

THE APPLICATION OF PARTICIPATIVE BUDGETING AS A TOOL FOR IMPROVING JOB PERFORMANCE IN AN INSTITUTION OF HIGHER LEARNING

Daniel W Kamotho

Namibia University of Science and Technology (NUST), Windhoek

Abstract

The study investigated the effect of involving employees on budgeting participation on the job performance levels of those employees in an institution of higher learning in Namibia

A qualitative research approach was adopted using structured questionnaire using a cross sectional design where a sample of 54 employees from three different cadres of staff were sampled using a stratified non-probability sampling technique.

The data was analysed descriptively using SSPS software and the findings of the study provided evidence that there is a significant positive correlation between the level of budget participation and performance of employees.

Therefore, the findings would suggest to organisations to adopt measures and practises that increases employees budget participation as this would have a positive increase on their level of job performance.

Keyword: Windhoek, Participatory, Budgeting, Performance

1. INTRODUCTION AND BACKGROUND OF THE STUDY BACKGROUND

Participatory budgeting, as practiced in its current form, began at the municipal level in Porto Alegre, capital of Rio Grande do Sul state in 1989 (Baiocchi, 2010) as a part of a larger effort in Brazil to extend and deepen actual and existing democracy (Abers, 2000; Avritzer, 2002; Balochi, 2001; Wampler & Avritzer, 2004). Baiocchi (2010) argues that due to the great value that arises from participatory budgeting, municipal governments,

NGOs, social movements and political parties have opted to adopt the rules of participatory budgeting so as to enhance performance and policy outcomes in an effort to enrich Brazil's democracy. Therefore, in Brazil, participatory budgeting was intended to help poorer citizens and neighborhoods receive larger shares of public spending (Baiocchi, 2010). According to Cabannes & Wampler (2004a) and Wampler & Avritzer (2005) participatory budgeting was initially implemented in 1990 in 12 Brazilian cities and by 2005 it had been expanded to more than 300 municipalities worldwide.

The critical importance and relevance of participatory budgeting is that it provides an excellent entry point to promoting the application of principles of good urban governance, especially transparency, within the context of local government finance (Avritzer, 2020). The ultimate beneficiaries of participatory budgeting should therefore be the urban poor, who have financial expenditure inputs in the allocation of municipal resources on infrastructure and basic services (Urban Governance Toolkit Series, 2004).

In modern times, participative budgeting has been assimilated into business structures to help improve job performance and organisational growth. Accordingly, Walther & Skousen (2009) argue that participative budget approach improves employee morale and job satisfaction that improves performance and has been found to be effective for modern organizations.

A budgeting system is a vehicle to communicate long-term plans to the whole organisation and act as a comparator for current performance by providing a yardstick against which the current activities can be measured and monitored. Budgeting also serve the purpose of evaluating performance, facilitating

communication and coordination and providing incentives. Despite the fact budgeting remain at the core of most organisation in promoting improved performance, the participation of employees to the budgeting process is hardly effective enough to encourage the desired high performance. This situation appears to be the case at the Institution of higher learning, as attested by an interview with five administrative staff members in the middle level management. The participation is so ineffective to the point that top management deems major parts of the budget unnecessary by means of cutting costs to the proposed activities. This situation could affect employees' commitment to the process with severe consequences on job commitment and reduced employee performance.

In situation where participative budgeting is practiced, challenges exists which makes it difficult to achieve the desired goal of improving performance. Hence, participatory budgeting is far from foolproof. In addition, the amount of time spent on staff may not justify the incremental gain in performance particularly as such processes tend to incorporates unethical behaviour of budget of incorporating budget slack. Slack, which involves deliberately reducing revenue estimates and increasing expenses estimates (Hansen, Mowen & Guan 2006, p.359).

This research looked at how efficiently the employees' contribution to the budgeting process is applied at the Institution of higher learning to enhance their performance and an analysis of time and budget slack as the major deficiencies of participative budgeting.

2. LITERATURE REVIEW

Participative budgeting is a process that entails the involvement of all staff including lower cadre in the setting of standards that affect their operations and rewards instead of merely being imposed (Riahi-Belkaoui, 2002, p. 188). This helps employees set achievable targets and theoretically motivates them to meet these budget targets (Eldenburg and Wolcott (2011, p.329). The motivation of this type of budgeting is to assign responsibility to all staff and place a form of personal responsibility to all employees on the approved budget.

Hopwood (1973) and Ndiwalana (2009) argued that budget participation can be measured by several ways,

among them the ability of the employees to influence the budget design, extent managers consult the employees, the ease with which employee can propose changes to the budget process and the extent to which employees are involved in the budget processes and feedback.

