

**Budgeting Participation, Goal Commitment and Employee  
Performance**

**By**

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And Finance Of Makerere University**

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## DECLARATION

I **Kizito John Ndiwalana**, declare that this dissertation is a result of my own independent research effort and investigation, it is my original work, which has not been submitted to any other institution for any award.

RESEARCHER

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SIGN.....

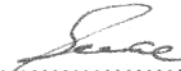
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**APPROVAL**

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## **DEDICATION**

I dedicate this research work to my beloved parents Kiyega Sam Ndiwalana and the late Margret Nantamu, my son Peter Mutebi ,my grannies and family, for their love, support, and faith in me.

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## **ABSTRACT**

The study examined the effect of budgeting participation and goal commitment on employee performance in the hotel industry.

The objectives of the study were to investigate the level of employee participation in the budgeting process; the relationship between budgeting participation and goal commitment; and the relationship between goal commitment and employee performance in the hotel industry

. The study employed the quantitative research methodology utilizing a cross sectional research design. The total of 48 hotels of 1-5 star categories were selected using stratified sampling. In these 116 employees of supervisory level was obtained using simple random sampling. Data was collected using questionnaires and analyzed using SPSS 15.

The findings of the study showed that there was a high level of budgeting participation in the hotel Industry. There was a significant positive relationship between budgeting participation and goal commitment; and a significant positive relationship between goal commitment and employee performance in hotels.

The study recommended that organizations should adopt policies that increase on the level of budgeting participation which will in turn create goal commitment among employees, hence improving on the level of their performance.

## **CHAPTER ONE: INTRODUCTION**

### **1.1 Background to the Study**

Budgeting is a crucial exercise without which a firm or business cannot achieve much (Yuen, 2007). It is a process of compiling budgets and subsequently adhering to them as closely as possible (Maitland, 2000). It's a management tool that can be employed by a firm to process information and make reports to management for planning and control . Budgeting participation is a process whereby subordinates are given opportunities to get involved in and have influence on the budget setting process (Yuen, 2007). Through participation in budgeting, subordinates develop mental and emotional feelings that provide them with an ownership of budget goals (Owen, 1987). The act of participation increases a subordinate's trust, sense of control, and ego-involvement with the organisation, which then jointly cause less resistance to change and more acceptance of, and commitment to, the budget goals (Shields & Shields, 1998). Thus, budget participation exerts a motivational effect on the subordinates which enhances their budget goal commitment.

Charpentier (1998) also argues that budget participation influences employee performance. This is because when subordinates participate in the budgeting process, they are induced into accepting and committing to budget goals and in the process improving their performance. Dann (1991) argues that there is a significant relationship between budgeting participation and employee performance in the hotel industry. This is because in the hotel industry, performance is measured through provision of a high

quality service to meet customer needs and this depends largely on superior-subordinate relationships and their active participation in budgeting (Deming, 1989).

In many Ugandan hotels there is pseudo participation of employees in the budget process. Every financial year, many employees at the lower levels in hotels find themselves operating in the limitations of the budget to which themselves, or even their immediate supervisors didn't determine. Such budgets usually have set targets for the achievements of the year which require the subordinates' increased input. Unfortunately, these budgets lack the input on the additional demands that such new targets may pose to the subordinates. Due to this, subordinates don't feel the sense of commitment to the budget which later inhibits their execution of duties due to lack of goal commitment (Personal Communication, January 19, 2008). However, most authors claim that if budgets are made without participation by the lower management and their supervisors, they become dysfunctional due to the employee's lack of commitment to their goals (Lin & Chang, 2005).

Budget goal commitment is the determination to try for a budget goal and the persistence in pursuing it over time (Locke *et al*, 1981). Highly committed subordinates in terms of their budget goals are motivated to interact with their superiors and peers who can provide insight into their work environments, performance goals, task strategies and other issues that have an important impact on their performance. If an individual becomes committed to a given goal, it will influence the individual's subsequent actions, and consequently the individual's performance level.

Local news papers have on several instances exposed the effect of lack of budget participation, on goal commitment and employee performance of major hotels in this country (New Vision, 29 April 2006). For example, a “2” Star hotel A in Kampala, was reported to offer poor services that do not satisfy customer requirements. The news paper reported that interviews with the immediate supervisors of low level employees in this hotel revealed that the employees were unhappy with the way they were given additional tasks without increment in pay. That each year, this hotel’s budgets show additional income from new services to be offered by the hotel but without an increase in the number of staff. Immediate supervisors to the support staff said that they find it hard to assign additional duties to their subordinates who are already overloaded. They are not involved in the budgeting process and therefore find no avenue to raise the implications of increase in workload without increase in pay on the performance of support staff.

## **1.2 Statement of the Problem**

Although budgeting is crucial to the operations of organizations, in many Ugandan hotels, there is hardly any participation of the employees in the setting of their budgets. This affects the employees’ commitment to the budget goals and lack of participation in budgeting is likely to reduce job commitment which may perhaps lead to reduced employee performance.

### **1.3 Purpose of the Study**

The purpose of the study is to examine the effects of budgeting participation and goal commitment on employee performance in the hotel industry

### **1.4 Objectives of the Study**

- (i) To investigate the level of employee participation in the budgeting process in the Hotel industry.
- (ii) To examine the relationship between budgeting participation and goal commitment in the hotel industry.
- (iii) To establish the relationship between goal commitment and employee performance in the hotel industry

### **1.5 Research Questions**

- (i) What is the level of employee participation in the budgeting process in the hotel industry?
- (ii) What is the relationship between budgeting participation and goal commitment in the hotel industry?
- (iii) What is the relationship between goal commitment and employee performance in the hotel industry?

## **1.6 Scope of Study**

**Geographical Scope:** The study was conducted in the central region especially in the districts of Kampala. This is because this is the district with the highest number of hotels (Uganda hotels brochure, 2008).

**Subject Scope:** The study was limited to budgeting participation, goal commitment and employee performance. In this study budgeting participation means a process by which a budget is developed through joint decision making by top management and operating personnel, Budget goal commitment means individuals develop mental and emotional feelings that provide them with an ownership of budget goals , Employee performance means that quantified (numeric) goals and enumerated (listed) tasks are accomplished.

## **1.7 Significance**

The findings of the study will be useful to the hotel employees, local hotel owners, management of the Uganda Hotels association, and researchers in the following ways:

- (i)** The hotel employees and owners will be enlightened about the appropriate budgeting procedures. This will help them understand the importance of budgeting participation to the performance of their hotels.
- (ii)** Uganda hotels association management will be provided with information on how to improve hotel performance through participatory budgeting.
- (iii)** The findings from the study will also add on the existing knowledge on budgeting and performance in Uganda.



## 1.8 Conceptual frame work



Figure 1: *Relationship between Budgeting Participation, Goal Commitment, and Employee Performance*

**Source:** Adapted with modification from; Chong, Kar Ming,(2002)

It is argued that the act of participation in the budgeting process serves as a function by inducing subordinates to accept and commit to their budget goals (Verbeeten, 2008).

