

THE INFLUENCE OF BUDGET PARTICIPATION AND BUDGETING PROCEDURAL JUSTICE ON KENDARI CITY GOVERNMENT MANAGEMENT PERFORMANCE WITH JOB-RELEVANT INFORMATION AS AN INTERVENING VARIABLE

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ABSTRACT

This study aims to examine the effect of budgetary participation and procedural fairness of budgeting on the performance of Kendari city government management with job-relevant information as a mediating variable. the object of this study is the work unit of the Kendari City regional apparatus. The population in this study was Kendari City Government Agencies, totaling 31 SKPD. The sampling technique was using Purposive Sampling, thus obtaining a sample of 124 respondents. The data analysis technique in this study is Inferential Statistics using the Partial Least Square approach. The results of this study indicate that Budget participation has a positive and significant effect on job-relevant information. Budgetary participation has a positive and significant effect on managerial performance. budgeting procedural justice has a positive and significant effect on managerial performance. budgeting procedural justice has a positive and significant effect on job-relevant information. Job-relevant information has a positive and significant effect on managerial performance. job-relevant information can mediate the influence of influential budgetary participation on managerial performance. job-relevant information can mediate the effect of budgeting procedural justice on managerial performance. The contribution of this research is to make a scientific contribution to regional financial accounting so that by knowing the importance of managerial performance, local governments can provide maximum service to the community which of course has an impact on increasing people's welfare.

Keywords: *budget participation, budgeting procedural justice, performance management, job-relevant information*

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INTRODUCTION

Budget is the development of long-term and short-term plans that include comparisons of actual performance to take corrective actions in achieving the goals of the plan. The budget is a plan that is arranged systematically, the budget is in the form of numbers and expressed in monetary units covering all activities within a company or organization for a certain time/period in the future. Because it is stated in the form of monetary units, the budget is also often referred to as a financial plan. A company or organization is required to have a budget because it has an important role in training the company's internal economic growth rate. Budgets are usually prepared at the beginning of the year for a period of one year or more. The budget is formulated systematically and in detail to avoid discrepancies in needs, therefore planning is needed as a control tool so that everything can go according to plan, one of which is by preparing the budget.

The planning and realization of the government in Kendari City, Southeast Sulawesi are as follows:

Table 1. Planning and Realization of the 2018-2020 Kendari City Government Budget
(Expressed in Millions of Rupiah)

Shopping Type	2018		2019		2020	
	Plan	Realization	Plan	Realization	Plan	Realization
REGIONAL SHOPPING	1,708,133.13	1,221,622.33	1,810,827.57	1,297,193.10	1,605,349.02	1,198,598.92
Indirect Shopping	760,835.46	545,543.87	719,067.90	560,180.03	842,186.86	619,510.46
Employee Shopping	742,759.34	542,365.02	694,378.29	541,265.63	819,496.09	547,222.86
Flower Shopping	-	-	8,385.42	-	-	518,74
Subsidy Spending	-	-	-	-	-	-
Grant Shopping	-	14,762.42	3,805.00	14,175.40	6720.77	10045.95
Shopping for Social Assistance	4710.00	4720.00	3,129.50	3 033.00	2970.00	2,668.74
Profit Sharing Expenditure to Provinces/Districts/Cities and Village Governments	-	-	-	-	-	-
Expenditures of Financial Assistance to Provinces/Districts/Cities and Village Governments	1,054.47	1,306.69	1,306.69	1,270.39	0.00	0.00
Unexpected Shopping	2,208.65	389.74	2,000.00	435.61	13,000.00	59,054,18
Shop Direct	947,297.00	676,078.46	1,097,759.67	737,013.07	763,162.15	579,088,46
Employee Shopping	85,443.04	78,769.81	86,889.65	82,905.67	88605.11	98,680,80
Shopping for Goods and Services	253,717.70	209,362.68	237,827.80	214,761.05	259,995.99	176,581,19
Capital Expenditures	608,136.92	387,945.97	773,042.23	439,346,34	414,561.05	303,826,47

Source: BPKAD Kendari City

From the data above it is known that budget absorption from 2018-2020 was 71.51% (2018), 71.63% (2019), and 74.66% (2020) respectively. Thus it is known that the absorption of the budget in the city of Kendari is still not optimal, which will result in a loss of spending benefits because it turns out that not all of the allocated funds can be utilized by the government, which means that there are idle funds (BPKP, 2011), Budget Gaps This can occur because there are indications of individual behavior that lowers revenue targets to facilitate the achievement of local government budgets (Amidjaya & Widagdo, 2020)

According to research conducted (Sim & Utami, 2018), there is a positive effect of performance on employee participation in budgeting which is mediated by relevant position information. However, this statement turns out to be different from the results of research conducted by Huseno and Wati (2023) in the Sijunjung district which shows the results of testing the hypothesis that the work involvement variable does not moderate the effect of budgetary participation on budgetary slack caused by employees having low work involvement, which creates a budget gap (Wilanda & Nengzih, 2020) shows that budgetary participation does not affect managerial performance.

