

The Influence of Budget Participation, Information Asymmetry and Budget Emphasis on Budget Gap on Community Empowerment Offices and Villages of West Sumatera Province

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ABSTRACT

Budgetary slack is a gap by managers or subordinates in participating to budget by giving budget estimates that do not fit the actual situation. The purpose of this study to determine the influence of budget participation, asymmetry of information and budget emphasis towards budgetary slack. The research was conducted at Department of community empowerment and the village west sumatera province. The respondents in this study are those of the budget as many 40 samples were collected for analysis by using total sampling method. Designs in this research is quantitative method. Methods of data analysis using multiple regression analysis by SPSS 25.0 software program. The results shows that budget participation give positive effect and significant on the budgetary slack, asymmetry of information also give positive effect and significant on the budgetary slack and budget emphasis give positive effect and significant on the budgetary slack.

Keywords: Budgetary Slack, Budget Participation, Asymmetry Of Information, Budget Emphasis.

Introduction

The public sector budget is a manifestation of the initial planning of an organization to become a tool in managing public funds, the initial planning was previously carried out by budgeting with a top-down system, where all budgeting has been prepared by superiors and subordinates only work on what has been prepared by superiors without participating, as well as in the preparation of the budget itself. However, the application of a system like this results in an overloaded condition, namely an imbalance condition between the given target and existing resources (Anggraeni & Tetricani, 2019).

The budget is one of the pillars in development planning for the government. Budgetary slack intentionally overestimates total costs over the budget period. In addition, the existence of a budget gap means that the goals of good performance in the government are not achieved so that the government will appear to have failed in implementing the budget principle in the public sector budget. Budget gaps can occur in conditions of estimated information because biased information between superiors and subordinates encourages subordinates or budget implementers to create budget gaps. (Made & Ayuni, 2018).

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The budget gap is viewed from many different perspectives. Budget gaps are also called deviations that arise when the budget is prepared, subordinates who make budget preparations will make high expenditure budgets and make low income budgets so that they are easy to achieve (Wibawa & Dwija, 2019). The current phenomenon shows that environmental pressures and increasingly fierce competition have led to a budget gap (Mahasabha & Ratnad, 2019).

One of them is the existence of operational allowance funds for board member meetings, where the data is known to be in the tens of billions of rupiah for meetings and official trips. Each member of the council will also receive a laptop purchased with the West Sumatran APBD funds amounting to Rp. 960,000,000, . From the total budget provided for 55 members of the council, it can be estimated that the price of the laptop carried by the representatives of the people is approximately Rp. 17.5 million per unit. Seeing that the price of laptops on the market today is below Rp 12 million per unit on average, people feel that the government's actions in the budget for selecting laptops are too much. If the researcher looks at the phenomena that have been described earlier, it further strengthens the indications of researchers in conducting research on budgetary slack that occurs in the preparation of government budgets, especially the West Sumatra Village and Community Empowerment Service (Rukmana, 2013).

The first factor suspected of influencing budgetary slack is budgetary participation. Budget participation is a process in which work units, both superiors and subordinates, are involved and have influence in determining budget targets (Eka Dharma Putra & Mintoyuwono, 2013). Employees who prepare the budget for each section or division are involved in the budgeting process because they have sufficient information to predict the future accurately, so that their involvement reduces the tendency of individuals involved in budgeting to slack budget (Agung Gde Wimba Wardhana & Gayatri, 2018).

In the study (Sari & Sutayana, 2018) it was concluded that budget participation had a positive effect on budgetary slack. This means that

increased participation in budgeting will tend to increase the occurrence of budgetary slack.

Agung & Gayatri, (2018) Budget participation has a positive effect on budgetary slack because the higher the level of budget participation, the higher the level of budgetary slack generated.

Ida Bagus Surya Cahyadi Luhur & Supadmi, (2019) The results of the study show that budgetary participation has a positive influence on budgetary slack because high budgetary participation from subordinates causes the level of budgetary slack to arise will also be higher.

However, different results were found in research (Purmita Dewi & Adi Erawati, 2014) budget participation can affect the rate of decline in a budgetary slack, this is indicated by positive communication by managers so that their subordinates are not encouraged to create budgetary slack.

Based on previous research, it can be concluded that high budget participation in budgeting can increase budgetary slack, budgetary participation can provide opportunities to loosen the budget so that the previously set budget can be achieved. Based on the research results, the following hypothesis can be formulated:

H1 : Budget Participation Has a Positive Effect on Budgetary Slack.