Thus budget participation serves as a motivational function by providing an opportunity for subordinates to get involved in and have influence on the budget setting, which consequently increases their budget goal commitment. It follows that the motivational role of the budget participation will increase subordinate's budget goal commitment.

Therefore once subordinates are committed to their budget goal, this will motivate and encourage them to be creative and more pro-active in their performance.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.0. Introduction**

Budgeting is the process of efficiently allocating an organization's available financial resources to its units, activities and investments. The budgeting process includes a review of the prior period's financial results, projections for sales, operating expenses whether fixed, variable or semi-variable, as well as financing expenses, examination of proposals for capital expenditures, and means of rolling up and rationalizing figures from different functional departments to ensure they meet company-wide profit expectations (Blumentritt 2006). Budgeting is used to monitor the performance of managers and employees.

Budgets are critical part of the effective running of an institution, since it accomplishes many tasks. According to Linn (2007), a budget is not only a means of planning for various revenue streams, a control mechanism for an administration to keep from spending too much a procedure for controlling its units, a process to coordinate the many activities that an institution undertakes, and a way to communicate to all stakeholders a summarization of the activities that the various units will undertake, but it is also a technique for setting the organization's priorities by allocating scarce resources to those activities that officials deem to be the most important and rationing it to those areas deemed less vital.

According to the Certified Management Accountant Review (1994), a budget is a quantitative planning tool, that helps translate the objectives set out in the plan into financial terms and shows where the money will be got from and how it will be spend in order to achieve the set objectives in the plan. A budget is an objective measure of the financial underpinnings of operations that controls the financial health of the organization (Seer 2000). A budget facilitates planning and resource allocation. According to Drury (1992), it is a plan of action for the future periods of the organization. Lucy (1996) adds that it is a quantitative expression of a plan of action prepared in advance of the period to which it relates.

According to Kavulya (2006), Budgeting involves the process of identifying, costing and allocating revenue to the resources and activities that allow the objectives of the organization to be achieved. Essential preliminaries established before effective budgeting include: preparation of an organizational chart which shows the functional responsibilities of each member of the management team; establishment of budget centers; establishment of adequate accounting record to facilitate the recording and analysis of transactions in the organization; establishment of budget committees; budget timetable to enable timely flow of information; and the budget manual which shows budgetary procedures including budget centers and timetables (Balunywa(2005). Over the course of the fiscal year that is being reviewed, reforecast and reallocated, the aim is to make the best use of the available financial resources (Seer, 2000).

According to Lega and Vendramini (2008), Budgeting is a management control tool. The average budgeting process is composed of five distinct phases, which include budgeting guidelines that represent the starting point and the boundaries of the budgeting process; budget preparation; budget negotiation where managers develop a meeting of the minds so that resources are allocated accordingly; budget review where targets are tweaked during the budgeting year to adjust to new, emerging conditions; budget assessment where accountable centers are assessed to check if targets have been met. Leading scholars suggest that this phase is not considered merely the end point of the process but should be starting base of the following year's budget.

## **2.1 Budgeting Participation**

Budgeting is a method for financial control which involves the planning and use of a budget. A budget expresses the expectations of a company presented in economic terms for a future time period (Reid, 2002). The roles of the budget among others include; determining the requirement for funds to service the needs of scheduled activities during a defined period, estimating the cost of a set of activities and subsequently determining which ones will be undertaken within the capacity of the resources available, controlling the business through the allocation of business funds to different activities, and making adjustment in the allocation of funds between activities during the planned time period (Cusworth *et al.*, 1993).

Participation is a process that can be used for planning and goal setting when there is environmental uncertainty, for motivating subordinates when there is task uncertainty, and for coordinating interdependence when there is task interdependence (Lin & Chang,

2005). Participation in budgeting yields benefits through a great exchange of information, better coordination of activities and development of team spirit (Mai, 1988). From the above introduction a definition of budgeting participation can now be given.

Budget participation has been defined differently by many researchers. For instance according to Becker and Green (1970) it is “a process of joint decision making by two or more parties in which the decision has future effects on those making them.” Parkinson and Taggar (2000) define it as “a process in which a manager is involved with, and has influence on, the determination of his or her budget.” Brownell (1982) defines it as the process of involving subordinates in influencing various elements of budgets.

According to Hopwood (1973), budget participation is measured from the following factors; the ability for the subordinates to influence the design of the budget, to what extent the superior manager contacts the subordinates, How easy it is for the subordinates to propose alterations in the budget process, To what extent the subordinates participate in the budget’s follow-up phase.

Nouri and Parker (1998) argue that allowing subordinates to participate in the budget setting process may result in them disclosing of “private information” which would result in more realistic plans and more accurate budgets. Subordinates have better information about the level of budgetary support required to perform the subordinate’s task than do the superiors. Participatory budget allows subordinates to incorporate this information into the budget.

Priddy (2007) argue that with consultation, leaders generate energy to re-craft budgeting and resource allocation, through the discussion of these processes and conversations on how to align them with reward systems, committee structures, hiring and screening, academic and master planning.

## **2.2 Budgeting Participation and Goal Commitment**

Accounting literature indicates the importance of participation in budget setting. It states that the participation of middle and lower level managers in the budgeting process can have beneficial effects in at least two ways. First, the process of participation reduces information asymmetry in the organization, thereby enabling top management to gain insight into issues about which lower level managers have specialized knowledge. Second, the process of participation may bring about a greater commitment by lower managers to carry out the budget plan in and “meet the budget” (Gordon,1988). Specific and attainable goals lead to higher levels of performance if the goals are accepted by individuals. Goals provide motivational effect through their impact on the direction, amplitude (effort) and duration (persistence) of action. Individual’s goal can be viewed as the performance level that an individual seeks to attain (Locke, 1981).

Acts of participation in the budgeting process provides subordinates the opportunity to get involved in and have influence on the budget setting process.

Furthermore, it is suggested that budget participation also serves an informational function whereby subordinates can gather, exchange, and disseminate job-relevant information to facilitate their decision-making process and to communicate their private information to organizational decision makers (Nouri & Parker, 1998).

Charpentier (1998) argues that budget participation enhances subordinates' budget goal commitment. Budget goal commitment is defined in this study as the determination to try for a budget goal and the persistence in pursuing it over time (Locke *et al.* 1981). The opportunity to participate allows subordinates to exert their opinions and influences, and as a consequence, increase their feeling of control and involvement over the budgets. Such feeling will increase their commitment to their budget goals. This viewpoint is consistent and supported by Shields and Shields, (1998) who argue that the act of participation increases "a subordinate's trust, sense of control, and ego-involvement with the organization, which then jointly cause less resistance to change and more acceptance of, and commitment to, the budget decision". Thus far, it has been suggested that budget participation serves as a motivational function by providing an opportunity for subordinates to get involve in and have influence on the budget setting, consequently increases their budget goal commitment. It follows that the motivational role of budget participation will increase subordinates' budget goal commitment.

