



OPERATIONAL COST BUDGET ANALYSIS AS A SUPERVISORY TOOL AT PT. PARBEN. S MEDAN

Wico Jontarudi Tarigan¹, Vitryani Tarigan², Fariaman Purba³

ico180285@gmail.com¹, vitry_tarigan@yahoo.com², fariamantamsar@gmail.com³

Faculty of Economics, Simalungun University, Indonesia

Article history:	Abstract:
<p>Received: 1st September 2021 Accepted: 4th October 2021 Published: 20th November 2021</p>	<p>The purpose of this study is to see the importance of operating cost budgets in achieving company goals, and to know whether or not the company is just making a budget without creating a long-term working program of the company and knowing whether the operating expense budget has functioned properly as a surveillance tool. The method used in this study is the case method, namely research conducted to obtain facts and find factual information, this is done by looking at data - data so as to easily solve the problems encountered. The results of the research obtained that the procedure of preparing the operational cost budget is carried out by the company's leadership along with the related parts together in preparing the annual budget. The budget evaluated at the end of the year is an oversight of operational costs carried out by the company's management. But in its implementation is still considered less good because management supervision has not been done optimally. This can be proven by the existence of irregularities in administrative and general costs and sales costs that still experience losses.</p>

Keywords: Budget, Operating Costs, Supervision

PRELIMINARY

A company is a body that generally aims to earn profits, be it service companies, trade or industry. To achieve this goal, the company strives for effectiveness and efficiency. The management must make plans about activities carried out in the future and conduct supervision of the planning made and its implementation. One tool in planning and supervision is to draw up a budget. In carrying out its activities, the company always faces various problems. One of them is how the company can operate as well as possible, so that maximum profit will be achieved. In the company, the activities carried out by each part of the company are inseparable from the cost element in it. The small amount of operating costs will have a direct effect on the calculation of profit losses obtained at the end of the period. Where the greater the operating costs will result in smaller profits, vice versa the smaller the operating costs the greater the profit to be obtained.

Based on the description above, the company needs to do budgeting first in order to anticipate cost deviations. Budget is a very important need for the company. In the planning function, the budget is planned and structured to be a working guideline of all activities to be carried out, and under supervision, the budget will be the standard or benchmark that exists compared to the actual results achieved from the implementation of the activity. The results of this comparison will be used to assess whether the company's activities have been running properly. Budget is one element of the surveillance system, so the budget can be used to create better supervision. Failure to make a good budget on the company can lead to disruption of the company's activities, so that the goals that have been set cannot be achieved. In order for the planned budget to be realized, it needs to be accompanied by good control (supervision). Supervision serves to ensure the activities carried out in order to achieve the goal and can run as planned.

The budget prepared by management within one year will bring the company under certain conditions that are taken into account. So the question arises, can the company be run only based on the budget made, not based on the long - term program of the company and whether management only compiles annual budget reports, but does not compile long-term programs of the company. The problem that is often encountered in the company is the frequent increase in sales costs, administrative and general costs resulting from these deviations impacting the occurrence of budget deviations in the company.

Budget is a planning of activities expressed in units of money (monetary) to achieve the company's goals. Therefore before the budget is prepared first must research and pay attention to all factors - factors related to the budget. So that the budget that is prepared can be used by management as a tool to achieve the company's goals. Budget and budget process are two things that are very related to aspects of management. And because in general the ultimate goal of a company is to get profits or profits, the company's budget is also often referred to as: Business

Budget, Profit Planning and Control, Comprehensive Budgeting, Managerial Budgeting, and Business Budgeting and Control

Business Budget (Corporate Budget) or Budget (budget) is a plan that is systematically drawn up, which covers all the activities of the company, expressed in financial units (monetary units), and applies for a certain period of time to come. (Munandar, 2012). "A budget is a written plan of the activities of an organization that is expressed quantitatively and generally expressed in units of money for a period of time." (Nafarin, 2009). The budgeting process is a series of management control processes." (Ismail, Hanif, 2009). From this definition that the budget provides to the management projections regarding the results of the plan before the plan is implemented. Before drafting a budget the manager is required to pay attention to or investigate all the factors that affect the plan and make a careful plan based on existing facts so as to achieve the company's goals.

