

UDC 332

## **BUDGET PARTICIPATION AND PERFORMANCE OF LOCAL GOVERNMENT BUREAUCRATS: THE ROLE OF BUDGET POLITICS**

**Usman Ernawaty\***

Faculty of Economics and Business, University of Brawijaya, Malang, Indonesia &  
University of Tadulako, Palu, Indonesia

**Subroto Bambang, Saraswati Erwin, Andayani Wuryan**

Faculty of Economics and Business, University of Brawijaya, Malang, Indonesia

\*E-mail: [ernawatyusman02@yahoo.co.id](mailto:ernawatyusman02@yahoo.co.id)

### **ABSTRACT**

This study examines budget politics' role in the connection between budget participation and local government bureaucrats' performance, particularly in Indonesia, as a developing country. Indonesia's budgeting process is a process that is quite complex and full of political content. This research is essential and exciting to do, particularly in Indonesia as a developing country. Data collected through a survey by primary data. The questionnaires distribute to individuals as heads of offices in local government are involved in the budget preparation process in Indonesian districts or cities. Research results show that budgetary participation influences the performance of local government bureaucrats. Budget politics do not positively affect the performance but can strengthen the linkages of budget participation on performance. This research sample is limited to only one respondent for each regional apparatus organization to get the right answer in measuring performance. The findings can provide input to leaders that involvement in the budget preparation process can motivate employees to carry out their duties to improve performance. The Budget politics will always exist in every budget preparation process because of the legislature's different interests and the executive.

### **KEY WORDS**

Budget politics, budgetary participation, performance, local government bureaucrat.

Serious concern about managerial performance in public sector organizations has happened since the 1970s (Lewis, 2015). One factor that determines managerial performance is the realization of budget execution (Hartanto et al., 2018). However, one main challenge is the involvement of political actors in budget execution. This political activity requires tough negotiations to accommodate the stakeholders' various interests (Supatmi et al., 2019). This political process often creates conflicts between the legislative and executive bodies (Gosling, 2009; Ikhwan et al., 2017). The phenomenon of conflict in a budget formulation often occurs in developing countries, particularly in Indonesia.

In Indonesia, budget politics has an important role and function in the budget participation process Zarista and Ichsan (2020). The budget participation process that involves the executive and legislative parties allows both parties to negotiate to reach a budget agreement (Mugambi and Theuri, 2014; Gomes, 2017; Chohan and Jacobs, 2017). Although formal rules govern the budget formulation mechanism, there are still some irregularities in implementation in the field. The legislature's high role in determining the budget causes considerable pressure on the executive branch (Gudban, 2017). Also, the assumption that the executive branch has a lower position makes it difficult for the executive to refuse the legislature's budget allocation. Therefore, the budget preparation process is often referred to as a work contract between the legislature and the executive (Onyango, 2012; Kennedy, 2016; Yandra and Lancang, 2018).

The involvement of budget politics in budget participation also opens opportunities for budget compilers, both legislative and executive, to behave opportunistically (moral hazard)

(Abdullah, 2008; Muhtar, Rohman, and Chariri, 2016; Tuanaya and Wance, 2017; Habodin, 2017; Rustiarini et al., 2019). As a legislative agent, the executive should follow legislative recommendations. Executives tend to carry out moral hazard in budget submissions because they have complete information than the legislature. As a result, there are often differences in preference allocation (misallocation) of budgeting resources (Abdullah, 2008; Gosling, 2009, Asunka, 2016). Finally, budgetary participation and politics in the budget formulation process will impact organizational performance (government) bureaucrats.

