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Alleged budgetary slack during the application of presidential instruction number 4 year 2020 on the regional income and expenditure budget (APBD) city of Denpasar

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Abstract---Budgetary slack is a budgeting activity that is not in accordance with the actual capabilities that can be achieved. Budgetary slack can have a negative impact, namely not achieving the best performance of a company or organization. The purpose of this study was to obtain empirical evidence regarding the alleged budgetary slack in the Denpasar City Regional Revenue and Expenditure Budget by adopting the Tri Hita Karana Culture as a moderating variable. The data used are primary data obtained from data collection carried out by distributing questionnaires. The data analysis technique used the Moderated Regression Analysis (MRA) analysis technique and then tested the data using the Statistical Product and Service Solutions (SPSS) program. The total population in this study was 174 respondents, with purposive sampling method obtained an observational sample of 108 respondents. Based on the research analysis conducted, the results show that the Tri Hita Karana Culture moderates the effect of budgetary participation on

budgetary slack and moderates the effect of information asymmetry on budgetary slack.

Keywords---Participation in Budgeting, Information Asymmetry, Tri Hita Karana Culture, State Civil Apparatus, Denpasar City Regional Apparatus Organization.

Introduction

At the end of 2019 the world was shocked by a new virus variant that appeared in Wuhan China and on January 7, 2020 China identified the new virus as a new type of virus called Corona Virus Disease 2019 (Covid-19). Covid-19 has been declared a global pandemic by the World Health Organization because it has spread to all countries in the world, including Indonesia. As of October 23, 2021, 235 countries have confirmed cases of Covid-19 with a total of 219 million cases and 4.55 million people died. Meanwhile, information on www.covid19.co.id as of the same date, the total confirmed cases in Indonesia reached 4.2 million people and 141 thousand people died with positive cases continuing to fluctuate every day with an increase of around 1000 cases per day.

The corona virus also causes a massive impact in the socio-economic field. According to the Central Statistics Agency (2020) Indonesia's economic condition when it was initially hit by a pandemic in the second quarter of 2020 was -5.32% and this made Indonesia threatened with an economic recession where economic growth in the second quarter of 2020 experienced a contraction (Nasution, et al. , 2020). The Ministry of Manpower (2020) stated that out of 1,757,464 workers affected by COVID-19, 380,221 workers were formal sector workers affected by layoffs, 1,058,284 non-formal sector workers were laid off and 318,959 informal workers including MSMEs.

The central government intervened through the stipulation of Government Regulation in Lieu of Law (Perpu) No. 1 of 2020 and followed by Presidential Instruction No. 4 of 2020 concerning Refocusing of Activities, Reallocation of Budgets, and Procurement of Goods and Services in the Context of Accelerating Handling of Covid-19. This rule serves as the basis for taking quick, precise, focused, integrated, and synergistic steps between Ministries/Agencies and Regional Governments to refocus activities, reallocate budgets and procure goods and services in the context of accelerating the handling of Covid-19.

Bali Province is one of 34 provinces in Indonesia that have been affected by Covid-19 in the socio-economic field. The Central Statistics Agency for the Province of Bali said that the economy of Bali in the first three months (Quarter I) of 2020 experienced a decline of -1.14 percent compared to conditions in the previous year. This is due to the outbreak of the Covid-19 virus which affects the movement of people individually, socially, economically and environmentally, especially the City of Bali Province, namely Denpasar City. Denpasar City is the heart of the center of government, education, health and economic movement in Bali Province, especially in the tourism supporting sectors, namely the trade, hotel and restaurant sectors which have been affected by the spread of the Covid-

19 virus. Therefore, the Denpasar City Government has also implemented Presidential Instruction Number 4 of 2020 concerning Refocusing of Activities, Reallocation of Budgets, and Procurement of Goods and Services in the Context of Accelerating the Handling of Covid-19 in Denpasar City and Bali Province.

From the beginning of 2020 to the end of 2020 the Denpasar City Government carried out six stages of budget refocusing which were accommodated in the revised budget and regulated in several Mayor Regulations and described in Table 1.1.

