Does the Level of Religiosity Determine Budgetary Slacks Behavior as the Result of Superior Pressure?

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\begin{abstract}
This study aimed to investigate budgetary slack behavior due to obedience pressure to authority in governmental organization. This study also evaluates the role of religiosity in determining budgetary slack creation in such situation. The results of experiment with 64 undergraduate students as participants indicate that majority of participants obeyed the order of their immediate superior to create budgetary slack in violation of organization policy. This study also found that participants’ level of religiosity do have impact on their actual behavior to create budgetary slack. Participants with high level of religiosity are documented to create smaller amount of budgetary slack than those who have low level of religiosity when faced with obedience pressure from their superior.
\end{abstract}

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INTRODUCTION

In the middle of the development model of ethical decision making models that featured so many variables the antecedent ethical behavior options (Loe, Ferrell, & Mansfield, 2000), the attention of the researchers are now beginning to turn to the potential role of aspect religiosity in explaining how those decisions can be generated in the Organization (Kum-Lung & Teck-Chai, 2010; Rashid & Ibrahim, 2007; Saat, Porter, & Woodbine, 2009). Systematically, religiosity is believed to be capable of affecting the personal values to then consequently against someone's assessment of the degree of over good and bad behavior that is questionable (Schouten, Graafland, & Kaptein, 2014) as well as determine 2008-moral choices and actual behavior in situations that nuanced ethical dilematis (Vitell, 2009). Especially on the scope of accounting, some recent literatures have documented the role of empirical evidence of aspects of religiosity in minimizing the occurrence of financial reporting fraud (McGuire, Omer, & Sharp, 2011), counterfeiting tax magnitudes company (Dyreng, Mayew, & Williams, 2012) or costing excessive auditing services (Leventis, Dedoulis, & Abdelsalam 2015).

This present study aims to test the role of aspects of religiosity as a determinant of budgetary slack behavior in the environment of the government organization. In the context of the government organization, the budgetary slack is an ethical and moral behavior issues that could potentially harmful to the budget of the organization (Rahim, Subroto, Rosidi, & Purnomosidhi, 2013) because it indicates the use of the resources are not effective and efficient (Yılmaz, Özer, & Günlük, 2014) so that it can result in a poor quality of service to the Community (Busch & Gustafsson, 2002). Further, Busch and Gustafsson (2002) stated that the slack that occurs in public sector organizations turned out to be not just solely based on profit maximization of existing management purposes, but it can also occur as a form of compliance subordinate against pressure from his superior. Similar to this, investigation conducted by PwC (2010) in 35 countries around the world found that the factors of psychological pressure to meet the demands of the target achievement of superiors is one of the main factor that triggers the appearance of fraud in the organization government.

Previous research on the relationship of pressure factors in adherence to superiors and behavior for budgetary slack is still very limited and conducted in the context of dominant business organization (e.g. by Andre, Lam, & O'Donnell, 2014; Davis, DeZoort, & Kopp, 2006; Grediani & Sugiri, 2010; Hartmann & Maas, 2010). In fact, the Organization of the public sector is a form of organization that is far more political than the business sector (Julianto & Prayudi, 2016). Political environment like this can give you a recognized condition that is ideal for those who have the power (for example, tops) to more freely to affect and manipulate the behavior of another person (e.g. a subordinate) (Boddy, 2011). Latif, Abideen, and Nazar (2011) also found that the potential use of power as stated above would increase public sector organizations when faced with the question of allocating resources as being the objective process of budgeting.

The factors of religiosity then filed to consider a few things. First, within the framework of psychological cheating developed Murphy and Dacin (2011), mentioned that individuals who are in a situation under pressure boss will easily do the cheating as instructed without considering aspects of the legality and ethics of his actions. Meanwhile, some researchers (e.g. Brammer, Williams, & Zinkin, 2007; Kum-Lung & Teck-Chai, 2010; Rashid & Ibrahim, 2007; When et al., 2009) have found that individuals who are religious are more likely to adopt attitudes full honesty, paying more attention to matters related to social responsibility in society as well as more prioritizing ethics — relatively against personal interests — as a basis in decision making. The preset study predicts the ability aspects of religiosity in stimulating awareness of the ethics of the parties which is in compliance with the pressure superiors to perform fraud in the form of a budgetary slack.