The second factor thought to influence budgetary slack is information asymmetry. According to Ida & Supadmi, (2019) Information asymmetry is the difference in information held by top-level managers and lower-level managers due to differences in sources and access to that information. If the first possibility occurs, there will be greater demands from superiors to subordinates regarding the achievement of budget targets which according to subordinates are too high. However, if the second possibility occurs, the subordinate will state the target is lower than what is possible to achieve.

Made & Ayuni, (2018) Information asymmetry has a positive effect on budgetary slack. Information asymmetry is the main factor causing budgetary slack, when information asymmetry increases in the budgeting process, it will trigger an increase in budgetary slack.

Ida Bagus Surya Cahyadi Luhur & Supadmi, (2019) The results show that information asymmetry has a positive effect on budgetary slack. The higher the information asymmetry, the higher the level of budgetary slack that will arise. So there will be a possibility that they will loosen the budget or deliberately create budgetary slack so that the budget they prepare is easy to achieve.

Ayu Regita Naraswari & Sukartha, (2019) Information asymmetry has a positive effect on budgetary slack. This is due to the higher the difference in information held by agents and principals, the higher the budgetary slack that occurs.

Agung Gede Wimba Wardhana & Gayatri, (2018) Based on the results of the analysis, it is concluded that information asymmetry has a positive effect on budgetary slack. This is because information asymmetry is often used by subordinates to fulfill their personal needs, where subordinates tend to provide biased information to their superiors.

Based on previous research, it can be concluded that asymmetry can have a positive effect on budgetary slack if information asymmetry increases so that it can loosen the budget so that the compiled budget can be achieved. Based on this explanation, the hypotheses proposed in this study are:

H2 : Information asymmetry has a positive effect on budgetary slack.

The third factor that is thought to influence budgetary slack is budget emphasis. Budget emphasis is a condition where the budget is made the most dominant benchmark in measuring performance in an organization. Budget emphasis can help organizations achieve their goals because they can increase work motivation (Ayu Regita Naraswari & Sukartha, 2019).

Ayu Regita Naraswari & Sukartha, (2019) The results of the study concluded that budget emphasis had a positive effect on budgetary slack. This is because because the budget emphasis is applied very strictly, the higher the possibility of budgetary slack.

Wibawa & Dwija, (2019) Budget emphasis is useful as a measurement tool for assessing the performance of the set budget, where the budget is only used as a guide for performance appraisal so as to encourage subordinates to create budgetary slack. So the results of the study concluded that budget emphasis had a positive effect on budgetary slack.

In research (Sari & Sutayana, 2018) budget emphasis has a positive effect on budgetary slack. This means that the higher the targeted budget emphasis, it tends to increase the occurrence of budgetary slack.

And in research (Purmita Dewi & Adi Erawati, 2014) also found results that budget emphasis has a positive effect on budgetary slack. The higher the level of budget emphasis, the greater the budget gap.

Based on previous research, it can be concluded that high budget emphasis can increase the occurrence of budgetary slack because budget emphasis is used as a guide for performance appraisal so as to encourage subordinates to create budgetary slack. Based on this, the hypothesis that can be drawn in this study is as follows:

H3 : Budget Emphasis has a Positive Effect on Budgetary Slack.

Research Methods

The type of research used in this study is quantitative research that uses numbers and statistical calculations with the aim of testing the established hypothesis (Indriantoro & Supomo, 2013). The population is employees at the Department of Community and Village Empowerment of West Sumatra Province who are involved in preparing the budget as many as 40 employees. The respondents of this study were the head of section, head of sub-section and head of the field as well as employees related to the preparation of the budget that became the research sample. So the sampling used the total sampling technique (Sugiyono, 2017).

