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The Effect of Asymmetry Information, Budget Target Clarity, and Budget Participation on Budgetary Slack with Organizational Commitment as a Moderating Variable: A Literature Review

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Abstract: This study aims to provide a comprehensive understanding of the budgetary slack phenomenon. The method used is a systematic literature review (SLR) of 100 journal articles published in Scopus-indexed journals (Q2–Q4) and Sinta 2 to Sinta 4 during the period 2016–2025. The results of the study indicate that agency theory is the most dominant theoretical framework used, while asymmetry information has been shown to increase the tendency of budgetary slack. Conversely, the influence of budget target clarity and budget participation still produces diverse and inconsistent findings. The differences in research results are thought to be influenced by the organizational context, the research period, and the measurement instruments used. The novelty of this study lies in the use of organizational commitment as a moderating variable. The literature shows that organizational commitment has been shown to weaken the positive effect of asymmetry information and strengthen the positive effect of budget target clarity and budget participation in reducing budgetary slack.

Keywords: Asymmetry Information, Budget Target Clarity, Budget Participation, Organizational Commitment, Budgetary Slack.

INTRODUCTION

Every organization, whether in the private or public sector, needs an effective strategy for managing and controlling its resources (Kire & Oematan, 2019; Afdhal et al., 2021; Dewi & Trisnawati, 2021). In the public sector, a management control system is designed to ensure the efficient and effective use of resources (Derti & Wirasedana, 2017). For optimal resource utilization, careful planning is required to ensure the proper execution of all operational activities and achieve organizational goals. One form of implementation of this planning is through budgeting (Aditya & Wirakusuma, 2019).

The budget serves as a key element and primary focus in the planning and control process (Aditya & Wirakusuma, 2019). As a planning instrument, the budget enables companies to

design various activities so that their implementation aligns with predetermined plans (Putra et al., 2024). Furthermore, the budget includes a number of targets that department managers must achieve in carrying out specific activities in the coming period, so the budget serves not only as an operational guideline but also as a managerial performance control tool (Antari & Sukartha, 2017).

In its implementation, the budgeting process is often marred by dysfunctional behavior known as budgetary slack (Luhur & Supadmi, 2019). Budgetary slack occurs when managers or those responsible for budgeting intentionally set lower revenue estimates and overestimate costs compared to the organization's actual capacity (Siswiraningtyas & Indrawati, 2021). This action is generally carried out to create more achievable targets, thereby generating personal gain. While this strategy can reduce pressure to achieve targets, the practice of budgetary slack actually has negative impacts because it reduces the accuracy of budget information and the quality of the organizational decision-making process (Ngo et al., 2017).

Various previous studies have examined the factors influencing the emergence of budgetary slack. These factors can originate from both the external environment and internal organizational conditions (Siswiraningtyas & Indrawati, 2021). External factors include conditions beyond the organization's control, such as market pressure, environmental uncertainty, digitalization, and government regulation, which can impact the company's budget planning process. Meanwhile, internal factors are more related to dynamics within the organization, including information asymmetry, budget target clarity, budget participation, organizational commitment, budget emphasis, locus of control, and self-esteem.

In this literature review, attention is focused on internal factors considered to play a significant role, namely information asymmetry, budget target clarity, budget participation, and organizational commitment. This focus is based on the consideration that internal factors are more easily controlled by management through policies, systems, and monitoring mechanisms. Therefore, a thorough understanding of these factors is expected to provide a practical contribution to minimizing budgetary slack.

Information asymmetry is considered a key determinant of budgetary slack. Agents often exploit the limited information held by principals to create looser budgets for their own self-interest (Fanani & Saudale, 2018). In this context, information acts as a "commodity" that managers can strategically utilize to prioritize individual interests over organizational goals, thus increasing participation in budgeting potentially creating budgetary slack (Guntur & Dharmadiaksa, 2019). However, previous research on the relationship between information asymmetry and budgetary slack remains inconsistent. Luhur & Supadmi (2019) confirmed a significant effect of information asymmetry on budgetary slack, while research by Sari et al. (2024) reported conflicting results.

