

The Influence of Organizational Commitment and Motivation in the Relationship between Budget Participation and Managerial Performance (Empirical Study on Provincial Government Agencies (SKPA) of Aceh Province, Indonesia)

Muslim A. Djalil

Faculty of Economics and Business, Syiah Kuala University, Indonesia
muslimadjalil@gmail.com

Mirna Indriani

Faculty of Economics and Business, Syiah Kuala University, Indonesia
indriani_mirna@yahoo.com

Muttaqin

Master of Accounting, Faculty of Economics and Business, Syiah Kuala University, Indonesia
taqin969@gmail.com

Abstract

The objective of research is to empirically examine the influence of organizational commitment and motivation in the relationship between budget participation and managerial performance of Provincial Government Agencies (SKPA) of Aceh Province.

Total samples used in this study were 92 respondents who were in the position of Echelon III and IV in SKPA of Aceh Province. The data source of this study was primary data obtained through the distribution of a questionnaire to the selected respondents. The collected data were analyzed by using Path Analysis Method.

The result of the study indicated that the organizational commitment, motivation, and budget participation have a significant influence on the managerial performance both simultaneously and partially. However, the organizational commitment and motivation did not mediate the relationship between budget participation and managerial performance.

Keywords: Managerial Performance, Budget Participation, Organizational Commitment, Motivation

1. Introduction

Local government is demanded to improve its performance in providing public service. In improving the performance of local government, government employees are the most important element. Their function is to plan and implement activity programs to provide public service. The ability of the employees is the reflection of their managerial performance. Managerial performance in Aceh Government is still not effective and not efficient in using public funds (Basri, 2013). Lack of planning and coordination has led to some ineffective programs. One of them is the construction of the Rajui Reservoir in Pidie Regency. The reservoir was completed in 2014, but it was still not functioning due to the absence of irrigation network (Serambi Indonesia, 2016)

Based on the audited financial statement, it shows that the unused fund (SILPA) of Aceh Province Government in the fiscal year 2014 was 916,94 billion and in the fiscal year 2015 was 286,67 billion (Dinas Keuangan Aceh, 2016). It indicated that there are still canceled programs which result in unused funds. Poor budget management causes the difficulties in achieving targets.

Budget management in the public sector is significant in improving the performance of government. If the budget management goes well, the organizational goal of government to improve the public welfare can be achieved. Soleha, Galih, and Tamsil (2013) stated that poor budget management would have a broad impact on regional development, including high rates of poverty and poor human resources. Improving the effectiveness of managerial performance, if it is associated with the implementation of the management function in SKPD of Aceh Province, there are still problems concerning the role of planning, implementation, and monitoring.

The research of Nouri and Parker (1998), Soleha et. al. (2013), and Putri and Putra (2015) found that there is a positive relationship between budget participation and managerial performance mediated by organizational commitment and motivation. The objective of this article is to test whether organizational commitment and motivation mediate the relationship between budget participation and managerial performance. The discussion begins with a literature review which includes an explanation of managerial performance, budget participation, organizational commitment, and motivation. Then it is followed by research methods, research results, and conclusions and suggestions.

2. Literature Review

2.1. Managerial Performance

Performance is a work achieved by a person in carrying out the tasks assigned based on skills, experience, sincerity, and time (Setyarini and Susty, 2012). Performance is the most important part of an organization, both in business and in non-business organizations (Nengsy, Sari, and Agusti, 2013).

The measurement of managerial performance as stated by Milani (1975) included several indicators, namely planning, investigation, coordination, evaluation, monitoring, staffing, negotiation, and representation. These performance measurement indicators were used by Budiman, Sari, and Ratnawati (2011), Haryanti and Othman (2012), and Hastuti and Susanto (2015).

2.2. Budget Participation

Budgetary participation is a process whereby subordinates or budget executives are given the opportunity to engage and have influence in the budgeting process (Soleha et al., 2013). Hastuti and Susanto (2015) suggested that participation in the budget preparation is the stage of the board participation in preparing the budget and the influence of the budget on the responsibility center.

Milani (1975) stated six indicators that could measure participation in the budgeting process. They are the participation of subordinates in budget formulation, the reasons for budget revision, the discussion on the budget proposal, the role of a subordinate in the budget proposal, assessment of subordinate contribution, and frequency of subordinate on the budget proposal. These indicators were used by Wardhono and Sholihin (2013), Soleha et al. (2013), and Hariyanti, Purnamasari, and Lestira (2015).

