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**THE IMPORTANCE OF RECORD KEEPING IN THE FINANCIAL  
MANAGEMENT DECISION MAKING PROCESS: AN EMPIRICAL STUDY  
OF SOUTH AFRICAN SMMES**

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**ABSTRACT**

*The purpose of this study is to help spotlight the principal key factors that lead to an absence of record keeping in small businesses, an aspect of critical importance in strategic decision-making. The data collected was by means of a questionnaire, and consists of responses from a total sample of 143 small business owner managers registered with SEDA in South Africa. The analysis employed Fisher's Exact Test. The results indicate that 72% of respondents without a formal means of record keeping in their business have some educational qualification beyond matric, and are in the age group 45 – 54 years. The study concludes on an inverse relationship between small business owner manager educational level and awareness of the importance of record keeping for decision-making purposes, and recommends training as a remedy.*

**KEYWORDS:** *Small businesses; owner manager characteristics; record keeping; information; South Africa.*

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