

# **THE EFFECT OF BUDGET PARTICIPATION ON MANAGERIAL PERFORMANCE WITH WORK CULTURE, WORK FACILITIES AND ORGANIZATIONAL COMMITMENTS AS MODERATION VARIABLES**

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## **Abstract**

*This study examines the effect of budgetary participation on managerial performance with work culture, work facilities and organizational commitment as moderating variables, in which previous studies have found inconsistent results between research with one another. The inconsistency of the results of the study encourages researchers to use work culture, work facilities and organizational commitment as moderating variables. The purpose of this study is to prove empirically the effect of budgetary participation on managerial performance with variables of work culture, work facilities and organizational commitment as moderating variables. Data collection is done by questionnaire method. Respondents of this study were employees at the level of section head, head of field, head of branch (head of section) and head of division who held the position at least one year and were involved in preparing the bank's budget or business plan. The testing of the hypothesis used is moderate regression analysis (MRA). The results of this study indicate that: (1) work culture moderates the relationship between budgetary participation and managerial performance, (2) work facilities moderate the relationship between budgetary participation and managerial performance and (3) organizational commitment moderates the relationship between budgetary participation and managerial performance.*

*Keywords: Budget Participation, Managerial Performance, Work Culture, Work Facilities, Organizational Commitment*

## INTRODUCTION

Banks as institutions that have the trust to manage public funds, must have healthy conditions so that they are able to carry out their duties as community fund managers and provide excellent service to the public in the financial sector. Banking institutions are at the core of each country's financial system. In the modern world the role of banks in advancing the economy of a country is very large. Almost all sectors related to various financial activities always need bank services. The existence of banks is very important in supporting and helping to improve the economy of the community. According to the Republic of Indonesia Law Number 10 of 1998 dated 10 November 1998 concerning banking, what is meant by banks is a business entity that collects funds from the public in the form of deposits and distributes them to the public in the form of loans and / or other forms in order to improve many people's lives.

Regional Development Bank (BPD) as one of the banks in the national banking system has significant functions and roles in the context of regional economic development. Law No. 13 of 1962 concerning the provisions of the Regional Development Bank said that the BPD works as a regional economic development and drives regional economic development to improve people's lives and provide financing for development finance in the regions, raise funds and carry out and store regional cash (holders / cash storage) area) besides running banking business activities (Hasan, Anuar, and Ismail 2010). One of the regional banks in Bali Province is PT. Bali Regional Development Bank, known as Bank BPD Bali. Bank BPD Bali is headquartered on Jalan Raya Puputan Niti Mandala Denpasar which has Branch Offices, Sub-Branch Offices and Cash Offices spread throughout the Province of Bali and a Branch Office in the Province of West Nusa Tenggara.

The rise of bank and nonbank financial institutions in Bali Province indirectly led to competition - intense competition between bank and non-bank financial institutions, allowing the BPD Bank Bali to be unable or weak to carry out its functions properly. Entering the current era of globalization, in order to encourage national economic growth and support dynamic business development, strong national banking is needed, a banking industry that is healthy, strong, productive and has competitiveness to be able to serve the community, improve people's lives and provide financing development finance in the regions besides running banking business activities.

The BPD strengthening program is contained in the BPD Regional Champion (BRC) program, which is a program to encourage BPD to be more effective in carrying out its functions as an agent of development in the region, including its implementation strategy. Such conditions and competition require management's ability to manage banks to the level of their business

units wherever they are, in this case in the provinces of Bali and even West Nusa Tenggara in accordance with the working area of Bank BPD Bali to be managed efficiently by their management. To realize this efficiency, management capabilities are needed in planning, coordinating, and controlling various activities as well as programs implemented, as well as resources owned and used by the company. A very important component in planning a banking business is the budget.

Budget is an element of management control system that functions as a planning and controlling tool so that managers can carry out organizational activities more effectively and efficiently (Schiff and Lewin, 1970; Welsch, Hilton and Gordon, 1996). As a planning tool, the budget is an activity plan consisting of a number of targets to be achieved by department managers of a company in carrying out a series of certain activities in the future. The concept of budgeting requires a strong commitment from management at all levels, both leaders and managers and employees as subordinates. All leaders in each level of the organization get a certain role to carry out their activities in order to achieve the targets set in the budget.

