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Records Management Practices of Micro and Small-Sized Enterprises (MSEs) In Legislative District III of Isabela

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Abstract

This study explored the records management practices of Micro and Small-sized Enterprises (MSEs) in Legislative District III of Isabela, focusing on the types of records managed, tools and systems used, records management procedures, perceived importance of records management, challenges encountered, and possible improvements. Using a qualitative descriptive research design, the study gathered data through semi-structured interviews from 40 purposively selected MSE owners, managers, and records custodians across the municipalities of Alicia, Angadanan, Cabatuan, Ramon, and San Mateo in Legislative District III of Isabela. The interview instrument was validated by records management experts, and the collected data were analyzed using Braun and Clarke's thematic analysis. Findings revealed that MSEs commonly managed sales and financial, operational and inventory, and regulatory and administrative records. Most enterprises relied heavily on manual and paper-based systems, although some utilized basic digital tools such as Microsoft Excel, Google Sheets, and computerized monitoring systems. Records management practices were generally informal and inconsistent, with many enterprises lacking formal policies, standardized procedures, and structured disposal systems. Despite these limitations, respondents recognized records management as essential for operational efficiency, accountability, customer service, decision-making, and regulatory compliance. Major challenges identified included limited storage space, missing records, insufficient skills, lack of standardized systems, and limited digital integration. The study concluded that there is a strong need for standardized records management systems, digitalization, improved security measures, and continuous training programs to enhance operational efficiency and organizational sustainability among MSEs. The study aligns with Sustainable Development Goals (SDGs) 8, 9, and 16 by promoting economic growth, innovation, organizational efficiency, accountability, and stronger institutional practices.

Keywords: Digitalization, Micro and Small-Sized Enterprises (MSEs), Records Management, Regulatory Compliance, Thematic Analysis

1. Introduction

Records management is a fundamental component of organizational efficiency, accountability, compliance, and sustainability in modern business operations. In micro and small-sized enterprises (MSEs), effective records management supports decision-making, financial monitoring, operational continuity, and business growth. Despite its importance, many MSEs, particularly in developing and rural areas, continue to rely on manual, fragmented, and inconsistent recordkeeping systems, exposing them to risks such as data loss, regulatory noncompliance, and inefficient operations. This study explored the records management practices of MSEs in Legislative District III of Isabela, focusing on the types of records managed, tools and systems used, records management procedures, perceived importance of records management, encountered challenges, and possible improvements. Drawing from related literature and studies, the research examined how systematic recordkeeping contributes to operational efficiency, organizational sustainability, and business resilience. The study also addressed the lack of localized qualitative research on records management practices among rural MSEs in the Philippine context.

1.1 Background of Records Management Practices among Micro and Small-Sized Enterprises (MSEs) in Legislative District III of Isabela

In the global business environment, records management is increasingly recognized as a critical organizational function that enhances efficiency, transparency, accountability, and risk management (International Organization for Standardization/ISO, 2020). The World Bank (2021) reported that poor documentation practices contribute significantly to inefficiencies among SMEs, resulting in financial losses, compliance issues, and missed business opportunities. While developed countries have adopted digital records management systems to support business continuity and operational efficiency, SMEs in developing countries, including the Philippines, continue to depend heavily on manual and inconsistent documentation practices (Dela Cruz & Reyes, 2021). In the Philippines, SMEs constitute a major segment of the economy and employment sector (Philippine Statistics Authority/PSA, 2022). However, many enterprises struggle to establish effective records management systems. The Department of Trade and Industry (DTI, 2021) emphasized that SMEs, especially in rural areas, often rely on informal and manual recordkeeping methods that increase vulnerability to data loss and operational inefficiency. In Legislative District III of Isabela, MSEs play significant roles in agriculture, retail, and services, yet many still utilize paper-based systems and lack formal records management procedures (DTI Region II, 2023). Limited digital resources, insufficient training, and exposure to typhoon-related disasters further aggravate these challenges. The study was anchored on legal and institutional frameworks supporting records management, including Republic Act No. 9470 or the National Archives of the Philippines Act of 2007, DILG Memorandum Circular No. 2020-77 on digitized documentation and business continuity, and ISO 15489, which emphasizes accountability, authenticity, and accessibility in organizational recordkeeping.