The importance of subordinates' budget participation as a means of improving performance has been studied extensively in the behavioral accounting literature (Brownell & McInnes 1986; Mia, 1989; Kren 1992; Magner *et al.* 1996; Nouri & Parker 1998; Yuen, 2007). It is argued that the act of participation in the budgeting process serves as a function by inducing subordinates to accept and commit to their budget goals (Maurer & Lippstreu, 2008). Furthermore, it is suggested that budget participation also serves an informational function whereby subordinates can gather, exchange, and disseminate job-relevant information to facilitate their decision-making process and to

communicate their private information to organizational decision makers (Lins & Changa, 2005)

### **2.3 Budgeting Participation and Employee Performance**

The importance of subordinates' budget participation as a means of improving performance has been studied extensively in the behavioral accounting literature (Nouri and Parker 1998). It is argued that the act of participation in the budgeting process serves as a function by inducing subordinates to accept and commit to their budget goals (Merchant 1981). Furthermore, it is suggested that budget participation also serves an informational function whereby subordinates can gather, exchange, and disseminate job-relevant information to facilitate their decision-making process and to communicate their private information to organizational decision makers (Topper, 2007).

The empirical studies that examined the informational role of budget participation have, in general, produced consistent and fairly well established results (Magner, 1996). However, the empirical evidence on the motivational role of budget participation on performance has been mixed (Murray 1990), for a comprehensive theoretical discussion). Parkinson and Taggar (2000) for example, have relied on expectancy theory to examine the relationship of budget participation to motivation and performance. Their results are in conflict with those of earlier studies (Merchant 1981) that found a positive association between budget participation and motivation. Parkinson and Taggar (2000) were unable to verify the intervening role of motivation using an expectancy theory framework. A possible explanation for the inconclusive results of Parkinson and Taggar (2000) and other studies on the motivational role of budget participation on performance could be



due to inadequate theoretical framework adopted by those studies. Parkinson and Taggar (2000) acknowledged "expectancy models have sometimes shown a rather weak relationship to effort and performance, raising question about their validity in empirical use." Thus, further research may rely on an alternative motivation theory, such as goal-setting theory, to examine the budget participation-performance linkage (Murray 1990).

Managers' Participation in budgeting has a number of positive behavioral outcomes, such as reduced stress, improved motivation and job commitment, and enhanced performance. Conversely, managers' inadequate Participation in budgeting may cause dysfunctional behavior, which may lead to anxiety, stress and low performance (Reid, 2002).

#### **2.4 Goal Commitment and Employee Performance**

Locke (1981) goal-setting theory argues that an individual's goal can be viewed as the performance level that an individual seeks to attain. If an individual becomes committed to a given goal, it will influence the individual's subsequent actions, and consequently the individual's performance level. We propose that once a subordinate is committed to his or her budget goals, he or she will increase his or her effort to achieve those goals.

Lin & Chang (2005) argued that highly committed subordinates in terms of their budget goals, is motivated to interact with their superiors and peers who can provide insight into their work environments, performance goals, task strategies and other issues that have an important impact on their performance". Researchers have found different results concerning the effects of goal commitment on the performance of the subordinates. Most

studies have found a clearly positive relationship between goal commitment and performance. Some have found a negative relationship while other studies have not found any relationship at all. Mostly, a positive relationship have been found.

Budget participation makes the subordinate to a greater extent feel responsible for the organization's goals because it internalizes the goals. This then lead to a situation whereby the employee will improve on his/her performance in order to satisfy the set goals. A reduced budget participation gives deteriorated feed-back information, which diminishes the realism. According to Woodford and Maes (2002) this disadvantage is so important that the total effect of reduced budget participation is a deteriorating performance.

Previous organizational behaviorists indicate that affective organizational Commitment benefits employees' performance. According to Randall,(1990) and Riketta, (2002).When managers are highly committed to an organization, they will accept organizational goals and involved more effort to attain the goals and then improve their performance.

## **CHAPTER THREE: METHODOLOGY**

### **3.0 Introduction**

In this section, the research design, sample, instrument, data collection procedures, and analytical tools which were adopted in the study are presented.

### **3.1 Research Design**

A cross sectional research design was used in the study. The study employed the quantitative research methodology. This methodology was suitable because of the need to generalise the findings to all hotels in Uganda.

### **3.2 Population**

The target population of hotels in the category of “Star 1 – 5” in Kampala district was 93, according to Uganda private hotel owners association, website.

### **3.3 Sample size and Sampling Design**

The total of 48 hotels was selected using stratified sampling where respondents were classified based on ranking into star 1 to 5. In these 116 employees of supervisory level were sampled using simple random sampling, according to Krejeie and Morgan, (1970). The table on the next page gives the sample size of the hotels and respondents.

**Table 1. Sample Sizes.**

<b>Strata(Hotel star)</b>	<b>Number of Hotels</b>	<b>Number of Respondents</b>
One Star Hotel	10	23
Two Star Hotel	17	42
Three Star Hotel	10	22
Four Star Hotel	9	23
Five Star Hotel	2	6
<b>Total</b>	<b>48</b>	<b>116</b>

**Source: Primary Data**

Of the 125 respondents that were targeted, 116 questionnaires were returned, giving a response rate of 93%

### **3.4 Data Collection Instruments**

Data was collected using a Close ended Questionnaire. It presented a series of statements for which the respondents were asked to indicate their degree of agreement or disagreement by use of Scales

### **3.5 Measurement of Variables**

**Budget Participation:** This was measured using an instrument developed by Milani (1975). The instrument has a 5-point Likert-scale .A respondent's overall score for this variable was the average of the score for the items in the instrument. A reliability check of the instrument for the study revealed a Cronbach alpha of 0.8347, which shows that the measure is reliable.

**Budget goal commitment:** Budget goal commitment was measured by a seven-point Likert-type scale instrument developed by Hollenbeck et al., (1989). The scale ranges from 1 (strongly disagree) to 7 (strongly agree). A reliability check of the instrument for the study revealed a Cronbach alpha of 0.8429, which shows that the measure is reliable.

**Employee performance:** This was measured using a questionnaire designed from a combination of items modified from Mahoney, Jerdee and Carroll (1963). The instrument designed had a scale ranging from SD=Strongly Disagree, D=Disagree, NS=Not sure, A=Agree, SA=Strongly Agree. The instrument has a 5-point Likert-scale. And a reliability coefficient of 0.8883 was obtained when tested.

**Table 3. Cronbach's Alpha Coefficient**

<b>Variables</b>	<b>Cronbach's Alpha Coefficient</b>
<b>Budgeting participation</b>	0.8347
<b>Goal commitment</b>	0.8429
<b>Employee performance</b>	0.8883

**Source: Primary Data**

Based on Cronbach's Alpha Coefficient, the scales for the variables were reliable. All scales had a reliability coefficient greater than 0.5.

### **3.6 Procedure**

A letter of introduction was obtained from Makerere University Business School. It was attached to questionnaires which were delivered by the researcher and his assistants to the target respondents. The questionnaires were collected after two weeks

### **3.7 Data Analysis**

Collected data from questionnaires was edited, classified, tabulated, coded and analyzed quantitatively. Quantitative data analysis was done using SPSS software package (SPSS version 16). Cross tabulations was used to show the sample characteristics. The relationship between the independent and dependent variables was tested using Pearson's correlation test. The strength of the independent variables on the dependent variable was tested using regression analysis.