Previous studies have shown the effect of the inconsistency of the results of the research that has been conducted, which has prompted researchers to re-examine the effect of participatory budgeting, Job-relevant Information as a variable that directly affects managerial performance with Procedural Justice in Budgeting as a mediating variable. To overcome the

inconsistent results from previous studies, it is necessary to use a contingency approach. The contingency approach is the answer to overcoming differences in environmental conditions by applying concepts and methods that are effective in one situation but will not work well in other situations. In this study, the influence of budgetary participation and job-relevant information on managerial performance with budgetary procedural justice in Kendari City Regional Work Units is used.

Based on the description above, the researcher is interested in analyzing the Effect of Budgetary Participation and Budgeting Procedural Justice on the Performance of Corporate Agencies as reflected in the performance of government agencies in Southeast Sulawesi with Job-relevant Information as an Intervening Variable. So the researchers took the title "The Influence of Budget Participation and Budgeting Procedural Justice on the Performance of Government Agencies with Job-relevant Information as Intervening Variables".

Hypothesis Development

Based on Attribution Theory, explains the process by which we determine the causes or motives behind someone's behavior (Gibson, Ivancevich, 1997). This theory refers to how individuals explain the behavior of others or themselves, whether it is attributed to internal or external factors and its influence can be observed in individual behavior (Luthans, 2006). It is also related to Behavioral Accounting Theory, which explains how human behavior affects accounting data and business decisions, and how it seeks to answer the relationship between business decisions and human behavior (Bonner & Lewis, 1990). From here, the Theory of Strategic Performance Measurement Systems can help translate strategy into objectives and performance measures, which can be communicated within an organization or company to bridge the gap between the company's strategic vision and its operational activities (Kaplan & Norton, 2005).

Budget participation is the involvement of all levels of management in preparing the budget (Hapsari & Hakip Nurdiansyah, 2016). According to (Hutama & Yudianto, 2019) budget participation is the process of preparing budgets jointly by managers at all levels of office. Meanwhile, budget participation according to (Hutama & Yudianto, 2019) budget participation is a process that involves the ranks of the organization in establishing a plan. Based on the above understanding, it can be concluded that budget participation is a process for preparing a budget together with superiors and subordinates so that a budget is produced that is by organizational targets.

(Novitasari et al., 2018) show that participatory budgeting is most important for planning and control, especially vertical information sharing and interdependence coordination and budgeting correlate with theoretical antecedents or environmental and task uncertainty, task interdependence, and superior information asymmetry-subordinates. This research is supported by research conducted (by Sim & Utami, 2018) with research results showing that budgetary participation has a significant effect on managerial performance. Meanwhile, Otor's study (2017) also found that budgetary participation alone tends to reduce managerial performance as a result of the creation of budgetary slack but when employees and subordinate managers are closely monitored while preparing budgets, budgetary participation tends to improve managerial performance. Thus, the study concluded that there is an indirect positive

relationship between budgetary participation and managerial performance through the role of budget pressure and intervention monitoring.

H1: Budget Participation Has a Positive Significant Influence on Kendari City Government Management Performance.

Budget participation is a method of budgeting to obtain an objective budget, in budgeting participation, all levels of management are involved in budget preparation and development. (Bosch-Badia et al., 2020) states that higher subordinate participation in the budgeting process leads to greater budgetary slack, this is due to the availability of greater access to regional information during the decision-making process related to budgeting. (Julita et al., 2014) also stated that subordinates who participate in budgeting will tend to cause budgetary slack to avoid the risk of future uncertainty.

Budget participation is an embodiment of the involvement of all levels of managers in the budgeting process which is considered to improve managerial performance (Kurnia Ilahi et al., 2019). When linked to JRI, the process of preparing the budget itself allows for the exchange of information between levels of management. The availability of task-related information (JRI) during the budgeting participation process can increase individual ability to perform because JRI can facilitate managers in providing accurate predictions of organizational environmental conditions, as well as determining the best course of action through the most effective and efficient choices. in achieving organizational performance and goals. According to (Indarto, 2011), budgeting participation carried out by managers who have good access to accurate and complete information about tasks will improve their managerial performance in achieving the set budget targets. Based on the description above, the hypothesis in this study is as follows:

H 2: Budget Participation has a significant positive effect on Job-relevant Information (JRI)

(Lindquist, 1995) suggest that there must be procedural fairness in a company considering that companies have limited resources and not all budget requirements can be met, so fairness is very important in the budget allocation process. If subordinates think that the budget process is unfair, then this injustice will build a system to implement budgetary participation and play a more positive role in company performance (Sihotang, 2022).