1.2 Themes and Insights on Records Management Practices, Procedures, and Systems among MSEs

Related literature consistently emphasized that effective records management contributes to business sustainability, operational efficiency, and informed decision-making. Studies by Touray (2021), Capiña (2021), Khadim and Choudhury (2019), and Madurapperuma et al. (2016) revealed that many SMEs still depend on manual and single-entry systems due to limited accounting knowledge and financial constraints. These practices often result in incomplete records, weak compliance, and inefficient operations. Borromeo et al. (2024) further observed that many micro and small businesses in the Philippines lacked formal bookkeeping skills and failed to comply with accounting standards. Literature on records management tools and systems highlighted the growing importance of digital transformation. Azaare et al. (2024), Micabalo et al. (2022), and Ahmad et al. (2017) found that SMEs commonly relied on traditional paper-based systems despite the advantages of computerized tools. Conversely, Szedmák and Szabó (2023), Flaminiano and Francisco (2021), and Zdraveski et al. (2019) demonstrated that digital systems such as Document Management Systems (DMS) and Electronic Document Management Systems (EDMS) improve financial performance, operational efficiency, and business competitiveness. Studies on records management procedures emphasized the importance of systematic storage, retrieval, confidentiality, backup, and disposal practices. Eduardo et al. (2024), Farotimi et al. (2023), and Olajide and Obialo (2020) noted that organized documentation procedures enhance data accuracy and operational efficiency. However, Ajibade and Khayundi (2017) and Namaganda (2016) found that many SMEs lacked formal records management policies and standardized procedures, resulting in disorganized documentation and poor financial monitoring. The reviewed studies also underscored the importance of records management in business sustainability and growth. Nwanmuoh et al. (2025), Mintah et al. (2022), Balagobei (2019), and Boma (2023) established that proper recordkeeping supports profitability, succession planning, strategic planning, and organizational continuity. Yin et al. (2017) further highlighted that digital records systems reduce accounting errors and improve real-time monitoring of business performance. Literature likewise identified major challenges affecting records management among SMEs. Yussif et al. (2019), Myeko and Madikane (2019), Ronald (2018), and Robert (2019) reported barriers such as inadequate accounting knowledge, lack of training, financial constraints, poor infrastructure, absence of policies, and resistance to technological adoption. Ghasia et al. (2017) further emphasized that despite recognizing the value of records management, many business owners lacked the resources and competencies to implement effective systems. Finally, studies on records management programs emphasized the value of training initiatives, policy interventions, and digitalization programs. Borromeo et al. (2024), Mintah et al. (2022) and Aladejebi and Oladimeji (2019) recommended government-supported training programs, digital adoption initiatives, and affordable professional services to improve records management practices among SMEs.

1.3 Local, National, and Global Context of Records Management among MSEs in Legislative District III of Isabela

Globally, organizations increasingly adopt digital records management systems to improve transparency, operational continuity, and organizational accountability (International Organization for Standardization/ISO, 2020). However, developing countries continue to face challenges in implementing standardized and technology-enabled records systems due to limited resources and technical expertise (Dela Cruz & Reyes, 2021). Nationally, SMEs remain critical contributors to the Philippine economy and labor force (Philippine Statistics Authority/PSA, 2022). Nevertheless, many enterprises still rely on manual and informal documentation systems, particularly in rural areas (DTI, 2021). These practices hinder regulatory compliance, financial management, and business growth. Locally, MSEs in Legislative District III of Isabela continue to encounter challenges related to paper-based systems, limited digital infrastructure, insufficient records management training, and vulnerability to natural disasters such as typhoons and flooding (DTI Region II, 2023). These issues significantly affect their ability to preserve records, secure financing, access government support, and maintain operational continuity.

1.4 Theoretical and Conceptual Basis of Records Management Practices among MSEs

The study was conceptually anchored on the interrelationship among records management practices, records management procedures, challenges encountered, and the perceived importance of records management in business operations. These variables collectively explain how MSEs create, organize, store, retrieve, protect, and dispose of business records while addressing operational constraints and recognizing the value of effective records management. The framework proposed that effective records management contributes to organizational efficiency, compliance, business continuity, and sustainability. The study further aimed to develop a records management program that would serve as a practical guide for improving records management practices among MSEs in Legislative District III of Isabela.