### **3.8 Limitations of the Study**

The researcher encountered the following problems:-

Some of the respondents never completed filling in the questionnaires. Incomplete questionnaires were disqualified at analysis stage.

Time may have also been a limiting factor. Participants may have felt rushed to complete the survey.

## **CHAPTER FOUR: PRESENTATION OF DATA, ANALYSIS AND INTERPRETATION**

### **4.1 Introduction**

The chapter contains the presentation of results and their interpretation. It begins with the presentation of the demographic characteristics of the respondents using cross tabulations. The next section then presents the correlation results, in relation to the research objectives.

The research objectives were:-

- (i) To investigate the level of employee participation in the budgeting process in the hotel industry.
- (ii) To examine the relationship between budgeting participation and goal commitment in the hotel industry
- (iii) To establish the relationship between goal commitment and employee performance in the hotel industry

### **4.2 Demographic Characteristics of the Respondents**

The results that follow show the sample characteristics. Cross tabulations were used for presentation of sample characteristics. The respondents' characteristics include sex, age, level of education, position in the organization and length of service in the organization.

The results from the cross tabulation are presented as follows:-

## 2.1 Age Group Distribution

The results in the table (**Table 4**) below were generated using Chi-square test in order to explore the distribution of the respondent categories by age.

**Table 4 Age group of respondents**

Age group of the Respondent		STAR					Total
		1	2	3	4	5	Total
Below 30yrs	Count	11	17	8	10	1	47
	Row%	23.40	36.20	17.00	21.30	2.10	100.00
	column%	47.80	40.50	38.10	45.50	16.70	41.20
	<b>Total%</b>	<b>9.60</b>	<b>14.90</b>	<b>7.00</b>	<b>8.80</b>	<b>0.90</b>	<b>41.20</b>
30-40yrs	Count	7	14	6	8	4	39
	Row%	17.90	35.90	15.40	20.50	10.30	100.00
	Column%	30.40	33.30	28.60	36.40	66.70	34.20
	<b>Total%</b>	<b>6.10</b>	<b>12.30</b>	<b>5.30</b>	<b>7.00</b>	<b>3.50</b>	<b>34.20</b>
41-50 yrs	Count	3	10	7	4	1	25
	Row%	12.00	40.00	28.00	16.00	4.00	100.00
	Column%	13.00	23.80	33.30	18.20	16.70	21.90
	<b>Total%</b>	<b>2.60</b>	<b>8.80</b>	<b>6.10</b>	<b>3.50</b>	<b>0.90</b>	<b>21.90</b>
51-60yrs	Count	2	1				3
	Row%	66.70	33.30				100.00
	Column%	8.70	2.40				2.60
	<b>Total%</b>	<b>1.80</b>	<b>0.90</b>				<b>2.60</b>
Total	Count	23	42	21	22	6	114
	Row%	20.20	36.80	18.40	19.30	5.30	100.00
	Column%	100.00	100.00	100.00	100.00	100.00	100.00
	<b>Total%</b>	<b>20.20</b>	<b>36.80</b>	<b>18.40</b>	<b>19.30</b>	<b>5.30</b>	<b>100.00</b>
$\chi^2 = 10.321$		p= 0.588			df=12		

**Source: Primary Data**

There is no significant difference between employees of the different hotels in their age groups ( $\chi^2 = 10.321$ ,  $df = 12$ ,  $p = 0.588$ ). In all the hotels, the majority of the respondents were 40yrs and below. This is because young people are flexible and can adhere to the routine shifts used in hotels.



#### 4.2.2 Gender Group Distribution

The results in the table (**Table 5**) below were generated using Chi-square test in order to explore the distribution of the respondent categories by Gender.

**Table 5 Gender of the respondents**

Gender of the Respondent		STAR					Total
		1	2	3	4	5	
Male	Count	14	23	13	13	3	66
	Row%	21.20	34.80	19.70	19.70	4.50	100.00
	Column%	60.90	54.80	61.90	56.50	50.00	57.40
	<b>Total%</b>	<b>12.20</b>	<b>20.00</b>	<b>11.30</b>	<b>11.30</b>	<b>2.60</b>	<b>57.40</b>
Female	Count	9	19	8	10	3	49
	Row%	18.40	38.80	16.30	20.40	6.10	100.00
	Column%	39.10	45.20	38.10	43.50	50.00	42.60
	Total%	7.80	16.50	7.00	8.70	2.60	42.60
<b>Total</b>	<b>Count</b>	<b>23</b>	<b>42</b>	<b>21</b>	<b>23</b>	<b>6</b>	<b>115</b>
	Row%	20.00	36.50	18.30	20.00	5.20	100.00
	Column%	100.00	100.00	100.00	100.00	100.00	100.00
	<b>Total%</b>	<b>20.00</b>	<b>36.50</b>	<b>18.30</b>	<b>20.00</b>	<b>5.20</b>	<b>100.00</b>
$\chi^2=0.549$		p= 0.969					df=4

**Source: Primary Data**

There is no significant difference between employees of the different hotels in their gender ( $\chi^2 = 0.549$ ,  $df=4$ ,  $p=0.969$ ). In all the hotels, the majority of the respondents were males. This could be because the respondents were in management ranks which positions are commonly dominated by men in most organizations.

### 4.2.3 Length of Service

The results in the table (Table 6) below were generated using Chi-square test in order to explore the distribution of the respondent categories by their length of service in the Hotel.

**Table 6. Length of Service of the respondents**

Length of Service		STAR					Total
		1	2	3	4	5	
Less than 2yrs	Count	4	3	1	3	1	12
	Row%	33.30	25.00	8.30	25.00	8.30	100.00
	Column%	18.20	7.10	4.50	13.60	16.70	10.50
	<b>Total%</b>	<b>3.50</b>	<b>2.60</b>	<b>0.90</b>	<b>2.60</b>	<b>0.90</b>	<b>10.50</b>
2-5yrs	Count	15	30	18	16	1	80
	Row%	18.80	37.50	22.50	20.00	1.30	100.00
	Column%	68.20	71.40	81.80	72.70	16.70	70.20
	<b>Total%</b>	<b>13.20</b>	<b>26.30</b>	<b>15.80</b>	<b>14.00</b>	<b>0.90</b>	<b>70.20</b>
6-10yrs	Count		6	3	3	4	16
	Row%		37.50	18.80	18.80	25.00	100
	Column%		14.30	13.60	13.60	66.70	14.00
	<b>Total%</b>		<b>5.30</b>	<b>2.60</b>	<b>2.60</b>	<b>3.50</b>	<b>14.00</b>
more than 10yrs	Count	3	3				6
	Ow%	50.00	50.00				100.00
	Column%	13.60	7.10				5.30
	<b>Total%</b>	<b>2.60</b>	<b>2.60</b>				<b>5.30</b>
Total	Count	22	42	22	22	6	114
	ow%	19.30	36.80	19.30	19.30	5.30	100.00
	Column%	100.00	100.00	100.00	100.00	100.00	100.00
	<b>Total%</b>	<b>19.30</b>	<b>36.80</b>	<b>19.30</b>	<b>19.30</b>	<b>5.30</b>	<b>100.00</b>
$\chi^2 = 26.542$		p= 0.009			df=12		

**Source: Primary Data**

There is a significant difference between employees of the different hotels in the years they had worked for ( $\chi^2 = 26.542, df = 12, p = 0.009$ ). In the hotels of star three, four and five, there were no respondents who had worked for more than 10yrs.