Minimize the negative impact of information asymmetry, budget target clarity is crucial. Budget target clarity provides a more transparent understanding of the goals and limitations an organization seeks to achieve (Siswiraningtyas & Indrawati, 2021). Budget target clarity also serves as the basis for accountability for individual success or failure in carrying out tasks to achieve predetermined goals. A literature review shows that the influence of budget target clarity on budgetary slack still yields mixed findings. A study by Faizah et al. (2024) identified that budget target clarity plays a role in suppressing budgetary slack. Conversely, research conducted by Prakasa (2020) concluded that budget target clarity has no significant relationship to the emergence of budgetary slack.

Budget participation is one of the internal factors that can influence the emergence of budgetary slack. Budget participation provides opportunities for lower-level managers and employees to be directly involved in the budget planning process. However, high participation does not always have a positive impact. If not accompanied by an adequate control system, participation can potentially be exploited to promote personal interests through the creation of

budgetary slack. Previous research findings regarding the effect of budget participation on budgetary slack have shown inconsistencies. Dewi & Widanaputra (2019) found that budget participation influences the emergence of budgetary slack. Conversely, the results of research by Sari et al. (2024) showed no consistency with these findings.

Another relevant factor is organizational commitment. In this study, organizational commitment served as a moderating variable. Organizational commitment reflects an individual's belief and willingness to support the organization's vision, maintain consistency in work, and demonstrate performance that drives organizational progress (Sarwendhi, 2021). A person's loyalty and attachment to the organization's values and goals demonstrate strong commitment (Aira & Rimet, 2021). A manager with high commitment generally displays optimism and strives to make maximum contributions to the organization's success (Wiguna & Wirasedana, 2016). Research by Yunista et al. (2024) shows that organizational commitment can weaken the relationship between information asymmetry and budgetary slack.

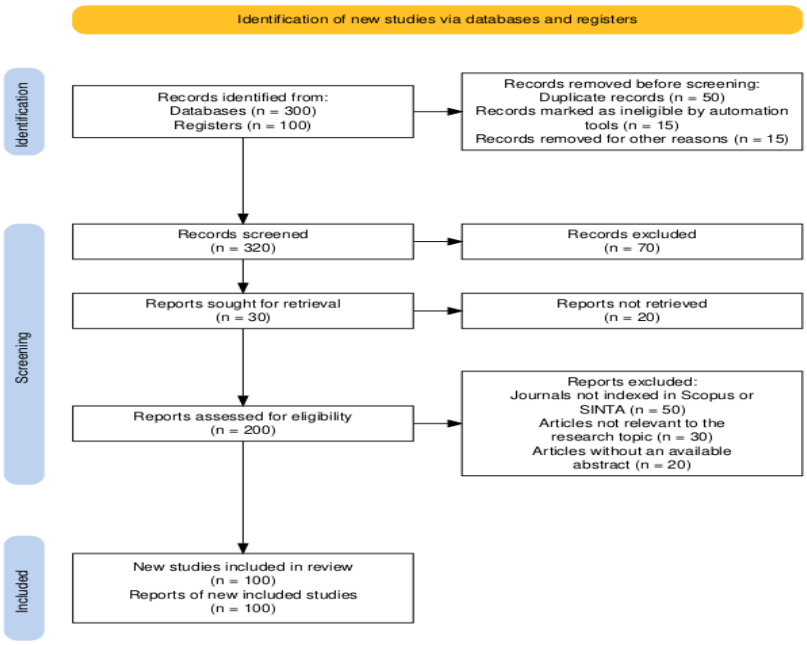
This study aims to provide a literature mapping on the role of asymmetry information, budget target clarity, and budget participation in influencing budgetary slack with organizational commitment as a moderating variable throughout the 2016–2025 period. The theory underlying this research is agency theory and goal setting theory as the conceptual foundation for explaining the relationships among variables. Agency theory explains the existence of conflicts of interest between principals and agents, which may trigger budgetary slack when information is asymmetric, while goal setting theory emphasizes the importance of clarity and the level of difficulty of budget targets in motivating optimal performance.