This study contributes to Indonesia's budgeting process, which is quite complex and full of political content (Abdullah, 2008). There are differences between the legislature and the executive's interests in the budgeting process. This condition allows both parties to negotiate to reach a budget agreement (Mugambi and Theuri, 2014; Gomes, 2017; Chohan and Jacobs, 2017; Chohan, 2018). As a result, this process creates conflicts and causes managerial performance to be suboptimal. The results of empirical research discussing budget politics have attracted academics' attention (Damayanti 2016; Oomsels et al., 2016; Nwankpa and Okeke, 2017; Kenny et al., 2017; Abdullah, 2008). However, research on budget participation and managerial performance has inconsistent research results. Several researchers found a positive relationship between budget participation and performance (Yahya et al., 2008; Derfuss, 2009; Jermias and Yigit, 2013; Usman and Paranoan, 2013; Vincent, 2015; Sukandani and Istikhoroh, 2016; Usman, Usman, and Sugianto, 2016; Usman et al., 2021). Contrary, some researchers state no significant relationship between participation and managerial performance (Dow, Watson, and Greenberg, 2012; Jermias and Setiawan, 2008; Sukandani and Istikhoroh, 2016; Usman et al., 2021; Usman, Usman, and Sugianto, 2016; Valls, González-Romá and Tomás, 2016; Yahya et al., 2008).

The inconsistency of the research results caused by contingency factors, one of which is budget politics. Thus, this research is essential and exciting to do, particularly in Indonesia as a developing country. This study aims to provide input to regional heads in applying the concept of budget participation, especially when involving subordinates in the budget preparation process. Also, heads of office in local government must consider their political interests in the budget preparation process. Third, this study also provides information and insights to the central government to always ask the executive and legislative to be transparent in carrying out the budget preparation process. The existence of transparency and accountability can minimize budget politics and improve the performance of the executive.

This study investigates the role of budgetary participation and budget politics on the performance of local government bureaucrats. Also, it examines the role of budget politics in moderating the relationship between budget participation and local government bureaucrats' performance. We analyzed 254 local government bureaucrats in 389 cities in Indonesia. Referring to the Goal Setting Theory, the results show that budget participation affects local government bureaucrats' performance. Conversely, budget politics does not positively affect performance but can strengthen budget participation in performance. This study once again proves the role of agency theory in the public sector. Thus, budget politics is a pure moderation in the relationship between budget involvement and local government bureaucrats' performance.

## **LITERATURE REVIEW**

The goal-setting theory can explain the relationship between budget participation and the performance of government bureaucrats. The goal-setting theory explains the relationship between the goals set and work performance. This theory also states that individual conduct is governed by a person's ideas (thoughts) and intentions. Intention about the goals set is a strong motivation in realizing its performance. Individuals must have skills, have goals, and receive feedback to assess their performance. Achievement of goals (objectives) influences employee behavior and performance (Lunenburg, 2011).

Theories that explain the relationship of budgetary participation in local government employees' performance moderated through budget politics explain through agency theory.

Agency theory in the public sector analyzes the relationship between principals (legislative) and agents (executives). Agency theory explains the conflict between principals and agents. It occurs in the relationship between the executive and the legislature, between the legislature and the public. It attracts interest in budgeting (Halim and Abdullah, 2006).

Budget is a very urgent matter in the organization. Therefore, participation is needed to determine because budget participation is essential in budgeting (Isvand and Malmir, 2017). Employees will have a sense of responsibility for deciding when they are embroiled in the budget preparation. The decisions produced jointly will increase managers' firm commitment towards achieving organizational goals and ultimately improving performance. Based on this description, the first hypothesis can formulate as follows:

*H1. Budget participation has a positive effect on the performance of local government bureaucrats.*

A better political understanding of the budget system can help increase budget effectiveness. A budget is a form of commitment from the executive to the legislative authorities. Limited government funds have resulted in budgeting, becoming the most critical mechanism for allocating resources. These limited resources require executives to work optimally to assess performance based on budget targets' achievement and budget execution efficiency. (Cabannes, and Lipietz, 2018; Hartz-Karp, and Weymouth, , 2018.). Based on this description, the second hypothesis can be formulated as follows:

*H2. Budget politics has a direct effect on the performance of local government bureaucrats.*

The budget problem is a problem of political studies. The political dimension in the public budget planning process is closely related to influence and decision making. Research results in the Kenya government show political influence on the budget preparation process (Mugambi and Theuri, 2014). The achievement of the objectives carried by the executive is one of the determining factors in performance assessment. Performance assessment is part of the budget function, a form of commitment from the executive to the legislature. The performance was assess based on budget targets' achievement and the implementation of budget efficiency. A budget is a valuable tool for controlling and evaluating performance (Mardiasmo, 2018). Based on this description, the third hypothesis can be formulated as follows:

*H3. Budget politics strengthen the influence of budgetary participation on the performance of local government bureaucrats.*

Based on the description above, the conceptual framework of this study is detailed in Figure 1.

