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Systematic Budget Review and Budget Management in Government Agencies

TANISHKA NAMDEV

BY AKANSH GARG

University of Engineering & Technology Roorkee

Abstract

Budget control and budgeting include the establishment of objectives by the organization's management as well as designing a process that acts as a framework in which the organization reflects well as a whole planned activity. The proportion of these planned actions in terms of finances is known as the budget, while the development of an effective way to ensure the desired result is known as budget control. This study, therefore, aims to conduct a systematic review of budgets and budget management in Government organizations, and in view of the importance of the aforementioned, attention was focused on the Nigerian National Petroleum Cooperation (NNPC). To achieve the purpose of the research, basic data was obtained through the use of a well-structured questionnaire provided to respondents, while secondary data was obtained from the annual financial statements, files, memos, tax laws, and the NNPC gazette. The findings revealed that a necessary and sufficient condition for achieving an effective budget and budget management involvement all stakeholders involved in budget preparation, taking into account government procedures circles, while emphasizing deliberate implementation and honesty, by all responsible officials. This depends on the existence of an image of the current state of affairs, in terms of the expected state of affairs, within the organization. It is therefore recommended that as the budget and budget management have an impact on Effective management and high productivity of the organization, all eligible stakeholders should participate in the budget process, from adjustment to implementation, among other things to ensure the achievement of the overall goal.

Keywords: Budget, Budget Management, Effective, Effective, Management, Performance.

INTRODUCTION

Budgeting is an important policy tool for public administration and factory management; it is a normal operation for many as it is done in our private lives and in business, in government, and in voluntary groups. Usage budgets in government circles long before their use in businesses or the business sector. In the stable economic situation of the pre-war era, a few large companies especially in the U.S.A. as well The U.K. used the budget for a variety of purposes. The use of the budget created controversy, as some pioneer companies have reported the budget as an important tool for management, while others have reported the same as having an illness or even a negative effect on efficiency and productivity. However, the global depression of the 1920s as well The negative consequences that have created "business problems and problems" make budget spending a priority to plan for overall economic and business growth. Lambe, (2012) writing about Budget and Planning well describes the budget as a broad one an integrated plan that is coordinated by the management of the organization, and presented in financial terms performance and business resources for a specific period of time in the future. Pandey (2008) explains budget management as the establishment of departmental budgets related to the functioning of the executive policy requirement, as well as continuous comparison of the actual effect of the budget to protect what you want actions. The purpose of that policy is to provide a solid basis for its review. Thus, the budget can be seen as a plan that shows how resources will be needed and how to use them over a period of time. Represents the system of a future expressed in terms of plurality. The Institute of Cost and Management Accountants (1999) stated this The concept of budget when defining a budget as a fixed financial system and early approval, usually planned revenue to be generated and expenses to be incurred what happens at that time and the money that will be spent to achieve a particular purpose. Individuals form a family budget for the entire family that reflects family resources their income and daily expenses. In the same way, businesses, even if they are focused on resources, in the oil industry, manufacturing, or government agencies all make their own budget showing the expected revenue and expenditure for a period of time usually as a means of 'reassuring' against any serious disasters that occur. it is possible. At times, the prediction may be wrong, but it does provide a basis for corrective action deviations, and as a result, budgets are expected to be kept flexible in order to meet the changes. Management of an organization usually sets goals or objectives, so that the organization can clearly indicate what it wants to achieve in the future and these goals or objectives vary between several organizations. So to make a budget including goal setting and monitoring of actual performance compared to expected performance. It is a process, which is important and critical to many businesses and requires the involvement of all levels of management and all organizational functions.

Many manageable and controlling factors also influence the organization and these factors must be carefully considered in budgeting. Due to the presence of uncontrollable substances, usually not under management, provisions must be made in the budget to allow for different outcomes (or positive and negative aspects), depending on the economic situation at any time, and this is it provision that includes flexibility in budget formulation. According to Joseph Baggot (1976), flexible budgets of any kind a budget that recognizes the difference in behavior between fixed and variable costs in relation to flexibility output and profit, and is designed to change accordingly with such flexibility. Although a fixed budget according to ICMA (1999) is a designated budget that remains unchanged regardless of where it comes from or profit achieved.