Table 1
Summary of Denpasar City Regional Revenue and Expenditure Budget Refocusing for Fiscal Year 2020

No.	Description	Income	expenditure
1.	APBD Murni (Perda no.12 Tahun 2019)	2.215.091.684.720	2.430.171.684.720
2.	<i>First Refocusing</i> (Perwali no. 31 Tahun 2020)	1.696.286.435.982	2.177.013.325.379
3.	<i>Second Refocusing</i> (Perwali no. 36 Tahun 2020)	1.706.286.435.982	2.187.013.325.379
4.	<i>Third Refocusing</i> (Perwali no. 43 Tahun 2020)	1.710.096.435.982	2.190.823.325.379
5.	<i>Fourth Refocusing</i> (Perwali no. 57 Tahun 2020)	1.887.428.059.246	2.120.729.132.375
6.	<i>Fifth Refocusing</i> (Perwali no. 61 Tahun 2020)	1.940.379.129.246	2.173.680.202.375
7.	<i>Sixth Refocusing</i> (Perwali no. 74 Tahun 2020)	1.947.478.202.444	2.180.779.275.573
	PERSENTASE 1:7	-12%	-10%

In Table 1.1 it is explained that from the initial stage to the final stage of refocusing, the regional revenue budget has decreased by twelve percent due to a decrease in regional revenue receipts, including Regional Original Revenue, Balancing Funds and Other Legitimate Regional Revenues which affect the decrease in budget expenditures. area by ten percent which resulted in all Regional Apparatus Organizations reducing their respective activities and allocating to priority activities to tackle the Covid-19 virus.

After the refocusing and ratification of Perwali Number 74 of 2020, the final Denpasar City Revenue and Expenditure Budget for Fiscal Year 2020 was formed which was used to assess the performance of the Denpasar City Government during the Covid-19 pandemic by comparing the Denpasar City Budget for Fiscal Year 2020 with its realization.

Table 2
Summary of Denpasar City Regional Revenue and Expenditure Budget Realization (APBD) for Fiscal Year 2020 (in billion rupiah)

Year	Regional Revenue Budget	Regional Revenue Realization	Percentage (%)	Regional Budget	Regional Expenditure Realization	Percentage (%)
2018	2.040	2.121	103,94	2.200	2.098	95,36
2019	2.120	2.193	103,44	2.376	2.255	94,90
2020	1.947	1.964	100,85	2.180	1.722	85,32

Source: Data processed, 2021

In Table 2. the realization of regional income for the 2020 fiscal year is higher than the budgeted revenue budget, even though when the budget was refocused, regional revenue revenues decreased from the initial draft that was prepared. Meanwhile, the realization of regional expenditures was lower than the regional budget which should have been fully absorbed or allocated to the maximum after implementing Presidential Instruction Number 4 of 2020 to accelerate the handling of COVID-19 in Denpasar City. This also happened in the realization of the 2018 and 2019 APBD where the realization of regional revenues was higher than budgeted while the realization of regional expenditures was always lower than what was budgeted.

These differences are allegedly deliberately carried out by creating an opportunistic action, namely budgetary slack so that budget targets are easier to achieve, so that the performance of the Denpasar City Government looks good and is able to use the budget efficiently even though it is affected by the Covid-19 pandemic and refocuses the budget to get appreciation. from the central government. This appreciation is in accordance with the statement of the Minister of Home Affairs who gives appreciation to Regional Governments, whether Provincial, Regency or City Governments for achieving the realization of the APBD (<https://www.kemendagri.go.id/berita/baca/31633/kemendagri-apresiasi-senomor-local-government-over-achievement-realization-apbd-ta-2021> accessed on October 3, 2021).

Budgetary slack is the act of subordinates stating their capabilities or productive abilities are too low when proposing a budget (Young, 1985). In other words, the budget prepared is not in accordance with the actual capabilities that can be achieved. The creation of a budgetary slack is by setting an income budget that is lower than the target that is actually achievable and a relatively high spending budget than the target that is actually achievable. Therefore, the realization of income is easier to achieve while the realization of expenditure does not reach the budgeted target with the intention that the government is able to use the budget efficiently and on target, so that the performance of employees and the organization looks good.