According to research conducted by (Zonatto et al., 2020) found that participation in the budget process can improve manager performance. An understanding of how to determine budget allocations. will promote information justice, which is an aspect of procedural justice. Thus, budget participation and procedural justice in the budget system are positively related. The characteristics of a company's information system can also affect procedural fairness in the budget system. This is proven by the research (Marlina, 2021) found that the level of information system integration is likely to affect procedural fairness effectively in the budget system, this influence will increase company performance. Many researchers examine the economic consequences of procedural justice in the budget system, whether will it have an effect of procedural justice on employee work pressure, budgetary slack, and commitment to budget goals. Based on the description above, the hypothesis in this study is as follows:

H 3: Procedural Justice has a significant positive effect on Job-relevant Information (JRI)

Procedural justice in the raw materials budget related to budget planning, and budget execution will focus on the influence of budget participation. Procedural justice is intended as an opportunity for employees to participate in budget formulation. Research (Budiantara &

Nugraeni, 2016) with results demonstrated that the quality of performance feedback can increase perceived and procedural fairness perceived interactional justice. In addition, this study cannot prove that perceptions of perceived procedural justice and interactional justice can reduce the tendency to create budgetary slack through trust in superiors. However, the results obtained can prove that Interactional justice can reduce the likelihood of budgetary slack, that is relationship between perceived interactional justice and the propensity to create budget slack is a direct relationship. The results also show that interactional justice can increase trust in supervisors. Overall, this study can prove the hypothesis developed by Langevin and Mendoza (2013), that management control systems can reduce a manager's unethical behavior behavior.

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H4: Budgeting Procedural Justice has a Positive Significant Effect on Performance Managerial in Kendari city government

Job-relevant information (JRI) is defined by (Indarto, 2011) as information that can assist managers in choosing the best course of action through better-informed efforts. In this case, job-relevant information (JRI) helps provide managers with better knowledge about alternative decisions and actions needed to achieve goals. Robbins (1989) suggests that the factors that influence job satisfaction are challenging jobs, challenging rewards, appropriate rewards, a supportive work environment, and job suitability with individual personalities. In challenging work conditions or job uncertainty and a high level of task difficulty, a person will need more information related to his work to make better decisions.

This research is supported by research conducted by (Almasi et al., 2015). The results of the study show that information asymmetry and job-relevant information (JRI) have a partial effect on managerial performance at CV. Jember Darma Mandiri Award. Information asymmetry is a condition where managers have access to information on company prospects that are not owned by outsiders. Information asymmetry occurs because managers are superior in controlling information compared to other parties (owners or shareholders). The decrease in information asymmetry occurs because distributors know more about various internal information and prospects of the company compared to principals. Unlike the findings of research conducted by (Prasetyo, 2012), the results of the study show that job-relevant information does not mediate the relationship between budgetary participation and managerial performance, while organizational commitment mediates the relationship between budgetary participation and managerial performance.

H5: Job-relevant information has a significant positive effect on management performance Kendari City Government.

Availability of relevant information with the task (JRI) during the participation process Budgeting can improve individual performance because JRI can facilitate managers in providing accurate predictions of organizational environmental conditions, as well as determining the best course of action through the most effective and efficient choices in achieving organizational performance and goals. According to (Joseph, 2020), budgeting participation carried out by managers who have good access to accurate and complete information about tasks will improve their managerial performance in achieving the set budget targets. This study was supported by research conducted by (Jatiningsih et al., 2023) The results of this study indicate that job-relevant information weakens the effect of budgetary participation on managerial performance. The interpretation of the findings of this study indicates that job-relevant information (JRI) acts as a variable that moderates the effect of budgetary participation on managerial performance, but its moderation weakens the influence of both. This means that the higher the level of conformity between budget preparation participation and the job-relevant information held by structural officials of private tertiary institutions in Gorontalo Province, the lower their managerial performance will be. Conversely, the lower the level of conformity between budgeting participation and job-relevant information held by structural officials of private tertiary institutions in Gorontalo Province, the higher their managerial performance will be. Thus the researcher formulates the hypothesis as follows:

H6: Job-relevant Information (JRI) can mediate the influence of Budget Participation on Kendari City Management Performance

(Lindquist, 1995) suggest that there must be procedural fairness in a company considering that companies have limited resources and not all budget requirements can be met, so fairness is very important in the budget allocation process. If subordinates think that the budget process is unfair, then this injustice will build a system to implement budgetary participation and play a more positive role in company performance (Sihotang, 2022).

According to research conducted by (Zonatto et al., 2020) found that participation in the budget process can improve manager performance. An understanding of how to determine budget allocations. will promote information justice, which is an aspect of procedural justice. Thus, budget participation and procedural justice in the budget system are positively related. The characteristics of a company's information system can also affect procedural fairness in the budget system. This is proven by the research (Marlina, 2021) found that the level of information system integration is likely to affect procedural fairness effectively in the budget system, this influence will increase company performance. Many researchers examine the economic consequences of procedural justice in the budget system, whether will it have an effect of procedural justice on employee work pressure, budgetary slack, and commitment to budget goals.