2.3. Organizational Commitment

Soleha et al. (2013) believed that organizational commitment is defined as the level of attachment of feelings and beliefs to the organization in which they work. Hastuti and Susanto (2015) pointed out that organizational commitment is the desire of members of the organization to maintain their membership in the organization and make them willing to work hard for the achievement of organizational goals.

Mowday, Steers, and Porter (1979) suggested that there are nine indicators in measuring organizational commitment, that is Hard work, communication, willingness, equal value, pride, inspiration, pleasure, confidence, and attention. This indicator had been used by some previous researchers, among others; Nouri and Parker (1998), Soleha et al. (2013), and Hastuti and Susanto (2015). (2013), and Hastuti and Susanto (2015).

2.4. Motivation

Motivation is defined as the personal encouragement of structural officials in performing their duties (Nengsy et al., 2013). Motivation is a process that begins with physiological or psychological needs in the form of behavioral activity or encouragement of intent in the purpose of the agency (Nurlaila, 2016).

Measurements of motivation developed by Adrianto (2008) used some indicators that include; concern, challenge, self-development, feedback, and pressure. Motivation is measured by six (6)

indicators consisting of work performance, influence, control, dependency, development, and affiliation (Nengsy et al., 2013).

2.5. The Influence of Budget Participation on Managerial Performance

Budget participation leads to subordinate respectful attitudes toward work and organization and the budget system imposed by the organization. Hastuti and Susanto (2015) explained that the core of budget participation is the need for cooperation between all levels of the organization. Top managers are usually less familiar with the day-to-day sections, thus having to rely on more detailed budget information from their subordinates. On the other hand, top managers have a broader perspective on organizations that are vital in budgeting in general. The results of previous research by Indarto and Ayu (2011), Setyarini and Susty (2012), and Kholidah and Murtini (2014) show that budget participation affects managerial performance.

2.6. The Influence of Organizational Commitment to Managerial Performance

Managerial performance shows the achievement and success of managers in the organization to achieve goals and predetermined target. The Strong organizational commitment will improve managerial performance. Managers who have loyalty to the organization will try to help the organization in achieving its objectives by doing everything possible to carry out the tasks that are their responsibility (Setyawan and Rohman, 2013). Under-managers who are committed to their organization will work harder and more creatively to make the organization grow and more concerned with the interests of the organization than their personal interests (Setyorini and Susty, 2012). Previous research on organizational commitment shows a significant relationship between organizational commitment and managerial performance, which is similar to the result of research by Soleha et al. (2013) and Princess and Son (2015).

2.7. The Influence of Motivation on Managerial Performance

An employee who is motivated to perform tasks with a high level of effort and believes it will lead to a good performance appraisal will ultimately lead to an incentive or promotion (Langi, 2006). Furthermore, this choice is based on hope through two stages. First, expectations of individuals influence motivation in reaching a certain level of business so that it will lead to the intended goal achievement. Second, the opportunity owned by the individual to obtain various results also influenced motivation as a consequence of the attainment of the goals (Natsir, 2010). The results of previous research by Natsir (2010), Wardhono and Sholihin (2013), and Putri and Putra (2015) showed that motivation and some other factors influence the managerial performance.

2.8. The Influence of Budget Participation on Managerial Performance through Organizational Commitment

Soleha et al. (2013) stated that participation in budgeting enhances employee identification not only with budget goals but also with organizational goals as organizational commitment includes acceptance and trust in organizational values and goals. Managers who understand the budget objectives and organizational goals will have alignment between the manager's personal goals and organizational goals (Almasi, Palizdar, and Parsian, 2015). Research conducted by Hariyanti and Othman (2012), Ogiedu and Odia (2013), and Almasi et al. (2015) suggested that organizational commitment mediates the relationship between budget participation and managerial performance.

