

THE IMPACT OF BUDGET PARTICIPATION ON AUTONOMOUS BUDGET MOTIVATION: THE MEDIATING EFFECT OF ORGANIZATIONAL COMMITMENT

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ABSTRACT

The aims of this reasearch is to test the effect of mediation of organizational commitments in the impact of budget participation on the motivation of autonomous budgets to companies from various industrial sectors in East Java. Quantitative method is a method used by researchers in conducting this research. Researchers are using SmartPLS software application version 3.0 with SEM-PLS as data analysis technique. This research uses the SEM-PLS model because, in this research, the variables used are latent variables (variables that cannot be observed). The Functional Manager, who participated in drafting the company's budget was able to increase its commitment to reach the target budget set. The higher level of the manager's participation in the company's strategic planning can increase the motivation of autonomous budget managers. The autonomous motivation of employees is known to be influenced by the organizational commitments in a positive direction, or in other words have a significant positive relationship. This indicates that when the commitment of oragnization in the employee is at a high level, the level of autonomous motivation that the employees have is also at a high level (Chong & Chong (2002) and Baerdemaeker & Bruggeman (2015)). The analysis of the data conducted shows that the variable of positive budget participation is influential but not significant to the motivation of the autonomous budget through organizational commitment.

Key Words: *Budget participation, Autonomous Budget Motivation, Organizational Commitment.*

INTRODUCTION

Budget participation is one of the most used by the company's budgeting system. Budget participation can be used as a useful communication tool for superiors and subordinates. According to Young (1985), participation is a process by which the employer chooses a form of compensation contract, while the subordinate has the authority to determine the specific value of each parameter of the contract. Participation in budgeting is a process by which managers have an influence and engage in the making of budget targets, which is then the budget is used as the basis of performance appraisal and will be awarded based on the achieved target budget (Brownell, 1982).

The process of drafting budget participation can provide a better understanding of the top management of the problems faced by employees in each accountability department. Likewise, the budget participation system will also give employees a better understanding of the dilemma and objectives expected to be achieved by top management. When the budget participation system is implemented, it is expected to increase the commitment of the employees to achieve the target that has been

budgeted together (E. J. Blocher et al., 2010). The process of participation in budget formulation is part of the reasonably practical methods due to the active exchange of information so that the budget of approved budgets is a result of the expertise and personal knowledge of budget makers close to the company's operating environment (V. Govindarajan & Anthony, 2007). Blocher et al., (2010) mention, to produce a sufficient budget, according to Waller (1988), the top tier manager requires an accurate estimation of future circumstances, it also corresponds to the explanation of Nouri & Parker (1996) That valid, future conditions are one of the bases of effective budgeting.

Budgeting is a long-term strategic plan of the company that is interpreted in the form of a short-term operational budget plan (Hansen and Van der Stede, 2004). Essentially, the initial goal of the budget is to provide the means required by Manager in drafting a complex corporate strategic framework (R. Anthony & V. Govindarajan, 2007). As a form of financial interpretation of the strategy, the budget communicates policies to employees so that employees can devise a plan to achieve their goals. Moreover, the planned strategic planning has been adapted to the resources owned by the company to make the

excellence of the competency (Ketokivi and Castaner, 2004). Managers participating in corporate strategy planning will have strong feelings in themselves (autonomous motivations) so that planned and jointly structured strategy plans can be achieved. Participation in corporate strategy can foster the motivation of managers not only for the strategic objectives of the company, but also to reach the target budget.

According to Self-Determination Theory (SDT), the motivation of the autonomous budget can be cultivated through an environment that supports the needs and sustains three basic psychological needs inherent in all human beings, namely: 1) The need for Autonomy, 2) the need for competence, and 3) the need for interconnectedness (Baerdemaeker & Bruggeman, 2015). Employees who participated in the process of drafting the budget indirectly will fulfil all three basic needs of the employee's psychology and will give positive influence and increase the effectiveness in the process of preparing the budget to the achievement stage of the budget. Nevertheless, there was a research that was not in line with the previous research results. The results of the analysis of data conducted by Baerdemaeker & Bruggeman (Baerdemaeker & Bruggeman, 2015) found that there was no relationship between participation in the planning of corporate strategy with the motivation of autonomous managers.

