Budget gaming behavior: Evidence in Indonesian manufacturing companies

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Abstract

Budget gaming behavior in the budgeting process has a serious impact on organizational performance. This behavior continues to exist as a consequence of the prevalence of traditional budgeting practices. This unsolved budget behavior needs serious handling. Understanding this behavior through gathering evidence is the first step in controlling the practice of budget gaming. This study aims to obtain evidence about budget gaming practice in Indonesia. Data collection through interviews, surveys, and analysis of annual reports. Interviews were conducted on four managers of go public manufacturing companies. Survey through questionnaires to 31 managers. The analysis of the 2013-2017 annual report on directors' reports and management discussion reports on three companies. This study concluded that budget gaming practice still occurs in manufacturing companies in Indonesia and is still an important problem that has not yet been solved. This study also found that budget gaming is related to the performance evaluation system. The study result provides important information for stakeholders and researchers in understanding budget gaming behavior and finding solutions to minimize budget gaming practice.

1. **Introduction**

Budget gaming behavior is a form of dysfunctional behavior (Abdullah, 2013), and this behavior is explained in various terms in many studies. The terms budget gaming, devious games, games play, budgeting manipulation, budgetary slack are terminologies that are used alternately that describe managers’ dysfunctional behavior towards the budget (Libby & Lindsay, 2010; Huang & Chen, 2010). Budget dysfunctional behavior causes serious losses to the organization (Lidia, 2014), which negatively impacts the long-term performance (Libby & Lindsay, 2010), does not reflect real organizational needs, reduces resources allocation efficiency (Abdullah, 2013; Onsi, 1973). Although it causes serious losses, the budget gaming practice is still happening in the organization.

There is a lot of evidence showing that budget gaming has occurred significantly within the organization for decades. Huang & Chen (2010) surveyed 216 managers of going public companies in Taiwan and found that managers conduct devious games to get extra budgets. Through an experimental study on 136 management accountants in the Netherlands (Hartmann & Maas, 2010), it is showed that 50% of participants violated the company policies by creating budget slack and were less responsible for the budget that has been established. Jensen (2003) described that for many years, CEOs of manufacturing companies in the US have struggled to reach their targets by tricking the budget realization. The results of Collins, Munter, & Finn (1987) survey on 306 directors and 76 managers who are the members of the planning executives institute and national management association have shown that respondents made various budget games to deal with the pressure on the budget. Onsi (1973) found that 80 percent of managers from 7 (seven) large companies in New York admitted that they were negotiating to create budget slack.

The prevalence of budget gaming practice within organizations was a result of the widespread practice of traditional budgeting (Sandalgaard & Bukh, 2014). Traditional budgeting describes organizations that still maintain budget planning, set targets for planning and resources allocation, also to maintain a financial targeting system (Bourmistrov & Kaarbøe, 2013; Henttu-Aho & Järvinen, 2013). A lot of critics stated that traditional budgeting does not keep up with business changes and turns out that it is not abandoned by companies (Cardos, 2014). Due to the prevalence of traditional budgeting practice, the consequences of dysfunctional budget gaming behavior still exist (Libby & Lindsay, 2010). The consequences of dysfunctional budget gaming behavior are still becoming the unsolved problem in the budget and require serious handling (Baerdemaeker & Bruggeman, 2015; Libby & Lindsay, 2010).

Previous research on budget gaming in Indonesia focused on relatively narrow issues, namely the budget slack, which generally reviews the behavior of lowering income targets to facilitate the achievement of the budget. Wider study of budget gaming behavior, from the budget negotiation stage to the budget implementation stage, has not been found in Indonesia. The majority of budget slack studies in Indonesia are conducted in government organizations and public sector organizations, and only a few studies have been carried out in the manufacturing industry. Studies of budget slack in government organizations and the public sector, for example, Kahar, Rohman, & Chariri, 2016; Widanaputra & Mimba, 2014. Previous studies generally linked the budget slack to budget participation and explained that the budget slack was one of the causes of poor government performance.

The current study focuses on budget gaming practices whose scope is wider than the budget slack. This study focuses on finding evidence about the existence of budget gaming practices in Indonesia in go public manufacturing companies, which the study has not yet found. Therefore, this study is intended as a preliminary study to gain understanding and evidence about budget gaming practice in
Indonesia (how managers behave in large companies in Indonesia in budgeting practice). The reason for choosing managers in Indonesia as subjects is because so far, research on budget gaming is focused in western countries (Collins, Munter, & Finn, 1987; Jensen, 2003) and a few in Asian countries (Huang & Chen, 2010).