2.9. The Influence of Budget Participation on Managerial Performance Through Motivation

Participation in budgeting is believed to have a positive effect on employee motivation in increasing the quantity and quality of production and cooperation among managers (Budiman et al., 2011). Participation in decision making enables communication and agreement of the organization's

financial goals. Through participation, subordinates may have the opportunity to provide valuable information about their job requirements (Zainuddin and Isa, 2011). The results of previous research by Budiman et al. (2011), Zainuddin and Isa (2011), Wardhono and Sholihin (2013), and Hariyanti et al. (2015) suggested that motivation has a mediating effect on the relationship between budget participation and managerial performance. Based on the previous framework and research, the hypotheses in this research are stated as following:

- H₁: Budget Participation, Organizational Commitment, and Motivation simultaneously influence the Managerial Performance.
- H₂: Budget Participation has an influence on Managerial Performance
- H₃: Organizational Commitment has an influence on Managerial Performance
- H₄: Motivation has an influence on Managerial Performance
- H₅: Budget Participation has an influence on Organizational Commitment
- H₆: Budget Participation has an influence on Motivation
- H₇: Budget participation has an influence on Managerial Performance through Organizational Commitment.
- H₈: Budgetary participation has an influence on Managerial Performance through Motivation.

3. Research Method

This research is an explanation research which explains relationship and influence through hypothesis testing. The unit of analysis in this study is an individual analysis in which the researcher will look at the data of individuals and treat them as samples for individual data sources. The time horizon of this study is cross-sectional. The population in this research were all echelon III and IV officials of Aceh Province government. The samples were determined by using cluster sampling method. The sample criteria were proposed as follows: (1) Some SKPAs that have the highest DIPA and the lowest DIPA; (2) Echelon III and IV officials who have served for more than one year. 100 questionnaires were distributed to echelon III and IV officials of Aceh provincial government.

Data analysis was done by using path analysis method. Before the path analysis was carried out, validity, reliability, normality, autocorrelation, heteroscedasticity and correlation of data had been performed.

4. Research Results and Discussion

4.1. Validity and Reliability Test Results

The validity test was conducted by using Product Moment correlation technique from Pearson with 5% significance level to know the closeness of the influence between the independent variable with the dependent variable. If the total value of Pearson Correlation > 0.3 or probability is less than 0.05 then the item is valid (Sudarmanto, 2005). The result of the analysis with SPSS (Statistical Package for Social Science) showed that the *r* count value of statement item of research variables obtained was 0,564-0,802. It meant that all statement items were declared valid since the value of *r* count was greater than 0.3.

A measuring instrument or instrument is said to have good reliability if it always gives the same results, even if it is repeatedly used. The closer the reliability coefficient to 1.0 the better (Sekaran, 2006). From data processing, the results obtained are shown in Table 4.1.

The results of the analysis in Table 4.1 shows that the variable of managerial performance, budget participation, organizational commitment, and motivation values have the coefficient alpha > 0.8 . Thus, the reliability questionnaire test describes the consistency or sharpness of the measurement results.

Table 4.1. Reliability Test Results

No	Variable	<i>Cronbach's Alpha</i>	Reliability
1	Managerial Performance	0.925	<i>Reliable</i>
2	Budget Participation	0.913	<i>Reliable</i>
3	Organizational Commitment	0.908	<i>Reliable</i>
4	Motivation	0.913	<i>Reliable</i>

Source: Processed data (2017)

4.2. Classic Assumption Test Results

One of the instruments that can be used to test the normality of population data is Kolmogorov-Smirnov statistics. The results obtained are shown in Table 4.2.

Table 4.2. Normality Test Results

No	Variable	Asymp. Sig (2.tailed)	Alpha	Note
1	Budget Participation	0.100	0.05	Normal Distribution
2	Organizational Commitment	0.208	0.05	Normal Distribution
3	Motivation	0.647	0.05	Normal Distribution

Source: Processed data (2017)

The results of normality test data based on Table 4.2 shows that the coefficient value of Asymp.Sig (2. tailed) of budget participation, organizational commitment, and motivation was greater than the significance level of 0.05. Thus, it could be concluded that the data was normally distributed.

Autocorrelation testing aims to determine whether there is a correlation between observational data or not (Sudarmanto, 2005). Size used to indicate whether or not there was autocorrelation is if the value of Durbin Watson's statistic was close to 2. The test results found that the value of Durbin-Watson statistic was 2.414. The value could be declared close to 2. Thus it can be concluded that there was no autocorrelation between observation data.