The results of the description that have been done indicate the inconsistency of previous research results. This suggests that other variables can affect the relationship between budget participation and the motivation of an autonomous budget. As a result of Govindarajan's statement (1986), that the difference in research results is influenced by variable contingencies so that it can be resolved using a contingency approach, which is by adding other variables that may affect the relationship between budget participation and the motivation of autonomous budgets. This research adds a variable of contingency that is thought to be able to bridge the influence of budget participation to the autonomous budget motivation used as mediation variables. The reason for the use of mediation variables rather than moderation variables is that based on the results of earlier studies there have been inconsistencies, where some studies say that budget participation affects the motivation of autonomous budgets, whereas some other research finds inappropriate results, i.e. budget

participation has no significant effect on the motivation of autonomous budgets. The existence of a mediation variable is indispensable in order that with the added Contingency variables that act as mediation variables are able to bridge the budget participation variables with the autonomous budget motivation variables so that they can be found consistent results. Thus, the mediation variables are considered more appropriate because of the contingency variables here are used to bridge the budget participation variables with the motivation of the autonomous budget in order to influence through the presence of such variable contingency.

This research adds an organizational commitment variable as a variable that links budget participation with an autonomous budget motivation. The organizational commitment is demonstrated with the attitude of accepting, strong confidence in the values and objectives of the Organization and the strong encouragement to maintain membership in the Organization in order to achieve the objectives of the Organization (Robbins & Judge, 2008). Chong & Chong (2002) stated that budget participation would increase the commitment of the budget target managers. Baerdemaeker & Bruggeman (2015) displays the results of his research, which mentions that the increasing level of participation in strategic planning will increase the motivation of the autonomous budget motivation managers. The results of the research of Wong-On-Wing et al., (2010) found that the Organization's commitment has a significant positive relationship to the autonomous motivation of employees, which means the higher the organizational commitments that employees have, the higher the level of autonomous motivation that employees have in the process of drafting the budget.

Based on the results that have been done earlier, the researcher took The research title "The Impact Of Budgetary Participation On Autonomous Budget Motivation: The Mediating Effect Of Organizational Commitment".

THEORETICAL FRAMEWORKS AND HYPOTHESES

Budget participation

Govindarajan & Anthony (2007) showed that drafting a participatory budget is an effective information exchange activity, as the Manager responsible for the responsibility centre is most likely to have the best information about post income and costs. Atkinson et al., (2012) state that participatory methods offer additional benefits for management because managers will disclose their personal information, disclose data about how well they can do the work, or allow the introduction of new ideas that can help improve existing processes. Blocher (2009) stated that participatory budgeting could increase employees' commitment to achieving budget objectives.

Milani (1975) gives the description of subordinate participation (in his research is foreman) in drafting the company budget. The continuum of subordinate participation is used to determine the extent of each subordinate's involvement in creating its budget. Milani (1975) develops a continuum of participation from several elements of participation, including budget-preparation activities by subordinates and subordinate views of reactions and activities related to his or her superior budget. More specifically, the participation continuum reflects the subordinate perception of (1) A portion of its involvement in the preparation of the budget; (2) The type of reasoning given by superiors to him at the time of revising the budget; (3) The frequency of the discussion relating to the budget held with its superiors; (4) The total impact on the final budget; and (5) how important is its contribution to the budget.

Based on some explanations about the budget participation expressed by some researchers, it can be concluded that the budget participation is a budget system that gives the opportunity to the lower level manager or functional Manager to participate in the process of making budget targets and be responsible for achieving the budget target.

Organizational commitments

The organizational commitment is defined by Mowday et al., (1979) As the relative force of the individual in identifying its involvement in the organizational section. This may be characterized by three things, namely: (1) Acceptance of the organizational values and

objectives, (2) readiness and willingness to seek earnestly on behalf of the Organization, and (3) the desire to retain its membership in the Organization (being part of the Organization).

Based on the statement above, it can be concluded that the organizational commitment is an attitude to accept and believe the values and objectives that the Organization has that individuals work and are willing to liken the values and objectives of the Organization's values and objectives in order to achieve the objectives of the Organization. The organizational commitment is able to foster high loyalty to the interests of the Organization so that the individual tends to make decisions that can support organizational objectives compared to acting and making decisions for their personal interests.