Indonesia’s manufacturing industry was chosen as the focus of research because manufacturing industries are one of the largest industries in Indonesia and play an important role in developing the ASEAN economy in the future (Soetanto & Fun, 2015). Soetanto & Fun (2015) explained that compared to other industries, the manufacturing sector showed inefficiencies. Therefore, the manufacturing sector needs to reduce inefficiencies, including by minimizing the behavior of budget gaming. The results of this study are expected to contribute to the manufacturing industry.

This research provides significant contributions to researchers and decision-makers related to budgeting, such as providing important and meaningful information that the budget gaming practice is still happening in Indonesia and the importance of finding solutions to control this budget gaming practice.

**Goal-setting Theory and Agency Theory**

This study uses the goal-setting theory and agency theory. Goal setting theories assume that individual subjective judgments of actual results or possible outcomes influence their motivation and actions (Locke & Latham, 1990). This theory assumes that the absence of certain goals and objectives can be a source of ambiguity, confusion, and lack of direction for subordinates. This has an impact on dysfunctional behavior. Related to this study, the budget should reflect clear organizational goals because unclear goals will have behavioral consequences that harm the organization.

The basic assumption of agency theory is that employees are motivated by self-interest, have limited rationality, and tend to risk-averse, so employees need monetary compensation to motivate them to act prioritizing the interests of principals (Jensen & Meckling, 1976). In the context of budgeting, the achievement of budget targets is often used as the principal as a basis for evaluating the performance of managers. This creates a conflict of interest for the manager. To facilitate achieving the budget target, the manager involved in the budgeting process has the opportunity to do budget gaming.

**Budget gaming behavior**

Budget gaming is always in the business context (Jensen, 2003). A budget gaming behavior is an act of intentional and planned manipulation by managers regarding sales, costs, profit estimation, and other manipulations in the budgeting process (Bart, 1989). Budget gaming behavior is the routine behavior adopted by managers in the budgeting process (Collins, Munter, & Finn, 1987). Some examples of budget gaming behaviors are deferring necessary expenditures, spending unspent money at the end of the budget period, negotiating easier target to make the budget easier to attain and others (Bart, 1989). Many terms are used alternately to label budget gaming, such as cushion, slush fund, hedge, flexibility, cookie jar, pad, kitty, secret reserve, and contingency (Bart, 1989). Devious games, games play, budgeting manipulation, budgetary slack are terminologies that are used alternately to describe managers’ dysfunctional behavior towards the budget (Libby & Lindsay, 2010; Huang & Chen, 2010). The term, budgetary slack, is most often used to describe budget dysfunctional behavior. Budgetary slack is intentional attempts by managers to increase the possibility of managers to reach the budget and reducing the risks which will be faced by managers. Even though there are gaming problems in the budget, companies still choose to use the budget for controlling purposes and continue to try to adapt to the use of budget, likely to calculate budget problems rather than choosing to leave the budget entirely (Libby & Lindsay, 2010).
2. **Method, Data, and Analysis**

This study uses primary and secondary data. The use of mixed data can complement each other, strengthen results, increase the depth of analysis, and produce high-quality research outputs (Smith, 2011). Data are collected in three ways, such as: (1) interview with 4 (four) managers of go public manufacturing companies in Indonesia regarding the indications of budget gaming. (2) Survey through questionnaires to 31 managers of go public manufacturing companies. (3) Analysis of the directors’ report and management discussion in 2013-2017 annual reports at 3 (three) go public manufacturing companies in Indonesia.

In interviews and surveys, this study is conducted on the individual level, namely managers. Managers are selected because the manager level is seen to have accommodated greater responsibilities in the company, which in this study are related to budgetary responsibilities. This study choosing managers in various functional areas is because the managers in this level participate in budgeting, and each department is believed to be processing with the budget. For the interview, respondents who worked over 5 years in the manager’s position were chosen. The consideration is that the 5-year experience is enough for managers to have the capacity to respond adequately. Of the 31 respondents who filled out the questionnaire, 25 respondents had held manager positions over 5 years, and 4 managers were willing to be interviewed.