Table 4.3. Heteroscedasticity Test Results

No	Note	Significance	Alpha	Condition
1	The relationship between the budget participation variable and the absolute residual of the budget participation variable	0.893	0.05	Sig > Alpha
2	The relationship between organizational commitment variable and absolute residual organizational commitment variable	0.242	0.05	Sig > Alpha
3	The relationship between motivation variable and absolute residual of motivation variable	0.402	0.05	Sig > Alpha

Source: Processed data (2017)

The result of heteroscedasticity test is useful to find out whether the absolute residual variation is the same or not the same for all observations (Sudarmanto, 2005). Criteria used with significance coefficients was if the significance > 0.05, then it could be declared that there was no heteroscedasticity. By the results of the verification by using correlation rank approach of Spearman, then it can be stated that there was no relationship between independent variables and their residual, so there was no heteroscedasticity, as shown in Table 4.3.

Correlation test explains whether there is a relationship between one variable with another variable. The results of the correlation test show evidence that there was a strong relationship between research variables, as presented in Table 4.4.

Table 4.4. Correlation Test Results

No	Variable	Managerial Performance	Budget Participation	Organizational Commitment	Motivation
1	Managerial Performance	1.000	0.924	0.882	0.903
2	Budget Participation	0.924	1.000	0.806	0.805
3	Organizational Commitment	0.882	0.806	1.000	0.806
4	Motivation	0.903	0.805	0.806	1.000

Source: Processed data (2017)

4.3 Hypothesis Testing Results

The hypothesis of sub-structure 1 could be tested by calculating the value of path coefficient used from the data processing by using SPSS as in Table 4.5.

Table 4.5. Coefficient Test Results of Sub-structure 1

Influence between Variables	R Square (R^2)	Coefficient of Other Variables	F value	Path Coefficient t (Beta)	t value	Sig. α
Budget Participation on Organizational Commitment	0.650	0.350	167.150	0.806	12.929	0.000

Source: Processed data (2017)

Based on Table 4.5, the value of determination coefficient (R^2) was obtained at 0.650, meaning that 65.0% of organizational commitment variable was explained by budget participation variable. The remaining 35.0% was explained by other variables. From the data of sub-structure 1 hypothesis testing result, it could be interpreted that the significance value of the influence of budget participation variable on organizational commitment variable was $0.000 < 0.05$. Thus H_{a5} was accepted. The amount of influence of budget participation variable on organizational commitment is 0.806. Based on Table 4.5 it was obtained the equation and structural model as following

$$OC = 0,806 BP + 0,350 \varepsilon_1$$

Table 4.6.
Coefficient Test Results of Sub-structure 2

Influence between Variables	R Square (R^2)	Coefficient of Other Variables	F value	Path Coefficient (Beta)	t value	Sig. α
Budget Participation on Motivation	0.718	0.282	113.525	0.442	4.650	0.000
Organizational Commitment on Motivation				0.450	4.730	0.000

Source: Processed data (2017)

The hypothesis of sub-structure 2 can be tested by calculating the value of path coefficient used from the data processing by using SPSS as in Table 4.6.

Based on Table 4.6 the test results of budget participation on motivation showed a t_{count} of 4.650 with a significance value of 0.000. Because the significance value $< 0,05$, then variable of budget participation have a significant effect on motivation. Thus H_{a6} is accepted. The amount of the influence of budget participation variable on motivation variable was equal to 0,442, and the influence of organizational commitment variable on motivation variable was equal to 0,450. Based on Table 4.6 it was obtained the equation and structural model as following:

$$M = 0,442 \text{ BP} + 0,450 \text{ OC} + 0,282 \text{ } \epsilon_2$$

The hypothesis of sub-structure 3 could be tested by calculating the value of path coefficient used from the data processing by using SPSS as presented in Table 4.7.

Table 4.7.
Coefficient Test Results of Sub-structure 3

Influence between Variables	R Square (R^2)	Coefficient of Other Variables	F value	Path Coefficient (Beta)	t value	Sig. α
Budget Participation on Managerial Performance	0.942	0.058	475.273	0.456	9.409	0.000
Organizational Commitment on Managerial Performance				0.234	4.818	0.000
Motivation on Managerial Performance				0.348	7.179	0.000

Source: Processed data (2017)

Based on Table 4.7, the value of determinant coefficient (R^2) is 0.942, meaning that 94.2% of managerial performance variable was explained by budget participation, organizational commitment, and motivation variable. The remaining 5.8% was explained by other variables. The test results simultaneously showed the F_{Count} value of 475,273 with a significance value of 0.000. Because of the significance value $< 0,05$, then the variable of budget participation, organizational commitment, and motivation simultaneously had a significant effect on managerial performance.