Bank BPD Bali in its operations is also inseparable from the budget as a planning and control tool which is usually called the bank's business plan. The amount of income obtained by the BPD Bank is required to allocate the funds well. The budget requires certainty, whether the company has implemented what has been stated in the plan. Therefore a control is needed. Control involves the implementation of policies, evaluating the implementation and taking corrective action actions that are below the standard. Given the importance of the budget in a company, an organization needs a budget that explains the overall strategy into short-term and long-term plans and goals (Hansen and Mowen, 1997).

The budgeting process has a direct impact on human behavior (Siegel and Marconi, 1989), especially for people who are directly involved in budgeting. For example, subordinates who participate in budgeting provide biased estimates to superiors, even though subordinates have information that can be used to assist in the accuracy of the company's budget.

The participatory budgeting process is expected to improve managerial performance, that is, when a goal is designed and agreed upon participation, employees will internalize defined goals and have a personal sense of responsibility to achieve them, because they are involved in budgeting (Milani, 1975).

Bank BPD Bali in order to maintain its existence in the banking world, especially in the provinces of Bali and West Nusa Tenggara, should always improve its managerial performance. Improving managerial performance carried out effectively is one way to fulfill its function as a regional bank. Indriantoro (1993) and Supomo (1998) in Kurnia (2010) state that managerial performance is said to be effective if budget goals can be achieved and subordinates have the

opportunity to be involved and participate in budgeting. Participation is a tool to achieve goals, participation as well as a tool to integrate the needs of individuals and organizations. So that participation can be interpreted as sharing influence, delegating procedures, involvement in decision making and empowerment. The managerial performance of Bank BPD Bali can be seen from the realization report or the achievement of a target that has been planned beforehand. The realization of the target or budget of Bank BPD Bali for the past 2 (two) years can be seen in the following table 1.

Table 1 Realisasi Anggaran Bank BPD Bali Tahun 2016 - 2017

Budget Type	2016		2017	
	Budget (Target)	Realization	Budget (Target)	Realization
Credit	16.205 B	15.624 B	17.031 B	16.239 B
Third-party funds	16.792 B	15.124 B	17.695 B	17.499 B
Profit	657 B	791 B	816 B	755 B

Source: Bank BPD Bali, 2018

Based on table 1, for the realization of the Bank BPD Bali budget from 2016 to 2017, the budget or target that has been set has not been 100 percent realized or achieved, even though the determination of the budget or target set has been done in a participatory manner. This can indicate that budgetary participation at Bank BPD Bali does not have a positive impact on managerial performance because the set targets have not been achieved even though the budgeting process has been implemented in a participatory manner involving subordinates to the top management level. leads to managers not optimal in carrying out management functions.

Many accounting studies pay attention to the problem of budget participation (Brownell, 1981). This is because participatory budgets are considered to have consequences for the attitudes and behavior of organizational members (Murray, 1990). Brownell (1982) found that there was a positive and significant relationship between participation and managerial performance. Brownell and Mcinnes (1986) found that high participation in budgeting improved managerial performance. Indriantoro (1995) found that a positive and significant relationship between budgetary participation and managerial performance. Besides that also (Indriantoro, 2000; Becker and Green, 1978) found that budget participation has a positive and significant effect on managerial performance. Wuner and Subardjo (2016) from the results of his research show that budgetary participation has a significant and positive effect on managerial performance. Likewise, research conducted by Mutaher (2007) found a positive influence between budgetary participation on managerial performance. But Morse and Reimer (1956)

conducted research with different results as well as Brownell and Hirst (1986). The research they conducted concluded that budget participation had a non-significant effect on managerial performance. Sumarno (2005) found that there was a significant and negative relationship between managerial performance and budgetary participation, and also the influence of organizational commitment on the relationship between managerial performance and budgetary participation was positive and significant.

Govindarajan (1986) in Sumarno (2005) states that the inconsistency of research results should be suspected to be caused by the existence of other contingency factors. Contingency approach confirms the possibility of other variables capable of acting as moderating factors that influence the relationship between independent variables and the dependent variable (Brownell, 1982a; Murray, 1990; Shield and Young, 1993) in (Nor, 2007 ) The inconsistency of the results of the study according to Govindarajan (1986) allows a contingency approach to be carried out that evaluates various conditional factors that can affect the effectiveness of budgeting for managerial performance.