According to Nouri & Parker (1998), employees normally possess more information than managers and therefore involving them in the budgetary process enables them to offer the level of budgetary support needed by companies resulting in more realistic plans and accurate plans. Further, as Topper (2007) observed, that managers could benefit their organisations through more consultation with employees generating better synergy that enables them to re-crafting better budgets that ultimately results to better resource allocation. This is primarily through effective involvement and discussions of the budgetary process with employees. Besides, by aligning the reward systems with budgetary performance, they could improve their company performance.

According to Brownell (1983), the relationship between participative budgeting and job performance has been a subject managerial accounting researchers for a long time (Argyris, 1952; Brownell 1981, 1982a, 1983; Frucot and Shearon 1991; Kren 1992; Chow et al. 1991, 1994, 1996, 1999). Prior research using various variables has concluded that there is a direct relationship between participative budgeting and job performance and therefore involving employees in budgeting processes improves their job performance.

Brownell & McInnes (1986) and Yuen (2007) found evidence that managers who have a greater need for achievement are more motivated and hence perform better in budgetary activities than those with lesser desire. Klich & Feldman (1992) and Yuen (2007) noted that such self-motivated managers care about their work, and put more effort into it. Thus, these managers set higher goals for themselves, and have higher expectations of performance than those with a lower need for achievement. Likewise, employees with a higher need for achievement will more likely undertake achievement-oriented activities when an opportunity arises (Cassidy & Lynn, 1989, p. 295). This sense of achievement lies in the belief of those high achievers who believe they must work hard if they are to accomplish difficult but challenging targets of performance.

In agreement to the above Nouri & Parker (1998) observed that there exists a direct relationship between organisational performance and commitment. The commitment is brought about through budgetary participation of the employees. Hence, the employee with a higher participatory involvement in the budgetary process will be more to goals of the organisations. This situation is likely to results in better job performance. Nouri & Parker (1998) further argued that managers, who are given space and freedom to participate in budgeting activities, will have a higher organizational (affective) commitment and this, in turn, leads to improved job performance. On the contrary, however, Parker & Kyj (2006) disagree and found no evidence to support the believe that budgetary participation can affect an employee commitment in an organisation. Despite the lack of conclusive evidence on prior studies, it is generally believed that any variable that improves commitment improves performance.

Participative budgeting not only directly influences job performance, but a variety of independent variables is used to explain the indirect relationship between participative budgeting and job performance. Participative budgeting is the process of involving employees in the various aspects of budgeting. Such involvement creates positive attitudes referring to their feelings and predispositions towards their roles, which increases their budget goal commitment. Commitment involves pursuing a budget goal with high determination and persistence over a sustained period of time normally the budget period. We can, therefore, conclude that budget participation exerts a motivational effect on the employees which in return enhances their budget goal commitment and creates positive attitudes, therefore improving on the level of their performance. Similarly, positive work attitude increases an employee's trust, sense of control, and ego-involvement with the organisation, which then jointly cause commitment to the budget goals. In the same way, once employees are committed to their budget goal, their attitudes will be improved to be positive, thus motivating and encouraging them to be creative and more effective in their performance.

From the above, budget participation may not significantly by itself influence job performance. Job performance is attributed to both organisational commitment and the need for achievement variables

through participative budgeting. Therefore, if employees are committed they achieve budget goal as well and are more likely to register a high level of performance as a result. In addition, budgetary participation improves job performance only when participants have a good work attitude. Furthermore, participative budgeting takes extra more time to accomplish than the normal traditional budgeting approach. Finally, budget participation increases employees' motivation, loyalty and enhances their attitudes to setting reasonable budgets. and avoids the creation of slacks into the budget.

3. RESEARCH DESIGN AND METHODOLOGY

3.1. Method

A mixed research approach adopted for this study as neither quantitative nor qualitative methods were sufficient by themselves to capture the analysis of how effective budget participation has been applied at the institution. Further, this approach enabled both the quantitative and the qualitative methods which are complimentary.

Design

a questionnaire survey was used for this study. The questionnaire composed a set of questions representing elements of participatory budgeting and performance. The respondents were to indicate or rate their extent of agreement or disagreement using a five point Likert scale.

3.2. Population and sampling

The population was stratified in a careful fashion into three strata which are top management, middle management and lower management. From each stratum a sample of 18 employees was selected using a non-probability purposive sampling technique. The stratification was done in such a manner in which every member of relevant staff (purposive) had an equal opportunity of being sampled (Wegner, 2005) and therefore reduced bias. The population of the study comprised of 369 administrative staff members at all levels of management at the institution of higher learning. That is at junior, middle and senior management levels.

3.3. Sample size and sample method

A total of 54 respondents were chosen using a combination of appropriate stratified sampling method where the population was divided into three management categories called stratum: top management, middle management and lower management. From each stratum a sample of 18 respondents were selected using a random sampling technique after which prospective respondents were issued with questionnaires to answer.

Table 4.1: Response rate

Strata	Issued	Returned
Junior management	18	14
Middle management	18	18
Senior management	18	11
Total	54	43
%		80

Out of the 54 respondents that were targeted to be issued with questionnaires, 43 questionnaires were returned, giving a response rate of 80%. This shows an acceptable response rate as accurate and reliable results will be produced which are representative of the target population.