Table 1. Research Sample

| Position/Section | Amount |
|---------------------------------|-----------|
| Section Chief | 8 |
| Head of subsection | 3 |
| Head of Division | 4 |
| Employees Involved in Budgeting | 25 |
| Total Sample | 40 |

Source: Data Processed by Researchers, 2021

Variable Operational Definition

Tabel 2. Variable Measurement

| Variable | Definition | Indicator | Source |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Budget participation (X1) | Budget participation is the level of manager involvement in budget preparation and the magnitude of the manager's influence on the budget goals of the organizational unit that is his responsibility | 1. Budgeting 2. Ability to give opinion 3. Frequency of giving opinions 4. Determination of the final budget 5. Frequency of asking contributions | (Anggraeni & Tetricani, 2019) |
| Information asymmetry (X2) | Information asymmetry is a condition when the information held by subordinates exceeds the information held by their superiors, both local information and personal information. | 1. Information owned by subordinates compared to superiors 2. Internal output - input relationship 3. Potential performance 4. Technical work 5. Able to assess potential impact 6. Achievement in the field of activity. | (Toisuta, 2019) |
| Budget Emphasis (X3) | The pressure given by superiors to subordinates to carry out the budget that has been prepared, such as compensation if they are able to exceed the budget target and sanctions if the budget target is not achieved | 1. Budget as oversight 2. Budget as a performance measurement tool 3. Ability to achieve budget targets 4. The set budget improves performance 5. Get rewards from superiors when budget targets are achieved. | (Anggraeni & Tetricani, 2019) |

6. There is compensation when the budget target is achieved

| | | | |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Budget Slack (Y) | Budgetary slack is the difference or difference between the resources needed to carry out a job with the resources proposed in the budget | 1. Budget achievement 2. Budget standards 3. Budget constraints 4. Budget demands 5. Budget Target 6. Difficulty in achieving budget targets | (Anggraeni & Te-triani, 2019) |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|

Data Analysis Technique

The first test uses a data quality test which includes: validity and reliability tests. Then the classical assumption test is used. Next, test the hypothesis with multiple linear regression and the coefficient of determination (R2) with SPSS

Version 25 processed with the aim of finding evidence of the influence between research variables.

**Results and Discussion
Test Instrument Data**

Table 3. Budget Participation Validity Test Results

| No.Items | R count | R table | Description |
|----------|---------|---------|-------------|
| PA.1 | 0,794 | 0,3120 | Valid |
| PA.2 | 0,756 | 0,3120 | Valid |
| PA.3 | 0,925 | 0,3120 | Valid |
| PA.4 | 0,902 | 0,3120 | Valid |
| PA.5 | 0,829 | 0,3120 | Valid |

Source: SPSS 25 Data Processing Results, 2021

Table 3 shows the results of budget participation from the 5 questions above can be declared valid, because the value of r count >

from the value of r table, while the value of r-table is 0.3120. Then it can be done for further statistical tests.

Table 4. Information Asymmetry Validity Test Results

| No.Items | R count | R table | Description |
|----------|---------|---------|-------------|
| AI.1 | 0,768 | 0,3120 | Valid |
| AI.2 | 0,365 | 0,3120 | Valid |
| AI.3 | 0,659 | 0,3120 | Valid |
| AI.4 | 0,826 | 0,3120 | Valid |
| AI.5 | 0,803 | 0,3120 | Valid |
| AI.6 | 0,810 | 0,3120 | Valid |

Source: SPSS 25 Data Processing Results, 2021

Table 4 shows the results of the validity of the information asymmetry variable. It can be concluded that the 6 questions above can be declared valid, because the calculated r value is >

from the r table value, while the r-table value is 0.3120. Then it can be done for further statistical tests.

Table 5. Budget Emphasis Validity Test Results

| No.Items | R count | R table | Description |
|----------|---------|---------|-------------|
| BE.1 | 0,735 | 0,3120 | Valid |
| BE.2 | 0,887 | 0,3120 | Valid |
| BE.3 | 0,923 | 0,3120 | Valid |
| BE.4 | 0,909 | 0,3120 | Valid |
| BE.5 | 0,804 | 0,3120 | Valid |
| BE.6 | 0,884 | 0,3120 | Valid |

Source: SPSS 25 Data Processing Results, 2021

Table 5 shows the results of the budget emphasis variable from the 6 questions above that can be declared valid, because the calculated r value is > from the r table value, while the r-table value is 0.3120. Then it can be done for further statistical tests.

Table 6. Budget Slack Validity Test Results

| No.Items | R count | R table | Description |
|----------|---------|---------|-------------|
| SA.1 | 0,714 | 0,3120 | Valid |
| SA.2 | 0,725 | 0,3120 | Valid |
| SA.3 | 0,752 | 0,3120 | Valid |
| SA.4 | 0,822 | 0,3120 | Valid |
| SA.5 | 0,691 | 0,3120 | Valid |
| SA.6 | 0,718 | 0,3120 | Valid |

Source: SPSS 25 Data Processing Results, 2021

Table 6 shows the results of the validity of the budgetary slack variable, it can be concluded that the 5 questions above can be declared valid, because the calculated r value is > from the r table value, while the r-table value is 0.3120. Then it can be done for further statistical tests.