Contingency theory is used in this study to evaluate the relationship between budgetary participation and managerial performance. This theory provides an idea that the nature of the relationship that exists between budgeting and managerial performance may differ in each of the conditions. This study will use variables of work culture, work facilities and organizational commitment as moderating variables on the relationship between budget participation and managerial performance.

Work culture is one of the moderating variables because work culture is an attitude and behavior of individuals and groups based on values that are believed to be true and have become the nature and habits of carrying out tasks and daily work (Work Culture of Bank BPD Bali, 2014). Viewed from this with a strong culture will provide good performance for a company in achieving its goals, because every action taken in completing a task in a company must be based on culture. The work culture contains very basic values as intangible assets that play an important role in determining direction and optimizing the execution of the company's strategy in achieving its objectives. According to Triguno in Daryatmi (2002) work culture is a philosophy based on the view of life as values that are traits, habits and driving forces, entrenched in the life of a community group or organization, then reflected in attitudes into behavior, trust, ideals - ideals, opinions and actions that materialize as work or work. Implementing work culture has a very deep meaning, because it will change the attitudes and behavior of human resources to achieve higher work productivity in facing future challenges. The work culture of Bank BPD Bali includes competence, integrity, cooperation and customer orientation (Work Culture of Bank BPD Bali, 2014). This work culture is the basis and guideline for all layers of Bank BPD Bali

employees in achieving their intended goals so that they are believed to be able to influence the managerial performance of the bank. Motaher (2007) found that there was a significant effect of organizational culture in moderating the relationship between budgetary participation and managerial performance of local government officials. Ginanjar (2005) found that budget participation with organizational culture as a moderating variable had an effect on the performance of regional government officials. Damayanti (2007) found that organizational culture moderated (increased) the positive influence of budgeting participation and managerial performance in five-star hotels in Java and Bali. Atmosoeparto (2000) states that a strong organizational culture or corporate culture will influence the view of a job to be more pleasant. So the company's work culture needs to be maintained so that all employees produce high performance.

Moderating variables besides work culture that support employee performance are work facilities. To optimize management's achievements, there is a need for good work facilities. Work facilities are a form of service to employees to support performance in meeting the needs of employees, so as to increase work productivity of employees (Husnan, 2002: 187). Work facilities are tools or facilities and infrastructure to help employees more easily complete the work given to them so that employees will work more productively to achieve the goals of the company. The implementation of tasks that have been given by the leadership to each subordinate, indicates that the management performance of the BPD Bank Bali is still not optimal, this may be affected by factors of work facilities. The results of the study conducted by Sambali (2015) found that work facilities partially had a positive and significant effect on employee performance. Ifani (2014) in his research found that work facilities positively had a significant effect on work performance. Another thing that needs to be considered to optimize the achievement of the goals of a company is organizational commitment. Organizational commitment shows a strong belief and support for the values and goals to be achieved by the organization. High commitment makes individuals care about the sustainability of the organization and strives to make the organization in a better direction. Organizational commitment shows strong belief and support for the values and goals that the organization wants to achieve (Mowday et al, 1979). Leaders or managers who have a high level of organizational commitment will have a positive outlook and try to do the best for the sake of the organization (Porter et al, 1974). With a high commitment, the possibility of low managerial performance will be avoided. Conversely, individuals or managers with low commitment will be more selfish than companies, so that it will have an impact on the goals and objectives of the organization. Existing organizational commitment is expected to improve the performance of employees because the existence of organizational commitment can increase employee

awareness to carry out their duties seriously. This is in line with the research of Veronica (2010) which shows a positive and significant relationship between organizational commitment and managerial performance, that organizational commitment can improve managerial performance.

Research on the effect of budgetary participation on managerial performance has been carried out and tested by many researchers as stated earlier which gives inconsistent results. On the one hand shows the results that budget participation has a positive and significant relationship with managerial performance, namely high participation in budgeting improves managerial performance. But on the other hand shows that budget participation has a non-significant effect on managerial performance, there is even a significant negative influence between managerial performance and budget participation.

This study intends to reexamine the effect of budgetary participation on managerial performance with moderating variables of work culture, work facilities and organizational commitment. The difference in results obtained from existing theories with previous studies requires re-testing to clarify the relationship between these variables.