There are two most common types of budgets for all organizations, albeit (private) public) and this includes large sums of money and budget. This does not in any way diminish the value of something else types of budgets, as each organization has its own method of classifying budgets, such as (preparation) sales budget, production budget, general budget, management budget, research, and development budget among others. These budgets can be short-term, medium-term or long-term. A big-budget points to the amount of money that an organization or government agency will contribute to a major project for a period of time time. It describes the project assets and activities in which the organization will invest these costs as well as answers several important questions such as: What are the long-term assets of an organization? This big investment will be a necessary organization in the next years and a constant concern. Money budget on the other hand is a detailed financial statement presented in the cash flow plan outflow) of an organization, at some point. Batty (1968) pointed out that the budget is the rate of cash receipts and future plan payments after consideration should be given to expectations state and overall budget plan. Budget money rather than budget itsethe lf is taken from others' budgets. It provides financial transparency and takes into account the timing of receipts and payments. An important part of the budget cannot be overemphasized as it influences the liquidity status of an organization. The decision not to schedule cash inflows and outflows can create structural instability once and for all limited selection of financial resources, and high-interest rates or financial opportunity costs. The essence of any budget is to control costs and enable managers to prioritize projects; therefore The budget process is seen as a means of improving the efficiency and effectiveness of operations. Similarly, the basis of a company's financial plan is a sales forecast or budget. The sales budget provides a source of information and guidance on making other budgets. This is because sales revenue shows how well the company is working or expected to do both in the present and in the future. A good sales budget allows managers to be financially aware of the other costs, while at the same time allowing the positives a pattern analysis of sales revenue receipts that allows an organization to draw up its own budget financial purpose and major projects.

In designing a financial plan, managers must set a standard to compare actual performance with what is allocated in the budget, thereby forming a basis for regulating performance both in terms of productivity and cost what happened. This control is primarily referred to as budget control; that is the use of budget to control firms ' jobs. The Institute of Cost and Management Accountants (1999) defines budget management as the development of a budget related to the work of management and the need for policy and continuous real comparisons with the effect of the budget, or to prevent individual action its purpose policy or provide a basis for its review. It is important to compare from time to time, the actual performance with budget or standard results to ensure that deviations from planned outcomes are kept to a minimum and that the necessary remedial measures are taken as soon as possible after the investigation of such deviation. In some cases, you may need to review a specific goal or goal, but this should be done it only happens in rare cases.

The basic concept of budget allocation and budget management involves the establishment of a policy by management who will lead it in drafting its planned activities, calculated in terms of financial terms as budget. It involves comparing actual performance with a set standard or goal, and if there is a deviation when it does, corrective action is taken. Budget is closely linked to control and performance control in an organization with the help of guidance or a policy framework is known as budget management. As a result, the budget management process includes; various budget adjustments, continuous actual comparisons of budget performance, and budget reviews according to changing circumstances. Budget control (if not overstretched), is an important tool for making any organization bigger. it works well in all areas, and serves as an important tool for cost management and achieving overall goals. In view of the above, it is important to note that planning and management are the core of any profit planning business organization and a budget system provides an integrated overview of the firm's overall performance. All companies need their efficient operation and business continuity, financial planning, and control. The budget represents planning and management tools that require management to anticipate changes and adopt them see. Business operations in today's economic environment are complex and subject to intense competition pressures, and as a result, different types of changes occur. The state of economic fluctuations in exchange it affects different industries in many ways.

Therefore, in some detail to clarify the issue in question, a state-owned company Nigeria will be the focus and this is the Nigerian National Petroleum Corporation (NNPC). NNPC is an organization that prepares budget for production, marketing, capital expenditure, research and development etc. but at the same time it plays a major role in the oil industry, facing global and global change conditions that have a significant impact on the preparation and implementation of the budget. Normal change conditions commonly affecting the oil industry include; fluctuations in oil prices and production share as regulated by the Organization of Petroleum Exporting Countries (OPEC) at the international and local levels fiscal policies and official regulations at the national level.