The interviews of 4 managers were conducted by telephone and face to face. Managers who are being interviewed represent the pulp & paper, office furniture and metal industries with current positions of logistics, accounting, marketing, and general affairs. A total of 3 (three) questions were asked to the manager, such as (1) what are the budgeting process and the role of budgeting in your company? This question is developed from the argument that budget gaming is always in the business context (Jensen, 2003). (2) Is budget gaming common in your company and companies in general in Indonesia? This question is developed from the argument that budget gaming behavior is a routine behavior adopted by managers in the budgeting process (Collins, Munter, & Finn, 1987). Even though there are gaming problems in the budget, the company still chooses to use the budget, and it is likely to be calculating budget problems rather than leaving the budget entirely (Libby & Lindsay, 2010). (3) Is there a relationship between the performance evaluation system and budget gaming? This question is developed from the argument that dysfunctional budget gaming behavior appears because of the pressure on achieving the budget as performance evaluation criteria (Onsi, 1973).

The survey through questionnaires was collected using snowball sampling technique, which is by distributing questionnaires to managers who are known by the researcher and then asked their help to become respondents and at the same time to help to spread questionnaires to managers of other companies who they know as well. The total questionnaire collected was 31. Respondents were asked to give perceptions about the trends in budget gaming behavior in their department. Budget gaming behavior is measured by an instrument developed by Libby & Lindsay (2010) and Onsi (1973). A total of 9 (nine) question items were addressed to the respondents, such as whether respondents tend to agree or disagree on played games within their budget. A total of 5 (five) question items came from Libby & Lindsay (2010), and as many as 4 (four) question items were adapted from the slack attitude measure of Onsi (1973). For example, question items related to spending behavior, deferring necessary expenditures, speeding up sales, negotiating easier target to make the budget easier to attain and more. Statement items are measured using an interval of 7 points, namely scale 1 (strongly disagree), scale 2 (disagree), scale 3 (slightly disagree), scale 4 (neither agree nor disagree), scale 5 (slightly agree), scale 6 (agree) and scale 7 (strongly agree).
Due to limited sources and access to data, this study only found three companies that adequately informed about budget data in several places in the annual report and public expose reports. The analysis is focused on target, net sales, and net income per quarter.

3. RESULTS
Budget gaming practice in Indonesia

Interview result

The following are the results of telephone and face-to-face interview of the four managers of go public manufacturing companies in Indonesia, which was conducted in the period of July 15, 2018 - July 24, 2018. Managers are representing the pulp & paper, office furniture, and metal industries with current positions as logistics, accounting, marketing, and general affairs department.

Related to the first question about how is the budgeting process and what is the role of budgeting, the respondents answered that budgeting is determined by the corporation through a negotiation process within reasonable limits, based on database line (past data) and forecast. Besides acting as a planning and coordination tool, it also acts as a benchmark for achieving the target and evaluating performance. Achieving target is the basis for rewarding bonuses, and sometimes it affects career advancement. For the second question about are budget gaming common in the company, the interview results show that the budget gaming and slack practice remains in the organization for the purposes like getting bonuses and getting better performance evaluation. The practices which are usually being conducted are negotiation (bargaining), reducing production capacity, accelerating sales at the end of the reporting period, and others.

Respondent’s answer to the third question about the relationship between the performance evaluation system and budget gaming is the performance evaluation system related to budget gaming, especially for the main purpose of getting bonuses and performance achievements. Managers believe that a performance evaluation system which does not only focus on financial targets, which is more transparent and fairer, can reduce budget gaming behavior.

Survey results via questionnaires

To ensure that the questionnaires are understood, this study has been preceded by a pilot test to three respondents of non-public manufacturing companies from different sub-sectors and divisions. A total of 31 responses from 7 go public manufacturing companies in Indonesia were collected for this study. Responses through questionnaire were obtained during July 2018-September 2018. The results of internal consistency reliability for budget gaming construct is satisfactory. Cronbach’s alpha (0.930) and composite reliability values (0.951) exceed the recommended value limit of e” 0.7 (Hair et al. 2012). The results simultaneously indicate that the sample size of this study (31) is adequate.