## LITERATURE REVIEW

Contingency theory is often used to analyze design and management accounting systems to provide information that can be used by companies for various purposes. According to Koentjaraningrat (2000) culture with the basic words of culture comes from sansakerta language "buddhayah", which is the plural form of buddhi which means "mind" or "reason". So Koentjaraningrat defines culture as "mind power" in the form of creativity, intention and taste, while culture is the result of creativity, intention and taste. Koentjaraningrat explained that basically many distinguish between culture and culture, where culture is a pluralistic development of cultivation, which means the power of mind. Motivation can be interpreted as the strength (energy) of a person which can lead to a level of persistence and enthusiasm in carrying out an activity, both from within the individual itself and from outside the individual. According to Mardiasmo (2002) the budget is a statement about the estimation of performance to be achieved during a certain period of time expressed in financial measures. According to Harahap (2001: 11) the budget basically has a function, namely planning, coordination and monitoring functions. Brownell (1982) defines participation in budgeting as a process in which individuals involved in it have an influence on the preparation of budget targets that will be evaluated and the need for rewards for achieving budget targets. According to Stoner (1986) performance (performance) is the quantity and quality of work completed by individuals, groups or organizations. According to Nawawi (2003: 65) work culture is a habit carried out repeatedly by employees in an organization. Work facilities are a form of company service to employees in

order to support performance in meeting employee needs, so as to increase employee work productivity (Koyong, 2011: 11). Weiner (1982) defines organizational commitment as an encouragement from within an individual to do something in order to support the success of the organization in accordance with its objectives and prioritize the interests of the organization rather than its own interests.

## HYPOTHESES

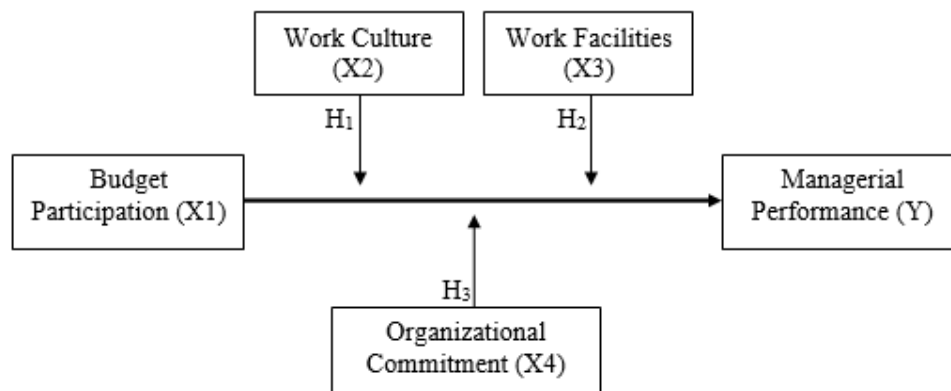


Figure 1. Research Framework

H<sub>1</sub> : The work culture moderates the relationship between budget participation and managerial performance.

H<sub>2</sub> : Work facilities moderate the relationship between budget participation and managerial performance.

H<sub>3</sub> : Organizational commitment moderates the relationship between budget participation and managerial performance.

## RESEARCH METHOD

The research design is a plan and structure of investigations arranged in such a way that researchers will be able to obtain answers to their research questions. The plan is a comprehensive scheme that includes research programs (Kerlinger, 2000). The research design is as a research approach model which is also a data analysis design. Besides that with the design of the research, the determination of the sample has been given direction by the research design (Wisadirana, 2005).

This type of research uses a survey method, which is a research method that takes samples from a population and uses a questionnaire as a data collection tool. In this study data



and information were collected from respondents using a questionnaire which was a list of structured questions addressed to the leadership or superiors (at the level of section head, head of sector, head of section (branch head) and head of division). After the data obtained the results will be analyzed and presented descriptively at the end of the study.