H7: Job-relevant Information (JRI) can mediate the influence of Procedural Justice on Kendari City Government Management Performance

The introduction includes mainly: (1) background of the research; (2) concept and problem-solving plan. The template for this article format was saved in doc format. This template helps the article writers to write the articles by the rules relatively, quickly, and accurately, especially for the needs of electronic articles to be published in the International Journal of Social Research published by International Journal Labs.

This section should very briefly outline the following information: What is already known about the subject, related to the paper in question? What is not known about the subject and hence what the study intended to examine (or what the paper seeks to present)? In most cases, the background can be framed in just 2–3 sentences, with each sentence describing a different aspect of the information referred to above. The purpose of the background, as the word itself indicates, is to provide the reader with a background to the study, and hence to smoothly lead into a description of the methods employed in the investigation.

The Introduction is the statement of the problem that you investigated. It should give readers enough information to appreciate your specific objectives within a larger theoretical framework. After placing your work in a broader context, you should state the specific question(s) to be answered. This section may also include background information about the problem such as a summary of any research that has been done on the problem in the past and how the present experiment will help to clarify or expand the knowledge in this general area. All background information gathered from other sources must, of course, be appropriately cited.

METHOD

Types of data In research using the type of data quantitative. The population in this study totaled 635 subjects who worked in 31 different OPDs, namely in various agencies and services. The samples taken in this study came from representatives of the population of government agencies within the Kendari City scope by using the sampling technique, namely Purposive Sampling so that a total sample of 124 respondents was obtained. The data collection technique in this study was to use a questionnaire.

The data analysis technique used in the research is using descriptive statistical analysis to provide an overview of the variables research and inferential statistics, inferential statistical techniques have the main objective, namely to test the hypotheses that have been proposed by researchers in the previous discussion in the form of a correlation relationship using the Path Analysis tool (Path).

Path analysis is an analysis that determines the magnitude of casual relationship between variables both direct and indirect influence. The direct and indirect influence between variables is expressed by the path coefficient obtained from the results of the sub-structural equation test.

$$Y = a + \rho_1 X_1 + \rho_2 X_2 + \varepsilon_1$$

$$Z = a + \rho_1 X_1 + \rho_2 X_2 + \rho_3 Y + \varepsilon_2$$

Information:

a = Constant

ρ = Correlation Coefficient

X_1 = Knowledge Variable Budget Participation

X_2 = Budgeting Procedural Justice Variable

- Y = Kendari city government management performance
 Z = Job-relevant Information
 ε = Error Factor

The methods section is usually the second-longest section in the abstract. It should contain enough information to enable the reader to understand what was done, and important questions to which the methods section should provide brief answers. This section has to tell research methodology; and research formulation.

RESULTS AND DISCUSSION

Validity and Reliability Testing

Convergent Validity

Table 2 Validity Test Results

Variable	Indicator	Outer Loading	P-value	Information
Budget Participation	X1.1	0.773	<0.001	Valid
	X1.2	0.752	<0.001	Valid
	X1.3	0.742	<0.001	Valid
	X1.4	0.727	<0.001	Valid
	X1.5	0.739	<0.001	Valid
	X1.6	0.716	<0.001	Valid
Budgeting Procedural Justice	X2.1	0.797	<0.001	Valid
	X2.2	0.762	<0.001	Valid
	X2.3	0.726	<0.001	Valid
	X2.4	0.722	<0.001	Valid
	X2.5	0.714	<0.001	Valid
	X2.6	0.700	<0.001	Valid
	X2.7	0.740	<0.001	Valid
	X2.8	0.757	<0.001	Valid
	X2.9	0.713	<0.001	Valid
	X2.10	0.750	<0.001	Valid
	X2.11	0.717	<0.001	Valid
	X2.12	0.709	<0.001	Valid
Job-relevant Information	X2.13	0.676	<0.001	Valid
	X2.14	0.702	<0.001	Valid
	X2.15	0.678	<0.001	Valid
	X2.16	0.711	<0.001	Valid
	X2.17	0.824	<0.001	Valid
	X2.18	0.700	<0.001	Valid
	Y1.1	0.733	<0.001	Valid
	Y1.2	0.773	<0.001	Valid
Y1.3	0.728	<0.001	Valid	
Y1.4	0.607	<0.001	Valid	
Y1.5	0.750	<0.001	Valid	
Y1.6	0.584	<0.001	Valid	
Y1.7	0.786	<0.001	Valid	
Y1.8	0.684	<0.001	Valid	

Variable	Indicator	Outer Loading	P-value	Information
Managerial Performance	Y1.9	0.720	<0.001	Valid
	Y2.1	0.761	<0.001	Valid
	Y2.2	0.649	<0.001	Valid
	Y2.3	0.723	<0.001	Valid
	Y2.4	0.765	<0.001	Valid
	Y2.5	0.774	<0.001	Valid
	Y2.6	0.774	<0.001	Valid
	Y2.7	0.726	<0.001	Valid
	Y2.8	0.682	<0.001	Valid

Source: Primary data processed, 2023

Test results in Table 2 above show that all *outer loading* construct indicators have a value above 0.5 and a P value <0.05 so it can be concluded that this measurement meets the requirements of convergent validity.