3.4. Data collection method

Data were collected using a closed-ended questionnaire. The respondents were required to respond to a series of statements by use of scales provided by the researcher. These questions were meant to measure respondents budget participation perceptions and related effects on their job performance. The questions were made easy for them to show their degree of agreement or disagreement to the questionnaires.

3.5. Data analysis

Quantitative and qualitative data analysis was done using computer programs like Excel as well as statistical and narrative methods. The degree of relationship between the variables of budgetary participation and

job performance was tested using Pearson's correlation test. The strength of that relationship was tested using regression analysis.

3.6. Variables Measurement

The Budget Participation was measured using a questionnaire with a five point Likert scale as adopted from Milani (1975). The instrument was also used in a similar study by (Ndiwalana, 2009). Respondents overall score for participation was based on the average score on the items representing budget participation. A reliability checks of the instrument had a Cronbach alpha of 0.8217, which is a high reliability.

Job performance was likewise measured by a five-point Likert-type scale using a different set of statements as adopted from Hollenbeck et al., (1989). The scale used were strongly disagree, agree, not sure, disagree and strongly disagree. The reliability checks of the instrument was a Cronbach alpha of 0.8429, representing a high measure of reliability.

4. INTERPRETATION OF RESULTS SUMMARY OF MAIN FINDINGS OF STUDY

4.1. Background information

4.1.1. Job Experience

This table below shows the year-of-service categories of employment of subjects who took part in the completion of the questionnaires. Most of these employees have been employed for a period of between 7 and 10 years, making up 35% of the respondents. The least number of respondents are those that have been employed for 11 and more years, mainly senior management, making up 12% of the total respondents that took part in the questionnaires distributed.

These results show an inverse relationship between numbers of years employed and management level, such that, the less the number of years employed the lower the management level, and the more the number of years employed, the higher the management level. Hence more junior management are in the 1-3 years' category and the senior management in the 11 and above category.

Table 4.2: Years of experience

Years	Frequency			Total	%
	Junior	Middle	Senior		
1 – 3	7	3	2	12	28
4 - 6	3	7	1	11	25
7 – 10	4	6	5	15	35
11 and above	0	2	3	5	12
Total	14	18	11	43	100
%	33	42	25	100	

4.1.2. Qualification levels

As presented by the graph below, the higher the qualification attained, the higher the management position of the respondent. This is represented by a dominant number of junior management respondents holding the lowest qualification (certificates) and a dominant number of senior management respondents holding the highest qualifications (PHDs).

These results show a fair distribution of employees in management levels because there should be a distinction between senior managers and employees with the level of qualification attained. Senior managers are more knowledgeable and would likely make more informed decisions for the welfare of the organisation and its employees in junior and middle management.