Given the above scenario, research like this seeks to raise important questions such as these:

• Determining whether the central aspect of budget management is to determine the difference once and for all to identify those who are bound by obligations to control this variance.

• Determining whether state-owned enterprises control companies in the formulation of their budgets reports differences among executives who are responsible for them.

• How actual performance compares with established standards and remedial measures taken after an investigation into the cause of the deviation (if any).

• Determining whether state-owned companies comply with budgetary requirements and requirements budget adjustment.

• Determining the relationship between budget and budget management in government-owned companies.

• Assessing whether budget management contributes to good governance and high productivity in government-owned companies.

These are some of the questions this research project will try to raise and provide depth analysis to. In addition, statistics for the key questions raised above will provide the basis for the purpose of this study. Therefore, the focus points of this study will be inclusive and inclusive of subsequent objectives.

• Recommending that the achievement of the organization's goal (to achieve success) services), is a direct result of an effective budget process and budget management Nigeriarian, with a strong focus on the Nigerian National Petroleum Corporation (NNPC).

• Determining how budget and budget management affect service delivery in state-owned enterprises.

• Highlight the importance of budget decision-making and budget management in the activities of state-owned enterprises.

• Assess the benefits of budget management in state-owned enterprises and the implementation of their policy objectives.

• Assessing the overall relationship between budget and budget management in government companies.

LITERATURE REVIEW

The budget plan for all organizations provides for those responsible for managing that lay the groundwork for deciding how to acquire, allocate and spend money to support sound decision-making and achieve organizational goals. Through the budget process, organizations have organized activities e they are successfully calculated in terms of monetary terms and times.

One of the problems that arise in today's world is that managers are planning for the future of their organizations in an area where changes in circumstances occur from time to time. I inflation rates rise and fall, input prices fluctuate abruptly and often have a structure of inequality and resilience in global economic systems. In the midst of these situations, managers must act comprehensive analysis and critical decisions about the future of the organization in some to remain a movement and anxiety directed at the result. According to Lambe (2014), one of the most effective ways to prepare for change conditions is to provide the function of a framework that contains a system that is flexible enough to adapt to it unexpected changes. The broad process of providing such a framework is known as a budget. It involves setting goals and effectively monitoring actual performance against budget allocations.

Conceptual Framework

Several authors have made various suggestions and explained the term budget; with different ideas, especially on individual opinions and their knowledge. Aseshemic (1997) defines a budget as money or a plan of action plan to be followed to achieve a particular goal. According to Brown and Howard (2002), a budget is a pre-determined term management policy statement that provides for - the level of comparison with the achieved result. Buyers and Holmes (2000) on the other hand define a budget as a financial and / or volume statement prepared and approved prior to that time to proceed the goal of achieving a particular goal. They suggested that the overall budget for future business operations includes marketing and production links. This sets the achievable objectives and the planning of the work to be done and the costs to be incurred by the canters where the business is subdivided for the use of the budget objectives.

In the view of Charles (1997) the budget is a reflection of the value of the program and assistance in coordinating and implementing it. This suggests that the budget is designed to carry out various functions; planning, performance evaluation, task coordination, programming, communication, motivation, and authorization, thus marking the fundamental element of the results-oriented budget system. Pandey, (2001) attests that A budget is a complete and integrated plan that is expressed in terms of the financial performance of the business and some future period. According to him, the basic elements of the budget are will include the following:

• It is a complete and integrated system.

• Revealed in terms of finances.

• It is a firm application.

• It is a future plan for a particular period

Olafusi (1998) summarizes the budget for writing a "Nigerian Accountant", in which he describes the budget as an essential tool for effective implementation, where costs are allocated to specific tasks arranged over a set period of time. In Parker (1997), budget planning is a belief that goes hand in hand with economic discourse, because resources are scarce compared to their needs. So the general idea of a budget is, of course, can be viewed as a tool that provides benchmarking for performance measurement and control, while providing equally feedback information, which facilitates the ability to take corrective action, based on that related to the environment and types of planning.