In this study there are 3 (three) types of variables used, namely the independent variable (independent), the dependent variable (dependent) and the moderating variable. The independent variable in this study is budget participation, the dependent variable in this study is managerial performance, and the moderating variables in this study are work culture, work facilities and organizational commitment. The location of the study was conducted at PT. Regional Development Banks of Bali in the Provinces of Bali and West Nusa Tenggara. The population used in this study were all employees of Bank BPD Bali at the level of section head, head of sector, head of section (branch head) and head of division. Using employees at the level of section heads, heads of fields, heads of parts (branch heads) and heads of divisions as populations in the study because they are in accordance with the Corporate Manual (2008) and Standard Operating Procedures for Human Resources PT. The Regional Development Bank of Bali (2018) states that at the level of section heads up to the heads of divisions are included in certain positions that have responsibilities as thinkers, planners, executors and decision makers. The number of employees of Bank BPD Bali is at the level of section head, head of sector, head of department (head of branch) and head of division, for head of division, 10 people, head of department is 50 people, head of field is 76 people and section head is 196 people so the total is 332 people. The criteria for determining the sample used in this study are.

- 1) Has held this position for at least 1 year.
- 2) Engaging in the process of preparing a bank budget or business plan.
- 3) The sample used in this study in accordance with the criteria established amounted to 132 samples can be seen in Table 2 below.

Table 2 Number of Study Samples

No	Criteria	Head of Division	Branch head	Manager	Section Chief	Total
1	Holds a position of at least 1 (one) year	10	40	72	188	310
2	Not involved in the budgeting process	0	3	42	133	178
3	Involved in the budgeting process	10	37	30	55	132

Source: BPD Bali Bank, 2018

## RESULTS

Validity test for each variable shows a Person correlation value greater than 0.30. Reliability test shows Cronbach alpha value for budget participation variable is 0.838. Cronbach alpha value for managerial performance variable is 0.909. The Cronbach alpha value for the work culture variable is 0.969. The Cronbach alpha value for the work facility variable is 0.980 and the Cronbach alpha value for the organizational commitment variable is 0.916. Then it can be concluded that all of the above instruments are reliable, because Cronbach's alpha each instrument is > 0.60 so that it can be used to carry out research or test the research hypothesis. The Normality Test, Heterocapacity and multility of the conditions meet the conditions that have been set, so that it can be continued at the next stage.

### Test the First Hypothesis

To find out the influence of work culture variables in moderating the relationship of budgetary participation in managerial performance, the Moderated Regression Analysis (MRA) technique is a special application of multiple linear regression to determine the relationship between two variables that are influenced by the third variable or moderating variable. The results of the hypothesis test can be seen in Table 3.

Table 3 Analysis of Moderating Variables Hypotheses

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	68.583	26.337		2.604	.010
PA	-3.487	1.536	-1.713	-2.270	.025
BK	1.319	.443	1.573	2.977	.004
FK	-.392	.388	-.558	-1.010	.315
KO	-2.893	.678	-1.828	-4.267	.000
PAxBK	-.080	.029	-3.328	-2.796	.006
PAxFK	.047	.023	2.673	2.037	.044
PAxKO	.174	.044	3.395	3.954	.000

The results of the data analysis above are obtained as the following estimation results.

$$KM = 68.583 - 3.487PA + 1.319BK - 0.392FK - 2.893KO - 0.080PA*BK + 0.047PA*FK + 0.174PA*KO$$

Based on Table 3, it can be seen that the work culture moderates the relationship between budgetary participation and managerial performance with a coefficient of 0.006 which is much smaller than the real level of 0.05 ( $\alpha = 5\%$ ). This means that the first hypothesis is

accepted, where the work culture moderates the relationship between budgetary participation and managerial performance. The work culture in this study acts as a quasi moderation variable because in addition to influencing the relationship between budgetary participation and managerial performance, it also acts as an independent variable that influences managerial performance.

### Test the Second Hypothesis

To find out the influence of work facility variables in moderating the relationship between budgetary participation in managerial performance, the Moderated Regression Analysis (MRA) technique was used. The results of the hypothesis test can be seen in Table 3. The results of the data analysis above are obtained as the following estimation results.

$$KM = 68.583 - 3.487PA + 1.319BK - 0.392FK - 2.893KO - 0.080PA*BK + 0.047PA*FK + 0.174PA*KO$$

Based on Table 3, it can be seen that work facilities moderate the relationship between budgetary participation and managerial performance with a coefficient of 0.044 which is smaller than the real level of 0.05 ( $\alpha = 5\%$ ). This means that the second hypothesis is accepted, where work facilities moderate the relationship between budget participation and managerial performance. Work facilities in this study act as pure moderation variables because they only interact on independent variables or influence the relationship between budgetary participation and managerial performance without being independent variables, because work facilities do not have a significant effect on managerial performance.