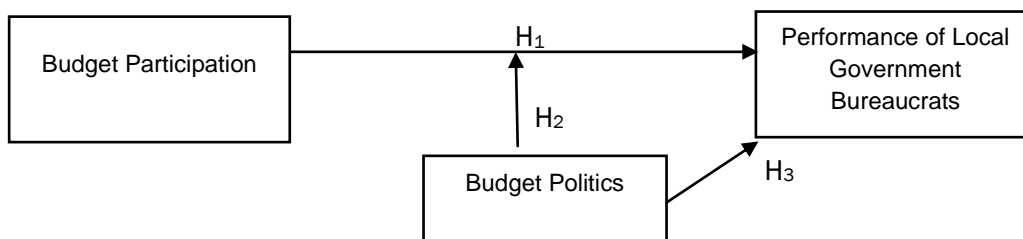


Figure 1 – The model of the budget participation and Performance of Local Government Bureaucrats

## METHODS OF RESEARCH

Based on the Slovin's formula (Tejada, and Punzalan, 2012) the minimum sample size for this population was 389. From the 389 received questionnaires, the response rate was 65.29 per cent as seen by the 254 responses that were filled completely and ready for analysis. Table 1 Lists the population and returned questionnaires.

Table 1 – Lists The Population and Returned Questionnaires

Number	Cities	Amount of cities	Amount of Sample Cities	Amount of Samples Collected	Percentage
1	Nanggroe Aceh Darussalam	23	14	3	21.4
2	Provinsi Bali	9	8	8	100.0
3	Provinsi Kepulauan Bangka Belitung	7	4	3	75.0
4	Provinsi Banten	8	9	9	100.0
5	Provinsi Kepulauan Bengkulu	10	6	5	83.3
6	Provinsi Gorontalo	6	10	10	100.0
7	Provinsi Jawa Barat	27	18	9	50.0
8	Provinsi Dki Jakarta	6	4	4	100.0
9	Provinsi Jambi	12	8	3	37.5
10	Provinsi Jawa Tengah	35	20	6	30.0
11	Provinsi Jawa Timur	38	24	17	70.8
12	Provinsi Dki Yogyakarta	5	4	2	50.0
13	Provinsi Kalimantan Barat	14	8	6	75.0
14	Provinsi Kalimantan Selatan	13	12	12	100.0
15	Provinsi Kalimantan Tengah	14	8	7	87.5
16	Provinsi Kalimantan Timur	10	9	9	100.0
17	Provinsi Kalimantan Utara	5	4	4	100.0
18	Provinsi Kepulauan Riau	7	4	4	100.0
19	Provinsi Lampung	15	14	4	28.6
20	Provinsi Maluku	11	9	8	88.9
21	Provinsi Maluku Utara	10	8	7	87.5
22	Provinsi Nusa Tenggara Barat	10	9	9	100.0
23	Provinsi Nusa Tenggara Timur	22	11	6	54.5
24	Provinsi Papua Barat	13	7	4	57.1
25	Provinsi Papua	29	22	11	50.0
26	Provinsi Riau	12	11	5	45.5
27	Provinsi Sulawesi Barat	6	7	7	100.0
28	Provinsi Sulawesi Tengah	13	10	10	100.0
29	Provinsi Sulawesi Utara	15	11	10	90.9
30	Provinsi Sumatera Barat	19	19	3	15.8
31	Provinsi Sumatera Selatan	17	13	8	61.5
32	Provinsi Sumatera Utara	33	25	2	8.0
33	Provinsi Sulawesi Selatan	24	21	21	100.0
34	Provinsi Sulawesi Tenggara	17	18	18	100.0
	Total	515	389	254	

The questionnaire of the performance variable is measured using indicators consisted of seven questions, such as planning, investigation, coordination, evaluation, supervision, staff setting, negotiation (Mahoney and Carrol, 1963).