#### 4.2.4 Time Spent on the Same Post

The results in the table (Table 7) below were generated using Chi-square test in order to explore the distribution of the respondent categories by period of time on the same job.

**Table 7. Period of time the respondents had spent on the present post**

		STAR					
JOB TIME		1	2	3	4	5	Total
Less than 2yrs	Count	9	8	3	7	1	28
	Row%	32.10	28.60	10.70	25.00	3.60	100.00
	Column%	42.90	20.00	13.60	30.40	16.70	25.00
	<b>Total%</b>	<b>8.00</b>	<b>7.10</b>	<b>2.70</b>	<b>6.30</b>	<b>0.90</b>	<b>25.00</b>
2-5yrs	Count	8	27	15	15	5	70
	Row%	11.40	38.60	21.40	21.40	7.10	100.00
	Column%	38.10	67.50	68.20	65.20	83.30	62.50
	<b>Total%</b>	<b>7.10</b>	<b>24.10</b>	<b>13.40</b>	<b>13.40</b>	<b>4.50</b>	<b>62.50</b>
6-10yrs	Count	3	2	4	1		10
	Row%	30.00	20.00	40.00	10.00		100.00
	Column%	14.30	5.00	18.20	4.30		8.90
	<b>Total%</b>	<b>2.70</b>	<b>1.80</b>	<b>3.60</b>	<b>0.90</b>		<b>8.90</b>
more than 10yrs	Count	1	3				4
	Row%	25.00	75.00				100.00
	Column%	4.80	7.50				3.60
	<b>Total%</b>	<b>0.90</b>	<b>2.70</b>				<b>3.60</b>
Total	Count	21	40	22	23	6	112
	Row%	18.80	35.70	19.60	20.50	5.40	100.00
	Column%	100.00	100.00	100.00	100.00	100.00	100.00
	<b>Total%</b>	<b>18.80</b>	<b>35.70</b>	<b>19.60</b>	<b>20.50</b>	<b>5.40</b>	<b>100.00</b>
$\chi^2 = 14.224$		p= 0.076			df=8		

**Source: Primary Data**

There is no significant difference between employees of the different hotels in the period they spend on the same post ( $\chi^2 = 14.224$ , df=8, p=0.076). In all the hotels, the majority of the respondents do not spend more than 5 years on the same post.

#### 4.2.5 Level of Education

The results in the table (**Table 8**) were generated using Chi-square test in order to explore the distribution of the respondent categories by their level of education.

**Table 8. Level of Education of the respondents.**

Level of Education		STAR					Total
		1	2	3	4	5	
Certificate	Count		7		1	2	10
	Row%		70.00		10.00	20.00	100.00
	Column%		16.70		4.30	33.30	8.60
	<b>Total%</b>		<b>6.00</b>		<b>0.90</b>	<b>1.70</b>	<b>8.60</b>
Diploma	Count	4	5	3	3		15
	Row%	26.70	33.30	20.00	20.00		100.00
	Column%	17.40	11.90	13.60	13.00		12.90
	<b>Total%</b>	<b>3.40</b>	<b>4.30</b>	<b>2.60</b>	<b>2.60</b>		<b>12.90</b>
Bachelor's degree	Count	16	15	9	7	2	49
	Row%	32.70	30.60	18.40	14.30	4.10	100.00
	Column%	69.60	35.70	40.90	30.40	33.30	42.20
	<b>Total%</b>	<b>13.80</b>	<b>12.90</b>	<b>7.80</b>	<b>6.00</b>	<b>1.70</b>	<b>42.20</b>
Post Graduate	Count	1	6	3	5	1	16
	Row%	6.30	37.50	18.80	31.30	6.30	100.00
	Column%	4.30	14.30	13.60	21.70	16.70	13.80
	<b>Total%</b>	<b>0.90</b>	<b>5.20</b>	<b>2.60</b>	<b>4.30</b>	<b>0.90</b>	<b>13.80</b>
Professional	Count	2	9	7	7	1	26
	Row%	7.70	34.60	26.90	26.90	3.80	100.00
	Column%	8.70	21.40	31.80	30.40	16.70	22.40
	<b>Total%</b>	<b>1.70</b>	<b>7.80</b>	<b>6.00</b>	<b>6.00</b>	<b>0.90</b>	<b>22.40</b>
Total	Count	23	42	22	23	6	116
	Row%	19.80	36.20	19.00	19.80	5.20	100.00
	Column%	100.00	100.00	100.00	100.00	100.00	100.00
	<b>Total%</b>	<b>19.80</b>	<b>36.20</b>	<b>19.00</b>	<b>19.80</b>	<b>5.20</b>	<b>100.00</b>
$\chi^2 = 24.463$		$p = 0.08$			$df = 16$		

Source: Primary Data

There is no significant difference between employees of the different hotels in their Level of education ( $\chi^2 = 24.463, df = 16, p = 0.08$ ). In all the hotels, the majority of the respondents had a bachelors degree. This is because presently there are many bachelor's degree holders and the level of competition in the hotel industry today needs people with such qualification.

#### 4.2.6 Formal budgeting process

The results in the table (**Table 9**) below were generated using Chi-square test in order to explore the distribution of the respondent engagement in formal budgeting process.

**Table 9. Hotel that engage in formal budgeting processes**

Does your organization engage in formal budgeting processes?		STAR					Total
		1	2	3	4	5	
Yes	Count	18	28	17	20	4	87
	Row%	20.70	32.20	19.50	23.00	4.60	100.00
	Column%	78.30	66.70	77.30	87.00	66.70	75.00
	<b>Total%</b>	<b>15.50</b>	<b>24.10</b>	<b>14.70</b>	<b>17.20</b>	<b>3.40</b>	<b>75.00</b>
No	Count	4	10	3	3	1	21
	Row%	19.00	47.60	14.30	14.30	4.80	100.00
	Column%	17.40	23.80	13.30	13.00	16.70	18.10
	<b>Total%</b>	<b>3.40</b>	<b>8.60</b>	<b>2.60</b>	<b>2.60</b>	<b>0.90</b>	<b>18.10</b>
I don't Know	Count	1	4	2		1	8
	Row%	12.50	50.00	25.00		12.50	100.00
	Column%	4.30	9.50	9.10		16.70	6.90
	<b>Total%</b>	<b>0.90</b>	<b>3.40</b>	<b>1.70</b>		<b>0.90</b>	<b>18.10</b>
Total	Count	23	42	22	23	6	116
	Row%	19.80	36.20	19.00	19.80	5.20	100.00
	Column%	100.00	100.00	100.00	100.00	100.00	100.00
	<b>Total%</b>	<b>19.80</b>	<b>36.20</b>	<b>19.00</b>	<b>19.80</b>	<b>5.20</b>	<b>100.00</b>
$\chi^2 = 5.474$		p= 0.706					df=8

**Source: Primary Data**

There is no significant difference in the way, the budgeting process is done between different hotels ( $\chi^2 = 5.474$ ,  $df=8$ ,  $p=0.706$ ). In all the hotels, the majority of the respondents engage in formal budgeting process. This is because the hotel industry is like any other business. A budget being a management tool, there is need to manage the operational costs if the business is to survive.