Discriminant Validity

Table 3 Discriminant Validity

Variable	PA_X1	KPP_X2	JRI_Y1	KM_Y2
PA_X1	0.727	0.666	0.499	0.591
KPP_X2	0.666	0.692	0.531	0.651
JRI_Y1	0.499	0.531	0.710	0.681
KM_Y2	0.591	0.651	0.681	0.733

Source: WarpPLS

Based on Table 3, shows that the AveS Root value is more than the correlation of other variables related to this study, therefore it can be concluded that discriminant validity in this study is fulfilled.

Composite Reliability

Table 4 Composite Reliability Test Results

No	Variable	Composite reliability	Cronbach's alpha	Information
1	Budget Participation	0.870	0.820	Reliable
2	Budgeting Procedural Justice	0.943	0.936	Reliable
3	Job-relevant Information	0.901	0.875	Reliable
4	Managerial Performance	0.903	0.876	Reliable

Source: Primary data processed, 2023

Table 4 above shows that the composite reliability value of all variables is greater than 0.70. This means that the indicators used in this study are reliable or consistent. So it can be concluded that all indicators are indeed a measure of their respective constructs.

WarpPLS Approach Structural Equation Modeling

The Structural Equation Model uses the Warp Partial Least Square approach (WarpPLS) first to test or evaluate the empirical research model. The results of testing or evaluating the empirical model of this study are as follows:

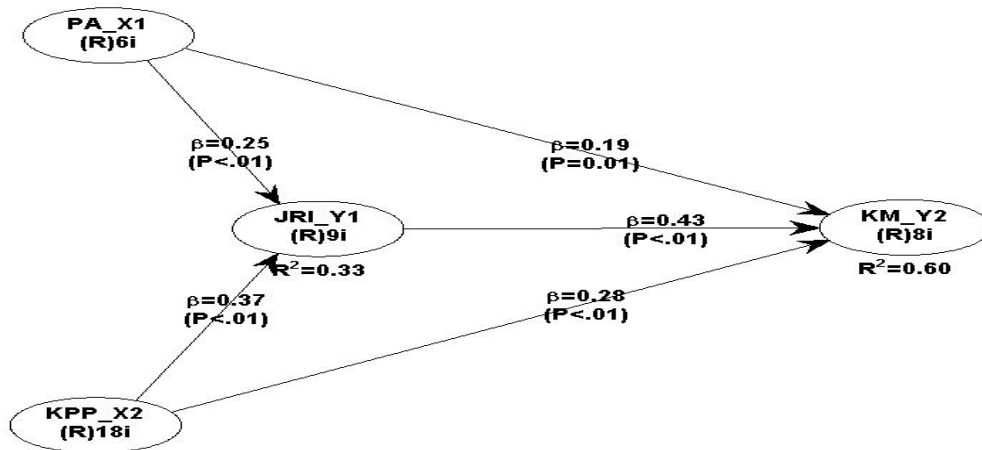


Figure 1 Research analysis model
Source: WarpPLS analysis output results

Goodness of Fit

Testing the goodness of fit structural model on the inner model uses the predictive-relevance value (Q^2). The R^2 value of each endogenous variable in this study can be seen in Table 4.11 below:

Table 5. R-value ² endogenous variables

Variable	R-square
Job-relevant Information (Y1)	0.329
Managerial Performance (Y2)	0.597

Source: Primary data processed 2023

predictive-relevance value is obtained by the formula:

$$Q^2 = 1 - (1 - R_1^2) (1 - R_2^2)$$

$$Q^2 = 1 - (1 - 0.364) (1 - 0.590)$$

$$Q^2 = 0.729$$

The calculation results above show a predictive relevance value of ($0.729 > 0$), meaning 72.9 % of the variation in the managerial performance variable (the dependent variable) is explained by the independent variables of budgetary participation and budgeting procedural justice mediated by the Job-relevant Information used. Thus the model is said to be feasible to have relevant predictive value or have a strong contribution.