Secondly, the factor of religiosity to be attractive for the investigated in Indonesia which is so thick with religious practices in the daily routine of the society (Rowdy, 2012). Indonesia is also recorded as a country with a population that has a very high confidence over the existence as well as the important role of God and religion (Lippman & Keith, 2006) as a very influential towards the
political decision-making, cultural as well as economic (Colbran, 2010; The Pew Research Center, 2008). Within the scope of the research in Indonesia, aspects of religiosity found to a significant role as a determinant of ethical behavior for business managers (Sarwono & Armstrong, 2001), young-old consumer (Arli & Tjiptono, 2014), and internal auditor government.

LITERATURE REVIEW
Budgetary Slack on Public Sector Organizations
As expressed Yilmaz et al. (2014), the budgetary slack is indeed quite potentially more common in public sector organizations compared to private sector organizations. The characteristics of the process of budgeting and bureaucratic rigidity on the Organization of the public sector is not possible to transfer the post budget or extra budgetary funding during the period, though it is so required by the Organization — for example, in the spending conditions are unexpected. Consequently, at the stage of formulation, the management will propose a budget of higher costs from the real needs in order to create a buffer Fund (buffer) to support the operation of the organization.

In addition, supervisory incentives stakeholder owned private sector organizations tend to be higher than public sector organizations (stakeholders Busch & Gustafsson, 2002; Prayudi & Narsa, 2015). Private sector organization’ stakeholders directly economic interests against management of capital that has been invested so it won’t hesitate doing the replacement of management positions when it found the quality of performance organizations that are not satisfactory. Because of that, the minimization of quantity slack is thus very cared for and personal interests into the private sector organization management for the sake of maintaining the trust of its stakeholders (Busch & Gustafsson, 2002).

The Pressure of Compliance and Budgetary Slack Behaviour
In the sphere of accounting and organizational, compliance with authorities list is one of the factors important to stimulate circumstantial doing acts of cheating (Murphy & Dacin, 2011). The effect of compliance like this happens when someone basing its moral foundations on the perception of the importance of respect and obedience towards the ruling figures. Consequently, when these individuals are in a situation under pressure from superiors, they will easily do the cheating as instructed by perceives himself as a loyal subordinate. Obedience to the superiors will bring up the urge to blindly fulfill the commands of superiors even though the orders given contrary to the attitudes, beliefs and values espoused (Milgram, 1963).

The effects of the pressures of compliance to behave cheaters also plural case observed at the budget for budgetary slack. Some researchers (e.g., Andre et al., 2014; Davis et al., 2006; Grediani & Sugiri, 2010; Hartmann & Maas, 2010) has documented empirical evidence compliance pressure positive relationships and the creation of a budget for budgetary slack. Davis et al. (2006) and Hartmann and Maas (2010) found that the accountant management and business unit controllers are subject to the pressures of superiors to do practice for budgetary slack budget. Similarly, the accounting student strata-1 and students master business who became participants in experimental Grediani and Sugiri (2010) and Andre et al. (2014) was recorded doing for budgetary slack after pressure treatment budget tops Although it is contrary to the policy of the organization.

Present research is asking the alleged similar phenomena in the context of the Organization's governance. The work environment is so politically and terhirarki make the possibility of the use of force pemengaruhan and manipulation of behaviour by the parties that have authorities list (e.g. boss) be relevant, even potentially more precisely, do on the type of organisation (Boddy, 2011). This may increasingly be felt when talking about budgeting on the public domain which is so politically and far from the rational aspect, objectivity and technical (Julianto & Prayudi, 2016). Thus, this research hypothesis H1 is formally expressed as follows:

H1: Participants who got the treatment pressure tops to create a budget for budgetary slack will give the final recommendations of the magnitude of the budget is higher than the initial recommendation of a magnitude previously proposed budget.

Religiosity and Budgetary Slack Behaviour
Conceptually, religiosity can affect a person's ethics in every aspect of the different stages in the process of making a series of decisions, starting with awareness of ethical issues to the emergence
of forms of behaviour which next follow (Weaver & Agle, 2002). The relationship between religiosity and ethical behavior originated from the melekatnya religious identity on a person as a result of the internalization of expectations roles offered by a religious concept which formerly adhered. This kind of religious identity next leads a person to be able to precisely specify behaviour which categorised properly and which are categorised (Rashid & Ibrahim, 2007). Because of that, individuals who are religious will be more likely to adopt attitudes full honesty, paying more attention to matters related to social responsibility in society as well as more prioritizing ethics — relative to the personal interests — as a basis in decision making (Brammer et al., 2007; Kum-Lung & Teck-Chai, 2010; When et al., 2009).