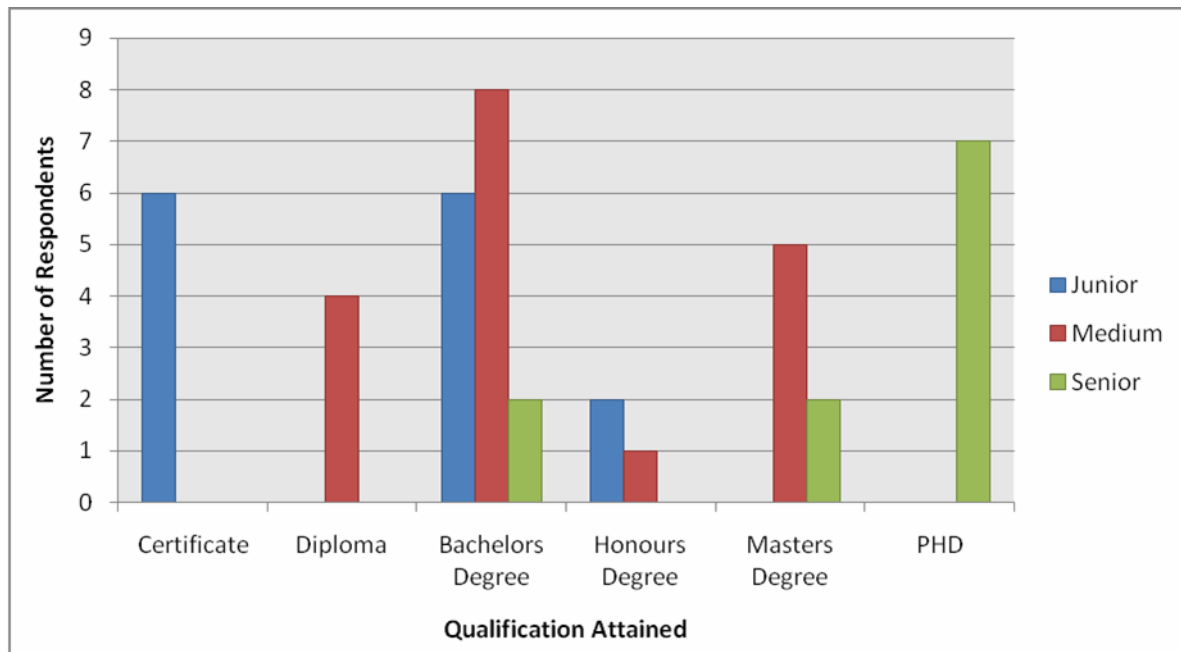


Figure 4.1: Highest qualifications

4.1.2. Budgetary participation

The following statements are designed to obtain the respondent's perception about participative budgeting in their departments.

Statement 1: My job includes my input regarding budgetary activities

Table 4.3: Input in budgeting activities

	Junior	Middle	Senior	Total	%
Strongly agree	3	12	10	25	58
Agree	5	3	1	9	21
Not sure	0	0	0	0	0
Disagree	4	3	0	7	16
Strongly disagree	2	0	0	2	5
Total				43	100

The above table reflects that 79% of the respondents agreeable to the fact that their job includes their input regarding budgetary activities whereas 24%, mainly junior management group, do not agree. Thus more of the respondents in senior and middle management strongly agree compared to those in junior management.

A low number of employees in junior management are involved in budgeting activities as compared to those in senior management. This results into an unfair and unequal distribution of opportunity in budget participation which will encourage a decline in the level of performance from these employees due to lack of motivation.

Statement 2: Budgeting information freely flows from top to bottom and vice visa.

Table 4.4: Flow of budgeting information

	Junior	Middle	Senior	Total	%
Strongly agree	2	7	3	12	28
Agree	2	5	4	11	26
Not sure	0	0	0	0	0
Disagree	4	4	2	10	23
Strongly disagree	6	2	2	10	23
Total				43	100

The above table reflects that 54% of the respondents are agreeable to the fact that Budgeting information freely flows from top to bottom and vice visa whereas 46%, mainly junior management group, do not agree. Thus more of the respondents in senior and middle management strongly agree compared to those in junior management.

This shows that a number of employees in junior management do not receive information with regard to budgeting and in return they do not contribute anything to the budget process. This in turn lowers the

morale of these employees to perform to the best of their abilities to uplift the growth of the Institution of higher learning.

Statement 3: Superiors and employees prepare the budget together.

	Junior	Middle	Senior	Total	%
Strongly agree	4	1	0	5	11
Agree	2	6	6	14	32
Not sure	3	4	4	11	26
Disagree	4	6	1	11	26
Strongly disagree	1	1	0	2	5
Total				43	100

Table 4.5: Coordination of superiors and employees in budgetary activities

The table above reflects that 43% of the respondents agree that there is coordination between superiors and employees when it comes to budgetary activities. 52% of these respondents do not agree. However, 26% are uncertain. With a less than 50% agree, this does not

show good coordination because in order to meet the objectives of the Institution, employees need to have a common goal which is attained by working together and striving to make the Institution a better place.

Statement 4: Regular departmental meetings take place on budgetary issues

	Junior	Middle	Senior	Total	%
Strongly agree	2	5	2	9	21
Agree	1	5	4	10	23
Not sure	4	3	3	10	23
Disagree	5	3	2	10	23
Strongly disagree	2	2	0	4	9
Total				43	100

Table 4.6: Prevalence of departmental budget meetings

As shown in the table above, results reflect that 44% of the respondents agree that they are involved in regular departmental meetings that take place on participative budgeting whereas 32%, mainly junior management group, do not agree. This leaves 23% of the respondents uncertain, thus more of the respondents to strongly agree are in middle and senior management as compared to those in junior management.

This however does not reflect an acceptable level of employees that are involved in regular departmental meetings that take place on participative budgeting. Departmental budget meetings help keep everyone updated with matters regarding the budget and ensure that everyone is on the same page in terms of issues relating to the budget. Thus as more people are not

involved in departmental meetings, there is no sense of direction and causes estrangement among the employees.

Statement 5: Budget information is readily accessible to everyone in the department

	Junior	Middle	Senior	Total	%
Strongly agree	1	1	5	7	16
Agree	3	6	2	11	26
Not sure	4	2	1	7	16
Disagree	5	6	3	14	33
Strongly disagree	1	3	0	4	9
Total				43	100

Table 4.7: Access to budget information

The above table reflects that 42% of the respondents are agreeable to the fact that budget information is readily accessible to everyone in the department whereas 42%, mainly medium management group, do not agree. More of the respondents in senior management strongly agree compared to those in junior management and middle management, with a 16% not sure response.

Budget information should be readily accessible to everyone in the department as a way to inform employees of matters relating to the budget, such as availability of resources. With only less than 42% of the employees that can access information relating to the budget, the group that cannot may not know why certain actions are carried out, such as cutting budgets due to lack of resources, thus makes them feel that their contribution is not relevant enough to be considered, creating demotivated employees.