1.5 Research Gaps and Rationale for Exploring Records Management Practices of MSEs in Legislative District III of Isabela

Despite extensive literature on records management among SMEs, there remains a limited body of qualitative and context-specific research focusing on micro and small-sized enterprises in rural Philippine settings. Existing studies, including those by Borromeo et al. (2024), Azaare et al. (2024), Mintah et al. (2022), and Szedmák and Szabó (2023), largely employed quantitative approaches emphasizing statistical relationships, adoption rates, or business performance outcomes. While these studies provided valuable insights, they offered limited understanding of the lived experiences and contextual realities of MSE owners in managing records. Furthermore, most studies focused on broader SME populations or international settings, leaving rural Philippine districts such as Legislative District III of Isabela underexplored. This empirical gap justified the conduct of the present study, which utilized a qualitative approach to deeply examine the records management practices, procedures, perceptions, and challenges experienced by MSE owners and managers in their actual operational environments.

1.6 Alignment of the Study on Records Management Practices with Relevant Sustainable Development Goals (SDGs)

The study aligns primarily with Sustainable Development Goal (SDG) 8 – Decent Work and Economic Growth by promoting efficient business operations, innovation, productivity, and resilience among micro and small-sized enterprises. Effective records management supports organizational sustainability, financial accountability, and business continuity, which contribute to economic inclusion and enterprise growth. The study also relates to SDG 9 – Industry, Innovation and Infrastructure through its emphasis on digital transformation, technology-enabled records management systems, and improved organizational processes. The promotion of digital records systems contributes to stronger business infrastructure and innovation capacity among MSEs. Additionally, the research supports SDG 16 – Peace, Justice, and Strong Institutions by encouraging transparency, accountability, proper documentation, and compliance with legal and institutional records management frameworks such as ISO 15489 and Republic Act No. 9470.

1.7 Importance of the Study on Records Management Practices to Multidisciplinary Sustainability

The study contributes to socio-economic sustainability by improving the operational efficiency, competitiveness, and long-term viability of MSEs. Effective records management enables enterprises to make informed decisions, secure financial support, and maintain stable business operations, thereby supporting local economic development. It also contributes to technological sustainability through the promotion of digital records management systems and ICT-based documentation practices. The adoption of digital tools enhances data security, accessibility, and organizational resilience, particularly in disaster-prone areas. In terms of institutional and governance sustainability, the study reinforces compliance with legal standards, promotes accountability, and strengthens organizational transparency. Improved records management practices support effective governance among enterprises and facilitate stronger relationships with regulatory agencies, financial institutions, and stakeholders. The study likewise contributes to educational sustainability by providing evidence-based insights that may support curriculum enhancement, capacity-building initiatives, and future research related to records management, entrepreneurship, and business administration.

2. Material and methods

2.1 Research Design

This study utilized a qualitative descriptive research design to explore the records management practices of Micro and Small-sized Enterprises (MSEs) in Legislative District III of Isabela. The qualitative approach enabled an in-depth examination of the participants' lived experiences, perspectives, and daily practices related to records management within their organizational settings. This design allowed the researcher to obtain detailed and contextualized information regarding both formal and informal records management practices implemented by MSE owners, managers, and records custodians. The descriptive nature of the study facilitated the identification of common practices and patterns across enterprises without manipulating variables. It also provided flexibility during interviews, allowing the researcher to probe deeper into participants' responses for better understanding. Consequently, the design generated comprehensive insights grounded in the actual experiences of respondents, enhancing the authenticity and relevance of the findings.

2.2 Locale of the Study

The study was conducted in Legislative District III of Isabela, which includes the municipalities of Alicia, Angadanan, Cabatuan, Ramon, and San Mateo. The area was selected because of its growing business communities and increasing number of Micro and Small-sized Enterprises (MSEs). These enterprises significantly contribute to local economic development through employment generation, income distribution, and community growth within the district.