Table 1. Profile of the companies

<table>
<thead>
<tr>
<th>Sub Industry (Sub Sector)</th>
<th>∑Respondents</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Basic and Chemical Industry</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cement</td>
<td>5</td>
<td>16.13</td>
</tr>
<tr>
<td>Ceramic, Porcelain, and Glass</td>
<td>6</td>
<td>19.35</td>
</tr>
<tr>
<td>Pulp and Paper</td>
<td>5</td>
<td>16.13</td>
</tr>
<tr>
<td>Sub Total</td>
<td>16</td>
<td>51.61</td>
</tr>
<tr>
<td>Consumer Goods Industry</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food and Beverage</td>
<td>6</td>
<td>19.35</td>
</tr>
<tr>
<td>Cigarettes</td>
<td>5</td>
<td>16.13</td>
</tr>
<tr>
<td>Office Equipment</td>
<td>4</td>
<td>12.90</td>
</tr>
<tr>
<td>Sub Total</td>
<td>15</td>
<td>48.38</td>
</tr>
<tr>
<td>Total</td>
<td>31</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 1 shows that the manufacturing sub-industries which participated in the survey were basic and chemical sub-industries, namely 16 respondents (51.61 percent) and as many as 15 respondents (48.38 percent) from the consumer-good sub-indus-
try. The number of respondents is quite evenly distributed among the cement sub-sector; ceramics, porcelain, glass; pulp & paper, food, and beverages; cigarettes and office equipment which ranges from 4 - 6 respondents. The demographic characteristics of managers include gender, age, last education, department, length of time working in the current position, length of time working in the company, number of employees under the manager’s responsibility. Almost all managers are male (70.9 percent), and 29.1 percent are women. The majority of respondents (64.5 percent) are in the age group of 41-50 years. The rest comes from the age group of 30-40 year (19.4 percent); age group of < 30 years (12.9 percent) and age group of 51-60 years (3.2 percent). From this data, it can be seen that managers are most likely Men aged 41 to 50 years old.

Almost all of the division managers were undergraduates (77.4 percent) and as many as 22.6 percent had master degree. The majority of respondents came from the marketing division (83.87 percent). The amount is almost the same for the production division (6.45 percent), the human resources division (6.45 percent), and accounting (3.22 percent). The number of respondents is almost the same for division managers who have held these positions between 3-5 years (28.1 percent), > 11 years (25.8 percent) and 6-8 years (23.4 percent). A total of 18 respondents have less than 2 years of experience, and as many as 11 respondents have experienced between 9-11 years.

The majority of respondents (64.52 percent) have been working in companies for 3-5 years. Respondents were spread almost the same in groups of 6-8 years and 9-11 years, namely 4 respondents; 12.9 percent each and 2 respondents; 19.35 percent. Only 1 (3.26 percent) division manager who works in the company for less than 2 years. The majority of managers (86.64 percent) supervise less than 100 employees. The rest, which is 1 manager supervises 100-200 employees, 2 managers supervise 200-500 employees, and 3 managers supervise more than 500 employees.

From the results of the validity test, one invalid item was obtained, so that the number of items used to measure the managers’ tendency to do budget gaming behavior was 8 (eight) items. Here are the results of the responses to 8 question items about the tendency of budget gaming behavior in their department.

Table 2 and 3 describe the managers’ opinion regarding the tendency of budget gaming behavior in the department where the managers work. In the budgeting dimension, all the respondents (100 percent) strongly disagreed with the practice of set-

<table>
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<tr>
<th>Table 2. Budget gaming behavior (planning stage)</th>
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<tbody>
<tr>
<td><strong>Opinion</strong></td>
</tr>
<tr>
<td>Towards budget gaming behavior</td>
</tr>
<tr>
<td>Strongly disagree</td>
</tr>
<tr>
<td>Disagree</td>
</tr>
<tr>
<td>Slightly disagree</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
</tr>
<tr>
<td>Slightly agree</td>
</tr>
<tr>
<td>Agree</td>
</tr>
<tr>
<td>Strongly agree</td>
</tr>
</tbody>
</table>
tong two standard levels for safety reasons. However, for other practices such as “negotiating budget targets that are more easily to attain for bonus purposes; submit a budget that can be easily attained; conduct budgetary slack for things that cannot be officially approved, perceived by the majority of respondents who agree (61.3 percent), strongly agree (29 percent) and only 9.6 percent of respondents who are slightly disagree. In the budget implementation dimensions, the majority of respondents tend to agree (slightly agree, agree, and strongly agree) to the gaming practice. The following is the gaming practice that was being asked to the respondents, namely “to spend the unspent budget at the end of the budget period so that it does not expire in the next budget period (80.64%); deferring the necessary expenditures to meet the budget target (100 percent); speed up the sales towards the end of the reporting period in order to reach the budget (90.3 percent) and increase expenditure in the current period to make it easier to reach next year’s budget (90.3 percent).