Table 7. Reliability Test Results

| No | Variable | Cronbach's Alpha | Description |
|----|----------------------------|------------------|-------------|
| 1 | Budget Participation (X1) | 0,897 | Reliabel |
| 2 | Information Asymmetry (X2) | 0,804 | Reliabel |
| 3 | Budget Emphasis (X3) | 0,925 | Reliabel |
| 4 | Budgetary Slack (Y) | 0,814 | Reliabel |

Source: SPSS 25 Data Processing Results, 2021

Table 7 can be concluded that from the reliability test carried out there are 4 variables that can be said to be reliable because the value of Cronbach's alpha is greater than 0.60. So these variables can be said to be reliable.

Classic assumption test

Table 8. Normality test

| Tests of Normality | | | | | | | |
|---------------------------|--|---------------------------------|----|-------|--------------|----|------|
| | | Kolmogorov-Smirnov ^a | | | Shapiro-Wilk | | |
| | | Statistic | df | Sig. | Statistic | df | Sig. |
| Unstandardized Residual | | .080 | 43 | .200* | .977 | 43 | .539 |

ual

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Source: SPSS 25 Data Processing Results, 2021

Table 8 shows that the results of the normality test show that the value of the Kolmogorov-Smirnov and Shapiro-wilk tests is significant, because the Kolmogorov-Smirnov value is $0.200 > 0.05$ and the Shapiro-Wilk test is $0.539 > 0.05$. This means that the data is normally distributed, so it can be used for further research.

Table 9. Multicollinearity Test Results

| Variable | Collinearity Statistics | |
|----------------------------|-------------------------|-------|
| | Tolerance | VIF |
| Budget Participation (X1) | 0,881 | 1,135 |
| Information Asymmetry (X2) | 0,990 | 1,010 |
| Budget Emphasis (X3) | 0,878 | 1,139 |

Source: SPSS 25 Data Processing Results, 2021

Based on the Coefficients table above, budget participation (X1), information asymmetry (X2) and budget emphasis (X3) obtain a tolerance value above 0.1 and a VIF value of less than 10. Thus, multicollinearity does not occur in these three variables.

Table 10. Heteroscedasticity Test Results

| Variable | Value Significance |
|----------------------------|--------------------|
| Budget Participation (X1) | 0,355 |
| Information Asymmetry (X2) | 0,729 |
| Budget Emphasis (X3) | 0,486 |

Source: SPSS 25 Data Processing Results, 2021

Based on table 10 above, it can be seen that the significance value of the budget participation variable is 0.355, then the information asymmetry is 0.729 and the budget emphasis is 0.486, meaning that the value is greater than 0.05. So it can be concluded that this research is free from heteroscedasticity test.

Hypothesis Test Results

Table 11. Multiple Linear Regression Test Results

| Variable Bound | Independent And Variables | Constants | Regression Coefficient |
|--------------------------|----------------------------|-----------|------------------------|
| Employee performance (Y) | Constant (a) | | 6,196 |
| | Budget Participation (X1) | | 0,262 |
| | Information Asymmetry (X2) | | 0,332 |
| | Budget Emphasis (X3) | | 0,217 |

Source: SPSS 25 Data Processing Results, 2021

Based on table 11 above, it can be seen that the multiple linear regression equation is shown as follows:

$$Y = a + \beta_1X_1 + \beta_2X_2 + \beta_3X_3$$

$$Y = 6,196 + 0,262 X_1 + 0,332 X_2 + 0,217 X_3$$

From the multiple linear regression equation, several things can be explained as follows:

- a. The constant value of the equation above is 6.196 units, this shows that if there is budget participation, information asymmetry and budget emphasis in a constant state (fixed), then the budgetary slack is 6.196 units.
- b. The regression coefficient of budget participation shows a number of 0.262 units, this indicates a positive relationship between the variables of budget participation and budgetary slack. This means that for every 1

unit increase in budget participation, it will increase the budgetary slack by 0.262 units, and vice versa.

c. The information asymmetry regression coefficient shows a number of 0.332 units, indicating a positive relationship between information asymmetry variables and budgetary slack. This means that for every 1 unit increase in information asymmetry, it will increase the budgetary slack by 0.332 units, and vice versa.

d. The budget emphasis regression coefficient shows a number of 0.217 units, indicating a positive relationship between the budget emphasis variable and budgetary slack. This means that for every 1 unit increase in budget emphasis, it will increase the budgetary slack by 0.217 units, and vice versa.