Business budget is a formal and systematic approach rather than the implementation of management responsibilities in planning, coordination, and supervision." (Adisaputro, 2003). Basically the budget is a projection of the circumstances from the future, so the budget must be faced with the reality that exists at the time of its implementation. The budget is prepared through careful analysis based on past period data, which reflects the detailed actions used as work guidelines for carrying out the company's future activities and also as a basis for assessment on implementation. "Intended by the Budget Unit to be produced (unit to be produced budget) is a Budget that plans systematically and more detailedly about the number of units (units) of goods that will be produced by the company during the next period, which includes about the type (quality) of goods to be produced. (Munandar,2012).

Budgetary control is a system of using targeted forms that have been implemented in a budget to oversee managerial activities, by comparing real implementation and planned implementation. (Handoko, 2003). Operational supervision is supervision carried out by the company leadership that includes the activities (operations) of the company. But with the development of the company, if the target is to be achieved supervision of operations is not adequate anymore, therefore supervision of operations needs to be coupled with accounting supervision. Accounting supervision is supervision carried out through accounting procedures, recordings. Because the product's goal is on cost grouping, greater attention is focused on accounting oversight. The main purpose of supervision is to make sure that what is planned is in accordance with reality. To be able to realize the main objectives, the supervision in the first stage aims to implement in accordance with the instructions set.

Basically in a company the authorities and responsible for the preparation of the budget and the implementation of other budgeting activities are usually in the hands of the highest leadership. However, the task does not have to be handled alone by the company leader, but can also be delegated to other parts of the company. In the outline the budgeting mechanism runs in parallel with the division of operational authority and responsibility reflected in the company's organizational chart and generally the briefing and decision of budgeting is delegated to the budget committee (in other literature called the Budget Commission or Budget Committee), which is obliged to make a direct report to the top-level management. In relatively small companies budgeting is delegated to the accounting section, because relatively small companies budgeting is delegated to the accounting section, because relatively small companies have not complex activities, but simple with limited scope. The task of budgeting is left to one part only of the company concerned and does not need to involve much actively all parts of the company. While the preparation of the budget delegated to the budget committee, its services are intended for companies that are bigger. This is because large companies have a fairly complex activity, diverse with a fairly wide scope. The accounting department can no longer afford to draw up its own budget without the active participation of other parts of the company. Therefore the task of budgeting needs to involve all elements that represent all the parts in the company that sit in the budget committee. The budget is prepared by the accounting department and the budget committee is still a draft or budget proposal. This draft budget is submitted to the highest leadership of the company to be passed and implemented as a definitive budget.

The best budget arrangement is the preparation based on standard costs, because the standard costs are determined through a scientific approach that is preceded by analysis and research that is researched so that it is possible to conduct the best planning and supervision. With the use of budgets and standard costs together, the standard cost will be an accurate support framework for the arrangement of a budget. The sales budget is the company's revenue plan within a year or more" (Utari, Purwanti, & Prawironegoro, 2014). A sales budget is a planned budget in more detail about the company's sales over the coming period, which describes the type, quantity, selling price, time and marketing area of the product being sold. (Bustami, Bastian, 2006). The Administration expenses budget is a budget that plans systematically and more detailedly about administrative costs borne by companies over time (month to month) over a certain period to come. (Munandar, 2012)

General and administrative costs include all expenses such as salaries and other expenses for the company's leadership, organizational costs and employee and administrative expenses in general accounting, public relations, secretariat, and general administration and other costs of a comprehensive organizational nature that cannot logically be included as production costs or marketing costs. (Tambunan, 2003). Budget Report (Budget Report) is a report on the realization report of budget implementation, which is equipped with various comparative analysis between the Budget and its realization, so that it can be known the deviations that occur, both deviations that are positive

(profitable) and negative (detrimental), can be known the causes of these deviations, so that some conclusions and some follow-up can be drawn (follow up) that immediately needs to be done. (Munandar, 2012)

METHODOLOGY

The method used in this study is a case method that is research conducted to obtain facts and find factual information, this is done by looking at the data so as to easily solve the problems encountered. So that the research does not deviate from the issues discussed, the author limited the discussion only about the budget of operational costs in supervision at PT. PARBEN. S. Quantitative data is data obtained from companies that can be proven by the numbers to be processed and analyzed in accordance with the analysis method so that the results are seen. Qualitative data is data obtained from the company in the form of information both oral and written, such as the history of the company, organizational structure and job description of each part of the company