#### 4.2.7 Managerial rank

The results in the table (**Table 10**) below were generated using Chi-square test in order to explore the distribution of the respondent by management ranks.

**Table 10. Managerial rank**

Managerial rank		STAR					Total
		1	2	3	4	5	
Top management	Count	12	12	11	10		45
	Row%	26.70	26.70	24.40	22.20		100.00
	Column%	52.20	28.60	50.00	45.50		39.10
	<b>Total%</b>	<b>10.40</b>	<b>10.40</b>	<b>9.60</b>	<b>8.70</b>		<b>39.10</b>
Middle management	Count	8	15	6	9	2	40
	Row%	20.00	37.50	15.00	22.50	5.00	100.00
	Column%	34.80	35.70	27.30	40.90	33.30	34.80
	<b>Total%</b>	<b>7.00</b>	<b>13.00</b>	<b>5.20</b>	<b>7.80</b>	<b>1.70</b>	<b>34.80</b>
Lower management	Count	3	15	5	3	4	30
	Row%	10.00	50.00	16.70	10.00	13.30	100.00
	Column%	13.00	35.70	22.70	13.60	66.70	26.10
	<b>Total%</b>	<b>2.60</b>	<b>13.00</b>	<b>4.30</b>	<b>2.60</b>	<b>3.50</b>	<b>26.10</b>
Total	Count	23	42	22	22	6	115
	Row%	20.00	36.50	19.10	19.10	5.20	100.00
	Column%	100.00	100.00	100.00	100.00	100.00	100.00
	<b>Total%</b>	<b>20.00</b>	<b>36.50</b>	<b>19.10</b>	<b>19.10</b>	<b>5.20</b>	<b>100.00</b>
$\chi^2 = 14.224$		p= 0.076			df=8		

**Source: Primary Data**

There is no significant difference between respondents of the different hotels in their managerial ranks ( $\chi^2 = 14.224$ , df=8, p=0.076). In most hotels, the respondents obtained were below the top management level. This is because these are the supervisors who could easily be accessed.

#### 4.3. PRESENTATION OF RESULTS TO THE RESEARCH OBJECTIVES.

In this chapter the results that answer the research objectives are presented.

##### 4.3.0 To investigate the level of Employee Participation in the Budgeting process.

The results in the table (Table 11) below were generated using descriptive statistics in order to explore the level of budgeting participation of the respondent.

**Table 11. Level of budgeting participation**

<b>STAR</b>	<b>Budgeting Participation</b>
1 Mean N	3.3616 23
2 Mean N	3.0514 42
3 Mean N	3.0096 22
4 Mean N	3.4439 23
5 Mean N	3.3947 6
<b>TOTAL MEAN</b> <b>N</b>	<b>3.2005</b> <b>116</b>

**Source: Primary Data**

There is high level of budgeting participation in the hotel industry .The overall mean is 3.2005 which was got from a five -point Linkert Scale (1=Strongly Disagree, 2=Disagree, 3=Not sure, 4=Agree, 5=Strongly Agree) most of the respondents were ranging from three and above.

#### 4.4 CORRELATIONS RESULTS

The results in the table (**Table 12**) below were generated using the SPSS software program in order to explore the Pearson's Correlations, in order to establish the relationships between the variables.

**Table 12. Pearson's Correlations results**

		<b>Budgeting participation</b>	<b>Goal Commitment</b>	<b>Employee Performance</b>
<b>Budgeting participation</b>	Pearson Correlation	1		
	Sig(2-tailed)	.		
	N	116		
<b>Goal Commitment</b>	Pearson Correlation	.479**	1	
	Sig(2-tailed)	.000	.	
	N	116	116	
<b>Employee performance</b>	Pearson Correlation	.080	.456**	1
	Sig(2-tailed)	.395	.000	.
	N	116	116	116

\*\* .Correlation is significant at the 0.01 level (2-tailed)

**Source: Primary Data**

##### **4.4.1 To examine the Relationship between Budgeting Participation and Goal Commitment.**

There is a significant positive relationship between budgeting participation and goal commitment in the hotel industry ( $r=0.479$ ,  $p>0.000$ ). The higher the level of budgeting participation the higher the level of goal commitment.

##### **4.4.2 To establish the Relationship between Goal Commitment and Employee Performance.**

There is a significant positive relationship between goal commitment and employee performance in the hotel industry ( $r =0.456$ ,  $p>0.000$ ). The higher the level of goal commitment the higher the level of employee performance. Therefore employees should be encouraged to be committed to their budget goal so as to realize high level of performance.



#### 4.5 REGRESSION

The results in the table (**Table 13**) below were generated using the SPSS software program in order to explore the statistically significant predictor of employee performance.

**Table 13. Regression**

R Square = 0.233		F =17.152			
Adj R Square =0.219		Sig =.000			
Model	Unstandardized Coefficient		Standardized Coefficient	t	Sign
	B	Std.Error	Beta		
(Constant)	2.772	.288		9.611	.000
Budgeting participation	.161	.083	.180	1.920	.057
Goal Commitment	.321	.056	.542	5.777	.000

Dependent Variables: Employee performance

**Source: Primary Data**

The results show that (Adj R Square =0.219) which is 21.9% of the variance in Employee performance is attributed to budgeting participation and goal commitment (B=2.772, t=9.611, p>0.000)

The statistically significant predictor of Employee performance in hotels is Goal commitment (B=0.321, t=5.777, p>0.000) .There fore if employees are committed to the organizational budget goal they are likely to register high level of performance.

The results show that Budgeting participation alone dose not significantly influence Employee performance (B=0.161, t=1.920, p=0.057) employees should also be committed to their budget goal in order to register good performance.

#### 4.6.0 OTHER FINDINGS: ANOVA

Anova test was used to establish any other findings that can be used to discuss the findings.

##### 4.6.1 The perception of the respondents in the different hotel star

The results in the table (Table 14) below were generated using the SPSS software program in order to explore the perception of the respondents in the different hotel star towards budgeting participation.