Cope (1994) considers the term budget as a complete system that is presented in terms of finance in which the application is active for a period of time (usually one year) which includes service rates, activities, and projects that include the plan, the need for effective costs and the resources used their support. Onuorah (2005) however is of the opinion that budget planning clarifies the system of mass management. goals. According to him, it also helps to evaluate the organization’s plans, at the same time doing two

key management functions are:

• Development of a comprehensive future career plan;

• It compares the actual result with a predetermined plan, thus, planning and control (the two main ones) administrative functions) are also important aspects of the budget process.

In Luicey's (1988) view of speech, a budget is an annual financial plan. The allocation should be seen as a phase of continuous achievement of long-term goals of organizations. As such, the budget process directs the organization toward achieving long-term goals defined in the business plan.

An analysis of the above suggestions regarding the concept of budget reveals that although they exist with different meanings all have the same thing. In short, a budget is a pre-determined statement of a periodic management policy, which provides a level of comparison with the actual results achieved. It involves the measurement of income and expenses over a period of time, thus the act of preparing a planning and financial accounting are known as budget planning. The budget is usually the organization's future expectations and basically involves planning (which includes the management and implementation of appropriate variables - controllable and uncontrollable) and minimizes the impact of uncertainty. It makes managers work to influence the environment in the interests of business. The budget presents the plan in a systematic and helpful manner to meet company expectations. It is a complete system in the sense that all functions and functions are considered in preparation.

Theater model

Budget management and budget management as important organizational and institutional flexibility is not a modern phenomenon. However, budget control and budget management have different international contexts, where several models at once theories are associated with extra time, especially as revealed and suggested by various authorities and schools of thought. The budget includes sales, production, finance and all other related areas carries out executions in a united manner. In addition, the budget enables managers to decide on policies and others the benefits of looking back and the knowledge of your outcome. Therefore, the basic goal in the budget and budget to control the fact that it is a complete and integrated system that acts as an integrated system it affects every aspect of the business and every part of the organization.

Mcalpine (2000) suggests that it is important to ensure that the budget process is complete as well effectively and that members of the organization are aware of their responsibilities under the plan; required what to do, how to do it and how performance will be measured. He went on to say that these needs are met through comprehensive story processes. According to him, some of the questions to consider in drawing a process (among a few others) includes:

• What budgets are in the plan?

• Who is responsible for preparing and associating?

• What decision should be made in preparing each budget?

• What information will be needed to guide these decisions?

• What are the sources of this information? How it will be collected, analysed, and translated to establish facts?

These processes will be based on a realistic approach to decision-making and in this case, it has happened it should be noted that decisions based on incomplete information can be as misleading as those based on inaccuracies information.

Owler and Brown (1965), but the concept of budget within the theory of theory there He pointed out that budgets are expected to be considered in a humane manner. This is because the human factor budget is more important than calculation methods. The effectiveness of any budget program depends on its acceptance by those who are bound by budget management obligations and members of the company affected by the budget. It is not enough to prepare a budget and give responsibility for it; the behavioral aspect should be considered. This fact was appropriately stated and summarized by Owler and Brown (1965) when saying: "However it is necessary to consider the ethical aspects of the system. I the system will not work if the people who use the system are not considered and questioned to participate in it ". Fully inform the theoretical framework for budget planning and budget management, types of budgets, budget management, and timelines (as discussed below) should be carefully considered.

Types of Budget

Basically, there are three main types of budget plans used by managers of any organization planning and control objectives. These include fixed budget, fixed budget, and Increase zero or budget based on zero. The fourth category covers the different types listed above including a large budget.

A fixed budget is a type of budget that does not give space or provide for changes in the system's nature. It does not recognize different behavioral patterns of cost in relation to different levels. Professor Pogue (1997) in his article entitled 'Budgeting as an aid to management performance' is considered inconsistent. The budget is based on a single level of activity where different costs are related and therefore building materials, function, and high costs are associated with this one level of activity. Cost control is difficult with a fixed budget because if the actual work differs from the budget function, budgeted expenses or kit costs, which are realities costs are measured by management knowledge and action, they become insignificant. A fixed budget sometimes has been criticized by analysts as dangerous because it imposes a cost limit that cannot be exceeded it does not give you a place to compare actual work and budget results.

