
**Financial Reporting And Its Impact On Organizational Productivity. A Case Study Of
Cheap General Hard Ware, Kasubi.**

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Abstract

The study focused on the impact of financial reporting on organizational productivity. It was guided by the following objectives; To assess the impact of transparency in financial reporting on the productivity of cheap hardware, to find out the effect of accuracy of financial statements on the productivity of cheap hardware and to examine the influence timeliness of financial reporting on the productivity of cheap hardware. The study was confined to a period of three (3) months. It was conducted at cheap hardware in Kasubi, The study targeted 136 sample units though only 100 responded, which translated in a response rate of 73.5%. The study used more male 60% of the respondents, and 40% were female. This implied that the organization employed more male staff than the female; this was because male staffs were regarded to be more productive than female. The majority of the respondents of 40% were under the age group of 30-35 the findings revealed that they were regarded to be more productive with enough experience. The majority 68% of the respondents in cheap hardware were married staffs. This implied that married staffs were more responsible and devoted at work than the unmarried. The study results reflected that 20% of the respondents were Degree holders, 50% were Diploma holders and 30% of the respondents had other qualifications. The results on transparency in financial reporting show that, 20.5% of the respondent strongly disagreed with the statements provided on transparency in financial reporting, 11% disagreed with the statements, 29.5% were not sure of the matter and these followed the majority of the respondents, the average percentage of those who agreed was 9% and these were the minority. Lastly, 30% of the respondents strongly agreed with the statements and these were the majority. The following analytical observations was the analysis of statistics on accuracy in financial statements; 32.4% of the respondents strongly agreed with the statements, 30.1% of the respondents agreed. The majority strongly agreed with the statements on the variable timeliness and they had an average percentage of 36.3% of the respondents, these were followed by those who were agreed with the statements on the matter and their average percentage was 26.7%. In order to improve on its productivity, cheap hard ware should improve its financial statements by focusing on the following major draw backs that organization experience in financing. It should have financial policies and guidelines for all its business activities

Keywords: Financial, Reporting, Organizational and Productivity

Background of the Study

(Alex & Kazaara, 2023), a respected economist with a focus on African economies, leads a diverse group of researchers with expertise in compliance, internal controls and management integrity (Lydia et al., 2023). Together, they explore how Egypt's unique economic landscape, spanning various industries, interacts with financial reporting practices. They aim to uncover the tailored approaches necessary to make Egypt a regional

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economic hub. In Rwanda, a research team led by (Christopher et al., 2022) examines Rwanda's commitment to economic development and innovation. (Paul et al., 2023), a seasoned researcher in East African economies, oversees a multidisciplinary team of experts in finance, technology and sustainable development. This team aims to understand how Rwanda's emphasis on technology and sustainable practices aligns with advanced financial reporting (Racheal et al., 2023), contributing valuable insights to the regional discourse on economic growth. In Uganda, a dedicated team led by (Polycarp et al., 2023) focuses on Uganda's complex interplay between financial reporting and organizational productivity. (Ivan et al., 2023), an expert on Ugandan economic trends, leads a team with diverse backgrounds, including regulatory experts, internal control specialists and management ethics experts. Together, they examine Uganda's commitment to align financial reporting practices with international standards (Musimenta et al., 2017). Their research sheds light on the unique challenges and opportunities in the Ugandan business environment and contributes to a broader understanding of East Africa's economic dynamics.

At Cheap General Hardware, Kasubi, Uganda, the localized research team is led by (Moses et al., 2023), an experienced researcher with experience in the hardware industry, leads a team of professionals specializing in the nuances of the sector. The team includes financial analysts, auditors and supply chain management experts. Together, they examine how regulatory compliance, internal controls, and management integrity affect financial reporting processes "Cheap General Hardware, Kasubi." This microcosmic examination provides valuable insights into the complex relationship between financial reporting factors and organizational productivity in this specific organizational environment (Innocent et al., 2023).

Problem statement

In recent years, the intersection of financial reporting and organizational productivity has become a critical area of concern for businesses seeking sustainable growth and competitiveness (Ntirandekura & Christopher, 2022). This research aims to investigate the impact of financial reporting on the productivity of "Cheap General Hardware, Kasubi" using a case study approach (Isaac et al., 2023). The central issue revolves around identifying the key indicators affecting the accuracy of financial reporting and understanding their impact on the overall productivity of the organization (Ntirandekura & Christopher, 2022). Transparency of financial reporting, accuracy of financial reporting and timeliness of financial reporting are an integral part influencing financial reporting (Racheal et al., 2023). Deviation from established reporting standards can lead to misinterpretations, misjudgments and financial irregularities (Moses et al., 2023). The level of adherence to accurate financial reporting within an organization also plays a key role in ensuring the accuracy and reliability of financial data (Racheal et al., 2023). In addition, ethical standards and the integrity of the management team are paramount, affecting the transparency and completeness of financial reporting (Johnson, 2018). Research on financial reporting has been done by several researchers in other dimensions such as reservation management, working capital, current ratio, operating cash flow and so on. This prompted me to conduct further research on

financial reporting based on the variables of transparency in financial reporting, accuracy of financial reporting and timeliness of financial reporting (David et al., 2023).