**Tale 14. Hotel Star Anova Report**

<b>STAR</b>		<b>Budgeting Participation</b>	<b>Goal Commitment</b>	<b>Employee Performance</b>
<b>Star 1</b>	<b>Mean</b>	3.3616	5.1691	3.9601
	<b>N</b>	23	23	23
<b>Star 2</b>	<b>Mean</b>	3.0514	5.2817	3.9841
	<b>N</b>	42	42	42
<b>Star 3</b>	<b>Mean</b>	3.0096	4.9747	3.8788
	<b>N</b>	22	22	22
<b>Star 4</b>	<b>Mean</b>	3.4439	5.4783	3.8967
	<b>N</b>	23	23	23
<b>Star 5</b>	<b>Mean</b>	3.3947	5.1204	3.9236
	<b>N</b>	6	6	6
<b>df</b>		<b>4</b>	<b>4</b>	<b>4</b>
<b>F</b>		<b>3.546</b>	<b>1.152</b>	<b>0.222</b>
<b>Sig</b>		<b>0.009</b>	<b>0.336</b>	<b>0.926</b>

**Source: Primary Data**

Respondents from different hotels had a significant difference in their perception of budgeting Participation ( $F=3.546$ ,  $df=4$ ,  $Sig=0.009$ ). The respondents from star 4 had a higher positive perception of budgeting participation (Mean = 3.4439)

#### 4.6.2 The perception of the respondents of different Gender

The results in the table (Table 15) below were generated using the SPSS software program in order to explore the perception of the respondents of different Gender towards

Gender of the respondent		Budgeting Participation	Goal Commitment	Employee Performance
Male	Mean	3.2520	5.2753	3.9223
	N	66	66	66
Female	Mean	3.1224	5.1667	3.9668
	N	49	49	49
df		1	1	1
F		1.571	0.481	0.230
Sig		0.213	0.489	0.632

budgeting participation, Goal commitment and Employee performance.

#### Table 15 Gender of the respondent Anova report

##### Source: Primary Data

There is no gender difference in; budgeting Participation (F=1.571,df=1,Sig=0.213),

Goal Commitment (F=0.481,df=1,Sig=0.489),

Employee performance (F=0.230,df=1,Sig=0.632).

#### 4.6.3 The perception of the respondents in the different Length of service

The results in the table (Table 16) below were generated using the SPSS software program in order to explore the perception of the respondents in the different Length of service towards Goal commitment.

**Table 16. Length of service Anova Report**

Length of service		Budgeting Participation	Goal Commitment	Employee Performance
Less than 2 yrs	Mean	3.2325	5.3287	3.8854
	N	12	12	12
2-5 Yrs	Mean	3.1836	5.3188	3.9568
	N	80	80	80
6-10 Yrs	Mean	3.1414	4.6563	3.7760
	N	16	16	16
More than10yrs	Mean	3.2193	5.1204	4.4153
	N	6	6	6
<b>df</b>		<b>3</b>	<b>3</b>	<b>3</b>
<b>F</b>		<b>0.072</b>	<b>3.159</b>	<b>1.304</b>
<b>Sig</b>		<b>0.975</b>	<b>0.028</b>	<b>0.277</b>

Source: Primary Data

Respondents of the different durations of employment from different hotels significantly differ in their perception of Goal commitment ( $F=3.159, df=3, Sig=0.028$ ). Respondents who were less than 2 years in service had a higher perception as regards Goal Commitment (Mean= 5.3287)

#### 4.6.4 The perception of the respondents in the different Levels of management

The results in the table (Table 17) below were generated using the SPSS software program in order to explore the perception of the respondents in the different Levels of management towards budgeting participation.

**Table 17. Level of management Anova Report**

Level of management		Budgeting participation	Goal Commitment	Employee Performance
Top management	Mean	3.3181	5.2580	3.9583
	N	45	45	45
Middle management	Mean	3.2303	5.2500	3.8656
	N	40	40	40
Lower management	Mean	2.9474	5.1278	4.0042
	N	30	30	30
<b>df</b>		<b>2</b>	<b>2</b>	<b>2</b>
<b>F</b>		<b>4.674</b>	<b>0.261</b>	<b>0.743</b>
<b>Sig</b>		<b>0.011</b>	<b>0.771</b>	<b>0.478</b>

**Source: Primary Data**

Respondents of the different levels of management from different hotels had a significant difference in their perception of budgeting Participation ( $F=4.674, df=2, Sig=0.011$ ). Top level managers had a higher perception as regards Budgeting participation (Mean = 3.3181)

## **CHAPTER FIVE: DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS**

### **5.0 Introduction**

This chapter presents a discussion and summary of the findings based on the objectives and results from the study, conclusions drawn and recommendations.

### **5.1 To Investigate the Level of Employee Participation in the Budgeting process in the Hotel Industry.**

The study's results suggest that there is average level of budgeting participation in Ugandan hotel industry. (Over all mean = 3.2002). This is in line with Welsch, Hilton and Gordon (1988) who argued that the participation of middle and lower level managers in the budgeting process can have beneficial effects in at least two ways. First, the process of participation reduces information asymmetry in the organization, thereby enabling top management to gain insight into issues about which lower level managers have specialized knowledge. Second, the process of participation may bring about a greater commitment by lower managers to carry out the budget plan in and "meet the budget".

The Ugandan hotel industry is so much competitive today, in that, for a firm to survive in such environment management should constantly be in consultation with all employees for the best strategic ideas. This is in line with Priddy (2007) who argued that with consultation, leaders generate energy to re-craft budgeting and resource allocation, through the discussion of these processes and conversations on how to align them with reward systems, committee structures, hiring and screening, academic and master planning.

## **5.2 To examine the Relationship Between Budgeting participation and Goal**

### **Commitment in the Hotel Industry**

The study's results suggest that there is a significantly positive relationship between Budgeting participation and Goal commitment. This finding implies that when an individual participates in the budgeting processes he/she is more likely to perceive a greater or more commitment to a program such as the budgetary goal.

This is in line with Charpentier (1998) who argues that budget participation enhances subordinates' budget goal commitment. This viewpoint is consistent and supported by Shields and Shields (1998) who argue that the act of participation increases "a subordinate's trust, sense of control, and ego-involvement with the organization, which then jointly cause less resistance to change and more acceptance of, and commitment to, the budget decision". Thus far, it has been suggested that budget participation serves as a motivational function by providing an opportunity for subordinates to get involved in and have influence on the budget setting, consequently increases their budget goal commitment. It follows that the motivational role of budget participation will increase subordinates' budget goal commitment.

## **5.3 To establish the Relationship between Goal Commitment and Employee**

### **Performance in the Hotel industry**

The results provided a significantly positive relationship between goal commitment and employee performance. This Finding suggests that individuals who are more committed

to the budgetary goal also tend to have higher self-evaluated performance in their respective duties.

This is in line with Locke's (1981) goal-setting theory who argues that an individual's goal can be viewed as the Performance level that an individual seeks to attain. If an individual becomes committed to a given goal, it will influence the individual's subsequent actions, and consequently the individual's performance level. We propose that once a subordinate is committed to his or her budget goals, he or she will increase his or her effort to achieve those goals.

Proprietors of Ugandan hotels have created an environment for their managers to make them committed to the hotel budget Goal in a bid to improve employee performance. This move is in agreement with Randall,(1990) and Riketta, (2002).When managers are highly committed to an organization, they will accept organizational goals and involve more effort to attain the goals and then improve their performance.