Annual report analysis (directors’ report & management discussion)

Information about the tendency in budget gaming practice was obtained by analyzing annual reports (2013-2017) at three go public manufacturing companies in Indonesia. The three companies are automotive and component companies (given initial PT X); cigarette companies (given initial PT Y) and cable companies (given initial PT Z). The analysis is focused on data target information (budget) and realization data for net sales and quarterly net income, such as: (1) the analysis of net sales target achievement and net income (Quarterly). (2) The analysis of net sales target achievement and net income (Inter Quarter)

The analysis of target achievement/realization (quarterly)

<table>
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<tr>
<th>Tabel 3. Budget gaming behavior (implementation stage)</th>
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<tbody>
<tr>
<td><strong>Opinion towards budget gaming behavior</strong></td>
</tr>
<tr>
<td>Freq.</td>
</tr>
<tr>
<td>Strongly disagree</td>
</tr>
<tr>
<td>Disagree</td>
</tr>
<tr>
<td>Slightly disagree</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
</tr>
<tr>
<td>Slightly agree</td>
</tr>
<tr>
<td>Agree</td>
</tr>
<tr>
<td>Strongly agree</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
Figure 1 shows that PT X always managed to achieve the net sales target, except in 2015 and the net income target, it was achieved in 2016 and 2017. Figure 2 describes that PT Y achieved the net sales target in 2015, and the net income target, was achieved in 2015 and 2013. Figure 3 show that PT Z managed to achieve income targets in 2016 and 2017. The ability to meet the budget, the ability to achieve budgeted sales growth are employees’ performance evaluation measure, which is financial. When the employees achieve the target of income achievement, employees can get a bonus (Jensen, 2003). If the bonus (compensation) is related to target achievement, then rewarding incentives for employees is a dysfunctional behavior through gaming practice (Jensen, 2003).

The analysis of quarter target achievement

The following are explanations of quarter targets achievement shown in Figure 4, Figure 5, and Figure 6. From the analysis of PT X for five years, by comparing the percentage of sales targets achievement and the percentage of net income achievement between quarters, it appears that the closer the period of the end of the budget, the greater the achievement of sales and net income. There is an increase in the percentage of achievement between quarters in 2013-2015 and 2017; and achievement that was almost evenly distributed in 2016. The same thing happened to PT Y. It appears that the closer the period of the end of the budget, the greater the achievement of net sales of PT Y in 2014-2016. The same thing with net income, in 2014-2016, there was an increase in achievement between quarters (Q3-Q4 = there was a higher increase at
the end of the budget period than the period of Q1-Q2 and the period of Q2-Q3). So did PT Z, from the analysis of 5 (five) years, by comparing the percentage of sales target achievement between quarters, it appears that the closer the period of the end of the budget, the greater the achievement of sales.

4. Discussion

The interview results provide an understanding that first, in manufacturing companies, the budget serves as a performance evaluation tool, especially as a benchmark for achieving targets which eventually becomes the basis for rewarding bonuses and sometimes affects career advancement. Therefore, the budget gaming practice and budget slack still exist within the organization to get a bonus, and the goal of getting a better performance evaluation. Second, the performance evaluation system cannot be separated from the budget gaming practice, especially if the performance evaluation is still based on achieving the targeted budget. Survey results provide an understanding that the majority of respondents agree to budget gaming practice, both in the preparation stage and in the implementation stage.

Target achievement/realization (quarterly)

PT X in 2015 and 2013, the sales target achievement was not comparable with the achievement on the net income target of 92 percent (33 percent) in 2015 and 117.5 percent (86.8 percent) in 2013. In the second year, it was also followed by a decrease in costs, especially in advertising and promotion costs compared to the previous year. The same condition occurs in PT Y, namely during the years where net income does not meet the target (2017, 2016, 2014) were also followed by a decrease in costs in various posts compared to the previous year. This indicates that there is a possibility of gaming, which is deferring expenditure / decreasing spending to meet budget targets (Libby & Lindsay, 2010; Jensen, 2003).