This study is expected to broaden the academic discourse on budgetary slack and serve as a reference for future research. In addition, this study presents a perspective that can help subsequent researchers in examining and assessing important aspects such as research focus, studied variables, theoretical framework, methods used, and sample characteristics in previous studies on budgetary slack. Thus, this study is expected to contribute to deepening the understanding of the relationship between asymmetry information, budget target clarity, and budget participation on budgetary slack with organizational commitment as a moderating variable.

METHODS

This study was conducted using a systematic literature review (SLR) method following the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines to identify, analyze, and evaluate relevant research on budgetary slack. The literature reviewed was derived from various articles indexed in Google Scholar, Sinta, Scopus, and Emerald, which are reputable and academically recognized journals. The data in this study includes 100 journal articles published during the period 2016–2025.

This study established inclusion criteria, focusing on specific variables: information asymmetry, budget target clarity, and budget participation, as well as their relationship to budgetary slack. Based on the selection process described in the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA), 400 articles identified in the initial stage were narrowed down to 320 articles. Furthermore, after going through a screening process and assessing eligibility according to the established inclusion criteria, 100 articles were obtained that met the requirements and were used as the basis for analysis in this study. The selection process can be seen in the following PRISMA diagram.



Picture 1. Prisma Flow Diagram

Below are the previous research articles employed in this study as the basis for developing the literature review and theoretical framework.

Table 1. Previous Research Articles

Jurnal	Amount	Index	Country
Management Decision	1	Q2	Anerican
Journal of Management Control	1	Q2	German
Academy of Accounting and Financial Studies Journal	1	Q2	Indonesia
Journal of International Crisis and Risk Communication Research	1	Q2	American
International Accounting and Taxation Research Group	1	Q2	Nigeria
Asian Economic and Financial Review (AEFR)	1	Q2	Pakistan
Asian Journal of Accounting Research	1	Q3	Vietnam
Asian Journal of Social Science and Management Technology	1	Q3	Bangladesh
International Journal of Civil Engineering and Technology (IJCIET)	1	Q3	India
International Journal of Business, Economics and Law	1	Q3	Malaysia
Polish Journal of Management Studies	1	Q3	Polandia
International Journal of Economics and Management Research	1	Q3	Indonesia
International Journal of Academic Research in Business and Social Sciences	1	Q4	Pakistan
International Journal of Applied Science and Sustainable Development (IJASSD)	1	Q4	Indonesia
International Research Journal of Management, IT & Social Sciences	1	Q4	India
International Journal of Current Science Research and Review (IJCSRR)	1	Q4	India