2.3 Respondents of the Study

The respondents of the study consisted of MSE owners, managers, and records custodians who were directly involved in records management. These individuals served as key informants because of their firsthand knowledge and active participation in managing organizational records. A total of 40 respondents participated in the study, with the majority identified as records custodians, followed by managers and owners. The respondents represented various business establishments, including drugstores, gas stations, hardware and supply stores, hotels, financial service providers, food production businesses, and construction-related enterprises across the municipalities of Alicia, Angadanan, Cabatuan, Ramon, and San Mateo. Most respondents were affiliated with merchandising businesses, while others were engaged in manufacturing and service enterprises. The majority of enterprises had been operating for 1 to 10 years and were classified as micro-enterprises employing between 1 and 9 employees. These findings reflected the dominance of small-scale and developing businesses within Legislative District III of Isabela.

2.4 Sample and Sampling Procedure

The study employed purposive sampling to select respondents who possessed relevant experience and responsibilities in records management. Only MSE owners, managers, and records custodians directly involved in records management activities were included in the study to ensure the relevance and reliability of the information gathered. An equal allocation sampling technique was also utilized, wherein eight respondents were selected from each municipality in Legislative District III of Isabela. This resulted in a total sample size of 40 MSEs. The equal allocation ensured balanced representation from Alicia, Angadanan, Cabatuan, Ramon, and San Mateo.

2.5 Research Instrument

The study used a semi-structured interview as the primary research instrument. The interview guide questions were adopted and modified from the study of Zulu (2021), An Examination of Records Management Practices in Small and Medium Enterprises in Lusaka Urban District of Zambia. The interview guide focused on six major areas: existing records management practices, tools and systems used, records management procedures, perceptions regarding the importance of records management, challenges encountered, and records management programs. The instrument was contextualized to suit the operational realities of MSEs in Legislative District III of Isabela. It was prepared in both English and Filipino to accommodate respondents with varying language preferences. Questions related to demographic profiles, records management practices, procedures, perceptions, and challenges were simplified and tailored to reflect the actual experiences of local enterprises. The instrument also distinguished between physical and digital records management tools to capture the mixed practices of respondents. This contextualization ensured the relevance, clarity, and practicality of the interview questions. Prior to data gathering, the instrument underwent content validation by five experts in records management. The experts evaluated the questionnaire based on relevance, clarity, comprehensiveness, and alignment with the objectives of the study. After reviewing the experts' recommendations, the researcher revised the instrument and secured a Certification of Instrument Validity as evidence that the questionnaire was appropriate for use in the study.

2.6 Data Gathering Procedure

The data gathering process began with the validation of the research instrument by selected records management experts. Formal request letters and expert validation forms were distributed to facilitate the evaluation of the questionnaire. After incorporating the experts' recommendations and finalizing the instrument, the researcher proceeded with the actual data collection. Formal request letters were distributed to selected MSEs within Legislative District III of Isabela to seek permission to conduct the study. The letters explained the purpose and objectives of the research and encouraged respondents' participation. Upon approval, interviews were scheduled at convenient times and locations to minimize disruptions to business operations. Respondents were also provided with informed consent forms to ensure voluntary participation and their right to withdraw at any point in the study. Data were collected through semi-structured interviews with selected MSE owners, managers, and records custodians. The interviews allowed the researcher to follow prepared questions while probing additional issues and emerging themes related to records management practices and challenges. With respondents' permission, interviews were audio-recorded to ensure accurate documentation of responses. The recordings were subsequently transcribed for analysis, and all collected information was treated with strict confidentiality.

2.7 Data Analysis Techniques

The qualitative data gathered from the interviews were analyzed using Braun and Clarke's Thematic Analysis (2006). This method provided a systematic and flexible framework for identifying, analyzing, and reporting recurring themes and patterns within the qualitative data. The researcher followed the six phases of thematic analysis. First, all interview recordings were transcribed and repeatedly reviewed to achieve familiarity with the data. Second, significant portions of the responses were coded systematically. Third, related codes were grouped into broader categories to identify preliminary themes concerning records management practices. Fourth, the themes were reviewed and refined to ensure coherence and distinction. Fifth, the themes were clearly defined and named according to their central meanings. Finally, the themes were interpreted and supported using related literature to generate meaningful insights that addressed the objectives and problems of the study.