Furthermore, the test result of budget participation variable on managerial performance variable showed the t_{count} value of 9,409 with asignificance value of 0.000. The test result of organizational commitment variable on managerial performance variable showed the t_{count} value of 4.818 with asignificance value of 0.000. The result of the test of motivation variable on managerial performance variable showed the t_{count} value of 7,179 with asignificance value of 0.000.

Thus H_{a1} , H_{a2} , H_{a3} , and H_{a4} , were accepted. The amount of influence of budget participation variable on managerial performance variable was 0,456, the influence of organizational commitment variable on managerial performance variable was 0,234, and the influence of motivation variable on managerial performance variable was 0,348. Based on Table 4.7 it was obtained the equation and structural model as follows:

$$\text{MP} = 0,456 \text{ BP} + 0,234 \text{ OC} + 0,348 \text{ M} + 0,058 \text{ } \epsilon_3$$

The results of direct influence, indirect influence and total variable influence of budget participation, organizational commitment, and motivation on managerial performance were shown in Table 4.8.

Table 4.8. The Effect of Budget Participation on Organizational Commitment and Motivation and Its Impact on Managerial Performance Directly, Indirectly and Totally

No	Variable	Directly	Indirectly			Total
			Organizational Commitment (OC)	Motivation (M)	CO and M	
1	Budget Participation on Organizational Commitment	0.806	-	-	-	0.806
2	Budget Participation on Motivation	0.442	0,363	-	-	0.805
3	Budget Participation on Managerial Performance	0.456	0,189	0,154	0,126	0.925
4	Organizational Commitment on Motivation	0.450	-	-	-	0.450
5	Organizational Commitment on Managerial Performance	0.234	-	0,157	-	0.391
6	Motivation on Managerial Performance	0.348	-	-	-	0.348

Source: Processed data (2017)

Overall the results of research hypothesis testing can be seen in Figure 4.1.

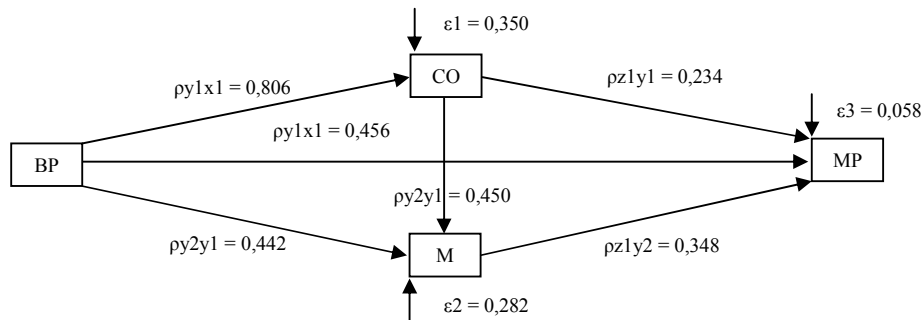


Figure 4.4. Path Diagram of Hypothesis

4.4. Discussion

- The Influence of Budget Participation, Organizational Commitment, and Motivation on Managerial Performance**

The first hypothesis (H_{a1}) was accepted, meaning that budget participation, organizational commitment, and motivation together had an effect on managerial performance. Contributions in budgeting encourage effectiveness and efficiency in performing tasks. The greater involvement of Echelon III and IV officials will improve managerial performance. Therefore, the Echelon III and IV officials should be given a bigger role in preparing the budget on SKPA in Aceh Government to improve their managerial performance.

The results of this study support the results of previous research conducted by Pramesthiningtyas and Rohman (2011), Putri and Putra (2015), and Ingg (2016) who found that budgetary participation, organizational commitment, and motivation jointly affect managerial

performance. It means that the improvement in budget participation, organizational commitment, and motivation will further improve managerial performance.

- ***The Influence of Budget Participation on Managerial Performance***

The second hypothesis (Ha₂) was accepted, meaning that budget participation partially influences the managerial performance. These results indicate that the higher the budget participation, the better the managerial performance in each SKPA of the Aceh Government. Setyorini, Hasthoro, and Wicaksono (2013) stated that managers with high budget participation would better understand the budget objectives. Therefore, the performance of managers will be assessed by budget targets achieved. It makes managers more serious in budgeting, leading to increased managerial performance. The contribution of managers in budget participation is to provide external information and internal information and make decisions (Ingga, 2016).