Indicators that can influence the occurrence of a budgetary slack include budgetary participation, individual capacity, information asymmetry, budget emphasis, environmental uncertainty. However, in this study, the research variables used are budgetary participation and information asymmetry.

Budgetary participation is chosen as one of the variables that can affect the occurrence of a budgetary slack because it is in line with the statement by Hansen and Mowen (2017: 277) that budgetary participation can cause two potential problems, one of which is the occurrence of slack in the budget. Budgeting participation describes the involvement of individuals in budgeting and has an influence on budget targets, as well as the need for awards for achieving these budget targets. In addition, with the implementation of regional autonomy in accordance with Law Number 23 of 2014 concerning Regional Government, causing changes to the procedures for the preparation of the Regional Revenue and Expenditure Budget (APBD), namely the increased involvement of various parties in the preparation of regional budgets ranging from regional heads to Regional Apparatus Organizations (OPD). which is below it. So that with the increased involvement of various parties in budget preparation, subordinates will tend to loosen the budget prepared so that it is easy to achieve so that their performance looks good.

Another variable that can affect the occurrence of a budgetary slack is information asymmetry. Information asymmetry was chosen as one of the variables that can affect the occurrence of a budgetary slack because according to Baiman and Evans (1983) information asymmetry describes a situation when the agent has information that can affect decision making between the agent and the principal, in other words the agent has relevant information. on the budgeting decision-making process while the principal does not have sufficient relevant information. In line with the concept of agency theory according to Jensen & Meckling (1976) which reveals the agency relationship between agents and principals, there are problems indicated by differences in interests and information asymmetry between principals and agents. Information asymmetry can change the level of participation towards budgetary slack, because information is used as a commodity that can be traded by agents so that people will act opportunistically, namely prioritizing personal interests rather than organizational interests. So that an agent will be motivated to create budgetary slack to improve his performance for future career paths.

Research on the effect of budgetary participation on budgetary slack and the effect of information asymmetry on budgetary slack is important to do again. Because of the results of previous studies using these variables, the phenomenon of budgetary slack still occurs today. One of the studies that has been carried out includes: Erina (2016), Astari (2018), Sari (2019), Rohmah (2019), Dewi (2019), Panjaitan (2019), Rahim (2019), Sulistyowati (2019) and Khasanah (2020) revealed that budgetary participation has a positive effect on budgetary slack, but on the contrary, research conducted by Kahar (2016 & 2017), Chong (2017), Afdhal (2019), Koeswardhana (2019), Pundarika (2019), Putri (2018), Diviariesty (2021), Wiyastuti (2021) who revealed that budgetary participation has a negative effect on budgetary slack.

Research related to the effect of information asymmetry on budgetary slack conducted by Young (1985), Koeswardhana (2019), Prena (2020), Wiyastuti (2021) and Diviariesty (2021) reveals that information asymmetry has a positive effect on budgetary slack. Different results are shown in research conducted by Falikhatun

(2008), Anggraeni (2008), Wenny (2012), Sari (2019) and Putri (2020) which reveal that information asymmetry has a negative effect on budgetary slack.

The inconsistency of the research results is the background for this research to be continued. Differences in results from previous studies can be solved by using a contingency approach (Govindarajan, 1986). The contingency approach is an open system in a company that is closely related to interactions for adjustment and control of the environment in order to maintain business continuity (Suartana, 2011: 124). This is done by including other variables that may affect budgetary participation and information asymmetry on the possibility of budgetary slack. The variable that is estimated to influence the relationship is Tri Hita Karana Culture.