### Test the Third Hypothesis

To find out the influence of organizational commitment variables in moderating the relationship between budgetary participation in managerial performance, the Moderated Regression Analysis (MRA) technique was used. The results of the hypothesis test can be seen in Table 3. The results of the data analysis above are obtained as the following estimation results.

$$KM = 68.583 - 3.487PA + 1.319BK - 0.392FK - 2.893KO - 0.080PA*BK + 0.047PA*FK + 0.174PA*KO$$

Based on Table 3, it can be seen that organizational commitment moderates the relationship between budgetary participation and managerial performance with a coefficient of 0,000 which is much smaller than the real level of 0.05 ( $\alpha = 5\%$ ). This means that the third hypothesis is accepted, where organizational commitment moderates the relationship between budgetary participation and managerial performance. Organizational commitment in this study acts as a quasi moderation variable, because besides giving a significant influence on the

relationship of budget participation with managerial performance also acts as an independent variable that has a significant effect on managerial performance.

According to Ghozali (2005: 83), the coefficient of determination  $R^2$  has a weakness that is by increasing the independent variable. The value of  $R^2$  will increase even though the added variable is not part of the model. To avoid these weaknesses, it is better to use the adjusted R Square value.

The adjusted R Square value can go up or down if one independent variable is added to the model. Adjusted R Square shows the ability of the model to explain the relationship between the independent variable and the dependent variable. The adjusted R Square value will always be between 0 and 1. The closer it is to 1, the greater the ability of the independent variable to explain (its effect) on the dependent variable.

Based on the coefficient of determination amount of Adjusted R Square is 0.059, this means that 5.9 percent variation in managerial performance can be explained by budget participation while the remaining 94.1 percent is explained by other factors outside the model.

### **Sensitivity Test**

Based on the results of testing the hypotheses H1, H2 and H3 it is known that the three variables namely work culture, work facilities and organizational commitment moderate the relationship between budget participation and managerial performance, so sensitivity testing is not necessary to compare the results of the two-stage regression equation with the MRA.

## **DISCUSSION**

### **The relationship between budget participation and managerial performance**

Before explaining the variables of work culture, work facilities and organizational commitment to moderate the relationship between budget participation and managerial performance, then first explain the relationship between budget participation and managerial performance. This study uses  $\alpha$  of 0.05, which means it has a 95% confidence level. Based on the results of the regression test equation obtained, the coefficient value of 0.025 is much smaller than the real level of 0.05 ( $\alpha = 5\%$ ). This indicates that budget participation has a significant influence on managerial performance. The coefficient value of 0.004 is also much smaller than the real level of 0.05 ( $\alpha = 5\%$ ), where work culture and managerial performance have a significant effect. 0.000 coefficient value is also much smaller than the real level of 0.05 ( $\alpha = 5\%$ ), where organizational commitment and managerial performance have a significant effect. While other results for work facilities, namely based on the results of the regression test equation obtained,

the coefficient value of 0.315 is much greater than the real level of 0.05 ( $\alpha = 5\%$ ), this indicates that work facilities and managerial performance have no significant effect.

### **The work culture moderates the relationship between budget participation and managerial performance**

The results of data analysis using SPSS indicate that work culture variables moderate the relationship between budgetary participation and managerial performance with a coefficient of 0.006 which is much smaller than the real level of 0.05 ( $\alpha = 5\%$ ). This means the first hypothesis is accepted, where the work culture moderates the relationship between budgetary participation and managerial performance. Ginanjar (2005) with the same results stated that the variable work culture or organizational culture moderate the relationship between budgetary participation and the performance of government officials.

This proves that organizational culture based on mutual trust, kinship, respect for subordinate ideas and open communication can significantly improve the performance of local government employees. The work culture moderates the relationship between budgetary participation and managerial performance due to section head level employees up to the division heads of Bank BPD Bali participating in budgeting because they always work by using skills and thinking and acting scientifically to achieve the vision - mission of the work unit, work in accordance with procedures, accurate, thorough and understand the risks of assignments in a professional manner, consistent and always adhere to moral values or other regulations, have a sense of cohesiveness or unity that exists in the organization and closeness with fellow individuals or fellow work units so that good cooperation and communication, making users the main focus of our actions, carrying out and maintaining relationships with customers productively, thus this factor is considered to be the cause of the moderating relationship between budgetary participation and managerial performance.