Factor Loading (Outer Loading)

The loading factor value (outer loading) shows the weight of each indicator as a measure of each variable. The biggest loading factor shows that the indicator is said to be a measure of the most dominant variable, and vice versa. The results of factor loading from the indicators of Budgetary Participation, Procedural Justice, Job-relevant Information, and Managerial Performance variables are as follows:

Table 6 *Outer Loading* Value of Research Variables

Variable	Indicator	Outer Loading	P-value
Budget Participation (0.747)	X1.1	0.773	<0.001
	X1.2	0.752	<0.001
	X1.3	0.742	<0.001
	X1.4	0.727	<0.001
	X1.5	0.739	<0.001
	X1.6	0.716	<0.001
Budgeting Procedural Justice (0.728)	X2.1	0.797	<0.001
	X2.2	0.762	<0.001
	X2.3	0.726	<0.001
	X2.4	0.722	<0.001
	X2.5	0.714	<0.001
	X2.6	0.700	<0.001
	X2.7	0.740	<0.001
	X2.8	0.757	<0.001
	X2.9	0.713	<0.001
	X2.10	0.750	<0.001
	X2.11	0.717	<0.001
	X2.12	0.709	<0.001
Job-relevant Information (0.707)	X2.13	0.676	<0.001
	X2.14	0.702	<0.001
	X2.15	0.678	<0.001
	X2.16	0.711	<0.001
	X2.17	0.824	<0.001
	X2.18	0.700	<0.001
	Y1.1	0.733	<0.001
	Y1.2	0.773	<0.001
	Y1.3	0.728	<0.001
Managerial Performance (0.732)	Y1.4	0.607	<0.001
	Y1.5	0.750	<0.001
	Y1.6	0.584	<0.001
	Y1.7	0.786	<0.001
	Y1.8	0.684	<0.001
	Y1.9	0.720	<0.001
Y2.1	0.761	<0.001	
Y2.2	0.649	<0.001	
Y2.3	0.723	<0.001	
Y2.4	0.765	<0.001	
Y2.5	0.774	<0.001	
Y2.6	0.774	<0.001	
Y2.7	0.726	<0.001	
Y2.8	0.682	<0.001	

Source: Primary data processed in 2023

The results of empirical analysis using the Warp Partial Least Square (Warp PLS) model show that the six indicators positively form the Budget Participation variable and it is found that the budget participation indicator is always followed as well as in drafting The budget is the dominant indicator as a measure of the Budget Participation variable. With the highest

loading factor value of all variables, this variable can be used as the main reference in improving Kendari City Government Management Performance. Loading value of the factor indicator variable of Budgeting Procedural Justice shows that, 18 indicators significantly form the variable of Budgeting Procedural Justice with an average of 0.728 and it is obtained that the decision maker indicators are in place I work bravely admit mistakes that have been made. is the dominant indicator forming the variable of budgeting procedural fairness.

Job-relevant Information variable indicator factor shows that 9 indicators significantly form the Job-relevant Information variable with the dominant indicator forming the Job-relevant Information variable being Information That I accept in form systematic And regular. However, it was found that the average value of the loading factor in the Job-relevant Information variable was at the lowest number, namely at 0.707. Even though the difference with other variables is not that far away, it is hoped that this assessment can be considered for further improvement efforts.

While the factor loading value of the Managerial Performance variable indicator with an average factor loading value of 0.732 so it can be described that, these 8 indicators significantly form the Managerial Performance variable with your Performance indicators in directing, leading, and developing subordinates, guiding, training and explaining work regulations to subordinates, giving work assignments and handling complaints that dominantly form the Managerial Performance variable.

Hypothesis Testing Results

Table 7. Results of the Direct Effect Hypothesis Test

Free Variables	Dependent variable	Path Coefficient	P Value	Information
Budget Participation(X1)	Job-relevant Information (Y1)	0.254	0.002	Significant
Budget Participation(X1)	Performance (Y2)	0.189	0.015	Significant
Budgeting Procedural Justice (X2)	Job-relevant Information (Y1)	0.365	0.001	Significant
Budgeting Procedural Justice (X2)	Performance (Y2)	0.281	0.001	Significant
Job-relevant Information (Y1)	Managerial Performance (Y2)	0.433	0.001	Significant

Source: Primary data processed in 2023

Hypothesis 1: Budget participation has a direct effect on Job-relevant Information

The results of the analysis of hypothesis testing with the Structural Equation Model of the WarpPLS approach produce a path coefficient of the direct influence of budget participation on Job-relevant Information with a value of 0.254 and p-value = 0.002. Because the p-value is <5%, the hypothesis that Budget Participation has a direct and significant positive effect on

Job-relevant Information is Hypothesis 1 (H1) can be accepted. Because the coefficient is positive and significant, it can be concluded that the influence between the two is unidirectional, meaning that the better the Budget Participation, the Job-relevant Information will increase.

Hypothesis 2: Budget participation has a direct effect on Managerial Performance

The results of the analysis of hypothesis testing with the WarpPLS Structural Equation Model approach produce a direct influence path coefficient of Budget Participation on Managerial Performance obtained a value of 0.189 and p-value = 0.015. Because the p-value is <5%, the hypothesis that budgetary participation has a direct effect on managerial performance is acceptable. Because the coefficient is positive and significant, it can be concluded that the influence between the two is unidirectional, meaning that better budgetary participation can significantly improve managerial performance.