A dynamic budget, on the other hand, is a type of budget that allows for a change in the original environment because the cost of certain goods and services varies depending on the products at different production levels as well as economic activities. Unlike a fixed budget, we reflect several levels of activity and see the different cost behavior patterns in relation to different output levels. Harper (1999), defines it as a budget sets out what should have happened about each budget, or by looking at the actual level achieved. I Flexible budgets affect the tightness of fixed budgets, and we are fundamentally aware that forecasts can be erroneous. For example, if a company makes a negative sales forecast, it does not determine the usefulness of the flexible budget, mainly because operating costs under a flexible budget can be associated with a different level of performance jobs. A flexible budget ensures effective control by recognizing that different cost provisions are the same needed to meet different levels of activity in the business. It is especially useful for control purposes by actual output.

A rising or zero base budget provides the perfect way to create a budget. Starting from it begins with an analysis of each job or activity, and then continues to evaluate and make any agreement alternatives. In other words, every budget item must be carefully considered and reasoned beforehand allowed to form part of the budget. Koontz (2003) argues that the concept of this process is segregation business plans into the required functions and resources and calculated the cost of each package initially the budget for each program is from zero, costing as recalculated, thus avoiding the common tendency to budget only to look at change from the past. Here the next budget amount is changed, remembers the actual results in the current budget period and the proposed changes to the viewing period. Generally, a zero basic budget applies to those operating budgets, which do not include direct costs. When direct costs are involved (such as building materials and direct wages), they will be generally controlled production work because it was expected that each item with a specific cost would be carefully monitored as well its relationship with production has been established. It works best on budgets that incur extra costs such as managing, selling and distributing overheads. In the view of Professor Pogue (1997), the egg

The basic budget approach focuses on:

• Why the cost or function is needed in the way you are now.

• Job opportunities or other expenses.

• If these alternatives affect the quality of the product or the product services.

• Whether these alternative approaches affect relationships and relationships with other costs and functions. However, in general, a basic zero budget should be a useful tool in budget preparation because that provides the sum of the problem. It is worth noting that under each type of budget, they can be it is also classified as operating budgets and capital expenditures. The operating budget according to Harper (1999) is a plan for daily use of resources and resource creation. So he is very concerned about building materials, staff, extra money, sales revenue etc, and usually takes a year, the time we are expected to keep up with any financial year the company follows to compare budget with actual. Respectfully on a larger budget, Harper (1999) also pointed out that it is a budget that sets out planned needs long-term business performance. It shows fixed assets, operating costs and the types of funds that will be able to needed for years to come. The capital budget sets out the financial structure and liquidity of the business over a for a long time. Capital budgeting is also an investment concept because it involves commitment money now to get the desired return in the future. Big budgets and operations are well connected, as larger budgets can only be developed on the basis of planned performance over the years. At the end of The process of planning a large operating budget sets out the goals for each successive budget.

In addition to the types of budgets highlighted above, the fourth division includes the main ones budget. The Main Budget, according to some analysts, is not a kind of budget, but a summary of all performance a budget drawn up by the various working heads of the organization. According to Ray (1995) the draft budget nothing exceeds the summary of all phases of the company's future plans and objectives. It sets a specific target sales, production, management, distribution and financing activities and often results in speculation a financial statement that outlines the future management plan and what their plans will be accomplished. So a large budget is prepared in the form of a profit and loss account in the budget which are products, sales and estimated costs during the budget period combined as a single position. Therefore, a A large budget is simply a network that contains many different interdependent budgets.