## **5.5 Conclusion**

The major findings of this study show that Budgeting participation alone dose not significantly influence Employee performance ( $B=0.161$ ,  $t=1.920$ ,  $p=0.057$ ). Employee performance is attributed to both budgeting participation and goal commitment, how ever it has been evident that Goal commitment significantly predicts Employee performance in Ugandan hotels ( $B=0.321$ ,  $t=5.777$ ,  $p>0.000$ ) .There fore if employees are committed to the organizational budget goal they are likely to register high level of performance.

This finding suggests that, whether an individual perceives that there is congruence between the need for participation and the degree of participation allowed, this perception



does not affect his/her self-rated performance. Overall, the results of this study indicate that only Goal commitment have a significantly positive relationship with Employee performance.

In addition, Budgeting participation is found to have a significantly positive association with the Goal commitment and then a committed Employee will register high performance. These results give management a basis for trying to develop a set of characteristics that will eventually be conducive to improved Employee performance in a budgeting setting.

## **5.6 Recommendations**

The study recommends that management should frequently involve staff when coming up with the budget. This is because when employees participate in the budgeting process they get committed to there organizational budget goal and hence a committed employee will register high level of performance.

## **5.7 Suggested Areas for further Research**

It would also be interesting to expand this study to workers in other countries and in other service industries other than hotels.

In addition, there is need to study additional factors in a budgeting setting that influence performance, goal commitment, goal acceptance, and job satisfaction. For example, it would be interesting to study the effect of workplace cooperation, the opportunity for advancement, tension in the workplace, incentives, pay equity, and the ability to disagree with superiors and its impact on those variables.

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**MAKERERE UNIVERSITY BUSINESS SCHOOL**

**MSC ACCOUNTING AND FINANCE**

**RESEARCH QUESTIONNAIRE**

The researcher has designed this questionnaire strictly for academic purposes. You are kindly requested to answer it as truthfully as possible. It is meant to establish the relationship between Budgeting Participation, Goal Commitment and Employee Performance .All responses will be given utmost confidentiality. Your answers will not be disclosed to any one and there is no need to write your name on the questionnaire.

**Section A: General Information**

**Name of Hotel.....**

**The following questions relate to your background and experience. Please answer the following questions in the appropriate spaces.**

Please tick your age group ?

- (a)Below 30y’rs (b) 30-40 (c)41-50 (d)51-60 (e)61-70

What is your gender?(Tick appropriate)

- (a) Male (b) Female.

How long, in years, have you been employed by this Hotel? .....

What is your current job title? .....

How long have you held your current job title with this Hotel? .....

What is your highest qualification? .....

- (a) Certificate (b) Diploma (c) Bachelors Degree (d) Post graduate (e) Professional.

Does your organization engage in formal budgeting processes? .....

- (1)=Yes, (2)=No, (3)=I don’t know

## Budgeting participation

The following statements are designed to obtain your perceptions about budgeting participation in your hotel. Use the scale below tick in the space against the question.

**AD**=Strongly Disagree, **D**=Disagree, **NS**=Not sure, **A**=Agree, **SA**=Strongly Agree

S/N	STATEMENT	SD	D	NS	A	SA
1	Budgeting information on quality is shared with all staff.					
2	Budgeting information on price is shared with all staff.					
3	My job includes my input regarding budgetary activities					
4	Review and verification of the budget are done with all section heads.					
5	All employees' ideas are included in the annual budget.					
6	Budgeting information freely flow from top to bottom and vice visa.					
7	Superiors and subordinates prepare the budget together.					
8	Successful corrective action is taken whenever there are variances.					
9	Regular departmental meetings take place on budgetary issues					
10	Budgeting information is readily accessible to everyone in the hotel					
11	Management frequently consult with staff when drafting the budget.					
12	Budgeting systems are exceedingly decentralised.					
13	The out come of the budget decisions are communicated to all those that need to know.					
14	The service delivery staff understands budgets and monitor reports.					
15	The budget delegation scheme is used.					
16	The budget framework paper is discussed by all staff					
17	Management of our hotel don't store budgeting information.					
18	Management of our hotel don't distribute budgeting information.					
19	Each part of the budget is compiled with whoever is responsible for its control and performance					

### Goal Comittement

The statements below are designed to understand your feelings about the goal comittement in your hotel. The following statements can be answered using a seven point Likert scale with the categories being:

1=strongly Disagree, 2=Disagree, 3=Slightly Disagree, 4=Neutral, 5=Slightly Agree, 6=Agree, and 7=Strongly Agree.

Please choose the number that best represents your response.

S/N	STATEMENT	1	2	3	4	5	6	7
1	I really care about the fate of this hotel's budget goals.							
2	I am proud to tell others that I am part of this hotel budget goals							
3	I talk up the hotel as a great company to work for.							
4	I feel a sense of "ownership" for this hotel budget goal.							
5	Unless I'm rewarded for it, I don't offer extra effort to achieve the budget goals.							
6	I only work hard to accomplish the hotel's budget goal when I am to be rewarded.							
7	I don't express publicly, my private views about the hotel's goals							
8	This hotel's budget goal really inspires the very best in me.							
9	I am extremely glad that I chose this hotel to work for because of its budget goals.							
10	For me this is the best of all possible hotels for which to work.							
11	What this hotel's goal stands for is important to me							
12	If the budget goal of this hotel were different, I wouldn't be committed.							
13	My personal goal and those of the hotel are similar.							
14	The reason I prefer this hotel to others is because of what its goals stands for.							
15	My attachments to this hotel are primarily based on the goals it represents.							
16	The budget highly reflects the patterns of behaviours							
17	I understand the budget goals of this hotel.							
18	The use of the hotel's resources is highly consistent with the mission and priorities.							



## Employee performance

The following statements are designed to obtain your perceptions about Employee performance in your hotel. Use the scale below tick in the space against the question. **AD**=Strongly Disagree, **D**=Disagree, **NS**=Not sure, **A**=Agree, **SA**=Strongly Agree

S/N	STATEMENT	SD	D	NS	A	SA
1	Employees here help others to do their jobs better					
2	The work environment promotes hard work.					
3	Employees willingly stand in for colleagues who are absent in addition to their own duties.					
4	Employees protect organisational property.					
5	Employees normally give advance notice if unable to work.					
6	Employees make constructive statements about the Organisation					
7	Employees seek help from others when they need it.					
8	There is a good working relationship with supervisors					
9	Employees waste materials and neglect Organisational property.					
10	Employee report on time for duty.					
11	Employee performs their tusks diligently.					
12	Employees are highly motivated to work for the organisation.					
13	Employees interact freely at work					
14	There is team work and cooperation in the organisation.					
15	Employees have the right skills for their jobs.					
16	People I work with are direct and honest with each other.					
17	Employees' tasks are measurable					
18	Employees enjoy working for the organization.					
19	People I work with accept criticism without becoming defensive					
20	Staffs are satisfied with their work.					
21	People I work with constructively confront problems.					
22	Employees' work is equitably distributed.					
23	Employees have a clear performance target.					
25	I am asked to make suggestions about how to do my job better.					