Research conducted Dyeng et al. (2012) compliance-related taxation found that managers with high level of religiosity will be more likely to not engage in the behavior-the behavior of tax evasion. Research results McGuire et al. (2011) also indicated that managers-managers at companies that operate in a work environment that is more religious will choose to report real earnings management activities are perceived more ethical than accrual manipulation. Experiments on Davis et al. (2006) and Grediani and Sugiri (2010), the Group of participants that retains the value of the initial recommendations of the magnitude of the budget — thus does not create slack — though got pressure from superiors observed basing himself on considerations of personal beliefs and attitudes that is indeed a budgetary slack belongs to unethical. Research this time further suspect that levels of religiosity are contributing participants in determining the creation of budget for budgetary slack in situations like this. Thus, the hypothesis H2 on this research is formally expressed as follows:

**H2:** In the condition of an obedience pressure, participants with high levels of religiosity will create value for budgetary slack of the budget (the difference between the initial recommendations of the magnitude of the budget and the final budget quantity recommendations) that are smaller than participants with low levels of religiosity.

**METHOD**

**Experimental Design**

The task of the given experiment was adopted from the instrument belonged to Davis et al. (2006) as it has been already tested on previous studies through experiments conducted by Grediani and Sugiri (2010) and Andre et al. (2014). A minor modification is done in terms of grammar and adjustment tasks experiments in the context of the governmental sector organizations work environment in order to be relevant to the research objectives. The experiment was divided into three stages; stage I is done in order to measure the degree of participant religiosity, stages II to determine the actual behavior intention and creation for budgetary slack when there is no pressure, and stages III to determine the actual behavior and intentions of the creation of a budget when there is leader’s pressure on budgetary slack.

On stage I, participants work on a questionnaire measuring levels of religiosity that are adapted from instruments developed by Schouten et al. (2014). The questionnaire consisted of 19 questions that spread into four components aspects of religiosity, i.e. the cognitive aspects of Religiosity (3 rounds of questions, Cronbach's alpha = 0.684); Intrinsic Religious motivation (4 rounds of questions, the alpha Cronbach's $\alpha = 0.669$); Religious motivation Extrinsic (4 rounds of questions, Cronbach's alpha = 0.627); and the intensity of Religious Behavior (8 rounds of questions, Cronbach's alpha = 0.702). Each question measures the level of participants’ consent over statements related to these four aspects of the components of religiosity in scale Likert 5-points, with points 1 = "strongly disagree" and 5 points = "strongly agree". The participants were further grouped into the category of 'High' Religiosity (RT) and the 'Low' Religiosity (RR) are based on the answers given, i.e. groups RT with the average value of $> \text{mean}$; While RR with an average value of $< \text{mean}$.

Religiosity variable measured in stages I was defined as a way of guiding beliefs, narratives, symbols and practices of worship, which connects individuals with each other as well as directing their actions (Peterson, 2001). Cognitive aspects of religiosity components are associated with the beliefs of a person upon the concept of the Godhead and the nature of mankind and the view towards the ultimate goal of human life. This measurement describes the consistency of a person's behavior on things that are in line with religious beliefs. For example, when someone believes that heaven can be "produced" through actions that do not conflict
with the teachings of the religion embraced, then that person will hold fast to the principles referred to in order to obtain the "reply" form "eternal life "at a later time (Schouten et al., 2014).

Intrinsic religious motivation is a measure of a person's motivational orientation toward religion/beliefs adhered through the practice of all religions/beliefs such as purpose in living (religion as the end). This measure describes the degree of definition of the values of one's religious beliefs on inner owned and the tendency of a person to live those values as principles that is so inherent in his life (Pace, 2014). Meanwhile, religious motivation puts more emphasis on the purpose of achievement of social Convention and convenience aspects, with the practice of the teachings of the religion as perantaranya (religion as a means to an end). This measure describes the person's attitudes towards religious beliefs that are perceived as belonging to the source of acquisition support and acceptance of the social environment (Vitell, Paolillo, & Singh, 2005).