Statement 6: Management frequently consult with staff when drafting the budget

Table 4.8: Management consultations with staff

	Junior	Middle	Senior	Total	%
Strongly agree	1	6	4	11	25
Agree	1	3	5	9	21
Not sure	4	4	1	9	21
Disagree	5	3	1	9	21
Strongly disagree	3	2	0	5	12
Total				43	100

Reflected in the above table, 46% respondents are agreeable that management frequently consults with

staff when drafting the budget whereas 33%, mainly junior management group, do not agree. Thus more of the respondents in senior and middle management

strongly agree compared to those in junior management and 21% remain uncertain.

This shows an unacceptable response rate as it shows that a lower number of employees actually contribute to the budget and the practice of participative

budgeting is only partially exercised. Hence the rate of performance is low.

Statement 7: Budgeting systems are exceedingly decentralised

	Junior	Middle	Senior	Total	%
Strongly agree	0	2	1	3	7
Agree	5	8	2	15	35
Not sure	8	5	3	16	37
Disagree	0	1	4	5	12
Strongly disagree	1	2	1	4	9
Total				43	100

Table 4.9: Decentralised nature of budgeting systems

The above table reflects that 42% of the respondents are agreeable to the fact that budgeting systems are exceedingly decentralized whereas 21% do not agree. 37% of the respondents, mainly junior management, are not sure. Thus more of the respondents in senior and middle management strongly agree compared to those in junior management.

By budgeting systems exceedingly decentralized, means, the process of budgeting has been redistributed to other departments in an organisation away from central authority. This results show a weakness as only a few number of respondents agree. This may be caused by a lack of understanding on the term decentralized, because of a high response rate being not sure.

Statement 8: The outcome of the budget decisions is communicated to all those that need to know

	Junior	Middle	Senior	Total	%
Strongly agree	3	7	5	15	35
Agree	2	7	5	14	32
Not sure	6	0	0	6	14
Disagree	1	3	1	5	12
Strongly disagree	2	1	0	3	7
Total				43	100

Table 4.10: Communication of budget decisions

The above table reflects that 67% of the respondents agreeable to the fact that the outcome of the budget decisions are communicated to all those that need to know whereas 19%, mainly junior management group, do not agree. Thus more of the respondents in senior and middle management strongly agree compared to those in junior management.

This shows an acceptable rate. When budget decision outcomes are communicated to all involved parties, it enables an understanding of why certain actions were carried out and why others were no. This effectively increases motivation, foster trust and respect between employees, greatly improve decision making processes and contribute substantially to the overall productivity and performance of the organisation.

Statement 9: I fully understand the concept of participative budgeting

	Junior	Middle	Senior	Total	%
Strongly agree	4	10	8	22	51
Agree	4	6	2	12	28
Not sure	5	2	1	8	19
Disagree	1	0	0	1	2
Strongly disagree	0	0	0	0	0
Total				43	100

Table 4.11: Degree of understanding the concept of participative budgeting

The above table reflects that 79% of the respondents agreeable to the fact that they fully understand the concept of participative budgeting with a 19% uncertain respondents. 2%, in junior management group, do not agree. Thus more of the respondents in senior and middle management strongly agree compared to those in junior management.

With a high number of respondents understanding the concept of participative budgeting, this will produce results that are highly reliable and accurate. Reliable results are vital for effective decision-making in an organisation.

Statement 10: Participative budgeting should be fully exercised within the department

	Junior	Middle	Senior	Total	%
Strongly agree	5	9	7	21	49
Agree	6	7	1	14	32
Not sure	3	1	1	5	12
Disagree	0	1	2	3	7
Strongly disagree	0	0	0	0	0
Total				43	100

Table 4.12: Participative budgeting should be fully exercised within the department

The above table reflects that 81% of the respondents agreeable to the fact that participative budgeting

should be fully exercised within the department whereas 7% do not agree. 12 % respondents are not sure, thus more of the respondents in junior and middle management strongly agree compared to those in senior management. With a high degree of acceptance by the respondents, this is useful as in most instances the impact of participative budgeting positively

influences performance from employees and would want the effect of participative budgeting to be experienced by all members in a department.

Section C: Performance Improvement

The following questions were designed to obtain the respondent's perception on how effective participative budgeting is with regard to employee performance.

Question: Is participative budgeting effective in improving employee performance?

Table 4.14: Participative budgeting contribution in improving employee performance

	Junior	Middle	Senior	Total	%
Yes	12	12	7	31	72
No	1	1	0	2	5
Maybe	1	5	3	9	21
Do not know	0	0	1	1	2
Total				43	100

The above table reflects that 72% of the respondents, mainly junior and middle management positively confirm that participative budgeting effective in improving employee performance whereas 5% do not agree. This leaves a 21% possibility that participative budgeting may improve employee performance.