Jurnal	Amount	Index	Country
International Journal of Academic Research in Accounting, Finance and Management Sciences	1	Q4	Pakistan
The International Journal of Business Management and Technology	1	Q4	India
Proceedings of the 2nd International Conference on Research and Development (ICORAD)	1	Q4	Indonesia
Eurasia: Economics & Business	1	Q4	Swiss
Revista Contabilidade & Financas (RCF)	1	Q4	Brazil
Journal of Accounting, Ethics & Public Policy	1	Q4	Amerika
Journal of Applied Business Research	1	Q4	Amerika
American Journal of Humanities and Social Sciences Research	2	Q4	Amerika
Revista de Ciencias Humanas y Sociales	1	Q4	Spanyol
Research Journal of Finance and Accounting	1	Q4	Nigeria
Russian Journal of Agricultural and Socio-Economic Sciences (RJOAS)	2	Q4	Rusia
Advances in Economics, Business and Management Research	3	Q4	Belanda
Tec Empresarial	1	Q4	Amerika
Accounting Analysis Journal	1	S2	Indonesia
The Indonesian Accounting Review	1	S2	Indonesia
Journal Cogent Business & Management	1	S2	Indonesia
Journal of Applied Management (JAM)	2	S2	Indonesia
Jurnal Ilmu Akuntansi	1	S2	Indonesia
Jurnal Akuntansi dan Keuangan	1	S2	Indonesia
Jurnal Akuntansi dan Keuangan Indonesia	1	S2	Indonesia
Jurnal Kajian Akuntansi	1	S2	Indonesia
Akuntabel: Jurnal Ekonomi dan Keuangan	1	S2	Indonesia
The Indonesian Accounting Review	1	S2	Indonesia
Journal of Economic, Management and Accounting Adpertisi	1	S2	Indonesia
Journal of Accounting and Investment	2	S2	Indonesia
Jurnal Riset Akuntansi dan Keuangan	1	S3	Indonesia
Jurnal Akuntansi dan Bisnis	1	S3	Indonesia
Jurnal Manajemen dan Bisnis Terapan	1	S3	Indonesia
Jurnal Manajemen dan Akuntansi	1	S3	Indonesia
Jurnal Al-Iqtishad	1	S3	Indonesia
Jurnal Aplikasi Akuntansi	1	S3	Indonesia
Jurnal Riset Akuntansi dan Perpajakan	1	S3	Indonesia
Ekonomis: Journal of Economics and Business	1	S3	Indonesia
Journal of Development Economics, Management and Business, Accounting	1	S3	Indonesia
The Indonesian Journal of Management and Accounting	1	S3	Indonesia
Journal of Applied Management and Accounting Science	1	S3	Indonesia
Journal of Economic, Business and Engineering	1	S3	Indonesia
Jurnal Akuntansi Keuangan	1	S3	Indonesia
Jurnal Ekonomi dan Bisnis	1	S3	Indonesia
Jurnal Ekonomi dan Akuntansi	7	S3	Indonesia
Reviu Akuntansi dan Bisnis Indonesia	1	S3	Indonesia
Accounting and Finance Studies	1	S4	Indonesia
Journal of Social Research	1	S4	Indonesia
Journal GeoEkonomi	1	S4	Indonesia
Jurnal Akuntansi dan Bisnis	1	S4	Indonesia

Jurnal	Amount	Index	Country
Jurnal Penelitian Teori & Terapan Akuntansi (PETA)	1	S4	Indonesia
Jurnal Eksplorasi Akuntansi	3	S4	Indonesia
Jurnal Ilmu dan Riset Akuntansi	2	S4	Indonesia
Jurnal Ilmu Manajemen dan Bisnis	1	S4	Indonesia
Jurnal Kajian Akuntansi dan Auditing	2	S4	Indonesia
Jurnal Ilmiah Universitas Batanghari Jambi	1	S4	Indonesia
Jurnal Online Mahasiswa (JOM) Bidang Ilmu Ekonomi	1	S4	Indonesia
Jurnal Dinamika Ekonomi & Bisnis	1	S4	Indonesia
Journal of Applied Sciences in Accounting, Finance, and Tax	1	S4	Indonesia
Journal of Advanced Research in Social Sciences and Humanities	1	S4	Indonesia
Indonesian Journal of Social Science Research (IJSSR)	1	S4	Indonesia
SAR (Soedirman Accounting Review): Journal of Accounting and Business	1	S4	Indonesia
JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi) Universitas Pendidikan Ganesha	1	S4	Indonesia
Jurnal Ilmiah Multidisiplin Indonesia (JIM-ID)	1	S4	Indonesia
Jurnal Ilmiah Mahasiswa Manajemen, Bisnis dan Akuntansi	1	S4	Indonesia
Jurnal Kajian Ekonomi dan Keuangan Daerah	1	S4	Indonesia
Jurnal Keuangan dan Perbankan	1	S4	Indonesia
Jurnal Ilmiah Ekonomi dan Bisnis	2	S4	Indonesia
Jurnal Ilmiah Ekonomi Global Masa Kini	1	S4	Indonesia
Jurnal Akuntansi	1	S4	Indonesia
Jurnal Akuntansi dan Manajemen (AkMen)	1	S4	Indonesia
Jurnal Akuntansi Kompetitif	1	S4	Indonesia
Amount	**100**		

This study is dominated by scientific publications from Sinta journals ranked 2, 3, and 4, and some are also indexed in Scopus Q2, Q3, and Q4. This indicates that the relevant research topics have received attention in reputable journals. The research article selection process in this literature review was conducted through several stages, as follows:

1. Search using specific keywords, namely:
   a. The relationship between the variable asymmetry information and budgetary slack.
   b. The relationship between the variable budget target clarity and budgetary slack.
   c. The relationship between the variable budget participation and budgetary slack.
   d. The role of organizational commitment as a moderating variable in influencing the relationship between asymmetry information, budget target clarity, and budget participation and budgetary slack.
2. Review and selection of articles based on title, abstract, year of publication, and research findings.
3. In-depth examination of all articles to ensure compliance with the established eligibility criteria.