There are three components of the commitment model developed by Allen and Meyer (1990) which dominates the organizational commitment research. This model proposes that organizational commitment is a simultaneous experience of employee mindset that includes three things, namely: affective organization commitments, continuity of organizational commitments, and normative organizational commitments. (1) Affective commitment associated with emotional proximity, identification and involvement in the Organization. So that employees remain in the Organization because of their wishes. (2) The continuance of continuity (commitment) is related to the awareness of cost and value needs when leaving the Organization. So that the employees remain in the Organization because of their needs. (3) The normative commitments (normative commitment) related feelings are it to remain part of the Organization. So that employees' high normative commitment will persist in the Organization because of the necessity.

Autonomous budget motivation

Based on self – determination theory, motivation will be differentiated into two sides. On the one hand, the motivation is divided into 1) intrinsic motivation, and 2) extrinsic motivation. On the other hand, motivation is divided into 1) Autonomous motivation (autonomous motivation), and 2) controlled motivation (controlled motivation). Autonomous has the meaning of supporting one's actions at the highest level of reflection. Autonomous motivation is characterized by a feeling of being

able to choose and thus behave in a self-determined manner. In other words, the person who acted considers the locus causality of this activity or himself as internal to him. Intrinsic motivation is an example of autonomous motivation. When people do activities because they feel attracted, they do the activity wholeheartedly. In contrast, controlled motivation involves action due to pressure, a feeling of being involved in the action. Autonomous motivation and controlled motivation (controlled motivation) are both intensive, and together they are contrary to the armory, involving lack of intent and motivation Gagné & Deci (2005).

Autonomous motivation is characterized by a feeling of being able to choose and thus behave in a self-determined manner. In other words, the person who acted considers the locus causality of this activity or himself as internal to him. From a perspective of motivational mechanisms, participation can lead to increased employee confidence and sense control, greater ego involvement, improved identification with the Organization, higher goal setting, and increased acceptance of goals. From a cognitive mechanisms perspective, participation is seen as an information exchange channel, and it provides better communication and understanding of the work and decision-making process Wong-On-Wing et al., (2010).

The implementation of budget participation related to motivation based on self-determination theory, motivation will be differentiated into 1) intrinsic motivation, 2) autonomous extrinsic motivation, and 3) controlled extrinsic motivation. The motivation of the autonomous budget has a characteristic, willingness and free (Gagné & Deci, 2005). This motivation can be caused by the intrinsic factor of a person when basic psychological needs such as freedom, competence and social relations in the workplace are fulfilled. Deci et al., (2017) provides examples related to the motivation of autonomous work such as when a person understands the value and purpose of a job well, has a sense of ownership over the work, and feels the freedom given when working then will arise strong motivation in a person. Controlled motivation is a motivation that is affected by external factors such as target work, production gains in a short period of time, pressure and avoidance of punishment. On the one hand, an individual can be intrinsically motivated to participate because they perceive their

participation as the goal itself. For example, their participation gives them a sense of achievement and satisfaction. On the other hand, individuals may be extrinsically motivated to participate because they view their participation as a tool to accomplish goals. This extrinsic motivation is an autonomous motivation if, for example, budget participation is seen as a means for participants to set higher goals or objectives to be evaluated. Conversely, an extrinsic motivation of controlled type if, for example, budget participation is considered a means for management to obtain information from participants (Wong-On-Wing et al., 2010).

The influence of budget participation on autonomous budget motivation through organizational commitment

Based on the goal-determination theory, Chong & Chong (2002) stated that budget participation would increase the commitment of a target budget manager. It is part of a commitment to the Organization that refers to the emotional attachment of employees to the Organization and is characterized by strong trust and acceptance of the Organization's purpose and value and willingness to exert substantial efforts on behalf of the Organization (Mowday et al., 1979). Organizational commitment is an attitude to accept and be confident of the value and objectives of the Organization. An attitude of acceptance and confidence in the values and objectives of the Organization will motivate the functional Manager to determine the choice according to what has been accepted and believed before so that the actions and decisions taken will also be in accordance with the pre-determined choices in accordance with their faith.