Empirically, the results of this study are not consistent with the results of research conducted by Lestariani (2015) which proves that paternalistic culture is not able to moderate the influence of budgetary participation on managerial performance. Likewise, the research conducted by Arifin (2012) found that organizational culture does not have a significant effect on the relationship of budget participation with employee performance, but this study is consistent with the results of research conducted by Damayanti (2007) which states that organizational culture moderates (increases) positive influence of budgetary participation and managerial performance. Other research, namely: Mutaher (2007) found that there was a significant effect of organizational culture in moderating the relationship between budgetary participation and managerial performance of local government officials. Wiguna, Sukartha & Astika (2017) stated

that organizational culture strengthens the influence of budgetary participation on the performance of government officials.

### **Work facilities moderate the relationship between budget participation and managerial performance**

The results of SPSS output indicate that work facility variables moderate the relationship between budgetary participation and managerial performance with a coefficient of 0.044 which is much smaller than the real level of 0.05 ( $\alpha = 5\%$ ). This means that the second hypothesis is accepted, where work facilities moderate the relationship between budget participation and managerial performance. This proves that the work facility variable moderates the relationship between budgetary participation and managerial performance, by participating in the participation of employees / employees at the section head level up to the head of the Bank BPD Bali division in compiling the budget and being given or supported by good work facilities. organization. This supports the opinion expressed by Djoyowiriono (2005: 24) which states that facilities are tools needed to drive management activities in order to achieve organizational goals. With the availability of facilities in the form of complete and fulfilled supporting facilities and infrastructure, the employees / employees will be encouraged to increase their productivity. Implications that will arise from such conditions are performance will be more optimal and organizational goals can be achieved effectively and efficiently. The results of this study also support the opinion expressed by Koyong (2011: 11) which states that work facilities are a form of corporate service to employees to support performance in meeting employee needs, so as to increase employee productivity.

### **Organizational commitment moderates the relationship between budget participation and managerial performance**

The results of SPSS output indicate that the organizational commitment variable moderates the relationship between budgetary participation and managerial performance with a coefficient of 0,000 which is much smaller than the real level of 0.05 ( $\alpha = 5\%$ ). This means that the third hypothesis is accepted, where organizational commitment moderates the relationship between budgetary participation and managerial performance. Lestariani and Sukartha (2015) with the same results state that organizational commitment variables are able to moderate the relationship between budgetary participation and managerial performance. Susmitha (2012) with the same results stated that organizational commitment variables have a positive effect on the relationship between budgetary participation and managerial performance. This proves that the organizational commitment variable is a strong belief and support for the values and

objectives to be achieved by the organization. Commitment encourages managers to participate in budgeting because managers can propose to their superiors about the best efforts that benefit the organization and can be used to achieve the goals of the organization they lead. Organizational commitment moderates the relationship between budgetary participation and managerial performance because every employee at the section head level up to the division head of Bank BPD Bali prioritizes organizational interests over personal or group interests, has an emotional bond to the organization that includes moral support and accepts existing values and internal determination to serve the organization, work according to the task and be full of responsibility, boast of the organization or company, and great care for the future of the company, thus these factors are considered to be the cause of the moderating relationship between budget participation and managerial performance.

Empirically, the results of this study are not consistent with the results of research conducted by Suwadi (2011) with results stating that the organizational commitment variable does not moderate the relationship between budgetary participation and managerial performance, a study in PPPPTK / VEDC Malang. Likewise with the research conducted by Yogantara (2013) which states that organizational commitment does not moderate the relationship between budget participation and managerial performance in BPR in Bali Province, but this study is consistent with the results of research conducted by Supriyono (2004) which shows that organizational commitment increases the influence of budgeting participation on managerial performance. Other studies, namely: Nouri and Parker (1998) found that organizational commitment variables moderate the relationship of budget participation to managerial performance. Lestariani (2015) found that organizational commitment was able to moderate the influence of budgetary participation on managerial performance. Arifin (2012) found that organizational commitment has a significant positive influence on the relationship of budget participation with employee performance. This shows that high organizational commitment will increase budgetary participation in achieving managerial performance.

