

**MANAGEMENT BUDGET PERCEPTIONS IN PUBLIC ADMINISTRATION: EVIDENCE FROM PORTUGUESE AIR FORCE**

**ALICE CATARINA LOPES AUGUSTO**

ISEG - INSTITUTO SUPERIOR DA ECONOMIA E GESTÃO

**TIAGO CRUZ GONÇALVES**

INSTITUTO SUPERIOR DE ECONOMIA E GESTÃO - UNIVERSIDADE DE LISBOA

**ANA MAFALDA MARTINS CASTANHO**

ISEG - INSTITUTO SUPERIOR DA ECONOMIA E GESTÃO

Agradecimento à orgão de fomento:

Alice Augusto e Ana Castanho agradecem o suporte da Força Aérea Portuguesa. Tiago Gonçalves agradece o suporte financeiro, via ADVANCE-CSG, da Fundação para a Ciência e Tecnologia (FCT Portugal - UIDB/04521/2021).

### MANAGEMENT BUDGET PERCEPTIONS IN PUBLIC ADMINISTRATION: EVIDENCE FROM PORTUGUESE AIR FORCE

#### **Introdução**

Public managers have to deal increasingly with more budget constraints, which are translated further into restrictions in spending and complex procedures. This means that bureaucracy prevents managers from spending (adequately) budget funds and creates lack of autonomy. In the NPM context, we should expect the budget to align individual objectives to the organization objectives, to improve efficacy, efficiency, and economy. Individual perceptions can model the use and alter the effectiveness of this instrument, thus should not be ignored.

#### **Problema de Pesquisa e Objetivo**

We question if the budget, as a management tool, as perceived and used in the private corporate environment, improves public organizations performance or is just a bureaucratic control. Additionally, we identify differences of perception between User Groups (UG). Finally, we test for potential differences between budget participation and ability to influence it, that could lead to pseudo-participation.

#### **Fundamentação Teórica**

Budgets have an associated set of rules defining how they are built and organized. These procedures can restrict its flexibility and create lack of autonomy. Workers can perceive this instrument as a tool to enforce rules, tightly connected to bureaucratic processes and not as a useful management instrument. Finally, individual perceptions can model the use and alter the effectiveness of this instrument, thus should not be ignored

#### **Metodologia**

We use a survey, based on private (corporate) management literature, to collect evidence from Portuguese Air Force (PAF). We select three user groups (UG) occupying different positions and functions in the organization. The survey took place during May-June 2019 and we obtained 214 full answers, which reflects the vast majority of the PAF personnel that meet our selection criterion (acting in a management role).

#### **Análise dos Resultados**

We show that current budget roles can be divided into technical objectives, individual's integration and bureaucracy. Furthermore, public management perception of the budget roles emphasizes bureaucracy. These perceptions are moulded by user group (UG) and our respondents, who participate in budget planning, feel their participation is adequate although they also perceived their influence is low. This shows evidence of pseudo-participation.

#### **Conclusão**

We extend theoretical understanding of the budget as a management tool rather than a political or administrative tool, in the context of Public Administration. We identify a different budget role in public administration comparing to private sector studies (bureaucracy component) related to the roles identified of Comply and Ritual. Individually, each group loads differently in each of the 3 components identified for the role of the budget. Thus, this hinders workers perceptions about budget as useful for their activities, helping them with planning and managing scarce resources.

#### **Referências Bibliográficas**

See paper.