Organizational commitments are defined by Mowday et al., (1979) As the relative strength of the individual in identifying his involvement in the organizational section. This may be characterized by three things, namely: (1) Acceptance of the organizational values and objectives, (2) readiness and willingness to seek earnestly on behalf of the Organization, and (3) the desire to retain its membership in the Organization (being part of the Organization). At the same time, motivation is the result of a process that is internal and external to an individual who raises an enthusiastic and persistent attitude to follow the direction of a particular action Gray et al., (1984).

Functional managers with organizational commitments will accept and believe organizational values and objectives are the same as their personal values and objectives. An attitude of acceptance and confidence in the values and objectives of the Organization will motivate the functional Manager to determine the choice according to what has been accepted and believed before so that the actions and decisions taken will also be in accordance with the pre-determined choices in accordance with their faith. This indicates that the Organization's commitment is capable of affecting the motivation of autonomous budget motivation. The results of the research of Wong-On-Wing et al., (2010) proved that the Organization's commitment is significantly positive towards intrinsic motivation and autonomous extrinsic motivation in budget participation. This statement corresponds to the argument given by Trisnaningsih (2001).

Trisnaningsih (2001) reveals that employees who are committed to the Organization will be positive and behave as well as improve their performance to help realize the company's objectives that will foster loyalty and encourage self-involvement in taking decisions. In addition, the Organization's commitment will foster motivation to work as well as consequences for the commitment to be achieved. The results of the study of Trisnaningsih (2001) stating that a significant organizational commitment to motivation can be confirmed with the results of the research conducted by Marganingsih & Martani (2014) explaining that the organizational commitments positively affect the auditor's motivation to improve its performance. In addition, the results of research conducted by Tranggono & Kartika (2008) also stated that the organizational commitment has a positive and significant influence on motivation, this means that when individual, organizational commitments increase it will lead to increased motivation. With the commitment of an organization in the individual will create a push from within him to work best in the Organization where the individual works, so that the objectives of the Organization can also be achieved well.

Chong & Chong (2002) stated that budget participation would increase the commitment of the budget target managers. Baerdemaeker & Bruggeman (2015) displays the results of his research, which mentions that the increasing level of participation in strategic

planning will increase the motivation of the autonomous budget motivation managers. The results of the research of Wong-On-Wing et al., (2010) found that the Organization's commitment has a significant positive relationship to the autonomous motivation of employees, which means the higher the organizational commitments that employees have, the higher the level of autonomous motivation that employees have in the process of drafting the budget. Trisnaningsih (2001) stated that the Organizational commitment has a significant effect on motivation, in line with the results of research conducted by Marganingsih & Martani (2014) Explaining that the organizational commitments positively affect the motivation of auditors. Based on the exposure, the hypotheses proposed are:

H1: Budget participation has a positive effect on the motivation of autonomous budgets through organizational commitments.

RESEARCH METHODOLOGY

This research is a type of exportation research aimed at explaining the influence of budget participation on budget participants by incorporating the effect of mediation of organizational commitments and the motivation of autonomous budgets with analytical units is individual. The individual is a functional manager, supervisor, head of the section, and also staff who are involved and in charge of drafting the budget on medium and large scale companies in East Java. Both companies are focused on the service sector, trade and manufacturing.

The data type in this research is the primary data, which is directly obtained from the data source of the respondent. The data source or respondent in this study are employees involved in the process of drafting the budget up to the decision making budget target, both functional Manager, supervisor, head of the section, as well as staff.

The data analysis techniques in this study used structural equation modelling-partial least square with the help of SmartPLS version 3.0 software. This research uses the SEM-PLS model because in this research the variables used are latent variables (variables that can not be observed), i.e. the autonomous budget motivation variables as mediation variables, budget participation variables as independent variables and budget variables as dependent variables, which are the entire variables

constructed using indicators as their measurements.