3. Results and Discussion

3.1 Existing Records Management Practices of MSEs

3.1.1 Types of Records Managed by MSEs

The findings revealed that MSEs commonly managed sales and financial records, operational and inventory records, and regulatory and administrative documents. Respondents reported maintaining records such as receipts, sales reports, payroll records, inventory forms, stock cards, business permits, contracts, and compliance documents. These records were used regularly for daily operations, monitoring, and compliance purposes. The findings indicate that recordkeeping plays an essential role in supporting business operations and regulatory compliance among MSEs. Borromeo et al. (2024) emphasized that many small businesses still depend on manual systems with limited bookkeeping skills, which may affect the accuracy and effectiveness of records. Similarly, Khadim and Choudhury (2019) and Touray (2021) highlighted that organized records management improves accountability, decision-making, and business growth. These findings suggest that while MSEs already maintain various record types, there remains a need to strengthen their recordkeeping systems and practices.

3.1.2 Frequency of Updating Records

The respondents generally reported updating records daily to support real-time monitoring of business activities. Others practiced weekly, monthly, quarterly, or yearly updating depending on the type of records maintained, while some updated records only when necessary or when transactions occurred. Overall, daily updating emerged as the most common practice among the respondents. The findings imply that timely updating of records is recognized as important for operational monitoring and business control. Borromeo et al. (2024) noted that manual systems often contribute to delays and inconsistencies due to limited bookkeeping competencies. In contrast, Touray (2021) emphasized that regular and accurate updating of records strengthens efficiency, accountability, and informed decision-making. These findings indicate that although MSEs actively update records, improvements in systematization and accuracy are still necessary.

3.1.3 Availability of Records Management Policies and Guidelines

The findings showed varied experiences regarding the availability of records management guidelines. Some enterprises implemented formal policies and complied with organizational or regulatory requirements, while many relied on verbal instructions and routine practices. Several respondents also reported the absence of formal records management policies, with procedures often based on personal discretion and experience. The findings suggest that records management policies among MSEs remain inconsistent and largely informal. Borromeo et al. (2024) found that many small businesses lack formal bookkeeping structures because of limited training and poor compliance with standardized systems. Khadim and Choudhury (2019) further emphasized that structured guidance and policies contribute to better business performance and decision-making. The absence of standardized policies among many respondents therefore indicates the need for formalized records management systems and training.

3.2 Tools and Systems Used in Records Management

3.2.1 Physical Tools and Storage Materials

The respondents commonly used folders, filing cabinets, logbooks, envelopes, storage boxes, shelves, and clearbooks for organizing records. Several enterprises practiced chronological filing, labeling, and categorization, while others utilized vaults and storage rooms for long-term protection of records. However, some respondents reported inconsistent and disorganized storage practices. The findings imply that physical and paper-based storage systems remain dominant among MSEs. Azaare et al. (2024) noted that SMEs continue to rely heavily on manual recordkeeping systems, which may reduce operational efficiency. Micabalo et al. (2022) similarly found that traditional bookkeeping systems remain widely used and still support business growth when properly maintained. However, Szedmák and Szabó (2023) emphasized that digital document systems significantly improve accessibility and efficiency. These findings indicate the need for more organized and technology-supported storage systems among MSEs.

3.2.2 Digital Tools and Technologies Used

The respondents reported using basic digital tools such as Microsoft Excel, Google Sheets, Microsoft Word, laptops, and computers. Some enterprises had already adopted integrated systems and POS technologies, including computerized monitoring systems. However, several respondents still relied entirely on manual processes and lacked integrated digital systems. The findings demonstrate varying levels of digital adoption among MSEs. Azaare et al. (2024) observed that many SMEs still depend on traditional systems due to limited ICT integration, negatively affecting efficiency and decision-making. In contrast, Szedmák and Szabó (2023) and Flaminiano and Francisco (2021) emphasized that digital systems enhance financial performance, operational efficiency, and business competitiveness. These findings imply that although some MSEs have adopted digital tools, broader digital integration remains limited and requires further support and training.

3.2.3 Availability of Processes in Using Records Management Tools

Most respondents reported the absence of formalized procedures in using records management tools. Many relied on verbal instructions, routine practices, and prior training, while only a few enterprises implemented structured and standardized digital workflows and procedures. The findings indicate that records management practices among MSEs are still largely experience-based and informal. Azaare et al. (2024) found that many SMEs lack structured digital workflows due to limited ICT adoption. Similarly, Micabalo et al. (2022) emphasized that bookkeeping practices among SMEs are often moderate and inconsistent because they rely mainly on routine methods rather than formalized systems. These findings highlight the need for standardized procedures and formal training to strengthen consistency and operational efficiency.