The budget participation questionnaire was adopted from Milani (1975), which consisted of six question indicators: involvement, budget revision, frequency of giving suggestions or opinions, budget finalization, contributions, and express opinions.

Table 2 – Indicators Performance of Local Government Bureaucrats

Code	Indicators	Item questionnaire
PLB 1	Planning. The role of goal setting and activity plan policies	1
PLB 2	Investigation. collect information in the form of notes and reports	2
PLB 3	Coordination. Adjustment of work programs	3
PLB 4	Evaluation. Assessment of the work plan	4
PLB 5	Supervision Provide direction to the development of subordinates	5
PLB 6	Staff setting. Employee placement	6
PLB 7	Negotiation. Play a role in determining cooperation contracts with outside parties	7

Note: PLB = Performance of Local Government Bureaucrats.

Table 3 – Indicators Budget Participation

Code	Indicators	Item questionnaire
BP 1	Involvement. Involvement in budget preparation (APBD)	1
BP 2	Budget Revision Regarding the reasons heads of office in local government to revising the proposed budget	2
BP 3	Frequency of giving suggestions or opinions.	3
BP 4	Budget Finalization. Related to the influence of the heads of offices in local government in the finalization of the budget.	4
BP 5	Contributions. The importance of the contribution made	5
BP 6	express opinions Frequency of express opinions.	6

Note: BP = Budget Participation.

The budget politics questionnaire was adopted from Iskandar, Bukit, and Yahya (2012), which consisted of twelve questions with two indicators: interest in budget formulation and bargaining between the executive and the legislative. The responses to all the questionnaires above were measured using a seven Likert scale.

Table 4 – Items Indicators to Budget Politics

Code	Indicators	Item questionnaire
BPL 1	Elements of Interest in Budget Formulation	1 s.d. 7
BPL 2	Bargaining Between Executive and Legislative	8 s.d. 12

Note: BPL = Budget Politics.

## RESULTS AND DISCUSSION

Table 5 shows the descriptive statistics of all the variables of this study. Descriptive statistics are presented to provide information and explain the characteristics of the sample under study.

The final sample consisted of 254 heads of office in the local government involved in the budget preparation process. Demographics of respondents show that 63.4% are male with an average age of 42 years with a work period of 4.89.

The outer model test result found the convergent validity test using the loading factor value obtained a loading value of > 0.600 for each indicator. The most significant loading factor value that measures the budget participation variable is 0.896; the political budget variable is 0.873. The performance of the local government bureaucrat variable is 0.863. Construct reliability with the composite reliability value and the Cronbach's Alpha value obtained a test value of > 0.600. It meets the construct reliability criteria, and the Cronbach's Alpha value received a test value of >. 0.600 for all variable indicators to meet the construct reliability criteria.

Table 5 – Descriptive Statistics (n=254)

Variables	Minimum	Maximum	Mean	Standard. Deviation
Performance of Local Government Bureaucrats	1.00	7.00	5.31	1.26
Budget Participation	1.00	7.00	5.12	1.41
Budget Politics	3.00	7.00	4.17	1.07
Age	26	58	42.04	7.01
Tenure (Year)	.25	23	4.89	4.25
Male (Female)			63.4% (36.6%)	

The inner model test show indicated the coefficient of determination of the influence between budget participation and political budget moderation on local government bureaucrats' performance. A determination coefficient of 0.976 means that budget participation and budget politics affect. 97.6 percent of local government bureaucrats' performance, while other variables explain the remaining impact of 2.4 percent.