Empirically, the results of this study are not consistent with the results of research conducted by Suwadi (2011) with results stating that the organizational commitment variable does not moderate the relationship between budgetary participation and managerial performance, a study in PPPPTK / VEDC Malang. Likewise with the research conducted by Yogantara (2013) which states that organizational commitment does not moderate the relationship between budget participation and managerial performance in BPR in Bali Province, but this study is consistent with the results of research conducted by Supriyono (2004) which shows that organizational commitment increases the influence of budgeting participation on managerial performance. Other studies, namely: Nouri and Parker (1998) found that

organizational commitment variables moderate the relationship of budget participation to managerial performance. Lestariani (2015) found that organizational commitment was able to moderate the influence of budgetary participation on managerial performance. Arifin (2012) found that organizational commitment has a significant positive influence on the relationship of budget participation with employee performance. This shows that high organizational commitment will increase budgetary participation in achieving managerial performance.

### **Sensitivity Test**

This two-stage sensitivity test is not carried out because the three moderating variables are significant. The work culture variable has a coefficient of 0.006, work facilities with a coefficient of 0.044 and organizational commitment has a coefficient of 0,000. The three variable coefficients are much smaller than the real level of 0.05 ( $\alpha = 5\%$ ) which indicates that these variables moderate the relationship between slack participation and managerial performance, so this sensitivity test does not need to be done

### **RESEARCH LIMITATIONS**

This study has various limitations of the study, for example, this study examines PT. Bali Regional Development Bank so that the results cannot be generalized to other companies outside the bank. This study only includes three moderating variables that moderate the relationship between budgetary participation and managerial performance at PT. Regional Development Bank of Bali, namely variable work culture, work facilities and organizational commitment. It is assumed that there are other variables that moderate the relationship between budgetary participation and managerial performance, such as leadership style, organizational structure, environmental uncertainty. The survey approach used has limitations, for example the determination of the sizes chosen or the respondent's own answers without the intervention of superiors.

### **CONCLUSSION**

Through data analysis and discussion of the results of the analysis that has been carried out in this study, several things can be formulated as research conclusions, namely.

- 1) Work culture variables moderate the relationship between budget participation and managerial performance at PT. Bali Regional Development Bank. The work culture that is applied is able to create a pleasant working atmosphere so that it can encourage creativity and enhance cooperation as a team work, be consistent, always increase knowledge to support the work provided and always prioritize customers.



- 2) Work facility variables moderate the relationship between budget participation and managerial performance at PT. Bali Regional Development Bank. Fulfillment of employee and employee facilities and infrastructure needs to complete the tasks and responsibilities given. Performance will be more optimal and organizational goals can be achieved effectively and efficiently supported by good work facilities.
- 3) Variable organizational commitment moderates the relationship between budget participation and managerial performance at PT. Bali Regional Development Bank. Every employee of Bank BPD Bali prioritizes the interests of the organization rather than his personal or group interests, has an emotional bond to the organization which includes moral support and accepts the existing values and internal determination to serve the organization, work according to duties and responsibilities, boast organization or company, and a great sense of care for the future of the company.

## SUGGESTIONS

Based on the results of research and discussion, the suggestions that can be submitted are as follows.

- 1) Suggestions for companies to further improve the implementation of work culture values both in terms of competence, integrity, cooperation and customer orientation, while also providing good and adequate work facilities and increasing organizational commitment to achieve the stated company goals.
- 2) It is recommended for further research to use different research objects, because this study only examines PT. Bali Regional Development Bank so that the results cannot be generalized to other companies outside the BPD Bali bank.
- 3) Further research is recommended to use other methods in obtaining data, for example conducting direct interviews with respondents so as to reduce the occurrence of personal biases from the survey approach in addition to using data for managerial performance using quantitative data issued by companies such as budget realization reports and achieving targets .
- 4) This study only uses three variables, namely work culture, work facilities and organizational commitment so that further research needs to examine other variables, because it is thought there are other variables that moderate the relationship between budgetary participation and managerial performance such as: organizational structure, leadership style and environmental uncertainty.
- 5) This study uses the work culture of Bank BPD Bali, so that for further research it is recommended to use Balinese culture based on Tri Kaya Parisudha and Tri Hita Karana.

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