3.3 Records Management Procedures Followed by MSEs

3.3.1 Storage, Arrangement, and Categorization of Records

The findings showed that respondents commonly used folders, labels, and basic filing systems in storing records. Records were often arranged chronologically and categorized according to type, client, transaction, or classification. Most enterprises relied on simple but functional manual systems for organizing documents. The findings suggest that MSEs primarily utilize practical and semi-structured methods in organizing records. Eduardo et al. (2024) observed that many MSMEs still depend on traditional systems and remain hesitant to fully adopt digital tools. Olajide and Obialo (2020) similarly noted that manual systems continue to be widely used among small enterprises despite their limitations. These findings imply the need for improved systematization and digital integration to enhance accessibility and operational efficiency.

3.3.2 Retrieval of Records

The respondents reported retrieving records manually through folders, labels, and physical sorting, although some enterprises practiced organized labeling and utilized digital or hybrid retrieval methods. Efficient retrieval was generally associated with organized filing systems and digital support. The findings imply that retrieval efficiency largely depends on the level of organization and digital integration within enterprises. Eduardo et al. (2024) found that reliance on paper-based systems slows retrieval processes due to manual searching. Olajide and Obialo (2020) further emphasized that organized filing improves accessibility even within manual systems. These findings indicate that improved organization and digital adoption are necessary to enhance retrieval efficiency among MSEs.

3.3.3 Access to Confidential Records

The findings revealed that access to confidential records was generally restricted to owners, managers, and selected trusted personnel. Some enterprises implemented role-based access and secure storage practices to maintain confidentiality and security of sensitive documents. The findings indicate that MSEs prioritize confidentiality through restricted access practices. Eduardo et al. (2024) highlighted that MSMEs often remain cautious about digital systems because of security concerns. Farotimi et al. (2023) further emphasized that ICT-based systems enhance security through access controls and role-based permissions. These findings suggest that although respondents prioritize confidentiality, stronger and more formalized access control systems are still necessary.

3.3.4 Security of Records

The respondents reported using physical security controls such as locked cabinets, vaults, CCTV cameras, and storage rooms to protect records. Others utilized digital backups through computers, flash drives, and cloud storage, while some enterprises implemented monitoring and password protection systems. The findings suggest that MSEs are aware of the importance of protecting records through both physical and digital safeguards. Eduardo et al. (2024) found that many MSMEs still rely on traditional security practices due to concerns regarding advanced digital systems. Olajide and Obialo (2020) also observed that small enterprises commonly depend on manual systems with limited protection measures. These findings indicate the need for stronger and more systematic digital security practices to ensure comprehensive records protection.

3.3.5 Disposal of Records

The findings showed that records disposal practices varied across enterprises. Some enterprises followed centralized and controlled disposal procedures through head office authority, while others observed retention-based disposal policies. Many respondents, however, lacked formal disposal systems and relied on indefinite retention, shredding, burning, or informal destruction practices. The findings imply that records disposal among MSEs remains inconsistent and largely unstandardized. Eduardo et al. (2024) noted that MSMEs often lack structured administrative systems governing the records lifecycle. Olajide and Obialo (2020) similarly observed that small enterprises tend to retain records for extended periods due to limited professional guidance. These findings indicate the need for standardized disposal policies and training on records lifecycle management.

3.4 Importance of Records Management on Business Operations

3.4.1 Importance of Records Management to Business

The respondents consistently viewed records management as important for accountability, legal protection, operational efficiency, retrieval of information, planning, monitoring, and decision-making. Records were considered essential in supporting audits, compliance, and daily business activities. The findings imply that MSEs strongly recognize the strategic value of records management in sustaining business operations. Nwanmuoh et al. (2025) emphasized that systematic recordkeeping strengthens transparency, continuity, and long-term sustainability. Boma (2023) similarly found that effective records management supports better business performance and financial monitoring. These findings indicate that although respondents value records management, further strengthening of systems and practices is necessary to maximize its benefits.