Lastly, the intensity of religious behavior is a manifestation of one's religiosity properties through activities such as go to the actual place of worship, praying in solitude, and participate in activities organized by the religious community. This measure illustrates the influence of religious beliefs directly owned against the person's behavior. For example, a person's participation in a religious community or a specific religious activities may reflect the existence of the realization of the above religious beliefs embraced that person into practices that are real. In addition, religious activities in other forms, such as peribadahan or personally studying the religious Scriptures, can also confirm and strengthen the hopes over the figure/figure of people who believe in strong (Schouten et al., 2014).

Stage II experiment, participants work on experimental assignments in the form of a scenario that puts the subject in a position as financial officers on a particular service in a fictional County. The Agency has a practice of inflating the tradition (mark-ups) estimated budget of 10% (ten per cent) in the framework of the acquisition of the excess funds to be allocated as annual bonuses for employees of the office and retain title as service that is always capable of achieving the realization of the budget under the ceiling raised. One of the responsibilities of the Finance Section staff is to provide recommendations to the Office of budget magnitude to come and implement public policies to be applied to the entire unit of work in the office.

After receiving estimated magnitudes for purchases of the entire unit, the participant is informed that the results of the calculations of kuangan staff for the operational expenditures of the magnitude that is real can do for service in the following years (2017) is worth Rp 450,000,000.00 (four hundred and fifty million rupiah). Furthermore, the participants are conditioned on the implementation of the annual meeting with the setting where the Head Office of delivering a new policy for the Organization to be able to formulate the budget quantity as accurately as possible. The participant is then asked to file an initial recommendation for the magnitude of budget operational service based on the information that has been provided.

On stage III, the manipulation of form of pressure treatment from the superiors further provided through additional scenarios that inform that immediately after the annual meeting takes place, the head of the Department of finance as a direct supervisor of staff finance section ask participants to change the initial operational budget estimates in order to approach the budget last year that is amounting to Rp 490,000,000.00 (four hundred and ninety million dollars). The supervisor claimed that Mulberry recommendations are less than last year's budget would increase the risks of service in over budget, "endanger" the opportunity to get the excess funds that can be allocated as an added bonus for employees of the Department and describe the awful performance of organizational management. Head of the Department of Finance also insisted that talks with the staff of the finance section only into the secrets of them both and the tops will remember it in the future.

After receiving the treatment pressure from supervisor, the participant asked to fill a return quantity of operational budget as the final recommendations as well as pass on at least two reasons (based on order of importance) the main consideration of decision making the final recommendation. The variable ' a ' in the next budget for budgetary slack is defined as the difference between the value of the initial recommendations of the magnitude of the budget and the final budget quantity recommendations. Participants were also asked to indicate the value of...
ethics in action boss who ordered the creation of a budget for budgetary slack (Likert scale 5 points with 1 = "ethical" and 5 = "unethical"), the degree of strength of the Likert scale (pressure 10-points with 1 = "not Found Depressed at all" and 10 = "extremely Depressed "), the perception of the difficulty of making budget recommendations (Likert scale 10-points with 1 = "no Difficulty at all" and 10 = " strongly feel trouble ") and the perceived ethical dilemma (Likert scale 5-points with 1 = "strongly disagree" and 5 = "strongly agree") of manipulation and scenarios that are presented through the experiment. Lastly, the participants were required to answer questions about the manipulation of identity checks the direct supervisor of staff finance section and a form of pressure which is given to the staff of the finance section.

Participants
Experiments done by involving 66 Undergraduate Accounting student of economic faculty of Universitas Pendidikan Ganesha who have finished the management accounting and accounting of government courses. A number of participants 2 (3.03%) stated do not qualify so that manipulation checks not included in the data analysis stage. 64 participants left the average age of 22 years (standard deviation = 0.67), most women-sex (81.25%), a majority of Hindus (89%) and comes from the province of Bali (93%). The test results that are different from Mann-Whitney Test indicated that there is no significant difference found in average answers the final recommendation of the magnitude of the budget for the group participants according to age (p-value = 0.169), gender (p-value = 0.963), religion (p-value = 0.551), and regional origin (p-value = 0.547).