RESULTS AND DISCUSSION

Operating Cost Budget Mechanism in the Company

The mechanism of operating expense budget in the company as follows: 1. Form a Budget from experience and surveys on similar companies that are peers, 2. The chairman (director) of the company with the manager agreed to make a budget from the results of the survey and existing experience, 3. The budget that has been made is realized in the company, 4. The company controls and oversees the budget, is the budget too large or small, 5. When knowing the results, the chairman (director) and manager evaluate the budget based on the circumstances of the company and 6. After that a new budget is made by looking at the previous budget. Operating Costs as a means of supervision are very effective where operational costs concern the company's day-to-day expenses in running the company's operations. From these expenses can be evaluated by the results obtained, whether greater expenditure than income obtained by the company or whether greater income than expenditure. If it turns out to be greater expenditure than revenue then the company will experience losses and vice versa if the company's income is greater than the expenditure then the company will benefit

Operating Expenses Budget for the company

The preparation of the company's operating expenses is referred to as proposed Work Plan and Company Budget based on data or information and the realization of the budget in the previous year by paying attention to the rate of increase in costs for the following year. Determining the magnitude of the cost of this operation is done by conducting a careful investigation. In principle, the budget made in the coming year must be better than the budget made in the previous year. The budget is based on a one-year period. Work plans used for more than one-year (multi year) budget is arranged according to the needs per budget year. If the work plan will still be implemented must be budgeted again the following year. The value of money contained in the expenditure budget that can be implemented and does not constitute an allowance of funds that must be spent.

As for the budget preparation procedure carried out by PT. PARBEN. S is from each section provides their respective reports for the next period, for example the marketing, administrative and general sections report to the General manager about their respective operating expense budgets based on reports from their subsections. Once the report reaches the General Manager, the budget is reevaluated by the General Manager, what costs should be minimized and which costs should be maximized. The budget created by each section will affect the company's revenue in the future. After being re - corrected by the General Manager, the operational expense budget report is submitted to the Director of the company. The Director also re-evaluates the report submitted by the General Manager. If the operational expense budget report is approved by the Director then the budget can be run by the General Manager

As for the operating expense budget that hasbeensu sun by PT. PARBEN. S year 2019 on administrative and general costs is listed in the table below:

TABEL 3.1
PT. PARBEN.S
ADMINISTRATIVE AND GENERAL COST BUDGETS
FOR PERIODE ENDED DECEMBER 31, 2019

NO.	Estimated	BUDGET (IDR)
1.	Electricity and Water	8.300.000
2.	Telepon dan Faximili	4.000.000
3.	Office Supplies	12.000.000
4.	Photocopy Prints	9.000.000
5.	Warehouse Repair and Maintenance	28.500.000
6.	Warehouse Depreciation	20.000.000
7.	Insurance	400.000
8.	Kitchen	6.500.000
9.	Security	1.500.000
10.	Earth and Building Tax	150.000

11.	Bank Administration	2.500.000
12.	Vehicle Tax	16.500.000
13.	Employee Salaries Of Administrative and General Section	191.000.000
14.	Commissions and Bonuses	97.560.000
15.	THR	80.000.000
16.	Vehicle	39.000.000
17.	Loading and Unloading Costs	51.500.000
18.	Cost of Newspapers and Subscription Magazines	1.250.000
19.	Other Common Costs	12.000.000
		581.660.000

Source: PT. PARBEN. S MEDAN

TABEL 3.2
PT. PARBEN.S
SALES EXPENSE BUDGET
FOR PERIODE ENDED DECEMBER 31, 2019

No.	Estimated	Budget (IDR)
1.	Employee Salary Expenses Sales Section	55.500.000
2.	Supervisor's Salary Expense	15.000.000
3.	Commission and Bonus Expenses	42.000.000
4.	THR load	7.000.000
5.	Vehicle Load	5.800.000
6.	Phone and Fax Loads	2.000.000
7.	Ad Load	2.000.000
8.	The Burden of Eating and Drinking	3.400.000
9.	Field Survey Load	3.750.000
		136.450.000

Source: PT. PARBEN. S MEDAN

REALIZATION OF OPERATING COSTS IN THE COMPANY

The operational realization report is an internal report of the company to be able to compare progress and development and efficiency that is expected and considered very useful in determining the results of its work. An internal report is also a report prepared within a company in connection with the realization of the budget that has occurred. At the end of the period, analysis and evaluation of the budget and realization is held to see if the implementation of the activity has ended with the established plan and in accordance with the instructions issued. This aims to see the coefficients of the program that has been done because the budget is also used as the basis for budget preparation to find out the weaknesses and difficulties in its implementation. If the weakness is found, corrective action must be taken so as not to occur in the next period.