RESULTS AND DISCUSSION

Researchers used a systematic literature review (SLR) method to conduct a study covering a ten-year period, namely 2016 to 2025. Table 2 below shows various theories used as references by previous studies in analyzing asymmetry information, budget target clarity,

budget participation, organizational commitment, and budgetary slack. From the review results, it was found that the most dominant theory is agency theory, with 100 articles using it as the main conceptual framework. In addition, there are also studies that integrate more than one theory simultaneously in analyzing the relationship between asymmetry information, budget target clarity, budget participation, organizational commitment, and budgetary slack.

Table 2. Theory

Theory	Amount
Agency	67
Stewardship	3
Attribution	2
Contingency	2
Goal Setting Theory	4
Theory of Planned Behavior	1
Agensi & Goal Setting Theory	4
Agency & Attribution	5
Agency & Contingency	5
Agency & Motivation	2
Theory of Planned Behavior & Contingency	2
Theory of Planned Behavior & Attribution	1
Theory of Institutional	1
Social Exchange Theory	1
Amount	**100**

Researchers reviewed studies examining the interaction between information asymmetry, budget target clarity, budget participation, and organizational commitment in the context of budgetary slack over the past ten years. Table 3 shows the results of previous studies highlighting the influence of information asymmetry, budget target clarity, and budget participation on budgetary slack, with organizational commitment acting as a moderating variable.

Table 3. Research on the Relationship between Information Asymmetry, Budget Target Clarity, Budget Participation, Organizational Commitment, and Budgetary Slack.

Variable	Researcher	Findings					
		(+)	(-)	B	TB	Mod	TM
Asymmetry Information	Basyir (2016), Gago & Gil (2016), Lunadewi & Erawati (2016), Putri & Putri (2016), Antari & Sukartha (2017), Ngo *et al.* (2017), Derti & Wirasedana (2017), Effendy, (2017), Taufik & Supadmi (2017), Daumoser *et al.* (2018), Fanani & Saudale (2018), Wimba & Gayatri (2018), Agustini *et al.* (2019), Guntur & Dharmadiaksa (2019), Pratama & Kiyah (2019), Luhur & Supadmi (2019), Riantari & Sari (2019), Palupi & Sari	19	1	5	4		

Variable	Researcher	Findings					
		(+)	(-)	B	TB	Mod	TM
	(2020), Narotama & Sujana (2020), Putra (2020), Nazaruddin & Harsanti (2021), Iriansyah *et al*. (2021), Sarwendhi (2021), Paramitha (2022), Sabirin (2021), Wijaya & Herwiyanti (2023), Alifah *et al*. (2024), Anneta & Handoko (2024), Verawati (2025).						
Budget Target Clarity	Erina & Suartana (2016), Yanti & Sari (2016), Audia & Jatmiko (2017), Robinson *et al*. (2018), Putri & Putri (2019), Precilia & Mimba (2020), Prakasa (2020), Ibrahim (2020), Frederica & Augustine (2020), Khasanah & Kristanti (2020), Armia *et al*. (2020), Siswiraningtyas & Indrawati (2021), Meutia *et al*. (2022), Faizah *et al*. (2024), Putri *et al*. (2024), Anjeliasi *et al*. (2024), Irmawati (2024), Aprilia (2025).	7	6	2	3		
Budget Participation	Kahar *et al*. (2016), Ashmeade *et al*. (2017), Otalor & Oti (2017), Hormati *et al*. (2017), Huseno (2017), Bhilawa & Kautsar (2018), Santhi *et al*. (2019), Nurhayati *et al*. (2019), Kepramareni *et al*. (2019), Suryadi *et al*. (2019) Sukayana & Putri (2019), Aditia & Nasution (2020), Dewi *et al*. (2020), Sanjiwani & Suryanawa (2020), Nasution (2020), Ketut & Sari (2020), Ningsih & Indira (2020), Ghazi *et al*. (2020), Agustina & Suhaidar (2021), Ariani & Budiasih (2021), Sulastri & Wardani (2021), Rosmilasari & Hartiyah (2021), Pramudiati *et al*. (2022), Santos *et al*. (2022), Ehsan *et al*. (2023), Sawitri & Ratnadi (2023), Fatimah *et al*. (2023),	31	6		1		