Budget Management, Times and Benefits

A relevant issue to be considered in such a speech is the identification of those bound by the chair obligations for budget management in the organization. The main function of drawing The budget for most legal entities rests with the regulator or budget officials, who receive comments from representing the various units or departments on which the organization is based. Control or The responsible office will then evaluate the proposals and integrate them into the company's proposed travel budget. then submit the budget to senior management for final approval. For large organizations though, the budget preparation is the responsibility of the budget committee. The committee consists of active heads and chief executive officer. The obligation to use the whole system is done on a budget an officer, who is usually the chief executive officer of an organization. Pandey (2002) highlighted some of the works of The budget committee included the following:

• Issuing instructions to various departments.

• Receiving and evaluating budget officials.

• Provide historical information to departmental managers to assist them in their predictions.

• Suggestion for possible review.

• Discuss difficulties with management.

• Ensuring that management prepares the budget in advance.

• Preparing budget summaries.

• Submitting a budget to the committee and finalizing descriptions for a specific task.

The budget committee is an executive committee and usually meets all of them functions of all administrative categories or departments effectively. In adjusting the budget, the amount the involvement of all levels of management is very important. It is very important to get involved budget, especially at the lowest level of governance. It is in recognition of this fact that Onourah (2005) states that "The budget is no longer available and should not be the sole responsibility of the chief budget officer or some senior executives in the company. Instead, all levels of the company will participate in the budget process and a commitment to achieving the goals set by the budget. The wave of the future will be to gain it all human resources available to the company in budget preparation and management. The main involvement is Most people will commit to achieving their budget goals once they have been established. This will be important results about inspiration and success ".

Ray Garrison (1995) seems to support Onourah's position, which is why in his opinion, the benefits that result from good budget management cannot be overemphasized as outlined below.

• People at all levels of the organization are respected as members of the group, their ideas as well judgment is respected by senior management.

• A person who is in direct contact with the work is in a better position to make budget estimates, thus budget estimates are usually very accurate and reliable.

• The person at work is best prepared to work towards the budget he or she has set himself as opposed to the budget imposed on him.

• The budget we set out contains a different management plan that if one can to meet budget specifications, he is the only one who should regret it. But if the budget is laid down from above, he would end up saying the budget was absurd or unreasonable to start with, so it was it is impossible.

In fact, all levels of management and staff in an organization, whether strategic, strategic or to work, we need to work together to produce a budget. This will ensure that the whole organization works as one business in which all its units are closely integrated.

Similarly, budget times according to Lambe (2014) are the times when content the framework for the provision of the budget is made real, given that the budget itself is an action plan, organize in terms of quantity for effective and efficient use and support long-term strategies decision making. Budget periods can extend to a wide range of periods, ranging from a few hours to one for several years, depending on the type of budget. Owler and Brown (1999) identified budget periods as the length of time the budget should be spent, be it short, medium or long.

As a result, a number of benefits or benefits accrue to the organization from budget preparation. According to Dogara (2014), some of these benefits, among others, include:

• Estimating distribution and general management costs during the budget period.

• Assists in obtaining available financial resources, such as any additional funding required expected, and planned.

• The budget emphasizes that all sections of the company serve the same goal. It shows it is clear that only when the efforts of all people in the corporate categories are properly directed, goals can be achieved.

• Budgeting performs control functions, as it is a real-time application in the future. Operations throughout the period in question are controlled by internal operations budget framework. Thus it is easier to track deviations and corrective action is taken in the right way, thus the budget promotes efficiency and prevents wastage.

• Budget planning has the advantage of forcing managers to investigate key issues before evaluating progress can be mapped.

• Helps to estimate production costs during the budget period and this includes reading once forecasting the cost of goods, labor costs and higher costs.

• Budgeting results in more sensible use of factory resources and resources. Management can a more accurate measure of the future needs of employees and finances. This contributes to the well-being of employees and employee as it tends to stabilize the demand for their jobs.

Strong Budget Management Framework

As mentioned earlier, the stated definition of budgets and the setting of budget targets are true tool for control purposes. Just as planning alone does not necessarily mean that the proposed course works of action, as well as budget proposals that should have effective controls to remain relevant. Budget control is aimed at achieving an effective, efficient, effective course of action specified in the budget framework.