RESULTS AND DISCUSSIONS
Descriptive Findings
In general, participants indicated that orders of superiors to change (improve) quantity budget recommendations on a given scenario is an unethical action (mean = 2.734; To = 1.224). Participants also feel an ethical dilemma when the experimental task (mean = 3.718; To = 1.090). In addition, the level of perceived pressure participants on the orders of creation belongs to the high budget for budgetary slack (mean = 6.109; To = 2.175). Lastly, any participants reported that the task of the experiment in the form of a recommendation of the magnitude of the budget allotment on the situation as described in the scenario has the difficulty level is quite high (mean = 6.281; To = 2.257)

Hypothesis Testing
Hipotesis H1
The results of the analysis of the data with the One-Sample T-Test, as shown in the table 1 shows that the average recommendation end of magnitude budget proposed participants after getting treatment of pressure from the superiors is Rp 476,972,875.00 (To = RP 15,851,887.18). This amount is significantly (p-value < 0.01) higher than the average of the initial recommendations of the magnitude of the budget before the participants get treatment pressure tops namely Rp 464,476,562.50 (To = Usd 17,642,262.95). In addition, the regression analysis conducted with the final recommendation of quantity ' operationalize budget ' as the bound variable and ' perception towards ethical values ', ' power ' pressure, ' trouble ' as well as the experimental task workmanship ' ethical dilemma perceived ' as a free variable. The results show that the variable ' perception towards ethical values ' and ' power ' pressure recommendations significantly affect the final quantity of the budget submitted by the participant (R2 = 0.250; F = 4.922; SIG. = 0.002). Thus, it can be stated that the hypothesis H1 in this research supported empirically.

Additional analysis indicated that a number of the 11 participants (17.2%) retained the initial recommendation of magnitude budget worth Rp 450,000,000 — in other words, it does not create the budgetary slack although it received a treatment pof superior orders (Head of the Department of the Treasury) to do so. Meanwhile, a number of 53 participants (82.8%) obey the commands of superiors to raise the magnitude of the initial budget and creating a budget for budgetary slack thus violated public policy organizations as delivered head of Department. Interestingly, a number of participants 22 (36.4%) appear to propose recommendations with compromise budget, that is worth more than Rp 450,000,000.00 but less than Rp 490,000,000.00.

The elaboration regarding to the participants ' answers about the considerations as the reasons in the submission of the final recommendations of the magnitude of the budget is shown in table 2. The
central themes are then determined from the answers given. The 'total' compliance (Panel A) majority judgment employed participants (n = 22) as the basis for the submission of the final recommendations of magnitude budget worth Usd 490,000,000.00 is for the sake of fulfilling the orders of the head of the Department of finance as supervisor direct participants. Meanwhile, another consideration is in order to avoid possible over budget (n = 17), customize it with historical data of magnitude budget plan from year to year (n = 14), or because the budgetary slack will positively impact for bonus employees of the Department (n = 9).

On the group "Kompromistis" (table 2 Panel B), the consideration being the reason for the submission of the final recommendations of the magnitude of the budget is quite identical to that used by the groups 'total' compliance, but more varied. Consideration of compatibility with historical data of magnitude budget plan from year to year (n = 10), followed by the reason for the sake of following the commands of superiors (n = 9), avoid over budget (n = 7), securing the bonus for the employees of the Department (n = 6), in order to run policies that delivered the heads of Department (n = 5), perception that quantity mark up asked not too significant (n = 4) and shows the professionalism as a reliable financial staff in determining the magnitude of the budget organizations (n = 3).

Table 2 Panel C presents a description of the consideration of the submission of the final recommendations of magnitude budget for 'Wayward'. The majority of this group of participants consideration for retaining final budget quantities worth Rp 450,000,000.00 is due to consider the mark-up will only lead to a waste of resources (n = 7) and shows no real performance staff financial section (n = 5). Another consideration is the reason to keep consistency with the decision of the preliminary recommendations (n = 4), in accordance with the data

Table 1. One-Sample T-Test Results on Budgetary Slacks

| Budget Recommendation Type | Mean (Rp) | S.D. (Rp) | Budgetary Slacks (Rp) | p-value |
|----------------------------|----------|----------|-----------------------|---------|
| Initial Recommendation     | 464,476,562.50 | 17,642,262.95 | 12,496,31,50 | 0.000 |
| Final Recommendation       | 476,972,87.00 | 15,851,887.18 |                      |         |

Source: Results of Analysis

Table 2. Considerations on Proposing Final Recommendation of the Amount of the Budget According to the Leader's Compliance