Since the budget participation in budgeting provides the opportunity to managers to influence the budget before finalization so that the managers will have an active role and can participate in reviewing and evaluating different options in setting the budget targets. (Almasi et al., 2015) Therefore, budget participation enhances management efforts to formulate accurate predictions because of environmental conditions and may it lead to a management focus on required decisions and behaviors in the future. The results of this study are in line with research conducted by Setyorini et al. (2013), Almasi et al. (2015) and Ingga (2016) who found that budgetary participation had a positive effect on managerial performance.

- ***The Influence of Organizational Commitment to Managerial Performance***

The third hypothesis (Ha₃) was accepted, meaning that organizational commitment partially affects the managerial performance. These results indicated that the organizational commitment influenced the high or low level of managerial performance in SKPA of Aceh Government. Organizational commitment is an employee's loyalty, an individual's emotional ties to the organization and the ongoing process of employees demonstrating and expressing themselves in the organization (Ingga, 2016). It takes a high loyalty to the organization in every echelon III and IV officials to be able to improve managerial performance.

Organizational commitment can grow because the individual has an emotional bond to the organization that includes moral support and accepting the existing values and internal resolve to serve the organization (Soleha et al., 2013). The higher the level of Echelon III and IV officials' commitment to the organization, the higher the sense of belonging to the organization where they work so it will provide better result and performance. The results of this study are in line with research conducted by Soleha et al. (2013), Hastuti and Susanto (2015), and Ingga (2016) which showed the result that organizational commitment has an effect on managerial performance.

- ***The Influence of Motivation on Managerial Performance***

The fourth hypothesis (Ha₄) was accepted, meaning that the motivation partially affected the managerial performance. This result indicates that motivation influences the high or low level of managerial performance in SKPA of Aceh Government. The motivation of managers to give their best performance will have an impact on the achievement of the expected budget (Wardhono and Sholihin, 2013). It would motivate staff to expand their skills to meet the demands of the organization. Each echelon III and IV officials should have the responsibility to work with staff and to know their individual needs and to place them side by side with the needs of the organization.

Motivation is the process of achieving goals (Hariyanti et al., 2015). A motivated individual shows that he has the power to achieve life's success. Motivational tools can improve manager performance and achieve profitable budget variants (Zainuddin and Isa, 2011). The results of this study are in line with research conducted by Zainuddin and Isa (2011), Wardhono and Sholihin (2013), and Hariyanti et al. (2015) indicating that motivation has an effect on managerial performance.

- ***The Influence of Budget Participation on Organizational Commitment***

The fifth hypothesis (Ha₅) was accepted, meaning that partial budget participation affected organizational commitment. This result indicates that the budget participation influenced the high or low level of organizational commitment to SKPA in the Aceh Government. The involvement of Echelon III and IV officials in the preparation of the budget can increase loyalty and sense of belonging to the organization so that they will strive as much as possible for the success and achievement of organizational goals. Budget participation gives a sense of responsibility to executive officials and encourages creativity (Hastuti and Susanto, 2015). Furthermore, officials who participate in the budgeting process will increase organizational commitment.

Soleha et al. (2013) stated that participation in budgeting increases the identification of staff not only with budget goals but also with organizational goals because organizational commitment includes acceptance and trust in organizational values and goals. The results of this study are in line with research conducted by Soleha et al. (2013), Kholidah and Murtini (2014), Hastuti and Susanto (2015), and Almasi et al. (2015) who found that budget participation had an effect on organizational commitment.

- ***The Influence of Budget Participation on Motivation***

The sixth hypothesis (Ha₆) was accepted, meaning that budgetary participation partially affected the motivation. This result indicated that the budget participation influenced the high or low level of motivation in SKPA of the Aceh Government. The involvement of Echelon III and IV officials in the preparation of the budget can increase the morale of the organization. Participation in decision making allows communication and agreement of the organization's financial goals (Zainuddin and Isa, 2011). The budget set by the Head of SKPA through the budget participation process enables the improvement of Echelon III and IV officials' motivation to achieve the stated objectives.