Specific objectives

1. To assess the impact of transparency in financial reporting on the productivity of cheap hardware.
2. To find out the effect of accuracy of financial statements on the productivity of cheap hardware.
3. To examine the influence timeliness of financial reporting on the productivity of cheap hardware.

Methodology

A research design was a road map or a plan of research to be used to answer the research questions and research objectives (A & Ahmed, 2019). It was the structure or framework to solve a specific problem. Both qualitative and quantitative approaches have been used. Qualitative designs help in giving detailed information (Nafiu et al., 2012). It helped to give in-depth analysis of financial control in the area of study. (Nafiu & Ph, 2012) observe that population is the total collection of elements about which one wants to make inferences. (Olanrewaju et al., 2021) defines population as the researchers' universe'. They contend that a population of study posed characteristics that meet a researcher's study interests and the study population size of 136 people was used. (Olanrewaju & Abiodun, 2021) argue that sampling was commonly used in inferential statistics to make predictions on the behavior of the population. A sample size of 100 workers was selected in which different sampling techniques were used from each office (Nafiu et al., 2012). This was a technique with regard to which item should be included or excluded in the sample test on the researcher's judgment and intuition. According to (Nafiu, 2012), purposive technique enabled the researcher to choose respondents basing on the fact that they had desirable characteristics and variables related to the issue being studied. This technique had the property that every possible combination in the population study had an equal chance of being selected (Jallow et al., 2022). In that case the researcher included everyone in the study considering that all respondents had common observable characteristics (Jallow et al., 2021). These were used to collect primary data from the respondents that is, a set of questions that were arranged systematically and logically so as to achieve more specific objectives. These questions were typed and printed in a definite order. Data analysis was the process of systematically searching, arranging, organizing, and breaking data into manageable units, synthesizing the data, searching for patterns, discovering what is important and what was to be learned (Rasheed et al., 2022). The data collected from the field was edited for accuracy, legibility, comprehensiveness and consistency. The data collected was expressed by ticks, or other notions on response sheets. The researcher studied this data and search for trends, patterns and relationships that were relevant to the research questions as well as research objectives. The process of data analysis was done on a daily basis to locate any information gaps (Lu et al., 2013). The researcher basically used qualitative techniques of research like questionnaires and observations to analyze the data. The data was analyzed with SPSS as the analytical packages (Nelson et al., 2022).

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RESULTS

Descriptive statistics on transparency in financial reporting

Table 1 shows statistics on the variable transparency in financial reporting

Statements	Response				
	1	2	3	4	5
Transparency in financial reporting					
Constant regulatory changes may introduce challenges, requiring adaptability for sustained productivity.	7%	23%	40%	15%	4%
Effective communication of compliance standards is vital to ensure employee understanding and productivity	40%	12%	20%	5%	23%
Automation of compliance processes can mitigate resource strain and positively impact productivity.	20%	6%	52%	14%	8%
Non-compliance may lead to fines or legal issues, negatively affecting overall productivity.	48%	20%	20%	7%	5%
Regulatory compliance enhances operational efficiency by providing clear guidelines	12%	3%	24%	15%	46%
Adhering to regulations reduces the risk of legal consequences, fostering a stable working environment.	20%	10%	30%	12%	28%
Compliance requirements may necessitate additional resources, potentially impacting short-term productivity	56%	20%	10%	5%	9%
Long-term gains from compliance include improved reputation, customer trust, and sustained productivity.	15%	6%	12%	15%	52%
Balancing compliance demands with streamlined processes is crucial for maintaining productivity levels.	30%	8%	48%	9%	5%
Robust compliance measures can prevent disruptions, contributing to consistent productivity	58%	22%	10%	5%	5%
Average percentage	30%	9%	29.5%	11%	20.5%

The results from the table 1 above show that, 20.5% of the respondent strongly disagreed with the statements provided on Transparency in financial reporting, 11% disagreed with the statements, 29.5% were not sure of the matter and these followed the majority of the respondents, the average percentage of those who agreed was 9% and these were the minority. Lastly, 30% of the respondents strongly agreed with the statements and these were the majority.