A Panel. Total Obedience Group (n = 31; Recommendation = Rp490,000,000,000)

| No | Recommendation | n* |
|----|----------------|----|
| 1  | Following superior's order | 22 |
| 2  | Avoiding over budget | 17 |
| 3  | Affecting the officer's bonus | 9 |
| 4  | Historical data on the amount of budget plan shows the increase from every year | 14 |
| TOTAL | | 62 |

B Panel. Compromisable Group (n = 22; Recommendation = Rp450,000,000,000 < x < Rp490,000,000,000)

| No | Recommendation | n |
|----|----------------|---|
| 1  | Following superior's order | 9 |
| 2  | Avoiding over budget | 7 |
| 3  | Affecting the officer's bonus | 6 |
| 4  | Historical data on the amount of budget plan shows the increase from every year | 10 |
| 5  | Additional done was no significant | 4 |
| 6  | In line with the regulation stated by the head of department | 5 |
| 7  | Professionalism as the financial staff | 3 |
| TOTAL | | 44 |
In General, the results of an analysis of the considerations used participants as the basis for the submission of the final recommendations of the magnitude of the budget indicated that the urge to fulfill the commands of superiors major reason being the creation of the budget for budgetary slack. Of a total of 106 consideration on group budget for budgetary slack creator participants (n = 62 on the groups ' total ' compliance and n = 44 on the group ' kompromistis '), a number of considerations 32 (30%) related to treatment of the pressure superiors to change (raise the final recommendations of the magnitude of the budget). Thus, the descriptive findings can be stated provides support for the hypothesis H1.

**Hipothesis H2**

Descriptive analysis against the variable ' religiosity ' in General shows that levels of religiosity (mean = 3.3257), cognitive aspects of religiosity (mean = 4.5938), and the intensity of religious behaviour (mean = 3.2500) owned by the participant belongs to high While external religious motivation for level tends to be moderate (mean = 2.3242). Test different Mann-Whitney Test indicated no significant difference found in average answer rate religiosity for group participants according to age (p-value = 0.812), gender (p-value = 0.850), religion (p-value = 0.863), and origin area (p-value = 0.883).

Participants further grouped into the category of ' high ' levels of religiosity (RT) (average answer > mean) and ' low ' levels of religiosity (RR) (average answer < mean) for the variable ' religiosity ' (R), as well as the respective components ' aspect of cognitive religiosity ' (ARK), ' religious ' intrinsic motivation (MRI), ' religious ' extrinsic motivation (MRE), and ' the intensity of religious behaviour ' (IPR). Test results One-Sample T-Test (table 3) shows that the value of the Group's budget for budgetary slack RT (n = 37) proved to be much smaller than the Group of participants, RR (n = 27) for the variable ' religiosity '. The value of the RT group budget for budgetary slack is amounting to Rp 10,750,378.40 whereas in Rp RR 14,907,407.40 Group (p-value < 0.01). Similar results are also to be found on the component aspects of religiosity ARK, MRI, MRE, and IPR. In other words, more budget for budgetary slack may be created by the participants with low levels of religiosity compared participants with high levels of religiosity on the situation there are commands of superiors to do so. Based on this, it can be stated that the hypothesis H2 on this research supported empirically.

Test results contrast ANOVA as presented in table 4 show that group participants RR for the variable ' religiosity ' submits final recommendations of magnitude larger budgets (mean = Rp 482,777,777.8) compared to a group of participants (RT mean = Rp 472,736,864.9) and this difference is significant at a p-value < 0.05 (sig. = 0.011). A similar analysis was also done to components of the ARK, MRI, MRE, and IPR. On all the components, group participants they would file a final recommendation RR quantity budgets with a greater mean (ARK = Rp 483,053,571.4; MRI = Rp 480,714,285.7; MRE = Rp 479,397,058.8; IPR = Rp 479,472,973.0) than the mean final recommendations of magnitude budget group participant RT (ARK = Rp 472,243,444.4; MRI = Rp 472,457,379.3; MRE = Rp 474,225,466.7; IPR = Rp 473,546,814.8). However, the difference in the number of final recommendations the budget proved significant

| Panel C. | Disobedience Group (n = 11; Consideration = Rp450,000,000.00) |
|----------|----------------------------------------------------------|
| No | Consideration | n |
| 1 | Mark-up doesn’t show the real work | 5 |
| 2 | In line with the regulation stated by the head of department | 2 |
| 3 | Avoiding the waste | 7 |
| 4 | Consistent with the initial recommendation | 4 |
| 5 | In line with the budget historical data from year to year | 4 |

TOTAL: 22

* Each participants are asked to propose two types of recommendation as the base of final budget recommendation proposal

Source: Results of Analysis
quantities only on the cognitive aspects of religiosity 'components' (p-value < 0.01) and 'intrinsic religious motivation' (p-value = 0.037).