Hypothesis 3: Budgeting Procedural Justice Direct Effect on Job-relevant Information

The results of the analysis of hypothesis testing with the Structural Equation Model of the WarpPLS approach produce a path coefficient of the direct influence of Budgeting Procedural Justice on Job-relevant Information with a value of 0.365 and p-value = 0.001. Because the p-value is <5%, the hypothesis that Budgetary Procedural Justice has a direct and significant effect on Job-relevant Information is acceptable. Because the coefficient is positive and significant, it can be concluded that the influence between the two is unidirectional, meaning that the better the Procedural Justice in Budgeting, the more Job-relevant Information will increase.

Hypothesis 4: Budgeting Procedural Justice Direct Effect on Managerial Performance

The results of the analysis of hypothesis testing with the Structural Equation Model of the WarpPLS approach produce a path coefficient of the direct influence of Budgeting Procedural Justice on Managerial Performance with a value of 0.281 and a p-value = 0.001. Because the p-value < 5%, the hypothesis that, Budgeting Procedural Justice has a direct and significant positive effect on Managerial Performance can be accepted. Because the coefficient is positive and significant, it can be concluded that the influence between the two is unidirectional, meaning that the better the Procedural Justice, the higher the Managerial Performance.

Hypothesis 5: Job-relevant Information Direct Effect on Managerial Performance

The results of the analysis of hypothesis testing with the Structural Equation Model of the WarpPLS approach produce a path coefficient of direct influence of Job-relevant Information on Managerial Performance with a value of 0.433 and p-value = 0.001. Because the p-value is <5%, the hypothesis that Job-relevant Information has a direct and significant positive effect on Managerial Performance is acceptable. Because the coefficient is positive and significant, it can be concluded that the influence between the two is unidirectional, meaning that the better the Job-relevant Information, the higher the Managerial Performance.

After knowing the direct effect resulting from the two sub-models above, the next hypothesis that needs to be analyzed is the indirect effect between endogenous variables (X) on exogenous variables (Y) through mediating or intermediary variables (Z). the results of the indirect effect test between variables can be seen as follows:

Table 8 Indirect Influence

Free Variables	Dependent variable	Mediation Variables	Path Coefficient	P Value	Information
Budget Participation(X1)	Job-relevant Information (Y1)	Managerial Performance (Y2)	0.110	0.039	mediate
Budgeting Procedural Justice (X2)	Job-relevant Information (Y1)	Managerial Performance (Y2)	0.158	0.005	mediate

Source: Primary data processed in 2023

Hypothesis 6: Effect of Budgetary Participation on Managerial Performance mediated by Job-relevant Information.

The results of the analysis of hypothesis testing with the Structural Equation Model of the WarpPLS approach produce path coefficients of indirect influence on Budgetary Participation in Managerial Performance through Job-relevant Information. From the analysis results obtained a coefficient value of 0.110 with a significant level of 0.039 <0.05. Therefore it can be concluded that hypothesis six (H6) is accepted, this means that Job-relevant Information can mediate the influence between Budgetary Participation on Managerial Performance and is positive.

Hypothesis 7: The Effect of Procedural Justice on Budgeting Managerial Performance Mediated by Job-relevant Information.

The results of the analysis of hypothesis testing with the Structural Equation Model of the WarpPLS approach produce path coefficients of indirect influence on Budgetary Participation in Managerial Performance through Job-relevant Information. From the analysis results obtained a coefficient value of 0.158 with a significant level of 0.005 <0.05. Therefore it can be concluded that hypothesis seven (H7) is accepted, this means that Job-relevant Information can mediate the influence between Budgetary Participation on Managerial Performance and is positive.

Budget Participation Has a Positive Effect on Job-relevant Information

Based on the results of the analysis, the Budget Participation hypothesis has a positive effect on Job-relevant Information. Thus the first hypothesis is proven. The results of this study indicate that the higher the Budget Participation, the higher the Job-relevant Information. Conversely, the lower the Budget Participation, the lower the Job-relevant Information.

This research is the results of research by Rayun Wilanda, (2020) showing that budget preparers (superiors and subordinates) who are pale in budgeting at manufacturing companies in Korin Klapanunggal 26.5 KM can reduce the possibility of budgetary slack because the drafters the budget is not too high, setting the budget and the budget preparer looks at the plans and realization of the previous year's budget which is used as a reference in preparing the next year's budget. Participation is positively related to JRI, and by obtaining JRI, Managerial

Performance will increase. Referring to Kren (1992), it appears that if budget participation increases, JRI will also increase.

Budget Participation has a positive effect on Managerial Performance

Based on these results, the hypothesis that budgetary participation has a positive effect on managerial performance is accepted. Thus the first hypothesis is proven to have a significant positive effect on improving managerial performance. The results of this study indicate that the high budget participation owned by employees of the local government agencies of the city of Kendari will increase managerial performance. Conversely, low budget participation will reduce the level of managerial performance.