Variable	Researcher	Findings					
		(+)	(-)	B	TB	Mod	TM
	Suwandi *et al*. (2023) Putra (2024), Bastian (2023), Desriani *et al*. (2024), Dewi *et al*. (2024), Fitri *et al*. (2024), Suriani *et al*. (2024), Viantari *et al*. (2024), Putrawan *et al*. (2024), Verawati *et al*. (2025), Silalahi (2025)						
Organizational Commitment	Irfan *et al*. (2016), Wiguna & Wirasedana (2016), Saputra & Putra (2017), Sari & Putra (2017), Sofia (2017), Putri & Solikhah (2018), Kalembang *et al*. (2018), Mardiana & Handayani (2018), Sari & Mokhlas (2018), Rinaldi *et al*. (2020), Sari *et al*. (2020), Parlindungan & Oemar (2020), Dinanti & Taqwa (2022), Yulaikah *et al*. (2023), Yunista *et al*. (2024).					12	3
Amount				**100**			

The Effect of Information Asymmetry on Budgetary Slack

Information asymmetry is a condition of information imbalance between two parties, where one party has more or more accurate information than the other. Research conducted by Basyir (2016), Gago & Gil (2016), Lunadewi & Erawati (2016), Putri & Putri (2016), Antari & Sukartha (2017), Derti & Wirasedana (2017), Taufik & Supadmi (2017), Daumoser et al. (2018), Fanani & Saudale (2018), Wimba & Gayatri (2018), Agustini et al. (2019), Guntur & Dharmadiaksa (2019), Pratama & Kiyah (2019), Luhur & Supadmi (2019), Riantari & Sari (2019), Palupi & Sari (2020), Narotama & Sujana (2020), Putra (2020), Nazaruddin & Harsanti (2021), Iriansyah et al. (2021), Sarwendhi (2021), Paramitha (2022), Sabirin (2021), Wijaya & Herwiyanti (2023), Anneta & Handoko (2024), and Verawati (2025) proved that asymmetry information has an influence in encouraging the emergence of budgetary slack. In contrast to previous findings, the research of Ngo et al. (2017), Effendy (2017), and Alifah et al. (2024) actually proves that information asymmetry has no influence on the formation of budgetary slack.

The Effect of Budget Target Clarity on Budgetary Slack

Budget target clarity refers to setting goals that are specifically formulated and well-understood, thus facilitating the process of achieving them. Research conducted by Erina & Suartana (2016), Yanti & Sari (2016), Audia & Jatmiko (2017), Robinson et al. (2018), Precilia & Mimba (2020), Prakasa (2020), Ibrahim (2020), Frederica & Augustine (2020), Khasanah & Kristanti (2020), Armia et al. (2020), Siswiraningtyas & Indrawati (2021), Meutia et al. (2022), Faizah et al. (2024), Putri et al. (2024), Anjeliasi et al. (2024), Irmawati (2024), and Aprilia (2025) proved that budget target clarity has an influence on the potential for the

formation of budgetary slack. Contrast to previous findings, the research by Dewi et al. (2020) revealed that budget participation had no effect on the emergence of budgetary slack.