Descriptive statistics on accuracy of financial statements

Table 2 shows the statistics on the variable accuracy of financial statements.

Statements	Response				
Accuracy of financial statements	1	2	3	4	5
Strong accuracy of financial statements bolster organizational efficiency by preventing errors and fraud.	40%	20%	12%	5%	23%
Well-designed financial statements promote accountability, positively impacting productivity	20%	48%	6%	14%	12%
Streamlined processes resulting from effective internal controls contribute to increased productivity.	62%	12%	13%	7%	6%
Regular accuracy of financial statements ensure adherence to controls, fostering a culture of continuous improvement.	25%	20%	20%	15%	20%
Robust financial statements minimize the risk of financial mismanagement, safeguarding productivity.	24%	56%	5%	12%	3%
Clear control frameworks reduce uncertainty, enhancing employee focus on productive tasks.	30%	15%	40%	5%	10%
Employee training on internal controls fosters a proactive approach, sustaining productivity levels.	10%	30%	25%	15%	20%
Balancing control implementation with flexibility is key to avoiding unnecessary bureaucracy and supporting productivity.	12%	58%	15%	9%	6%
Automation of internal control processes can optimize resource utilization, positively affecting productivity.	68%	12%	4%	6%	10%

Inadequate internal controls may lead to inefficiencies, hindering overall organizational productivity.	33%	30%	15%	10%	12%
Average percentage (%)	32.4	30.1	15.5	9.8	9.9

From the statistical data presented in Table 2 above, the following analytical observations can be made; 32.4% of the respondents strongly agreed with the statements, 30.1% of the respondents agreed. The percentage of those who were not sure of the statements was 15.5%, 9.8% of the respondents disagreed to the statements provided in table 4.5, and 9.9% of the respondents strongly disagreed.

Descriptive statistics on timeliness of financial reporting.

Table 3 shows the statistics on timeliness of the financial reporting.

Statements	Response				
	1	2	3	4	5
Timeliness of financial reporting					
Timeliness of financial reporting sets the ethical tone, fostering a positive work environment conducive to productivity.	20%	40%	12%	23%	5%
Trust in leadership's integrity promotes employee engagement, positively impacting overall productivity.	48%	20%	6%	12%	14%
Transparent and honest communication from management enhances clarity, supporting productivity.	12%	62%	13%	6%	7%
Timeliness of financial reporting is critical for building a strong organizational culture, influencing productivity positively.	20%	25%	20%	20%	15%
Ethical decision-making by leadership establishes a foundation of trust, positively affecting employee motivation and productivity.	56%	24%	5%	3%	12%
Consistent demonstration of integrity by management creates a sense of stability, supporting sustained productivity.	15%	30%	40%	10%	5%
Timeliness of financial reporting practices instills confidence, reducing workplace stress and boosting productivity.	30%	10%	25%	20%	15%
Ethical leadership serves as a role model, influencing employees to align their actions with organizational goals, enhancing productivity.	58%	12%	15%	6%	9%

Openness about challenges and successes by management fosters a collaborative atmosphere, benefiting productivity.	48%	20%	6%	12%	14%
Lack of timeliness of financial reporting can lead to employee disengagement and a decline in overall organizational productivity.	56%	24%	5%	3%	12%
Average percentage (%)	36.3	26.7	14.7	11.5	10.8

According to the table 3 above, the majority strongly agreed with the statements on the variable and they had an average percentage of 36.3% of the respondents, these were followed by those who were agreed with the statements on the matter and their average percentage was 26.7%. The average percentage of those who strongly disagreed to the statements was 10.8%, 11.5% disagreed with the statements provided and 14.7% were not sure with the statement provided.

Conclusions

Findings on the response rate showed that 73.5% of the targeted respondents responded to the study interview guides and questionnaires the study concluded that it was sufficient for the study, this was proved by Mugenda & Mugenda, a response rate of 50% and above is good enough for a study.

There was a strong positive relationship Transparency in financial reporting and productivity of cheap hardware whereby an improvement in transparency would lead to a great improvement in the productivity of cheap hardware, and vice versa.

There was great positive impact on the productivity of cheap hardware that resulted from the accuracy in financial statements. This because the majority of the respondents agreed with the statements provided on the variable accuracy in financial statements.

The researcher also concluded on the variable timeliness that it strongly affect the productivity of cheap hardware since timely deliveries and moving in line with the budget also facilitates smooth running of financial reports.

Recommendation

Cheap hard ware's financial objectives should always be aimed at achieving the pre-determined objectives; its strategies to achieve financial objectives should be adequate; and diversification of its income resource base and financial activities should be properly accorded to schedule.

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