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MESSAGE FROM THE EDITORIAL BOARD

Consistent with the mandates of the Committee for Accounting Research and Education (CARE), of the Department of Accounting Bayero University, Kano, our main objective for this edition is to sustain the derive of creating additional localized research articles in the area of Accounting and related disciplines in Nigeria. The motive is to help develop a "critical thinking" approach to contemporary issues in Accounting, Finance, Taxation and Corporate Management by scholars, professional and practitioners in these areas. The nine (9) articles contained herein is a clear testimony of the interest and confidence reposed in our esteem journal. The views expressed therein are entirely those of the authors. They do not necessarily reflect those of the Editorial Board.

The Board wishes to express its gratitude to the individuals who have made it possible to publish this edition, especially the contributors who bear the burden of the reviewed fees and charges in view of the prevailing realities of today.

We have also commenced the receipt of the manuscripts for the December 2012, edition. The current reviewed fees and charges are herein indicated on the cover page.

Prof. Aliyu Sulaiman Kantudu
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Effect of Self Determination on Budget Related Behaviours in Federal Universities in Nigeria

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Abstract

The aim of this study is to ascertain the effect of self determination on budget related behaviour in federal universities in Nigeria. Ten universities were sampled from a population of twenty three eligible universities. Primary data was extensively relied upon using validated instruments through a self administered questionnaire. Both descriptive and inferential statistical tools of analysis were adopted. Results of linear regression indicated that elements of self determination significantly affected elements of budget related behaviour at ($\beta = 0.375$; 0.462 ; $\beta = -0.052$; $\beta = 0.288$).

Key words: Participatory budgeting, propensity to introduce slack, autonomous motivators, control motivators

Introduction

Organisations irrespective of their core business adopt control measures in order to achieve organisational objectives. From a management accounting perspective, control in business is formulated and implemented through a management accounting control system, which influences behaviour (Drury, 2008).

Behaviour in management accounting is observed in terms of how persons in an organisation, respond to organisational policies and its consequential impact on organisational objectives. Researchers have emphasized the need to pay attention to the human aspect of budgeting (Covaleski, Evans, Luft & Shields, 2003; Chapman, Hopwood & Shields,

the university.. Studies in the field of management accounting has shown that extent of participatory budgeting has a far reaching effect on divers attributes of an organisation. Many studies into participatory budgeting have used it as an independent variable, which bears some degree of effect on indentified dependent variable (Akinniyi & Ajibolade, 2013; Maiga & Jacobs, 2007). This study however considers it as a dependent variable.

Propensity to Introduce Slack into Budgets

Budgetary slack is a behavioural aspect of budgeting in which budget resources controllers miss-state budget targets in order to be seen as being efficient (Kren, 2003). Managements use discretion to achieve both personal and organisational goals through slack creation (Van der Stede, 2000). Although some studies have argued that budgetary slack could be beneficial for organisations (Bourgeois, 1981; Onsi, 1973), it is generally seen as a serious impediment to the use of organisational budget in an effective manner. According to Lukka (1988) it allows managers to gain extra resources and get away with inefficiencies. Managers both protect themselves against unforeseen events and increase the probability of attaining budget target by creating slack; it thus leads to distortion in the distribution of resources as well as waste of resources (Wu 2005). Propensity to introduce budget slack,

is therefore the possibility that budget estimates will not be a true reflection of intended organisational objectives.

Over the years, accounting researchers have sought to understand the nature of budgetary slack, as the behaviour of inducing slack in budget is highly relevant to the achievement of internal economic efficiency in an organisation (Belkaoui, cited in Abas, 2006). This is of particular importance in the public sector as emphasis of control in that sector is usually on efficiency in the use of resources and contribution to government objectives in the absence of objective profit measurements as in the case of the private sector (Omolehinwa, 2005). Understanding the influences on the budgetary slack behaviour should constitute an important step in ensuring the establishment of appropriate and effective reforms.

Theoretical Background

Self-determination infers attitudes and abilities to make choices because of organisational influences (Wehmeyer, 1992). According to Martin and Marshall (1996), a self-determined person is able to make decisions, solve problems as well as identify actions required for achieving success. This implies that in an organisation, the behaviour exhibited by employees is a reflection of their response to prevailing organisational conditions. The adaptability of the SDT to researches in behavioural sciences in order to provide better understanding

of different organisational phenomena, including intrinsic motivation (Sheldon, et. al., 2003; Gangé & Deci, 2005) has enjoyed considerable commendation. The suitability of SDT, in studying different aspects of organisational life has earned it wide recognition (Grant & Shin, 2011). In this study, SDT is extended to explain how intrinsic motivation affects heads of departments and units who are employees of their respective universities, who direct their energies to their duties and roles as resource managers based on how they perceive the satisfaction of their work, which is an example of psychological need.

Intrinsic motivation involves people doing an activity because of the satisfaction they derive from doing the activity (Gagné & Deci, 2005). Intrinsic motivation has been observed to consist of two competing values; autonomous motivators and control motivators. Autonomy implies that people engage in an activity because they find it interesting, and they enjoy doing the activity. In contrast, being controlled involves acting with a sense of pressure (Dworkin, 1988). In work places, it has been confirmed that, autonomous motivation and controlled motivation lead to very different outcomes. Autonomous motivation tends to encourage positive behaviours (Deci & Ryan, 2008), while, control motivators drain energy and lead to negative behaviours (Moller, Deci, & Ryan, 2006).

On the basis of this theory the following hypotheses were advanced and tested in this study:

H₁: autonomous motivators significantly affect budget related behaviours.