3.4.2 Contribution of Records Management to Operational Improvement

The respondents reported that records management improved efficiency, reduced delays, enhanced monitoring and control, improved accuracy, and supported decision-making and problem-solving in daily operations. Organized records enabled faster transactions and easier retrieval of documents. The findings indicate that effective records management contributes significantly to operational efficiency and organizational control. Nwanmuoh et al. (2025) highlighted that proper recordkeeping enhances operational stability and transparency. Mintah et al. (2022) further emphasized that effective records management strengthens sustainability while reducing operational risks. These findings confirm the important role of records management in improving business performance and operational reliability.

3.4.3 Effects of Records Management on Customer Service Efficiency

The respondents emphasized that organized records improved customer service by enabling faster retrieval of customer information, reducing errors, ensuring accurate transactions, and strengthening communication and complaint resolution. Efficient records management reduced waiting time and improved customer trust. The findings imply that effective records management enhances customer satisfaction and operational reliability. Nwanmuoh et al. (2025) emphasized that proper record systems improve transparency and continuity, thereby increasing customer confidence. Boma (2023) and Mintah et al. (2022) similarly highlighted that organized records improve operational efficiency and reduce service-related errors. These findings indicate that strong records management systems positively affect customer service quality and organizational credibility.

3.4.4 Contribution of Records Management to Regulatory Compliance

The respondents reported that organized records facilitated faster submission of government requirements, improved audit readiness, ensured accuracy of financial reports, and prevented penalties and compliance violations. Proper documentation helped enterprises maintain business legitimacy and continuity of operations. The findings indicate that records management is essential in maintaining legal compliance and organizational legitimacy. Boma (2023) emphasized that effective recordkeeping improves financial reporting and regulatory compliance. Mintah et al. (2022) further highlighted that structured records management is necessary for audit preparedness and organizational survival. These findings suggest that strong records management systems are critical in protecting businesses from legal and financial risks.

4. Conclusion & Recommendations

This study concluded that Micro and Small-sized Enterprises (MSEs) in Legislative District III of Isabela practiced basic and largely manual records management systems involving sales and financial, operational and inventory, and regulatory and administrative records. While some enterprises implemented organizational or regulatory-based guidelines, many relied on informal instructions and lacked standardized procedures, resulting in inconsistencies in updating, storage, retrieval, security, and disposal practices. Despite these limitations, MSE owners and managers recognized records management as essential for accountability, operational efficiency, decision-making, customer service, and regulatory compliance. However, challenges such as limited storage space, missing records, lack of systems, insufficient skills, and unstandardized processes continued to affect efficiency and organizational performance. The findings further revealed a strong need for digitalization, standardized systems, improved security measures, and structured training programs to strengthen records management practices and support the long-term sustainability of MSEs.

The study recommends that MSEs standardize their records management systems through proper classification, structured filing procedures, improved storage and security measures, and the gradual adoption of affordable digital tools and computerized systems. Continuous training and capacity-building programs should be implemented to strengthen the knowledge and competencies of MSE owners, managers, and records custodians in records management, digitalization, data security, and retention and disposal procedures. Local Government Units, academic institutions, and other support agencies are likewise encouraged to provide technical assistance, training initiatives, and policy guidance to improve compliance, efficiency, and sustainability of records management practices among MSEs. Furthermore, the proposed

Comprehensive Records Management Program should be implemented to address identified challenges and establish more reliable, secure, and standardized records management systems.

This study was limited to Micro and Small-sized Enterprises (MSEs) operating within Legislative District III of Isabela and focused only on selected owners, managers, and records custodians directly involved in records management. The study employed a qualitative descriptive design using semi-structured interviews, which relied primarily on the participants' experiences and perceptions. In addition, the findings reflected the practices and conditions of the selected respondents during the conduct of the study and may not fully represent all MSEs in other sectors or geographical locations.

Compliance with ethical standards

This study observed ethical standards throughout the research process by ensuring voluntary participation, confidentiality, and respect for the rights of the respondents. Formal request letters were distributed to selected Micro and Small-sized Enterprises (MSEs) in Legislative District III of Isabela to explain the objectives and purpose of the study and to seek permission for participation. Respondents were provided with informed consent forms and were informed of their right to withdraw from the study at any stage. Interviews were conducted at convenient schedules to minimize disruptions to business operations, and all collected data, including audio-recorded interviews and transcriptions, were treated with strict confidentiality.

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