

ABSTRACT

The purpose of this research is to investigate the effect of budgeting participation on managerial performance in the organization of the public sector. This research also tests if organization commitment and innovation perception variables facilitate the relationship between budgeting participation and managerial performance.

Data collection was done by the researcher through a survey of the organization of the public sector, Directorate General of Treasury, Ministry of Finance. Questionnaires were given to 207 echelons IV in Directorate General of Treasury, 113 (54,59%) of them were filled completely and used for this research. This research used Path Analysis with IBM SPSS v20 to process data.

The results of this research show that there is a direct influence of budgeting participation on managerial performance. Budgeting participation also significantly influences organization performance and innovation perception. However, budgeting participation does not have a significant indirect influence on managerial performance through the mediating effect of organization commitment and innovation perception.

Keyword: organization of public sector, budgeting participation, managerial performance, commitment organization, innovation perception.