Table 1
Definisi Operasional Variabel

| Variable | Definition | Indicator | Measurement |
|--|--|--|---|
| Autonomous Budgetary Motivation | Autonomous motivation can be caused by the intrinsic factor of a person when basic psychological needs such as freedom, competence and social relations in the workplace are fulfilled. | <ul style="list-style-type: none"> MO1: Participation meets achievement needs. MO2: Participation gives personal satisfaction. MO3: Participation gives a sense of ownership to the company. MO4: Participation is a means of writing goals. MO5: Participation is a means of discussing objectives. MO6: Participation is a means of information exchange. MO7: Participation allows employees to obtain individual personal information. | Sheet 1, 5/6 7, which is a highly disagreeable (57%) statement (55) |
| Independent Participation | A budget system that provides an opportunity for lower-level managers or functions managers to participate in the process of drafting a budget target and to be responsible for achieving the target budget. | <ul style="list-style-type: none"> PA1: The level of involvement in budget preparation. PA2: The logical reason provided by the employer in reading the budget. PA3: The intensity of the opinion in the budget-disclosure process. PA4: Great influence on the final budget decision. PA5: Contribution in budgeting. PA6: How often asked for an opinion in the budget (or) process. | Sheet 1, 5/6 7, which is a highly disagreeable (57%) statement (55) |
| Identification Organizational Commitment | Attitude to accept and believe the values and objectives that the Organization has in which individuals work and are willing to fulfil the values and objectives that are shared with the values and objectives of the Organization to achieve the objectives of the Organization. | <ul style="list-style-type: none"> Affective Commitment: <ul style="list-style-type: none"> KO1: I feel happy spending the rest of the career in the company. KO2: I feel proud to be part of the company. KO3: I am proud about a personal concern. KO4: Find it hard to bond with other companies. KO5: Have an emotional bond with the company. KO6: Have no sense of ownership to the company. KO7: Feel part of the families in the company. KO8: The company has many personal meanings. Continuity Commitment <ul style="list-style-type: none"> KO9: What of what will happen when I quit the job, without having a backup job. KO10: It would be very difficult for me to leave this company, although I want to. KO11: will be too much distressed for his life if deciding to leave the company. KO12: Feel bad if leave the company now. KO13: Staying with the company is a need that I really value. KO14: I feel I have several options available to go leaving the company. KO15: Serious consequences of leaving this company is an alternative scarcely available. KO16: Because if I leave this company, I will sacrifice the benefits given by this company that I will not get from other companies. Normative Commitment: <ul style="list-style-type: none"> KO17: Stay confident and loyal to one company. KO18: believes that one must always be faithful to his or her company. KO19: Moving from one company to another looks very unethical. KO20: I believe loyalty is a very important thing, and I feel it has a moral obligation to stay about. KO21: If you get a better job at another company, I don't feel that leaving the company is a good thing. KO22: I was taught to believe that one must be faithful to his company. KO23: The good thing will happen when someone is loyal to his or her company. KO24: Think that the company wants it a man or a woman. | Sheet 1, 5/6 7, which is a highly disagreeable (57%) statement (55) |

category of working 21 respondents (28.4%) has been working on the company more than ten years, 3 (4.1%) Respondents have been working for the company for 7-9 years, 15 (20.3%) Respondents have been working for the company for 4-6 years, 31 (41.9%) Respondents have been working for the company for 1-3 years, and 4 (5.4%) Respondents have been working for the company for less than one year. Based on the category of participation in budget preparation process can be known that the entire respondent participated in the process of drafting the budget, so it is expected that the data to be processed can then be valid and reliable. For the category of involvement in budget preparation based on table 1, it is known that from 74 respondents, a number of 58 respondents (78.4%) Involved in the budget preparation process, while a number of 16 respondents (21.6%) Not involved in the budget drafting process. And lastly is for the category of authorities determining the budget can be noted that the majority of respondents stated that determining the budget is the employer of 64 respondents (86.4%), while the remaining ten respondents (13.6%) Answer them that determines the budget amount.

RESULTS AND DISCUSSION

Descriptive statistics

| Position | Length of work | Participation | Involvement | Budget Determinant | | | |
|--------------------|------------------|---------------|------------------|---|--|--------------------------------------|------------------|
| Vice President | 3 (4.1%) | <1 year | 4 (5.4%) | Do not participate 0 (0%) To participate 74 (100%) | Not involved 16 (21.6%) Involved 58 (78.4%) | Byself 10 (13.5%) Boss 64 (86.5%) | |
| CEO | 1 (1.4%) | 1-3 years old | 31 (41.9%) | - | - | - | |
| Functional Manager | 10 (13.5%) | 4-6 years old | 15 (20.3%) | - | - | - | |
| Supervisor | 10 (13.5%) | 7-9 th | 3 (4.1%) | - | - | - | |
| The staff | 41 (55.4%) | ≥ 10 years | 21 (21%) | - | - | - | |
| Others | 9 (12.2%) | - | - | - | - | - | |
| Total | 74 (100%) | Total | 74 (100%) | Total | 74 (100%) | Total | 74 (100%) |