The results of this study are consistent with the results of previous research conducted by Puspaningsih (2002) on managers of large manufacturing companies in Java by sending 400 questionnaires. In this study, it was found that there was a positive relationship indicating a unidirectional relationship between participation and manager performance so it can be stated that the higher the participation in budgeting, the higher the manager's performance. And research conducted by Ghozali and Yusfaningrum (2005) on 155 manufacturing companies on the JSE which showed positive and significant results on the relationship between budgetary participation and managerial performance.

Budgeting Procedural Justice Has a Positive Effect on Managerial Performance

Based on the results of the analysis, the proposed hypothesis is accepted. Thus the hypothesis that procedural justice budgeting has a significant influence on managerial performance is proven. In this case also obtained a positive direction. The results of testing this hypothesis indicate that the higher the frequency of Budgeting Procedural Justice carried out by the tax authorities, the higher the Managerial Performance. Conversely, the lower the frequency of Budgeting Procedural Justice carried out by employees, the lower the Managerial Performance.

(Lindquist, 1995) Using the theory of procedural justice can explain the uncertainty in the relationship between satisfaction and performance budgetary participation. This means the existence of procedural justice provides information regarding the clarity of the work so that it is expected to minimize mistakes and misunderstandings in work. The results of this study found that if budget participants are allowed to express their opinions in the budget-setting process, then they will feel job satisfaction so that their performance will be much higher than those of employees who are not allowed to participate in budget setting. this is because they feel more valued and considered by a company.

Budgeting Procedural Justice Effect on Job-relevant Information

Based on the research results, the hypothesis which states that budgetary procedural justice has a significant effect on Job-relevant Information is accepted. In this case, a positive direction is also obtained. The results of testing this hypothesis indicate that the higher the frequency of Budgeting Procedural Justice carried out by the tax authorities, the lower the Job-relevant Information will be.

Research by (Sim & Utami, 2018) found that the level of information system integration is likely to affect procedural fairness effectively in the budget system, this influence will

increase company performance. Many researchers examine the economic consequences of procedural justice in the budget system and, whether will it have an effect of procedural justice on employee work pressure, budgetary slack, and commitment to budget goals.

Job-relevant Information Affects Managerial Performance

The Job-relevant Information hypothesis has a positive effect on managerial performance. In this case, a positive direction is also obtained. The results of this study indicate that when employees have information related to financial management, Managerial Performance will increase. On the other hand, low Job-relevant Information will decrease the level of Managerial Performance.

The results of this study are consistent with research conducted by (Davidescu et al., 2020) that there is a positive and insignificant influence between Job-relevant Information and Managerial Performance. These insignificant results may also be due to the application of wide power distance organizational cultural dimensions in manufacturing companies in Indonesia because superior authority is absolute so the goals set tend to be subjective and put pressure on subordinates.

Budget Participation effect on Managerial Performance mediated by Job-relevant Information

The test results using Warp Pls show that the p-value is below the significant level so H6 is accepted. This shows that there is a mediating effect provided by Job-relevant Information which influences the relationship between budgetary participation and managerial performance.

(Bisbe et al., 2007) A strategic performance measurement system is a system that performs performance measurement by collecting, processing, and analyzing quantitative performance information and reporting it to decision-makers in a concise form to support organizational decision-making and balanced results Strategic performance measurement system helps change strategy becomes a goal and performance measure, which can be communicated clearly within the organization or company to eliminate the gap between the company's strategic vision and its operational activities (Kaplan & Norton, 2005).

Budgeting Procedural Justice effect on Managerial Performance mediated by Job-relevant Information

The test results using Warp Pls show that the p-value is below the significant level so that H7 is accepted. This shows that there is a mediating effect provided by *Job-relevant Information* which influences the relationship between Budgeting Procedural Justice and Managerial Performance.

This is proven by the research (Sim & Utami, 2018) found that the level of information system integration is likely to affect procedural fairness effectively in the budget system, and this influence will increase company performance. Many researchers examine the economic consequences of procedural justice in the budget system and, whether will it have an effect of procedural justice on employee work pressure, budgetary slack, and commitment to budget goals.

CONCLUSION

Based on the research results, it can be concluded that budgetary participation has a positive and significant effect on Job-relevant Information. Budget Participation has a positive and significant effect on Managerial Performance. Budgeting Procedural Justice has a positive and significant effect on Managerial Performance. Budgeting Procedural Justice has a positive and significant effect on Job-relevant Information. Job-relevant Information has a positive and significant effect on Managerial Performance. Budget Participation has a positive effect on Managerial Performance mediated by Job-relevant Information. This shows that there is a mediating effect provided by Job-relevant Information between the effect of Budgetary Participation on Managerial Performance. Budgeting Procedural Justice has a positive effect on Managerial Performance mediated by Job-relevant Information. This indicates that there is a mediating effect provided by Job-relevant Information between the effect of Budgeting Procedural Justice on Managerial Performance.

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