Falikhatun (2008) concludes that culture is related to the way a person perceives work, cooperates with colleagues and looks at the future. Hofstede (2010: 46) in Dodik (2014) reveals that local culture will affect organizational culture. This is because before joining the organization, the individual (employee) has been influenced by various social institutions or institutions that routinely instill values and norms and shape behavior, such as: family, community, nation, education system, ethnicity and religion. Because this research was conducted in the Bali area, one local culture that needs to be considered is the Tri Hita Karana Culture. Tri Hita Karana culture is used as a moderating variable because it is the basic assumptions and beliefs held by Hindus in Bali and can influence the way humans act and behave in organizations.

Tri hita karana is a philosophy that is at the same time a concept of life and the cultural system of the Balinese people. The concept of tri hita karana culture is a concept of harmonization of relationships that is always maintained by the Balinese Hindu community which includes: parahyangan (human relations with God), pawongan (human relations), and palemahan (human relations with the environment) which are sourced from the Hindu holy book of Baghavad guitar.

In the Parahyangan there are teachings about beliefs in Hinduism called Sradddha. There are five basic beliefs in Hinduism called Panca Sradddha. One part of the five sradddha is karma phala sradddha which means believing that all actions will definitely produce results and be accepted by those who do them. If it is associated with dysfunctional behavior such as budgetary slack, tri hita karana has an important role in reducing the possibility of budgetary slack because, every individual believes in the existence of karma phala from each of their actions that will be individually accountable to their God.

The novelty of this research is to combine the latest phenomenon faced by most countries in the world, namely Covid-19 with economic policy steps taken by the Government of the Republic of Indonesia in dealing with the COVID-19 pandemic situation, namely Presidential Instruction Number 4 of 2020 by assessing its implementation in Denpasar City which is the heart of the center of the movement of government, education, health and the economy in the province of Bali, especially in the tourism supporting sectors by following up on the realization of the 2018, 2019 and 2020 Denpasar City Regional Revenue and Expenditure Budget using the budgetary slack variable.

Research Methods

This research was conducted in 36 Regional Apparatus Organizations (OPD) Denpasar City. The Denpasar City Regional Apparatus Organization was chosen because Denpasar City is a barometer of the heart of the movement of government, education, health and economy in Bali Province. The selection of this location is also because the Denpasar City Government has a large Regional Revenue and Expenditure Budget and it is suspected that the phenomenon of budgetary slack has occurred. In addition, the Regional Apparatus Organization was chosen because it has the task of compiling, using, and reporting on the realization of the budget or as implementing the budget from the regional government.

The object of this research is budgetary slack which is predicted by participation in budgeting and information asymmetry. The variables used in this study are the dependent variable in this study is budgetary slack (Y), the independent variable in this study is budgetary participation (X1) and information asymmetry (X2), the moderating variable in this study is tri hita karana (X3).

The population in this study is the head of finance/budget planning, head of sub-sector of finance/budget planning and staff of finance/budget planning involved in the budgeting process at 36 Regional Apparatus Organizations (OPD) in Denpasar City Government, namely 174 employees. The selected sample is only related to the budgeting process. Characteristics of respondents in this study include gender, age, last education, position, ASN or Non ASN and length of time in office in Denpasar City OPD. The method of determining the sample used in this study used a non-probability sampling method with purposive sampling technique. The data collection method used in this research is field research or a survey conducted by conducting a direct survey of all Denpasar City Regional Apparatus Organizations. The analytical technique used in this research is the MRA method. Moderated Regression Analysis aims to determine the role of a variable that can strengthen or weaken the correlation between an independent variable (independent) and the dependent variable (dependent). MRA is a special application in multiple linear regression analysis where the regression equation contains elements of interaction and absolute value differences with the following structural equation formula.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 Z + \beta_4 (X_1.Z) + \beta_5 (X_2.Z) + \varepsilon \dots \dots \dots (2)$$

Information:

- Y : Budget Slack
- A : constant
- X₁ : Budgeting Participation
- X₂ : Information Asymmetry
- Z : Tri Hita Karana
- X₁.Z : Interaction between Budgeting Participation and Tri Hita Karana
- X₂.Z : Interaction between Information Asymmetry and Tri Hita Karana
- β₁- β₅ : Regression Coefficient
- ε : error

Result and Discussion

The results of the validity test show that all variables have a correlation coefficient value with a total score of all statement items greater than 0.30. This shows that the statement items in the research instrument are valid. The results of the reliability test showed that all research instruments had a Cronbach's Alpha coefficient of more than 0.60. It can be said that all instruments are reliable so that they can be used to conduct research.