This serves as a strength to an organisation because should all employees be involved in budgeting, then these employees will also be encouraged to work hard and hence improve the performance level of an organisation.

Question: Are you motivated to work hard when your input is considered in the budget?

	Junior	Middle	Senior	Total	%
Yes	11	15	9	35	82
No	2	1	0	3	7
Maybe	1	2	1	4	9
Do not know	0	0	1	1	2
Total				43	100

Table 4.15: Budget as motivation

The above table reflects that 82% of the respondents are motivated to work hard when their input is considered in the budget whereas 7% do not agree. With comparison to respondents in senior management, more of the respondents in junior and middle management strongly agree.

Again this shows an acceptable level of response as employees' input consideration makes them feel that they are an important part of an organisation, hence making an organisation happy is making themselves

happy, so they are motivated to ensure that the objectives of the organisation are met.

Question: Does your supervisor value your contribution to the budget process?

Table 4.17: Appreciation of budget contribution by supervisors

	Junior	Middle	Senior	Total	%
Yes	8	12	9	29	67
No	1	1	0	2	5
Maybe	1	2	0	3	7
Do not know	4	3	2	9	21
Total				43	100

The above table reflects that 67% of the respondents agreeable to the fact that their supervisor value their

contribution to the budget process whereas 5% do not agree.

21% do not know. Thus more of the respondents in senior, middle and junior management strongly agree compared not agreeing.

With constraints facing the budget, such as lack of resources, supervisors are sometimes forced to

disapprove input from employees as it increases budget expenditure. However, findings show an acceptable rate with regard to the number of employees whose contribution to the budget is valued by their supervisors. With valuable input, employees are thus motivated to work hard and achieve business goals.

5. DESCRIPTIVE RESULTS: BUDGETARY PARTICIPATION AND JOB PERFORMANCE

5.1. Correlation

The table below shows that budgetary participation and job performance have a positive correlation. The average mean for budget participation was 2.45 while that of job performance was 1.70 both tending to 2.0 which was agree on the Likert scale. A Pearson

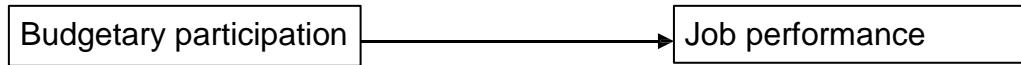
correlation index of 0.65 indicate a strong correlation between the two variables. A high budgetary participation indicates a strong job performance with a p statistic of less than 0.05, the relationship is significant ($r = 0.645$, $p > 0.000$).

	<i>Budget Participation</i>	<i>Job Performance</i>
Mean	2.451162791	1.697674419
Variance	1.18255814	1.454042082
Observations	43	43
Pearson Correlation	0.647581771	
Hypothesized Mean Difference	0	
df	42	
t Stat	5.1009	
P(T<=t) one-tail	0.0000	
t Critical one-tail	1.6820	
P(T<=t) two-tail	0.0000	

t Critical two-tail	2.0181	
---------------------	--------	--

5.2. Regression analysis

We tested the regression taking job performance as a variable dependent and the budgetary participation as an independent variable as follows



The hypothesis is tested using the following regression equation (Eq. (2)) $Y_2 = a_2 + b_2 X_2$

Where Y_2 =Job performance; X_2 =budgetary participation level based on the average score of budgetary participation.

The results were as follows

<i>Regression Statistics</i>						
Multiple R	0.938227833					
R Square	0.880271467					
Adjusted R Square	0.877351259					
Standard Error	0.390724665					
Observations	43					
<i>ANOVA</i>						
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>	
Regression	1	46.01977	46.01977	301.4413	0.00000	
Residual	41	6.259296	0.152666			
Total	42	52.27907				
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	-0.4486706	0.138844	-3.23147	0.002431	-0.72907	-0.16827
Bud	1.077091393	0.062037	17.36207	0.00000	0.951805	1.202378

From the above table, we deduce the statistical results with the T and coefficient values from the regression analysis that confirms a significant and positive effect of budgetary participation on job performance. The t value is -3.23147 ($p < 0.05$). The coefficient value is 0.938. The

R square value shows that budgetary participation explains 88 percent of the variance of job performances.

Hence the conclusion that a higher budgetary participation leads to a higher job performance. The coefficient value "0.938" explains that a one level

increase of budgetary participation leads to 0.938 higher performances.

5.3. Recommendations

The study recommends further that management of higher institutions need to institute policies and practices that encourage budget participation as these activities have a positive outcome on the performance of the institution.

6. SUGGESTED AREAS FOR FURTHER RESEARCH

We suggest that future research in the field should seeks to establish the relationship between variables of work attitude, need for achievement and budget participation to evaluate the level of performance at institutions of higher learning.