Table 12. Partial Test Results

| Independent Variable | Value | Significance | Significance Level | Description |
|----------------------------|-------|--------------|--------------------|-------------------------|
| Budget Participation (X1) | 0,015 | | 0,05 | H ₁ Received |
| Information Asymmetry (X2) | 0,004 | | 0,05 | H ₂ Received |
| Budget Emphasis (X3) | 0,014 | | 0,05 | H ₃ Received |

Source: SPSS 25 Data Processing Results, 2021

From the multiple linear regression equation, several things can be explained as follows:

- a. The budget participation variable (X1) shows a significance value (0.015 < 0.05), meaning that the budget participation variable (X1) has a significant effect on budgetary slack, thus the first hypothesis is accepted.
- b. The information asymmetry variable (X2) shows a significance value (0.004 < 0.05),

meaning that the information asymmetry variable (X2) has a significant effect on budgetary slack, thus the second hypothesis is accepted.

c. The budget emphasis variable (X3) shows a significant value (0.014 < 0.05), meaning that the budget emphasis variable (X3) has a significant effect on budgetary slack, thus the third hypothesis is accepted.

Table 13. Coefficient of Determination Test Results

| Model Summary | | | | |
|-----------------------------------------------------------------------------------------|-------------------|----------|-----------------|------------------------------|
| Model | R | R Square | Adjusted Square | R Std. Error of the Estimate |
| 1 | .639 ^a | .408 | .363 | 2.173 |
| a. Predictors: (Constant), Budget Emphasis, Information Asymmetry, Budget Participation | | | | |

Source: SPSS 25 Data Processing Results, 2021

Based on table 13 above, it can be seen that the magnitude of the influence of budget participation, information asymmetry and budget emphasis on budgetary slack as measured using Adjusted R Square is 0.363. This means that the independent variables in this study are able to explain the dependent variable by 36.3%. The remaining 63.7% (100% - 36.3%) was explained by other variables not explained in this study.

Discussion

The Effect of Budget Participation on Budgetary Slack

Based on the results of data processing carried out, it shows that the budget participation variable has a significance value of 0.015 which is smaller than 0.05 and the regression coefficient value shows a positive relationship of 0.262. This means that budget participation has a positive and significant impact on budgetary slack at the Department of Community and Village Empowerment of West Sumatra Province. These results indicate that high budget participation in the budgeting process will increase budgetary slack, especially within the scope of the West Sumatra Province Community and Village Empowerment Service.

These results are consistent with previous research from (Sari & Sutayana, 2018), Agung & Gayatri, (2018) and Ida Bagus Surya Cahyadi Luhur & Supadmi, (2019) which stated that budget participation has a positive effect on budgetary slack. When the budget becomes the only benchmark for evaluating the performance of employees/subordinates in a government agency or company, then employees/subordinates will tend to do various things to improve their performance to look good and continue to gain trust. This budget emphasis will be pressure for subordinates to give their best

by looking for certain profitable opportunities. This opportunity will cause a gap.

Based on these results, it can be interpreted that the influence of the results of this study is suspected because participation in the budgeting process can reveal deeper information related to the budgeting process. The results of this information have not been able to plan a more accurate budget, so that in the preparation of a budget that involves the participation of subordinates it can lead to budgetary slack. In addition, the reason is that subordinates who are involved in budgeting tend to loosen the budget that is prepared so that it is easy to achieve, as it is known that the employee participants involved outside of the section head, sub-section head and division head within the West Sumatra Province Community and Village Empowerment Service are as much as 25 employees so that the high participation of subordinates in budgeting will produce effective information and it is hoped that budgetary slack will not occur if superiors know information or conditions from their subordinates, as well as their subordinates will try to provide actual information to superiors.

The Effect of Information Asymmetry on Budgetary Slack

Based on the results of data processing, it shows that the information asymmetry variable has a significance value of 0.004 which is smaller than 0.05 and the regression coefficient value shows a positive relationship of 0.332. This means that information asymmetry has a positive and significant impact on budgetary slack at the Department of Community and Village Empowerment of West Sumatra Province. These results indicate that the higher the information asymmetry, the higher the budgetary slack, especially within the scope of the West

Sumatra Province Community and Village Empowerment Service.