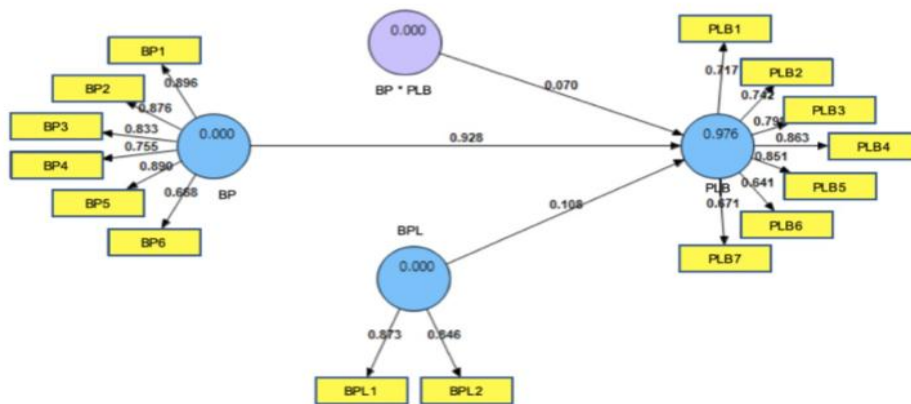


Figure 2 – Research Model with Partial Least Square

Testing was carried out by using Partial Least Square (PLS) to test the influence between variables of budget participation, budget politics, and performance of local government bureaucrat. The result is presented in Table 6 and Table 7.

Table 6 – Path Coefficients (Mean, STDEV, T-Values)

Information	Original Sample (O)	Sample (M)	Mean	Standard Deviation (STDEV)	Standard (STERR)	Error T ((O/STERR))	Statistics
BP -> PLB	0.927896	0.916846		0.079912	0.079912	11.611544	
BPL -> PLB	0.107728	0.116101		0.067791	0.067791	1.589130	
BP*BPL -> PLB	0.069664	0.065156		0.033863	0.033863	2.057226	

Note: BP = Budget Participation; BPL = Budget Politics; PLB = Performance of Local Government Bureaucrats.

Table 7 – Hypothesis Test Results

Hypothesis	Exogen	Path Coefficient	T Statistics	P-Value	Decision
1	BP -> PLB	0.928	11.612	0.000	Significant
2	BPL -> PLB	0.108	1.589	0.113	Not Significant
3	BP*BPL -> PLB	0.070	2.057	0.048	Significant

Note: BP = Budget Participation; BPL = Budget Politics; PLB = Performance of Local Government Bureaucrats.

*H1 stated that budget participation has a positive effect on the performance of local government bureaucrats.*

The result obtained a path coefficient of 0.928 with a statistical t value of 11.612 ( $t > 1.645$ ) and a significance level of 0.000 (p-value  $< 0.05$ ). The participation variable budget has a positive and significant impact on the performance variable of local government bureaucrats. It is mean the employees are involved in the participation process will increase the performance of local government bureaucrats. These results indicate that hypothesis 1 is accepted.

The results of this test results that being involved in budget participation will increase the performance of local government bureaucrats. The findings of this study are supported by previous research (Oladele and Longlong, 2019; Otor and Oti, 2018; Wong, Guo, and Lui, 2010), showing that budget participation is positively related to performance.

Oladele and Longlong (2019) tried to research 183 academic staff at universities whose respondents were randomly drawn. His research shows that academic staff participation in the budgeting process affecting the performance of university academic staff. However, academic staff stated that their performance was not entirely dependent on the budget. Some of the research results above are also in line with Noor and Othman's (2012) research. They state that budgetary participation can cause particular behaviors toward employee attitudes that can impact performance achievement. This study is supported by the goal-setting theory, which is based on the approach used in developing hypotheses.

*H2 stated that budget politics has a positive effect on the performance of local government bureaucrats.*

The hypothesis result obtained a path coefficient of 0.108 with a statistical t value of 1.589 ( $t < 1.645$ ) and a significance level of 0.056 (p value  $> 0.05$ ). Based on these results, the political budget has a positive but insignificant effect on local government bureaucrats' performance. These results indicate that the higher the political budget will raise the performance of local government bureaucrats. Still, it does not have a significant effect (the effect is minimal). These results indicate that hypothesis 2 was rejected.

Public sector budgeting is a bargaining process between the legislature and the executive. The bargaining of processes in the budget process is a form of budget politics between the legislature and the executive. Budget politics influence each other between various interested parties in determining the scale of development priorities due to the limited public resources available.

Wildavsky and Caiden (2012) stated that politics' role in the public budget planning process had been a long debate. Planning experts have seen the planning process as a process of applying rationality between interested parties. Interested parties will strive to implement what has become a program outlined in the form of a budget and seek to realize it to realize the budget target. Achieving the planned budget targets is the success of the budget compiler, which will undoubtedly impact performance.