The Effect of Budget Participation on Budgetary Slack

Budget participation refers to the level of involvement of individuals or subordinates in the budget preparation process, both in providing input and conveying relevant information. Research conducted by Kahar et al. (2016), Ashmeade et al. (2017), Otalor & Oti (2017), Hormati et al. (2017), Huseno (2017), Bhilawa & Kautsar (2018), Santhi et al. (2019), Nurhayati et al. (2019), Kepramareni et al. (2019), Suryadi et al. (2019) Sukayana & Putri (2019), Aditia & Nasution (2020), Sanjiwani & Suryanawa (2020), Nasution (2020), Ketut & Sari (2020), Ningsih & Indira (2020), Ghazi et al. (2020), Agustina & Suhaidar (2021), Ariani & Budiasih (2021), Sulastri & Wardani (2021), Rosmilasari & Hartiyah (2021), Pramudiati et al. (2022), Santos et al. (2022), Ehsan et al. (2023), Sawitri & Ratnadi (2023), Fatimah et al. (2023), Suwandi et al. (2023) Putra (2024), Bastian (2023), Desriani et al. (2024), Fitri et al. (2024), Suriani et al. (2024), Viantari et al. (2024), Putrawan et al. (2024), and Verawati et al. (2025) prove that budget participation has an influence on the potential for the formation of budgetary slack. Contrast to previous findings, the research by Dewi et al. (2020) revealed that budget participation had no effect on the emergence of budgetary slack.

The Effect of Information Asymmetry on Budgetary Slack with Organizational Commitment as a Moderating

Variable Research conducted by Pramesti & Sujana (2020) and Yunista et al. (2024) confirmed that organizational commitment can act as a moderating variable in the relationship between information asymmetry and budgetary slack. Linked to agency theory, this is because organizational commitment can mitigate conflicts of interest that arise between principals and agents in the budget preparation process. Agents with high levels of commitment tend to align their personal goals with the interests of the organization, thus not exploiting their information asymmetry to create slack. Instead, agents will maintain transparency, convey information honestly, and support existing internal control mechanisms. In the context of companies with low levels of information disclosure or weak oversight systems, organizational commitment plays a crucial role in suppressing agent opportunistic behavior.

The Effect of Budget Target Clarity on Budgetary Slack with Organizational Commitment as a Moderating

Variable Research conducted by Irfan et al. (2016), Wiguna & Wirasedana (2016), and Sofia (2017) shows that organizational commitment can act as a moderating variable in the relationship between budget target clarity and budgetary slack. Linked to goal setting theory, this is because organizational commitment can strengthen the influence of goal clarity on individual motivation and behavior. When managers are highly committed, clear budget targets are more easily accepted and used as a guideline in their work, thereby reducing the tendency to manipulate or create slack. Conversely, without strong commitment, target clarity alone is not enough to encourage adherence to organizational goals, as individuals still have the potential to prioritize personal interests over organizational interests.

The Effect of Budget Participation on Budgetary Slack with Organizational Commitment as a Moderating

Variable Research conducted by Parlindungan & Oemar (2020), Dinanti & Taqwa (2022), Yulaikah et al. (2023), and Yunista et al. (2024) shows that organizational commitment can act as a moderating variable in the relationship between budget participation and budgetary slack. Linked to agency theory, this is because budget participation opens opportunities for

agents to convey their information to the principal. However, in situations where agents have dominant personal interests, such participation can actually be exploited to create slack. Organizational commitment serves to suppress this opportunistic behavior by encouraging agents to align their personal interests with organizational goals. Highly committed agents will use budget participation to support transparency and accountability, rather than to pursue personal gain.

CONCLUSION

This literature review examines 47 articles discussing the relationship between asymmetry information, budget target clarity, and budget participation in the emergence of budgetary slack, with organizational commitment as a moderating variable. The study shows that agency theory is the most dominant conceptual framework used. Asymmetry information is identified as the main factor forming slack due to information imbalance, while budget target clarity plays a role in minimizing the opportunity for manipulation. Furthermore, budget participation can increase involvement in the budget preparation process, but at the same time has the potential to increase slack through deliberate target reduction. In the context of moderation, organizational commitment plays a crucial role because a high level of commitment can weaken the influence of triggering factors on budgetary slack, while a low level of commitment actually strengthens the tendency for opportunistic behavior that increases the potential for budgetary slack.

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