According to Brown and Howard (2002) budget management can be viewed as a control system costs including budget adjustment budgeting and job creation, comparing actual performance with budget and tracking results to achieve maximum profit. Ku In their view, the Institute of Cost and Management Accountants (1990) described it as "The establishment of a budget related to the work of management and the need for policy and ongoing comparisons of actual result of the budget or protection by individual action, the purpose of that policy or to provide a basis for review ". From the above positions, it simply means achieving control (budget), which is real performance must be measured in accordance with the intended budget, periodically for performance to be effective tested and thoroughly tested. Managers must first establish policies and standards that will guide them, draw its purpose, where the actual performance can be compared to the standard and if any deviations occur, corrective measures can be taken later (after investigation of the causes), while in practice identify the causes as tools for future remedial action plans. Hand (1986) in his place, is cited

The three basic stages of budget management processes include the following:

• Pre-determined standard setting.

• Evaluate actual performance against pre-determined levels.

Corrective action if necessary to deliver actual performance in accordance with a predetermined standard. The concept of budget management cannot be separated from that of having a management responsibility.

In addition, the purpose of budget management is to enable managers to conduct business the most effective method. Scott (2000) also confirms this fact when he says budget control in addition to a management strategy aimed at ensuring that administrative functions are performed at the source plan and combine fashion. According to him, budget control is rather aimed at directing communication between one party to another to ensure that budget provisions remain focused on the goal. Budget control equally provides the basis for certain key actions (such as Management, direction of sales effort, production planning, stock control, price adjustment, financial requirements, cost control and production). In view of the above, the basic objectives of budget management include the following:

• Consolidate the views of all levels of management in the preparation of the financial system.

• Coordinating all business activities.

• Integrate organizational control.

• Manage each activity to achieve the best results.

• Act as a guide for management decision in the event of unforeseen circumstances.

• Planning and managing revenue and expenditure to achieve maximum profit.

• Managing all costs in the most efficient way.

• Ensuring that sufficient operating funds are available for the business to run smoothly.

• Provide a line on which actual performance can be measured.

• Demonstrate to management what is really needed to improve the situation.

• Implementing the provisions of the budget in the most efficient manner.

Overall budget management as a management approach should be adequately monitored any organization, given the fact that good planning without effective controls for the purpose of measurement performance will lead to better performance and less efficiency.

METHODOLOGY

Using a research design approach and a statistical approach, this study conducted a systematic review budget management and budget management in state-owned enterprises, with a special focus on Nigerians National Petroleum Corporation. The choice of this design was because the researcher saw it as such due to the need for a comparative and in-depth examination of the subject matter. I the number of people in the study included senior executives and middle-level organizers play a major role in budget preparation. Initial data was obtained through the use of a fine structure List of questions provided to respondents, and secondary data was obtained from annual accounts NNPC statements, as well as files, relevant document, memos, tax laws, bank statement standards, journals, gazette, and financial columns in National newspapers. Sample method used I the number of people in the study is the least likely type. That is a non-mathematical based style of sample assignment. Instead an 80% size study was used for a sample size of managers and non-managers based on Borg and Gall's recommendation. Data were analyzed using the percentage calculation method. I green points and the corresponding percentage were used to answer the pre-formed research questions read.

EFFECTS AND DISCUSSIONS

The main purpose of this study was to conduct a systematic review of budget and budget management Government agencies. Analysis and interpretation of data obtained both initially and once secondary sources are reviewed to answer relevant questions raised in this study. From all of them the issues raised and reviewed in this study, can be considered a budget theme once Budget control is a work in progress, while your importance in expressing positive or negative influences on working any result-oriented organization (especially in state-owned enterprises) cannot be over-emphasized. The results of the analysis indicate the following:

i. Most respondents agree that budgeting is an effective way to organize business activities in any setting organization (whether private or public).

ii. It has been found that the actual functioning of an organization has a direct relationship with diversity adjusted budget during the accounting period.

iii. There is a general consensus that budget management helps to manage the decision-making process once and for all builds the foundation for effective and efficient organizational activities.

iv. Control measures in budget performance serve as an appropriate assessment of the performance of organizations.