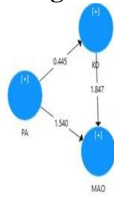
Table 2
Descriptive statistics

Based on the analysis results, the description can be known from Table 1 about the position of respondents at the time of completing the questionnaire. Respondents who served as Vice president were 3 people (3.7%), the respondent who served as the CEO was 1 person (1.2%), the respondent who served as functional Manager there were 10 people (13.5%), the respondent who served as supervisor of 10 people (13.65%), the respondent who served as employee staff there were 41 people (55.4%), and the respondent who served as other staff there were 9 people (12.2%). For the old
Sumber: Data Processed

Table 3
Research Instrument Test

| Variabel | Indicator | Correlation (r) | | Coefisien | |
|------------------------------------|-----------|-----------------|-----------|-----------|----------|
| | | r | Status | Alpha | Status |
| Budgetary Participation (PA) | PA1 | 0,865 | valid | 0,873 | Reliable |
| | PA2 | 0,530 | valid | | |
| | PA3 | 0,828 | Valid | | |
| | PA4 | 0,839 | Valid | | |
| | PA5 | 0,840 | Valid | | |
| | PA6 | 0,780 | Valid | | |
| | PA7 | 0,634 | Valid | | |
| Organizational Commitment (KO) | KO1 | 0,634 | Valid | 0,828 | Reliable |
| | KO2 | 0,664 | Valid | | |
| | KO3 | 0,387 | Valid | | |
| | KO4 | 0,634 | valid | | |
| | KO5 | 0,333 | valid | | |
| | KO6 | 0,468 | valid | | |
| | KO7 | 0,545 | valid | | |
| | KO8 | 0,430 | valid | | |
| | KO9 | 0,355 | valid | | |
| | KO10 | 0,679 | valid | | |
| | KO11 | 0,356 | valid | | |
| | KO12 | 0,449 | valid | | |
| | KO13 | 0,509 | valid | | |
| | KO14 | 0,236 | Not valid | | |
| | KO15 | 0,445 | valid | | |
| | KO16 | 0,478 | valid | | |
| | KO17 | 0,589 | valid | | |
| KO18 | 0,443 | valid | | | |
| KO19 | 0,367 | valid | | | |
| KO20 | 0,679 | valid | | | |
| KO21 | 0,306 | valid | | | |
| KO22 | 0,600 | valid | | | |
| KO23 | 0,761 | valid | | | |
| KO24 | 0,302 | valid | | | |
| Autonomous Budget Motivation (MAO) | MO1 | 0,702 | valid | 0,936 | Reliable |
| | MO2 | 0,869 | valid | | |
| | MO3 | 0,878 | valid | | |
| | MO4 | 0,872 | valid | | |
| | MO5 | 0,914 | valid | | |
| | MO6 | 0,881 | valid | | |
| | MO7 | 0,869 | valid | | |

Hypothesis Testing



Tabel 4. PATH COEFFICIENTS

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---------|---------------------|-----------------|----------------------------|------------------------|----------|
| KO->MAO | 0.361 | 0.333 | 0.195 | 1.847 | 0.065 |
| PA->KO | 0.088 | 0.096 | 0.197 | 0.445 | 0.657 |
| PA->MAO | 0.167 | 0.160 | 0.108 | 1.540 | 0.134 |

Tabel 5. TOTAL INDIRECT EFFECTS

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---------|---------------------|-----------------|----------------------------|------------------------|----------|
| KO->MAO | | | | | |
| PA->KO | | | | | |
| PA->MAO | 0.032 | 0.047 | 0.069 | 0.462 | 0.644 |

Tabel 6. SPESIFIC INDIRECT EFFECTS

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|-------------|---------------------|-----------------|----------------------------|------------------------|----------|
| PA->KO->MAO | 0.032 | 0.047 | 0.069 | 0.462 | 0.644 |

Tabel 7. TOTAL EFFECTS

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---------|---------------------|-----------------|----------------------------|------------------------|----------|
| KO->MAO | 0.361 | 0.333 | 0.195 | 1.847 | 0.065 |
| PA->KO | 0.088 | 0.096 | 0.197 | 0.445 | 0.657 |
| PA->MAO | 0.199 | 0.207 | 0.134 | 1.485 | 0.138 |