Table 5 presents a descriptive analysis of the Panel's consideration of the budget submission of the final recommendations of the magnitude for the Group of participants with high level of religiosity. Consideration to keep the trend magnitudes budget plan Organization (17.6%), in order to avoid over budget (16.2%) and in order to "Save" the bonus employees (14.9%) is the 3 main motivation was granted the final recommendations of the magnitude of the budget. It should be of concern is that the reasons associated ethical principles, such as the desire to avoid the waste of funds due to excessive budget submission (9.5%), maintaining professionalism as a finance section staff (4.1%), or the perception of that mark-up does not indicate the actual performance (6.8%) becomes a consideration on this group. While for group participants with low levels of religiosity (table 5 Panel B), the consideration to follow orders of superiors became the dominant reason (40.7%) the submission of the final recommendations of the magnitude of the budget. Thus, these results can be expressed also provides support for the hypothesis H2.

### Table 3. Results Analysis on One-Sample T-Test of Budgetary Slacks according to Religiosity Level

| Variable | Religiosity Level | Mean IBR (Rp) | Mean FBR (Rp) | Budgetary Slacks Value (Rp) |
|----------|-------------------|---------------|---------------|-----------------------------|
| R        | Low               | 467,888,888.9 | 482,777,777.8 | 14,888,888.9               |
|          | High              | 461,986,486.5 | 472,736,864.9 | 10,750,378.4               |
| CRA      | Low               | 468,857,142.9 | 483,053,571.4 | 14,196,428.5               |
|          | High              | 461,069,444.4 | 472,243,444.4 | 11,174,000.0               |
| IRM      | Low               | 466,157,142.9 | 480,714,285.7 | 14,557,142.8               |
|          | High              | 462,448,275.9 | 472,457,379.3 | 10,009,103.4               |
| ERM      | Low               | 463,205,882.4 | 479,397,058.8 | 16,191,176.4               |
|          | High              | 465,916,666.7 | 474,225,466.7 | 8,308,800.0                |
| RBI      | Low               | 463,216,216.2 | 479,472,973.0 | 16,256,756.8               |
|          | High              | 466,203,703.7 | 473,546,814.8 | 7,343,111.1                |

Notes: R = Religiosity; CRA = Cognitive Religiosity Aspects; IRM = Intrinsict Religiosity Motivation; ERM = Extrinsict Religiosity Motivation; RBI = Religiosity Behavior Intensity; IBR = Initial Budget Recommendation; FBR = Final Budget Recommendation

Source: Results of Analysis

### Table 4. Contrast Analysys of IBR Mean according to Religiosity Level

| Variable/ Component | Religiosity Level | Total of Participants | IBR Mean (Rp) | IBR Mean Difference (Rp) | Sig. |
|---------------------|-------------------|-----------------------|---------------|--------------------------|------|
| R                   | Low               | 27                    | 482,777,777.8 | 10,040,912.9             | 0.011|
|                     | High              | 37                    | 472,736,864.9 |                          |      |
| CRA                 | Low               | 28                    | 483,053,571.4 | 10,810,127.0             | 0.066|
|                     | High              | 36                    | 472,243,444.4 |                          |      |
| IRM                 | Low               | 25                    | 480,714,285.7 | 8,256,906.4              | 0.037|
|                     | High              | 39                    | 472,457,379.3 |                          |      |
| ERM                 | Low               | 34                    | 479,397,058.8 | 5,171,592.1              | 0.195|
|                     | High              | 30                    | 474,225,466.7 |                          |      |
| RBI                 | Low               | 37                    | 479,472,973.0 | 5,926,158.2              | 0.141|
|                     | High              | 27                    | 473,546,814.8 |                          |      |

Notes: R = Religiosity; CRA = Cognitive Religiosity Aspects; IRM = Intrinsict Religiosity Motivation; ERM = Extrinsict Religiosity Motivation; RBI = Religiosity Behavior Intensity; IBR = Initial Budget Recommendation; FBR = Final Budget Recommendation