v. There is a cohesive view that budget adjustment helps to manage costs effectively, for the most part especially in state-owned enterprises.

vi. Budget preparation and budget provisions indicate the organization's approach.

vii. Insufficient planning of budget committees and budget officials (depending on the type of organization) is very concerned with diversity and diversity in budget performance.

viii. Budget control and budget planning is a reliable tool that puts pressure on managers and strategists management to consider and adequately plan for the future of the organization.

ix. A good budget process provides ways to allocate resources to those parts of the organization where they can be used effectively.

x. An effective and result-oriented budget is one that defines goals and objectives that serve as performance benchmark benchmark.

xi. A necessary and sufficient condition for the effective functioning of the budget and the achievement of the budget control is the deliberate and honest use, by all responsible officers. This depends on the existence of a mental picture of the current state of affairs, in view of the expected future state news, within the organization.

CONCLUSION AND RECOMMENDATION

We have conducted systematic review of budgets and budget management in state-owned enterprises and the role they play in determining business objectives and making a profit, it is important to conclude that budget and budget management is an important tool for any organization. When related matters budget and budget management is carefully planned and implemented by any organization (in particular state-owned enterprises), which can lead to lower costs and increased revenue, which in turn maximizing profits. Although budget and budget management can improve the efficiency of organizational performance, it should be noted that it is not a "magic wand" that can replace the active managing or ensuring the continuity of organizational concerns and operational sustainability. The findings of the study indicate that if the budget is used effectively especially internally a predetermined control framework and effective, works as a means of accomplishment and coordination organizational plans and actions. It works equally well as a good way to communicate programs to those who are responsible their execution, at the same time motivating managers and employees at all levels and acting as a level of actual performance measurement. In addition, the findings of this study suggest that the NNPC is an organization a well-organized organization, as it seems to employ the most appropriate managers ideas. Perhaps this may make the company (like any other organization) think it does not need to to improve, given the fact that there are no weaknesses in its budget plan. It is therefore important that it means that no matter how well the system works, there is still room for improvement periodic updates are required from time to time. As a result it is based on findings and interviews Listed above, the following recommendations are made:

A dynamic budget system is closely linked to government-owned organizations, and as a result, it is recommended that a zero-based budget should be equally accepted in view of its many benefits. The zero base budget provides a framework that allows for the evaluation of each task from the outset. Every item of budgeted expenses must be carefully considered and reasoned before it can be approved as part of a budget. This makes estimates or budgets more realistic as they are based on current conditions. Uziro the basic approach seeks to reveal the current state of affairs in the organization, why it is done, what is better possible methods and which activities are really important and determines the cost-benefit analysis. This

and will allow the organization to use that approach as an effective management and distribution tool resources and in so doing, has achieved its purpose. Based on the fact that the actual budget adjustment, co-ordination and implementation is almost certain only the obligations of both high-level managers. It is therefore recommended that the heads of the units and departments must be more involved in budget preparation and not just in its implementation. This of The study is in line with organizational policy and looks at the reality that people are bound by strategic activities and organizational performance are in a good position to make budget estimates that will be possible more reliable and more accurate.

It is equally recommended that a performance report, which is updated periodically, should be it is done at regular intervals (such as two weeks). This is recommended by recognizing the complexity of budget plan and consider that once the standard reporting method is adopted, it will by no means slow down measure improves budget control system, as time is short, control is effective. As mentioned above, it is further emphasized that the budget committee should be comprehensive units / heads of departments, supervisors and sub-heads who directly control the activities of the organization. This will build a broad participation platform for all stakeholders who are competent in the company's management process, thus the exchange of ideas and opinions on how business operations can be improved.

In this way, proper co-operation of each department or sub-budget can be carefully ensured consideration of all aspects of the budget before senior management makes final approval. Therefore, as budget and budget management contribute to the development of management efficiency and high productivity; the budget committee should be educated on the use of the budget. This it can help them understand the importance of complying with the actual budget thus reducing them you lose. Budget education should therefore be conducted periodically for all senior officials organization, by respectable firms, as the usefulness of such an exercise cannot be overemphasized.

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