*H3 states that political budget strengthens the influence of budget participation on the performance of local government bureaucrats.*

The result obtained a path coefficient of 0.070 by a statistical t value of 2.057 ( $t > 1.645$ ), with a significant level of 0.024 (p-value  $< 0.05$ ). Based on these results, the political budget moderates budget participation (PA) on local government bureaucrat variables' performance. The effect of budget participation on local government bureaucrats' performance obtained a positive path coefficient of 0.928. Based on these, budget politics

strengthens the impact of budget participation on local government bureaucrat's performance.

Budget politics is a purely moderating variable. The political budget test results can prove this on local government bureaucrat variables' performance, an insignificant path coefficient, namely 0.108, a statistical t value of 1.589 ( $t > 1.645$ ). The interaction test results between budget participation and budget politics on local government bureaucrats' performance obtained a significant path coefficient of 0.070 with a statistical t value of 2.057 ( $t < 1.645$ ). Thus, hypothesis 3 is accepted.

There is a political influence on budget participation (Lau, Scully, and Lee, 2018). Political behavior is generally carried out by superiors and not subordinates, which directly impacts budget participation. Political actions taken by the heads of offices within the local government as the executive is the implication of budget politics in the budget preparation process. Thus, decision-making in an office is determined by the head of the office in the local government. The heads of offices within the local government have full authority in determining the policies they will set

In the budget formulation process, budget politics is carried out by the legislature and executives who are involved in the process (Mugambi and Theuri, 2014). legislative and executive interests differ, so they negotiate. The vested interests between the legislature and the executive are expressed by agency theory, so we can conclude that This finding uses agency theory.

## CONCLUSION

This research examines and provides an observed indication that budgetary participation positively influences local government bureaucrats' performance. Thus the local government's head should apply budget participation by involving subordinates in the budget preparation process. It is intended so that the budget is made according to the relevant regional apparatus organization's needs.

Budget politics are a moderation variable that supports the connection between budgetary participation and local government bureaucrats' performance. Still, the direct link between budget politics to performance of local government bureaucrats is insignificant. Thus, budget politics in the relationship is pure moderation. Local government heads involved in the decision-making process are expected to consider their political interest in the budget preparation process.

This research has academic implications in confirming the goal-setting theory in explaining the relationship between budgetary participation and the performance of local government bureaucrats. This research also provides empirical evidence of agency theory's application in the budget preparation process's legislative and executive relationship. This study builds a model of the relationship between budget participation and performance moderated by budget politics, which can be used to refer to future researchers.

In this case, the main target of respondents in this study is managerial; in this case, the heads of office in local government who are supposed to answer the examined questionnaire directly. In reality, the respondents who answered the research questionnaire were mainly on the same level as the department head. The total response rate from the distribution of this questionnaire is quite good, but the response rates are still below 30% in some regions. This questionnaire's response rate is not spread evenly across areas of cities in Indonesia.

Previous researchers have widely studied research on budgetary participation on performance. However, studies relating to budget politics are still minimal. This research only examines the political budget variables in linking budget participation to performance due to the limitations of previous studies' results. It is hoped that further research can develop this research by adding other relevant variables to budget politics. This questionnaire's response rate is not evenly distributed across regions cities in Indonesia. It is hoped that further researchers can further increase the response rate of each area.



## FUNDING OF RESEARCH

First Author received funding for this research From Indonesia Endowment Fund for Education (LPDP), Ministry of Finance, Indonesia.