Table 3
Descriptive Statistics Test Results

	N	Minimum	Maximum	Mean	Int. Score	Std. Deviation
Budget Slack	108	18.00	40.00	27.7222	3,460	5.28591
Budgeting Participation	108	18.00	35.00	28.2593	4,037	4.25665
Information Asymmetry	108	11.00	30.00	20.8056	3,460	4.17034
Tri Hita Karana Culture	108	37.00	66.00	50.1852	4,180	5.93603
Valid N (listwise)	108					

Source: Data processed, 2022

The budgetary slack variable (Y) has a value between 18-40 with an average value of 27.722 and a standard deviation of 5.285. Budgeting participation (X1) has a value between 18-35 with an average value of 28.259 and a standard deviation of 4.256. The information asymmetry variable (X2) has a value of 11-30 with an average value of 20.8056 and a standard deviation of 4.17034. The Tri Hita Karana (M) culture variable has a value between 37-66 with an average value of 50.1852 and a standard deviation of 5.936.

The average value of the budgetary slack variable is 27.7222 when divided by 8 statements gets a value of 3.46 which is in the interval 3.40 to 4.20 which is in the good/high category. This means that there is a high budgetary slack for OPD employees in Denpasar City.

The average value of the budgetary participation variable is 28.259 when divided by 7 statements to get a value of 4.037 which is in the interval 3.40 to 4.20 which is in the good/high category. This means that OPD employees in Denpasar City already have a high level of participation in budgeting. The average value of the information asymmetry variable is 20.8056 when divided by 6 statements gets a value of 3.46, which is in the interval 3.40 to 4.20 which is in the good/high category. This means that OPD employees in Denpasar City have high information asymmetry.

The average value of the Tri Hita Karana Culture variable is 50.185 when divided by 12 statements, it gets a value of 4.18, which is in the interval 3.40 to 4.20 which is in the good/high category. This means that OPD employees in Denpasar City have implemented a good Tri Hita Karana Culture.

Table 4
Normality Test Results

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		108
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	2.13850515
Most Extreme Differences	Absolute	.065
	Positive	.065
	Negative	-.047
Kolmogorov-Smirnov Z		.675
Asymp. Sig. (2-tailed)		.753

Source: Data processed, 2022

The value of Kolmogorov Sminarnov (K-S) is 0.675, while the value of Asymp. Sig. (2-tailed) of 0.753. These results indicate that the regression equation model is normally distributed because of the Asymp. Sig. (2-tailed) 0.753 is greater than the alpha value of 0.05.

Table 5
Multicollinearity Test Results

Variable	Tolerance	VIF
Budgeting Participation	0,446	2,240
Information Asymmetry	0,225	4,453
Tri Hita Karana Culture	0,157	6,358

Source: Data processed, 2022

The tolerance and VIF values of the variables of budgetary participation, information asymmetry and Tri Hita Karana culture have a value greater than 10% or 0.1 and the VIF value is less than 10, which means the regression equation model is free from multicollinearity.

Table 6
Heteroscedasticity Test Results

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	-.827	6.709			-.123	.902
Budgeting Participation	-.032	.043	-.108		-.746	.457
Information Asymmetry	.328	.243	1.089		1.349	.180
Tri Hita Karana Culture	.089	.110	.422		.815	.417
X1.M	-.001	.001	-.230		-1.796	.076
X2.M	-.006	.005	-.567		-1.274	.205

a. Dependent Variable: ABS_RES

Source: Data processed, 2022

The significance value of the Budgetary Participation variable is 0.457, Information Asymmetry is 0.180, Tri Hita Karana Culture is 0.417, X1.M interaction variable is 0.076 and X2.M interaction variable is 0.205. This value is greater than 0.05 which means that there is no influence between the independent variables on the absolute residual. Thus, the model made does not contain symptoms of heteroscedasticity.