In addition, more studies should be undertaken to evaluate the level of interaction between the academic staff members and administrative staff members with regard to decision-making for the general welfare of those institutions and finally

There is need to expand this study to other sectors like SMEs, Hotels and Tourism, Traders and other fields.

REFERENCES

- [1] Ahmad, N. N.N., & Fatima, A.H. (2008). Budgetary participation and performance: Some Malaysian evidence. *International Journal of Public Sector Management*, 21(6), 658- 673.
- [2] Ahmed, S. (2009). *Methods in Survey Sampling Biostat 140.640: Stratified Sampling [Lecture notes]*. Johns Hopkins University, Department of Biostatistics.
- [3] Bartrum, P. (2006). Forecasting the end for budgets Director. *Management Accounting*, 60(1), 30-33
- [4] BBRT (2006). About Beyond Budgeting-The Budgeting Problem. 10 reasons why budgets cause problems. Retrieved from <http://www.accountingweb.com/topic/cfo/10-reasons-why-budgets-cause-problems>
- [5] Bolton, P., & Dewatripont, M. (1995). Information, communication and organisation: The time and budget constraint of the firm. *European Economic Review*, 39, 691-699.
- [6] Brownell, P. (1982). The role of accounting data in performance evaluation, budgetary participation and organizational effectiveness. *Journal of Accounting Research*, 20 (1), 12-27
- [7] Brownell, P., & McInnes, M. (1986). Budgetary participation, motivation and managerial performance. *The Accounting Review*, 6(4), 587-600.
- [8] Bryman, A. (n.d). *Triangulation and measurement [Handouts]*. Loughborough, United Kingdom: University of Loughborough, Department of Social Sciences.
- [9] Budgetary slack. (n.d.). Retrieved from http://www.readyratios.com/reference/business/budgetary_slack.html
- [10] Burns, N. & Grove, S. (2001). *The practice of nursing research: Conduct, critique and utilization (4th ed.)*. W. B. Saunders: Philadelphia, Pennsylvania, USA.
- [11] Cassidy, T., & Lynn, R. (1989). A multifactorial approach to achievement motivation: The development of a comprehensive measure. *Journal of Occupational Psychology*, 62,301-
- [12] Creswell, J. (2012). *Educational research: Planning, conducting, and evaluating quantitative and qualitative research (4th ed.)*. Upper Saddle River, NJ: Pearson Education.
- [13] Dawson, C. (2002). *Practical Research Methods*. New Delhi: UBS Publishers' Distributors
- [14] Dyne, L.V. & Pierce, J.L. (2003). Psychological ownership and feelings of possession: Three field studies predicting employee attitudes and organizational citizenship behaviour. *Journal of Organizational Behavior*, 25(4), 439.

- [15] Eldenburg, L.G., & Wolcott, S.K. (2011). *Cost management: Measuring, monitoring and motivating performance* (2nd ed.). USA: Walsworth Publishing Company.
- [16] Elmassri, M., & Harris, E. (2011). Rethinking budgetary slack as budget risk management. *Journal of Applied Accounting Research*, 12(3), 278-293.
- [17] Ferres, N., Connell, J. & Travaglione, A. (2004). Co-worker trust as a social catalyst for constructive employee attitudes. *Journal of Managerial Psychology*, 19(6), 608.
- [18] Florin, B. (2011). Defence resource management in the 21st century.
- [19] International Scientific Conference, (6)
- [20] Flyvbjerg, B. (2006). Five misunderstandings about case study research. *Qualitative Inquiry*, 12(2), 219-245.
- [21] Hansen, D., & Mowen, M. (2006). *Cost management: Accounting and control* (5th ed.). USA: Rob Dewey.
- [22] Klich, N.R., & Feldman, D.C. (1992). The role of approval and achievement needs in feedback seeking behaviour. *Journal of Managerial*, (4), 554-570.
- [23] Kothari, C.R. (1985). *Research Methodology-Methods and Techniques*. New Delhi: Wiley Eastern Limited.
- [24] Kren, L. (2003). Effects of Uncertainty, Participation, and Control System Monitoring on the propensity to create budget slack and actual budget slack created. *Advances in Management Accounting*, 11, 143-167.
- [25] Kumar, R. (2005). *Research Methodology-A Step-by-Step Guide for Beginners* (2nd ed.). Singapore: Pearson Education.
- [26] Langfield-Smith K., Thorne H. & Hilton T.W (2006) *Management Accounting* (4th ed.) Australia: McGraw-Hill Australia Pty Limited.
- [27] Lavrakas, P.J. (2008). *Encyclopedia of Survey Research Methods*. Retrieved May 14, 2014, from <http://srmo.sagepub.com/view/encyclopedia-of-survey-research-methods/n522.xml>
- [28] Leach-López, M. A., Stammerjohan W. W., & McNair F.M. (2007). Differences in the role of job relevant information in the budget participation- performance relationship among US and Mexican managers: A question of culture or communication? *Journal of Management Accounting Research* (forthcoming).
- [29] Lob, B. (2009). *Ethical Issues in Clinical Research: A Practical Guide*. Lippincott: Williams & Wilkin.
- [30] Lowe, E. A., & Shaw, R. W. (1968). An analysis of managerial biasing: Evidence from a company's budgeting process. *Journal of Management Studies*, 5, 304-315.
- [31] Lukka, K. (1988). Budgetary biasing in organizations: Theoretical framework and empirical evidence. *Accounting, Organizations and Society*, 13, 281-302.
- [32]
- [33] Lunsford, B.R., & Lunsford, T.R. (1995). The research sample, part I: Sampling. *Journal of Accounting Research*, 7(3), 105-112. Retrieved from http://www.oandp.org/jpo/library/1995_03_105.asp
- [34] Lynn, J. (2008). Budgeting methodologies: Budgetary slack [Lecture Notes] Retrieved from <http://www.studyguider.co.uk/coursework/57-management-accounting-budgeting-methodologies?start=1>