## REFERENCES

1. Abdullah, S. (2008). Perilaku oportunistik legislatif dalam penganggaran daerah: bukti empiris atas aplikasi agency theory di sektor publik. SSRN Electronic Journal. Retrieved from <https://doi.org/10.2139/ssrn.1709142>.
2. Asunka, J. (2016). Partisanship and political accountability in new democracies: Explaining compliance with formal rules and procedures in Ghana. *Research and Politics*, 3(1), 1-7.
3. Cabannes, Y., & Lipietz, B. (2018). Revisiting the democratic promise of participatory budgeting in light of competing political, good governance and technocratic logics. *Environment and Urbanization*, 30(1), 67-84.
4. Chohan, U. W. (2018). *Budget Reform and Political Reform*. Berlin: Springer
5. Chohan, U. W., & Jacobs, K. (2017). Public value in politics: A legislative budget office approach. *International Journal of Public Administration*, 40(12), 1063–1073.
6. Damayanti, R. A. (2016). The portrait of executive-legislative agency relationship in Indonesia's three ERA a critical ethnographic study. *IJABER*, 14, 4223–4237.
7. Derfuss, K. (2009). The relationship of budgetary participation and reliance on accounting performance measures with individual-level consequent variables: A meta-analysis. *European Accounting Review*, 18(2), 203–239.
8. Dow, K. E., Watson, M. W., & Greenberg, P. S (2012). Understanding participation: situational participation, intrinsic involvement, and influence. *Advances in Management Accounting*, 21, 25–47.
9. Gomes, A. D. T. (2017), Statebuilding and the politics of budgeting in Afghanistan. *Journal of Intervention and Statebuilding*, 11(4), 511–528.
10. Gosling, J. J. (2009). *Budgetary Politics in American Governments*. New York & London: Routledge.
11. Gudban, Y. A. (2017) *Konsep Penyusunan Anggaran Publik Daerah*. Malang: Intrans Publishing.
12. Habodin, M. (2017). *Memahami Kekuasaan Politik*. Indonesia: UB Press.
13. Halim., & Abdullah. (2006). Hubungan dan masalah keagenan di pemerintah daerah: sebuah peluang penelitian anggaran dan akuntansi. *Jurnal Akuntansi Pemerintah*, 2(1), 53-64.
14. Hartanto, M. R., Busaini., & Animah. (2018). Implementation of performance-based budgeting : a phenomenological study on the national land agency. *International Journal of Scientific Research and Management (IJSRM)*, 06(03), 122–131.
15. Hartz-Karp, J., & Weymouth, R. (2018). Australian Participatory Budgeting. *Hope for democracy*, 30, 403-422.
16. Ikhwan, A. N., Subroto, B., & Ghofar, A. (2017). The influence of accountability on clean-corruption perception in local government. *Assets: Jurnal Akuntansi Dan Pendidikan*, 5(2), 29–146.
17. Iskandar, D., Bukit, R., & Yahya, I. (2013) Pengaruh kapasitas sumber daya manusia, perencanaan anggaran dan politik penganggaran, dengan transparansi publik sebagai variabel moderating terhadap sinkronisasi dokumen APBD dengan dokumen KUA-PPAS pada pemerintah Kabupaten Aceh Tenggara. *Jurnal Telaah dan Riset Akuntansi*, 6(1), 93-108.
18. Isvand, M., & Malmir, A. (2017). Determining (identifying) the effect of sub-ordinates motivation and their budget participation on budget targets. *Journal of Internet Banking and Commerce*, 22(2), 1-13.