H₂: control motivators significantly affect budget related behaviours.

Methodology

A cross sectional survey design was adopted in this study. The target population consisted of 36 federal universities. A sample frame of 25 universities was drawn from this population based on their being in session for more than one session. Multistage sampling procedures were adopted in selecting a sample of 10 universities located in four major geopolitical zones in Nigeria. Data were collected using self administered structured questionnaire. The real names of the universities have not been used in this study in order to keep the universities anonymous.

Measurement of Variables

Participatory budgeting and propensity to introduce budget slacks, were measured using scales adapted from earlier studies (Henri 2006; Zammuto et al 1991; Williams et al.,1990; Lu 2011) and tested for reliability. The two dimensions of intrinsic motivation were measured using the Intrinsic Motivation Inventory (IMI) of Ryan (1982). Test of reliability yielded Cronbach Alpha values greater than 0.7, considered acceptable for establishing instrument reliability.

(Haung, et al., 2011). The variables were measured on a five-point scale and an index computed from the mean of responses obtained on the multi-item measures. A mean score between 0 to 1.99 is interpreted as low, 2.0 to 3.99 as moderate and greater than 4.0 as high for all the variables used in this study.

Data Analysis

Data collected were analysed using both descriptive and inferential statistical tools. This included the use

of mean values linear regression. Linear regression was used to test proposed hypotheses. The analyses were carried out with the aid of Statistical Packages for Social Sciences (SPSS) version 17.0.

Results

Descriptive Statistics

Results of data measurement obtained from response to questionnaire items are presented in Table 1 below.

Table 1. Descriptive statistics of variables used in the study

University code	Mean values of measures of Budget Related Behaviour (BRB)		Mean values of measures of Intrinsic motivation	
	Participatory Budgeting	Propensity to introduce slack	Pressure	Choice
1	2.879	3.438	3.697	4.117
2	2.627	3.274	3.188	4.217
3	3.430	5.507	3.799	4.186
4	3.074	3.340	4.235	3.941
5	3.061	2.784	1.737	3.740
6	3.118	3.494	3.701	4.278
7	3.151	3.181	3.643	4.601
8	2.790	3.316	3.955	4.128
9	2.785	2.791	3.634	3.901
10	2.798	3.020	4.145	3.756

Based on interpretation of mean, participatory budgeting was observed to be moderate among all the sampled universities. With regards to propensity to introduce slack into the budget, all the sampled universities were moderate with the exception of U3, which had a high propensity to

introduce slack into the budgets. With the exception of U5, that had a low value for pressure all the sampled universities had moderate measure of intrinsic motivation. Values from Table 1 were used for running linear regression that was used in testing proposed hypotheses.

Test of hypotheses and discussion

Hypotheses 1 and 2 were tested running a linear regression. Results are presented in Table 2 below

Table 2: Results of Linear Regression

Table 2: Results of Linear Regression								
Hypothesis / model	Variables	R	R ²	B	t	F	p	Comment
H ₁		.37	.13		6.59	21.74	0.00	Hypothesis supported
X ₁	Autonomous motivators	3	9	.375	2	2	0	
X ₂	Control motivators			-.052				
Y: Participatory budgeting								
H ₂		.57	.32		4.30	64.95	0.00	Hypothesis supported
X ₁	Autonomous motivators	1	6	.462	3	5	0	
X ₂	Control motivators			.288				
Y: Propensity to introduce budgetary slack								

From Table 2, it can be observed that significant relationships exist between elements of budget related behaviour and intrinsic motivation at $R = 0.373$ and 0.571 . With regards to hypothesis one (H₁) predictor variables accounted for 13.9% variation in observed level of participatory budgeting while these factors accounted for 32.6% of observed variation in propensity to introduce budget slack. Results of Analysis of variance ($F = 21.742$, $p = 0.000$ and $F = 64.955$, $p = 0.000$) indicate that the models used in testing hypotheses one and two are statistically significant. With the exception of the relationship between control motivators and participatory

budgeting, motivator variables are positive predictors of participatory budgeting and propensity to introduce budget slack. The results obtained from the linear regression provided support for the hypotheses tested.

Based on the opinion of Gagné & Deci, (2005), the general implication of the results suggests that heads of departments in the studied universities enjoyed participatory budgeting as well as introducing slack into their budget estimates ($\beta = 0.375$; $\beta = 0.462$). With regards to the influence of control motivators, a negative effect ($\beta = -0.052$) can be observed between control motivators and participatory budgeting. This suggests that attributes

such as tension and pressure have a negative effect on participatory budgeting. However, tension and pressure have a positive effect ($\beta = 0.288$) on propensity to introduce slack into the budget. This implies that when heads of departments in organisations such as government owned universities face tension and pressure, they are more likely to introduce slack into their budget estimates.

Summary, Conclusion and Recommendation

This study aimed to investigate the effect of self determination motivators on budget related behaviour of heads of departments who are resource managers of universities across Nigeria. Relying on the proposition of self determination theory, this study proposed that autonomous and control motivators will affect participatory budgeting and propensity to introduce budget slack in public sector organisations.

Results obtained from analysis of data suggest that suggests that attributes such as tension and pressure have a negative effect on participatory budgeting. However, tension and pressure have a positive effect ($\beta = 0.288$) on propensity to introduce slack into the budget. This implies that when heads of departments in organisations such as government owned universities face tension and pressure, they are more likely to introduce slack into their budget

estimates. This study recommends that future research may adopt a longitudinal study, as well as include analysis of possible endogenous variables that may affect observed relationships in this study.

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