Participation in making a decision is crucial, with budget participation from all stakeholders can increase the chance to achieve the expected organizational goals (Wardhono and Sholihin, 2013). Often the organizational goals were not achieved due to lack of information obtained, even not infrequently the required information was sourced from the lowest officials. The results of this study are in line with research conducted by Zainuddin and Isa (2011), Wardhono and Sholihin (2013), Hariyanti et al. (2015), and Putri and Putra (2015) indicating that budget participation affects motivation.

- ***The Influence of Budgetary Participation on Managerial Performance through Organizational Commitment***

The seventh hypothesis (Ha₇) was rejected, meaning that budget participation had no effect on managerial performance mediated by organizational commitment. It was because the direct effect is greater than the indirect effect, i.e., $0.456 > 0.189$. It means that direct influence of budget participation on managerial performance was higher compared with the indirect influence mediated by organizational commitment.

The Echelon III and IV officials involved and participated in budgeting will better understand the budget objectives that reflect the goals of the organization. Officials who understand the budget objectives and organization objectives will have an alignment between their goals and the organization's goals (Hastuti and Susanto, 2015). It has an impact on officials that they will have higher organizational commitment. Regarding budgeting, the budgeting process needs to be transformed to improve efficiency by emphasizing on decentralization and decision-making authority (Hariyanti and Othman, 2012). The involvement of Echelon III and IV officials to participate in the budgeting is a must for the achievement of organizational goals.

The results of this study are not in line with research conducted by Hariyanti and Othman (2012), Soleha et al. (2013), Hastuti and Susanto (2015), and Almasi et al. (2015) demonstrating that organizational commitment mediates the relationship between budget participation and managerial performance. However, the results of this study are in line with research conducted by Setyawan and Rohman (2013), and Nuriani, Agusti, and Safitir (2014) which showed that

organizational commitment does not mediate the relationship between budget participation and managerial performance.

• ***The Influence of Budget Participation on Managerial Performance Through Motivation***

The eighth hypothesis (H_{a8}) was rejected, meaning that budget participation has no effect on managerial performance mediated by motivation. It was because the direct effect was greater than the indirect effect, i.e., $0.456 > 0.154$. It means that direct influence of budgetary participation on managerial performance is higher if compared with the indirect influence mediated by motivation.

The participation of Echelon III and IV officials in the budgeting of the SKPA in the Aceh Government has a positive relationship with managerial performance mediated by motivation. However, the relationship of participation in budgeting with managerial performance did not increase if mediated by motivation. Budget participation is a tool to take action and steps taken by organizational parties that lead to the achievement of the budget to realize the goals of the organization (Zainuddin and Isa, 2011). Therefore, it can be said that motivation has a role in creating behavior that affects the performance of managers in an organization. Motivation becomes the basis of individuals to behave, and each member of the organization is motivated to perform tasks and takes part in budgeting (Hariyanti et al., 2015).

The results of this study are not in line with research conducted by Zainuddin and Isa (2011), Wardhono and Sholihin (2013), Hariyanti et al. (2015), and Putri and Putra (2015) showing that motivation has a mediating effect on the relationship between budgetary participation and managerial performance. However, the results of this study are in line with research conducted by Pramesthiningtyas and Rohman (2011), Budiman et al. (2011), Fitrianti and Marbawi (2011), and Nurlaila (2016) indicating that motivation does not mediate the relationship between budget participation and managerial performance.

5. Conclusions, Limitations and Recommendations

Conclusions:

1. Budget participation, organizational commitment, and motivation simultaneously affect managerial performance.
2. Budget participation influences managerial performance
3. Organizational commitment influences managerial performance
4. Motivation influences managerial performance
5. Budget participation influences organizational commitment.
6. Budget participation influences Motivation
7. Budget participation does not influence managerial performance through organizational commitment.
8. Budgetary participation does not influence managerial performance through motivation.

Research Limitations:

1. This research only used one independent variable. There are other independent variables related to organizational commitment, motivation, and managerial performance.
2. This research was only conducted in SKPA of Aceh Government.
3. This research only employs primary data in the form of a questionnaire.

Recommendations:

1. Add more other independent variables such as work satisfaction, leadership style, accountability, job-relevant information, budget sufficiency, and organizational fairness.
2. Replicate the object of the research in the level of regency/municipality in the province of Aceh or other autonomous province in other countries

3. Add more qualitative research model to obtain in-depth research results. Change intervening variables

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