These results are consistent with previous research from Made & Ayuni, (2018), Ida Bagus Surya Cahyadi Luhur & Supadmi, (2019), Ayu Regita Naraswari & Sukartha, (2019) and Agung Gde Wimba Wardhana & Gayatri, (2018) which stated that Information asymmetry has a positive effect on budgetary slack. Budgetary slack will be greater in conditions of information asymmetry because information asymmetry encourages subordinates/budget implementers to create budgetary slack. Theoretically, information asymmetry can be reduced by strengthening monitoring and improving the quality of disclosure

Falikhatus, (2007) explained that the main reason for subordinates doing budgetary slack, one of which is that people always believe that the results of their work will look good in the eyes of their superiors if they can achieve their budget, information asymmetry will encourage subordinates to present inaccurate information and override the actual actual situation, especially if the information relates to performance measurement where subordinates can flexibly carry out earnings management. then this can indicate subordinates to take action budgetary slack.

Based on these results, it can be interpreted that the influence of the results of this study is suspected to be a high difference in information possessed by subordinates both in actual performance, motivation and organizational goals, which will increase budgetary slack in the budgeting process. When subordinates' information is better than superiors (there is information asymmetry), then subordinates take the opportunity to make budgetary slack. Subordinates tend to provide biased information from their personal information, by making the budget relatively easier to achieve, so that budgetary slack occurs (ie by reporting the budget below the expected performance). The researcher also suspects that the section heads, sub-section heads and division heads in the West Sumatra Province Community and Village Empowerment Service must have also held positions as lower-middle employees, so the section heads, sub-section heads and division heads will definitely know

general information about all activities carried out by employees because they have occupied the same position. So, the chance of discrepancies in information between the section head, sub-section head and the head of the field with lower staff is very small.

The Effect of Budget Emphasis on Budgetary Slack

Based on the results of data processing, it shows that the budget emphasis variable has a significance value of 0.014 which is smaller than 0.05 and the regression coefficient value shows a positive relationship of 0.217. This means that budget emphasis has a positive and significant impact on budgetary slack at the Department of Community and Village Empowerment of West Sumatra Province. These results indicate that the higher the budget emphasis in budgeting, the higher the budgetary slack, conversely if the lower the budget emphasis, the lower the budgetary slack that occurs in the West Sumatra Province Community and Village Empowerment Service.

These results are consistent with previous research from Ayu Regita Naraswari & Sukartha, (2019), Wibawa & Dwija, (2019), (Sari & Sutayana, 2018) and (Purmita Dewi & Adi Erawati, 2014) which stated that budget emphasis had a positive effect on budgetary slack. When the budget becomes the only benchmark for evaluating employees in a government agency, employees will tend to do various things to improve their performance to look good and continue to gain trust. This budget emphasis will be pressure for subordinates to give their best by looking for certain profitable opportunities. This opportunity will cause a gap.

Based on these results, it can be interpreted that the influence of the results of this study is suspected to be the emphasis of the budget on the West Sumatra Province Community and Village Empowerment Service which is a demand for performance in achieving budget targets, namely by using the budget effectively, because the budget comes from people's money which must be accounted for. for the welfare of the people. The existence of these demands causes subordinates to make budgetary slack by loosening the budget during the

budget preparation stage, this is done because subordinates want their performance to look good in the eyes of superiors and to achieve the budget targets that have been pr

Conclusion

Based on the results of the discussion, the conclusions that can be drawn from this research are:

Budget participation (X1) has a positive and significant effect on budgetary slack. These results indicate that high budget participation in the budgeting process will increase budgetary slack, especially within the scope of the West Sumatra Province Community and Village Empowerment Service.

1. Information asymmetry has a positive and significant effect on budgetary slack. These results indicate that the higher the information asymmetry, the higher the budgetary slack, especially within the scope of the West Sumatra Province Community and Village Empowerment Service.

2. Budget emphasis has a positive and significant impact on budgetary slack. These results indicate that the higher the budget emphasis in budgeting, the higher the budgetary slack, conversely if the lower the budget emphasis, the lower the budgetary slack that occurs in the West Sumatra Province Community and Village Empowerment Service.

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