Table 7
Moderation Regression Analysis Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant) (a)	-10.511	11.718		-.897	.372
Budgeting Participation (X1)	.331	.075	.267	4.436	.000
Information Asymmetry (X2)	2.354	.424	1.858	5.550	.000
Tri Hita Karana Culture (M)	-.418	.191	-.469	-2.184	.031
X1.M	-.004	.001	-.165	-3.116	.002
X2.M	-.035	.008	-.798	-4.323	.000
R Square					0,836
Adjusted R Square					0,828
F Statistics					104,237
Significance					0,000

Source: Data processed, 2022

Based on the results of multiple linear regression analysis as presented in Table 5.9, the prediction regression equation is as follows:

$$\hat{Y} = -10,511 + 0,331 X_1 + 2,354 X_2 - 0,418 X_3 - 0,004 (X_1.M) - 0,035 (X_2.M)$$

The constant value (a) of -10.511 means that if the other independent variables are declared constant at 0, then the budgetary slack value is -10.511. The moderating coefficient 4 between budgetary participation and Tri Hita Karana Culture has a negative value of -0.004 (tends to decrease) with the assumption that other variables are constant, increasing the Tri Hita Karana culture will cause a decrease in budgetary slack. The moderating coefficient 5 between information asymmetry and Tri Hita Karana Culture has a negative value of -0.035 (tends to decrease) with the assumption that other variables are constant, increasing the Tri Hita Karana culture will cause a decrease in budgetary slack.

The magnitude of the influence of the independent variable on the dependent variable, which is indicated by the total determination value (adjusted R Square) of 0.828, means that 82.8% of the variation in budgetary slack is influenced by variations in Budgetary Participation (X1), Information Asymmetry (X2), Tri Hita

Culture Karana (M), interaction (X1.M) and interaction (X2.M), while the remaining 17.2% was explained by other factors not included in the model.

The feasibility test of the regression model aims to determine whether all the independent variables identified (Budget Participation (X1), Information Asymmetry (X2), Tri Hita Karana Culture (M), interaction (X1.M) and interaction (X2.M) are appropriate. predict budgetary slack. This test is often also called the F test. The test results using the SPSS program obtained a significance value of Fcount of $0.000 < 0.05$, it can be concluded that the tested group has a significant (significant) difference. that simultaneously Budgetary Participation (X1), Information Asymmetry (X2), Tri Hita Karana Culture (X3), interaction (X1.M) and interaction (X2.M) have a significant effect on budgetary slack.

Based on the results of the analysis of the influence of Budgetary Participation on budgetary slack with Tri Hita Karana Culture as a moderating variable, the significance value of the moderating variable (β_3) Tri Hita Karana Culture is 0.031 (significant) and the significant value of the interaction variable between Budgeting Participation and Tri Hita Karana Culture (4) is significant, namely with a value of 0.002, this indicates the moderating variable is a type of pseudo-moderation (quasi-moderation). Quasi moderation is a variable that moderates the relationship between the predictor variable and the dependent variable depending on where the pseudo moderating variable interacts with the predictor variable as well as being a predictor variable.

The results of the moderation regression analysis show that the standardized coefficient of Budgetary Participation (β_1) is positive 0.267 with a significance value of 0.000 and the regression coefficient value of the interaction variable X1.M (β_4) is negative 0.165 with a significance value of 0.002, then the Tri Hita Karana Culture variable weakens the influence of Budgetary Participation on budgetary slack in Denpasar City OPD. So that the first hypothesis of tri hita karana culture weakens the influence of budgetary participation on budgetary slack cannot be rejected.

Based on the results of the analysis of the influence of Information Asymmetry on budgetary slack with Tri Hita Karana Culture as a moderating variable, the significance value of the moderating variable (β_3) Tri Hita Karana Culture is 0.031 (significant) and the significant value of the interaction variable between Information Asymmetry and Tri Hita Karana Culture (β_5) significant at 0.000, this indicates the moderating variable is a type of pseudo-moderation (quasi-moderation). Quasi moderation is a variable that moderates the relationship between the predictor variable and the dependent variable where the pseudo moderating variable interacts with the predictor variable as well as becomes a predictor variable.