PT Z in 2016 & 2017, shows that even though the company managed to surpass the income target in the fourth quarter, however, there were enormous fluctuations in the inter-quarter achievement. This indicates that there is a possibility of gaming practice in the budget formulation (playing with targets) and or playing with the budget realization (Jensen, 2003). The percentage of achievement of sales targets and income targets in 2013 and 2015, is also note because the achievement of sales targets is not followed by the achievement of net income (even % of net income achievement has a very far different from the % of sales targets achievement). This indicates that there is a possibility of gaming in achieving sales growth through wasteful use of resources and also indicates that performance is based on achieving sales targets.

Quarter target achievement

By comparing the percentage of sales target achievement between quarters, it appears that the closer the period of the end of the budget, the greater the achievement of sales. This condition indicates (provides an instruction) the possibility of gaming that there is a greater effort at the end of the budget period to reach the target. Efforts to spend the budget at the end of the budget period so that it does not expire in the next budget period (Libby & Lindsay, 2010). The ability to achieve budgeted sales growth is one of the financial performance evaluation measures. When the employee reaches the target, there is a possibility that the employee will get a bonus. If the bonus (compensation) is related to achieving the target, then rewarding incentives for employees is a dysfunctional behavior through gaming practice (Jensen, 2003).

Additional information from the public expose report (PT Z) also indicates that budget gaming is (1) Capital expenditures realization is always under the budget (50 percent under the budget) for many years, but the company always sets the budget far above the realization (± 50 percent above realiza-
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This indicates that there is gaming, which is intentional budget slack (Libby & Lindsay, 2010). (2) In 2016, there was a significant increase in the net income target compared to 2015, which was from 59.6 billion to 71.3 billion; whereas in 2015, the company only achieved an income target of 4 percent from 59.63 M. The large income target in 2016 was achieved, which was 186 percent from 71.3 M. This condition indicates that there is a possibility of gaming by increasing expenditure in the period which is estimated that the target will not be achieved, with the aim of facilitating in achieving the budget in the following year (Libby & Lindsay, 2010). (3) In 2017, there was a significant increase in market share, and there was a new machinery investment. However, the company did not increase the production capacity (there was a difference in factory capacity with a production output of ± 15-71 percent for various types of products). This indicates that there is a tendency for gaming to reduce production capabilities.

5. Conclusion, Limitations, and Suggestions

Conclusion

The Interview results concluded that the budget serves as a performance evaluation tool, especially as a benchmark for achieving targets, and it eventually becomes the basis for rewarding bonuses and sometimes affecting career advancement. Therefore, budget gaming practice is closely related to the performance evaluation system. The survey results concluded that both the preparation stage and budget implementation stage, the majority of respondents tend to agree to game practice, such as negotiating budget targets that are easier to attain, conduct budget slack, spending the budget so that it does not expire in the next budget period, deferring spending to achieve budget targets and others. The annual report analysis for the 2013-2017 period on three go public manufacturing companies indicates the possibility of gaming practice, as shown by first, the success of the company in achieving the sales target and net income target in the last quarter of the budget period and the tendency to increase the percentage of achievement in-between quarter. Second, there are years of incomparable sales targets (a significant difference) with the net profit target achievement. These years were also followed by a decrease in costs at various posts, especially in advertising and promotion costs if compared to the previous year. Overall, this study concludes that budget gaming practice still exists within the organization and is still an important problem that has not yet been solved.

Limitations and suggestions

This study is still limited to preliminary studies on budget gaming practice in Indonesia. The withdrawal of conclusions is only based on a relatively small sample so that it is possible to affect the generalization of results and conclusions. Other limitations, such as the use of snowball techniques and perceptual research, are also possible to create a bias to the result. As suggested by the Daumoser, Sohn, & Hirsch (2018) that the topic of budget gaming still requires further investigation, future research can examine deeper and broader about the possibility of budget gaming practices in Indonesia in a wider sample. The result of this study in line with the opinion of Nguyen, Hiebl, & Weigel (2018) that it is still a question whether a control system influences manager behavior. From the findings that budget gaming practice still occurs in Indonesia and it is closely related to performance evaluation systems, it is very relevant if future study examines the relationship between these two variables using samples of manufacturing companies in Indonesia.
References