Source: Results of Analysis
CONCLUSION
The study found that the majority of participants meet the orders of superiors to create a budget for budgetary slack even though it violated the general policy of the organization. These results are consistent with previous research findings related to compliance pressure positive influence of superiors towards the creation of a budget for budgetary slack as performed by Davis et al. (2006), Grediani and Sugiri (2010), Hartmann and Maas (2010), and Andre et al. (2014). Interesting findings from research of this time was the fact that the average of the initial recommendations of the magnitude proposed budget of participants (USD 464,476,562.50) higher than the real value of the budget that should have been proposed ($ 450,000,000.00) even before the treatment pressure superiors is given. This can occur because the task experiment used also presents information related to antecedent factors for budgetary slack budget in addition to the factor of the pressure superiors, for example inflating the budget trends, levels of well-being employees is determined by the level of realization of the budget, and so on.
The study also found that the degree of religiosity participants compete to determine the behavior of the creation of a budget for budgetary slack. Participants with high levels of religiosity which create value for budgetary slack recorded a smaller budget than participants with low levels of religiosity.

Table 5. Consideration on Final Budget Recommendation according to Participant’s Level of Religiosity

| A Panel. | High Religiosity Level Group (n = 37) | Consideration |
|----------|--------------------------------------|---------------|
| No       |                                      | n*            |
| 1        | In line with the regulation stated by the head of department | 5             |
| 2        | Mark up doesn’t show the real work    | 5             |
| 3        | Following superior’s order            | 9             |
| 4        | Avoiding over budget                  | 12            |
| 5        | Affecting the officer’s bonus         | 11            |
| 6        | Avoiding the waste                    | 7             |
| 7        | Historical data on the amount of budget plan shows the increase from every year | 13            |
| 8        | Consistent with the initial recommendation | 4            |
| 9        | In line with the budget historical data from year to year | 4             |
| 10       | Profesionalism as the financial staff  | 3             |
| 11       | Additional effort done was not too significant | 1             |
| **TOTAL** |                                       | **74**        |

| B Panel. | Low Religiosity Level Group (n = 27) | Consideration |
|----------|--------------------------------------|---------------|
| No       |                                      | n             |
| 1        | Following superior’s order            | 22            |
| 2        | Avoiding over budget                  | 12            |
| 3        | Affecting the officer’s bonus         | 4             |
| 4        | Historical data on the amount of budget plan shows the increase from every year | 11            |
| 5        | Additional effort done was not too significant | 3             |
| 6        | In line with the regulation stated by the head of department | 2             |
| **TOTAL** |                                       | **54**        |

*Each participants are asked to propose two types of recommendation as the base of final budget recommendation proposal

Source: Results of analysis

Similarly, on average, the final recommendations of the magnitude proposed budget group pertisipan with high levels of religiosity was recorded much smaller than the Group of participants with lower religiosity level taxonomy. This finding is consistent with results of previous related studies the topic of religiosity and ethical behavior in the context of the economy (such as Arli & Tjiptono, 2014; Dyreng et al., 2012; Leventis et al., 2015; McGuire et al., 2011;
Sarwono & Armstrong, 2001). Also consistent with the theory that is used, participants with high levels of religiosity recorded perceives as budgets for budgetary slack practice behaviors that belong to unethical.

Theoretically, this study contributed to the accounting literature with confirmed significant pressure factors the role of superiors and religiosity as a determinant of behavior for budgetary slack of environmental organizations on the Government budget. Consider the results of the research this time, organization management sector Government can pay more attention to the aspects of monitoring and control as well as the pursuit of a more religious performance environment in order to minimize the possibility of the creation of a budget for budgetary slack in the organization.

This study has limitations because it does not include testing against participants without treatment compliance pressures as the control group. However, improvements to the methodology of experimental tasks have been done up with added stages of filing the initial recommendations of the magnitude of the budget before the treatment pressure superiors granted so as to ensure the role of the antecedent of these factors towards the creation of the budget gap. Research can then combine the use of a control group and improvement methodologies such as this in order to obtain a better certainty anymore about the relationship of the pressure superiors and for budgetary slack budget. In addition, participants in this study were less representative of the diverse religious characteristics in Indonesia although data analysis showed the absence of significant differences in this variable answers related recommendations and budget aspects of religiosity. Expansion of coverage against the participant needs to remain the top role of generalization done so that aspects of religiosity on the creation of a budget for budgetary slack can be increasingly enhanced.

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