19. Jermias, J., & Setiawan, T. (2008). The moderating effects of hierarchy and control systems on the relationship between budgetary participation and performance. *The International Journal of Accounting*, 43(3), 268–292.
20. Jermias, J., & Yigit, F. (2013). Budgetary participation in turkey: the effects of information asymmetry, goal commitment, and role ambiguity on job satisfaction and performance. *Journal of International Accounting Research*, 12(1), 29-54.
21. Kennedy, J. B. (2016). Who do you trust? Presidential delegation in executive orders. *Research and Politics*, 3(1), 1-7.
22. Kenny, C., Washbourne, C., Tyler, C., & Blackstock, J. J. (2017) Legislative science advice in Europe: the case for international comparative research. *Palgrave Communications*, 3, 1–9. DOI:10.1057/palcomms.2017.30.
23. Lau, C. M., Scully, G., & Lee, A. (2018). The effects of organizational politics on employee motivations to participate in target setting and employee budgetary participation. *Journal of Business Research*, 90, 247-259.
24. Lewis, J. M. (2015) The politics and consequences of performance measurement. *Policy and Society*, 34(1), 1–12.
25. Lunenburg, F. C. (2011). Goal-Setting Theory of Motivation. *International Journal of Management, Business, and Administration*, 15(1).
26. Mahoney, J., & Caroll. (1963). *Development of Managerial Performance: A Research Approach*. Cincinnati: South-western.
27. Mardiasmo (2018) *Otonomi dan Manajemen Keuangan Daerah*. Andi: Yogyakarta.
28. Milani, K. (1975). The relationship of participation in budgeting-setting to industrial supervisor performance and attitudes: A field study. *The Accounting Review*, 274-284.
29. Mugambi, K. W., & Theuri, F. S. (2014). The challenges encountered by county governments in Kenya during budget preparation. *IOSR Journal of Business and Management*, 16(2), 128-134.
30. Muhtar, M., Rohman, A., & Chariri, A. (2016). Opportunistic behavior and public spending: The case of Indonesia. *Corporate Ownership and Control*, 14(1), 485–497. DOI:10.22495/cocv14i.1c3p9
31. Noor, I. H., & Othman, R. (2012). Budgetary participation: how it affects performance and commitment. *Accountancy Business and the Public Interest*, 53-73.
32. Nwankpa, L. O., & Okeke, R. C. (2017). Budgeting for change in The Nigerian public sector: A qualitative research. *African Research Review*, 11(4), 7-16.
33. Oladele, O. M., & Longlong, H. (2019). The influence of faculty budgetary participation, budget adequacy, values and vision on staff performance: A case study of University of Ibadan Nigeria. *Journal of Economics and Economic Education Research*, 20(3), 1-17.
34. Onyango, G. (2012). Legislative oversight amid the implementation of structural-devolution reforms in local governance in Kenya. Available at SSRN: <https://ssrn.com/abstract=3209701> or <http://dx.doi.org/10.2139/ssrn.3209701>.
35. Oomsels, P., Callens, M., Vanschoenwinkel, J., & Bouckaert, G. (2016) Functions and dysfunctions of inter-organizational trust and distrust in the public sector. *Administration & Society*, 51(4), 516-544.
36. Otalor, J. I., & Oti, P. A. (2018). Budget participation, managerial performance and budgetary slack: the intervening role of budget pressure and monitoring. *Accounting & Taxation Review*, 1, 106-118.
37. Rustiarini, N. W., Sutrisno, T., Nurkholis, N., & Andayani, W. (2019). Why people commit public procurement fraud? The fraud diamond view. *Journal of Public Procurement*, 19(4), 345–362.
38. Sukandani, Y., & Istikhoroh S.(2016). Participatory budgeting role in improving the performance of the managerial head of department East Java. *Review of European Studies*, 8(4), 148–157.
39. Supatmi, S., Sutrisno, T., Saraswati, E., & Purnomosidhi, B. (2019). The effect of related party transactions on firm performance: the moderating role of political connection in Indonesian Banking. *Business: Theory and Practice*, 20, 81–92.

40. Tejada, J. J., & Punzalan, J. R. B. (2012). On the misuse of Slovin's formula. *The Philippine Statistician*, 61(1), 129-136.
41. Tuanaya, W., & Wance, M. (2017). *Politik Anggaran Dinamika Legislasi, Komunikasi Politik, Perencanaan Anggaran, dan Proyeksi Pembuatan APBD*. Bandung: Manggu Makmur Tanjung Lestari.
42. Usman, E., & Paranoan, S. (2013). Anggaran partisipatif dalam menunjang kinerja aparatur pemerintah daerah. *Akuntansi Multi Paradigma*, 4(1), 127-135.
43. Usman, E., Haris, N., Sugianto, S., Sudirman, S., & Rustiarini, N. W. (2021) Participatory budgetary model and performance of local government officials: An Indonesian case. *International Journal of Public Sector Performance Management*. Retrieved from <https://www.inderscience.com/info/ingeneral/forthcoming.php?jcode=ijpspm>
44. Usman, E., Usman, A., & Sugianto. (2016). Leadership styles in budgeting participation support managerial performance. *The International Journal of Organizational Innovation*, 8(4).
45. Valls, V., González-Romá, V., & Tomás, I. (2016). Linking educational diversity and team performance: Team communication quality and innovation team climate matter. *Journal of Occupational and Organizational Psychology*, 89(4), 751–771.