover, improving relevance by one unit leads to a 0.381-unit increase in decision-making capabilities. The regression equation illustrating these relationships is expressed as: $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \mu$, where Decision Making = 0.326 Comparability + 0.619 Reliability + 0.381 Relevance - 1.466.

4. DISCUSSION OF FINDINGS

The study sample consisted mostly of male respondents (75.8%), with a significant portion falling between the ages of 36 and 50 years (45%). A substantial number of respondents had over 10 years of work experience (42%), and the majority had attained a bachelor's degree (64.1%). In terms of work tenure, 64.1% of respondents had been with their current employers for 6 to 10 years.

Regarding the variables studied, comparability emerged with an average score of 3.5 and a standard deviation of 1.25. The findings underscored the crucial role of comparability in decision-making, showing a strong positive correlation (0.770) with decision-making processes. Regression analysis indicated a statistically significant positive relationship (0.326) between comparability and decision-making, suggesting that an increase in comparability positively influences decision-making by 0.326 units.

Similarly, reliability scored an average of 3.9 with a standard deviation of 1.04. The study highlighted the significance of reliability in decision-making, showing a strong positive correlation (0.831). Regression results supported a positive relationship (0.619) between reliability and decision-making, further emphasizing its statistical significance.

Moreover, relevance scored an average of 4.1 with a standard deviation of 0.98, indicating its critical importance in decision-making processes. The study revealed a strong positive correlation (0.696) between relevance and decision-making. Regression analysis confirmed a significant positive relationship (0.381) between relevance and decision-making.

Overall, the independent variables (comparability, reliability, and relevance) collectively explained 75.7% of the variance in decision-making (R square = 0.757). The ANOVA findings validated the model's overall statistical significance (p = 0.000).

These findings resonate with previous research emphasizing the pivotal role of accounting information, particularly in industrial contexts, aligning with existing literature on decision-making determinants.

5. CONCLUSION

Based on the study's findings, several conclusions can be drawn regarding the quality of accounting information and its impact on decision-making within public benefit organizations (PBOs) in Uasin Gishu County.

Firstly, the comparability of accounting information hinges on whether financial statements from different accounting periods can be effectively compared. Additionally, consistency in financial reporting among PBOs and the ability of

financial information to facilitate decision-making by offering clear alternatives are crucial factors. Moreover, qualitative characteristics of financial statements that align with industry standards further enhance comparability. Overall, financial accounting information in Uasin Gishu's PBOs demonstrates adequate comparability, which significantly influences decision-making processes.

Secondly, the reliability of accounting information within these organizations is underscored by its verifiability and faithful representation. The predictive value and neutrality of this information also play pivotal roles in decision-making processes. The completeness of information generated from accounting systems further bolsters reliability. Consequently, the reliability of financial accounting information emerges as a key predictor of decision-making effectiveness in Uasin Gishu's PBOs.

Thirdly, the relevance of accounting information is highlighted by its timeliness and its capacity to provide actionable feedback for decision-makers within PBOs. The clarity and understandability of financial information, alongside consistency in its release and development, contribute significantly to its relevance. The predictive value embedded in this information further enhances its relevance. Consequently, the relevance of financial accounting information serves as an important determinant of decision-making efficacy within Uasin Gishu's PBOs.

In summary, the study concludes that the comparability, reliability, and relevance of financial accounting information are critical aspects influencing decision-making in public benefit organizations in Uasin Gishu County. These characteristics collectively contribute to informed decision-making processes, thereby supporting the operational and strategic goals of PBOs in the region.

6. RECOMMENDATIONS

Based on the findings of the study, the following recommendations are proposed for management and decision-makers in public benefit organizations (PBOs) in Uasin Gishu County:

Enhancing Comparability of Financial Statements: Management should focus on improving both quantitative and qualitative aspects of financial statements within their PBOs. This includes ensuring that financial statements can be easily compared to industry averages. Measures should be taken to standardize reporting practices and align qualitative characteristics with industry norms to facilitate meaningful comparisons.

Improving Reliability of Accounting Information: It is recommended that measures be implemented to enhance the reliability of accounting information used for decision-making. This can be achieved by ensuring that financial data is verifiable, faithfully represented, and consistently reliable over time. Enhancing the predictive value of financial information will further support effective decision-making processes.

Ensuring Completeness of Accounting Systems: PBOs should strive to ensure that their accounting systems generate comprehensive and complete information. This completeness is crucial as it provides decision-makers with a holistic view of financial performance and facilitates well-informed decisions. Regular audits and reviews can help ensure data integrity and completeness.

Enhancing Monitoring and Control Processes: It is essential to strengthen monitoring and control mechanisms within the decision-making processes of PBOs. This includes adhering to established procedures and guidelines to mitigate risks and ensure that decisions align with organizational objectives. Effective monitoring will help in achieving desired goals and improving overall organizational performance.

Implementing these recommendations will not only improve the quality of financial accounting information within PBOs but also enhance their decision-making capabilities. By focusing on comparability, reliability, completeness, and effective monitoring, PBOs in Uasin Gishu County can optimize their operational efficiencies and achieve sustainable growth and impact in their respective sectors.

Area for Further Study

The current study, while insightful, acknowledges its limitations and suggests avenues for further research to broaden understanding and validate findings: Geographical Context Expansion: Conducting a similar study in a different geographical area, such as Turkana County, would provide comparative insights. This exploration aims to determine whether the observed relationships between financial accounting quality and decision-making hold consistent across diverse regional settings.

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Private Sector Comparison: Additionally, exploring financial accounting practices and decision-making processes within the private sector could yield valuable comparisons. Contrasting findings from public benefit organizations with those in private enterprises could highlight sector-specific nuances or similarities, offering deeper insights into the factors influencing decision-making.

Explanatory Investigations: It is crucial for future studies to delve into any discrepancies or similarities uncovered between different geographical regions or sectors. Exploring reasons behind varying financial accounting practices and their impact on decision-making would enrich understanding and potentially uncover sector-specific best practices.

By conducting studies in varied contexts and sectors, researchers can enhance the generalizability of findings and contribute to a more comprehensive understanding of how financial accounting quality influences decision-making across different organizational settings. These endeavors are essential for developing targeted strategies that optimize decision-making processes and organizational performance.

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