- [35] Mark, S. (1985). The effects of risk aversion and asymmetric information on budgetary slack. *Journal of Accounting Research*, 23(2), 829-842.
- [36] McLeod, S. (2008/2014). Cognitive dissonance. Retrieved from <http://www.simplypsychology.org/cognitive-dissonance.html>
- [37] Mixed research method. (n.d). Retrieved from http://resourcecentre.foodrisc.org/mixed-methods-research_185.html
- [38] Ndiwalana, J.K. (2009). Budgeting participation, goal commitment and employee performance. *The Accounting Review*, 587-600.
- [39] Nouri, H., & Parker, R.J. (1998). The relationship between budget participation and job performance: The roles of budget adequacy and organizational commitment. *Accounting, Organizations and Society*, 23(5/6), 467-83.
- [40] Onsi, M. (1973). Factor analysis of behavioural variables affecting budgetary slack. *The Accounting Review*, Vol. 48 No. 3, pp. 535-48.
- [41] Oso, W. & Onen, D. (2008). General guide to writing research proposal and report: A handbook for beginners (2nd ed.). Kampala: Makerere University Printer.
- [42] Participative budgeting in managerial accounting. (2010). Retrieved from <http://reviewessays.com/print/Participative-Budgeting-Managerial-Accounting/3281.html>
- [43] Patten, Mildred L. (2001). Questionnaire research: A practical guide (2nd ed.). Los Angeles, CA: Pyrczak Publishing.
- [44] Riahi-Belkaoui, A. (2002). Behavioural management accounting. USA: Greenwood Publishing Group.
- [45] Shields, S.S. (n.d). The case study approach: The use of case studies in information operations [PowerPoint slides]. Warfighting Analysis Division
- [46] Shields & Shields, (1998). Antecedents of Participative Budgeting. *Accounting, Organizations and Society*: 49-76.
- [47] Simon, M. K. (2011). Dissertation and scholarly research: Recipes for success. Seattle, WA: Dissertation Success, LLC.
- [48] Stevens, D. E. (2002). The effects of reputation and ethics on budgetary slack. *Journal of Management Accounting Research*, 14, 153-171.
- [49] The role of participation in budgeting. (2010). Retrieved from <http://reviewessays.com/Business/Role-Participation-Budgeting/15070.html?page=7>
- [50] Thompson, S.K. (2012). Sampling (3rd ed.). Hoboken, New Jersey: John Wiley & Sons, Inc.
- [51] Topper, (2007). Supervisor's attitude and employee's performance. *New Library Word*, 108 (9/10), 54- 66.
- [52] Wallen, N.E. & Fraenkel, J.R. (2001). Educational research: A guide to the process (2nd ed.). Mahwah, NJ: Lawrence Erlbaum Associates, Publishers.
- [53] Wampler, B. (2007). A guide to participatory budgeting. In S. Anwar (Ed.), *Participatory budgeting: Public sector governance and accountability series* (pp. 22-24). Washington, DC: The World Bank.
- [54] Walther, L.M., & Skousen, C.J. (2009). Budgeting and decision making. [Adobe Digital Edition version]. Retrieved from <http://bookboon.com/en/budgeting-and-decision-making-ebook>
- [55] Webb, R.A. (2002). The impact of reputation and variance investigations on the creation of

budget slack. *Accounting, Organizations and Society*, 27(4-5), 361-378.

- [56] Welsh G. A., Hilton R. W., & Gordon P. N. (1988). *Profit Planning and Control* (5th ed.). Englewood Cliffs: Prentice-Hall.
- [57] Young, M. S. (1985). Participative budgeting: The effects of risk- aversion and asymmetric information on budgetary slack. *Journal of Accounting Research*, 23, 829–842.
- [58] Yuen, D. (2007). Antecedents of budgetary participation: Enhancing employees' job performance. *Managerial Auditing Journal*, 22(5), 533-548