The results of the moderated regression analysis show that the standardized coefficient of Information Asymmetry (β_2) is positive 1.858 with a significance value of 0.000 and the regression coefficient value of the interaction variable X2.M (β_5) is negative at -0.789 with a significance value of 0.000, then the Tri Hita Karana Culture variable weakens the influence negative Information Asymmetry on budgetary slack in Denpasar City OPD. So that the second hypothesis of tri

hita karana culture weakens the influence of information asymmetry on budgetary slack cannot be rejected.

Tri Hita Karana Culture can influence employee work behavior in a company, thus Tri Hita Karana Culture will directly affect budgetary slack because it can reduce deviant behavior because the goal of Tri Hita Karana is to create a harmonious relationship. Where the strong Tri Hita Karana Culture owned by employees will reduce employee Budgetary Participation, so that the emergence of budgetary slack in Denpasar City OPD is also decreasing. So that if all employees apply the tri hita karana culture in carrying out their obligations as an employee, an employee will tend to do good and be honest in every action he takes, including in the budgeting process. This can also increase employee commitment and loyalty, so that they will always participate fully in advancing the organization and encourage employees' desire to prioritize the interests of the organization over their personal interests.

The results of the moderating regression analysis show that the Tri Hita Karana Culture is statistically able to moderate the effect of information asymmetry on budgetary slack in Denpasar City OPD. In this study, the Tri Hita Karana culture weakens the effect of information asymmetry on budgetary slack (H2 is accepted). This shows that with the optimal application of the Tri Hita Karana Culture, the unfavorable effect of information asymmetry on budgetary slack will decrease.

The Tri Hita Karana culture can affect the work behavior of employees in a company, so the Tri Hita Karana Culture will have a direct effect on budgetary slack because it can reduce deviant behavior because the purpose of Tri Hita Karana is to create harmonious relationships. Where with the strong Tri Hita Karana culture Hita Karana owned by employees will reduce employee information asymmetry, so that the emergence of budgetary slack in Denpasar City OPD also decreases.

Thus, if an employee implements part of the Tri Hita Karana, namely Parahyangan (human relations with God) and Pawongan (human relations) in the organization, it will greatly affect the daily behavior of individuals such as being able to communicate well, respect each other, respect each other and behave Be honest when preparing the budget. This will create a harmonious and conducive atmosphere so as to reduce information asymmetry between superiors and subordinates and can minimize deviant behavior such as budgetary slack.

Conclusion and Suggestion

Conclusions that can be given based on the results of research conducted, namely the Tri Hita Karana Culture is statistically able to moderate the influence of Budgetary Participation on budgetary slack in Denpasar City OPD. In this study, Tri Hita Karana Culture weakens the influence of Budgetary Participation on budgetary slack (H1 is accepted). This shows that with the implementation of the higher Tri Hita Karana Culture, the positive influence of Budgetary Participation on budgetary slack will decrease. The Tri Hita Karana culture is statistically able to moderate the effect of information asymmetry on budgetary slack in Denpasar City OPD. In this study, the Tri Hita Karana culture weakens

the effect of information asymmetry on budgetary slack (H2 is accepted). This shows that with the supportive conditions of the Tri Hita Karana Culture, the positive influence of information asymmetry on budgetary slack will decrease.

Based on the results of the research, analysis, and conclusions above, the suggestions that can be given are for Denpasar City OPD employees to increase confidence when making decisions in budget preparation, increase reliable information about the potential performance of the budget responsibility center, always monitor every expenditure which is his authority even though in conditions of a limited amount of budget provided and increasing and always praying according to belief if you want to carry out work, then always making a good budget that can support the sustainability of the organization in order to be able to create optimal alignment and congruence of goals between superiors and subordinates, and create a budget that can support the efficient use of resources and time. For further researchers, it is expected to expand the scope of the research area.

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