The hypothesis testing results by comparing the T-count value to the T-table value, if the T-count value is greater than T-table, then the relationship between variables is said to be significant and can be analyzed further. With the amount of data 74, the T-table value ($\alpha = 5\%$) of 1.99 and T-table value table ($\alpha = 10\%$) of 1.67. Hypothesis testing results are presented in Table 8 below:

Table 8 Hypothesis Testing Results

| H | Influence | | | Koef Path | T Count | Description |
|----|------------------------------|---|---|-----------|---------|-----------------|
| H1 | Budgetary Participation (PA) | → | Organizational Commitment (KO) → Autonomous Budget Motivation (MAO) | 0.167 | 0.462 | Not significant |

Source: Processed Data
* Significant at 5%, T-table value at level 5% = 1.99

Discussion

Hypothesis 1 states that budget participation has a positive effect on the motivation of autonomous budgets through organizational commitments. The results of the study using statistical tests showed that the budget participation variables were positively but not significant to the motivation of

autonomous budgets through organizational commitments so that hypotheses of 1 were not accepted (H1 not accepted). The results of the study indicated that to form the high motivation of autonomous budgets, and the functional manager must be actively involved in budget participation without waiting for a high commitment from the functional Manager.

Proven from the results of the analysis data indicating the high direct influence given by the budget participation against the budget of 52% ($\beta = 0.52$). Based on these results, it can be concluded that actively involved in the process of drafting the budget will directly impact the increased autonomous motivation that is owned by the functional Manager, because involvement in the process of drafting the budget can provide satisfaction for each form of basic needs of psychology related to each individual's motivation.

The direct influence given by the budget participation in the organizational commitments shows significant positive results with the level of influence given by 18% ($\beta = 0.18$). Based on the goal-determination theory, Chong & Chong (2002) stated that budget participation would increase the commitment of a target budget manager. It is part of a commitment to the Organization that refers to the emotional attachment of employees to the Organization and is characterized by strong trust and acceptance of the Organization's purpose and value and willingness to exert substantial efforts on behalf of the Organization (Mowday et al., 1979).

The direct influence given by the organizational commitment to the motivation of autonomous budgets shows significant positive results with a given influence rate of 44% ($\beta = 0.44$). Functional managers with organizational commitments will accept and believe organizational values and objectives are the same as their personal values and objectives. An attitude of acceptance and confidence in the values and objectives of the Organization will motivate the functional Manager to determine the choice according to what has been accepted and believed before so that the actions and decisions taken will also be in accordance with the pre-determined choices in accordance with their faith. This indicates that the Organization's commitment is capable of affecting the motivation of autonomous budget motivation. The results of the research of Wong-On-Wing et al., (2010) proved that the

Organization's commitment is significantly positive towards intrinsic motivation and autonomous extrinsic motivation in budget participation. This statement corresponds to the argument given by Trisnarningsih (2001).

The amount of significant influence occurring between variables directly as described above cannot be used as a benchmark for the influence of the mediation given. The organizational commitments owned by the functional managers proved to be unable to act as mediation variables in the influence of budget participation on the motivation of autonomous budgets. This is because the motivation of the autonomous budget owned by the functional ManagerManager can be directly formed by means of a functional manager actively engaged and fully participated in the process of drafting the company budget. So there is no need to wait for a high commitment first from the associated functional managers. The results of the research conducted by Baedemaeker & Bruggeman (2015) who presented the results of his research that stated that the increase in the level of participation in strategic planning would increase the motivation of the autonomous budget motivation managers.

CLOSING

Conclusion

The budget participation variables proved to be positive but not significant to the autonomous budget motivation through the mediation of the Organization's commitment variables. The results of the study indicated that to form the high motivation of autonomous budgets, and the functional manager must be actively involved in budget participation without waiting for a high commitment from the functional ManagerManager.

Advice

Based on the results of the research and discussion that has been done and the limitations that have been outlined, researchers are further advised to classify the behaviour that reflects pseudo participation and which is actually involved in participation. It also creates a classification of behaviours that can be entered in budget cases and which behaviours cannot be entered in the budget.

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