However, this evaluation is not limited to just the period. An evaluation of the budget for the current period should be conducted. In this case, the company uses the principle of budget flexibility, which means that in optimizing the achievement of the work plan must always be made allocation adjustments to the cost of the budget. The process of implementing the budget as a reflection of realization will be recorded in accounting data. This data also serves as budget comparison data. Knowing everything that happens carefully and accurately will be able to help in the supervision of operating costs that occur. During the implementation, environmental conditions activities also undergo changes in cost expenditures to the extent to which the funds provided have been used, as well as to see how much has been planned to deviate. This activity is recorded in the form of accounting records so that it can be immediately analyzed and reported.

PT. PARBEN. S in carrying out its operating costs adheres to the operational costs that have been prepared before. The preparation of this budget is also based on achieving expected profits. This realization data is later compared to what is listed in the accounting record. This comparison shows whether there have been deviations that are negative (detrimental) and provides an explanation of what factors cause the deviation. Because the budget is a planning tool as well as a tool of supervision, the success of the budget is something that must be achieved as an indication of business efficiency. Success here is interpreted as a realization that is in accordance with planning and will be better if the realization is smaller than the budget, which means the company can increase efficiency through reducing operational costs in determining its performance and achievement. For further, the report on the realization of operating costs at PT. PARBEN. S in Table 3.3 while the report on the realization of sales costs is listed in Table 3.4 below:

TABEL 3.3
PT. PARBEN.S
REALIZATION OF ADMINISTRATIVE AND GENERAL COSTS
FOR PERIODE ENDED DECEMBER 31, 2019

NO.	Estimated	Realization (IDR)
1.	Electricity and Water	9.150.000
2.	Telephone and Faximili	4.300.000
3.	Office Supplies	11.100.000
4.	Photocopy Prints	7.800.000
5.	Warehouse Repair and Maintenance	15.550.000
6.	Warehouse Depreciation	20.000.000
7.	Insurance	210.000
8.	Kitchen	7.500.000
9.	Security	2.000.000
10.	Earth and Building Tax	150.000
11.	Bank Administration	2.750.000
12.	Vehicle Tax	16.500.000
13.	Employee Salaries Of Administrative and General Section	199.000.000
14.	Commissions and Bonuses	92.500.000
15.	THR	79.000.000
16.	Vehicle	50.000.000
17.	Loading and Unloading Costs	62.500.000
18.	Cost of Newspapers and Subscription Magazines	1.500.000
19.	Other Common Costs	9.000.000
		590.510.000

Source: PT. PARBEN. S MEDAN

TABEL 3.4
PT. PARBEN.S
REALIZATION OF SALES COSTS
FOR THE PERIOD ENDED DECEMBER 31, 20199

No.	Estimated	Realization (IDR)
1.	Employee Salary Sales Section	58.250.000
2.	Supervisor's Salary Cost	18.500.000
3.	Commissions fees and Bonuses	39.000.000
4.	Biaya THR	6.250.000
5.	Vehicle Cost	7.850.000
6.	Phone and Fax Costs	2.300.000
7.	Advertising Costs	1.500.000
8.	Cost of Eating and Drinking	4.300.000
9.	Field Survey Costs	2.500.000
		140.450.000

Source: PT. PARBEN. S MEDAN

ANALYSIS AND EVALUATION

Analysis and Evaluation of Operational Cost Budget

Supervision of operational costs through budget is one of the supervisory functions needed to compare operational activities with work performance, so that the deviations that occur can be known and make it possible for company leaders to evaluate and take corrective actions against these deviations. Basically, the cost of operating costs is done through a budget that has been prepared and set. In the preparation of operational expense budgets are not based on certain systems and procedures that can be applied because the budget does not have certain standards that can be followed by every company as we know that the budget is only for the benefit of the company's internalonly. Preparation of budget for sales costs and administrative and general costs at PT. PARBEN. S involves each section relating to each of these cost budget objects relating to the scope and activities of the parts with the arising of the company's operating costs. Budgeting procedures and methods are used to prepare, assess, consider, and decide at work meetings about the feasibility of the budget prepared.

According to the author's assessment, the system and procedures for preparing the operational cost budget carried out by PT. PARBEN. S, does not fully pay attention to the factors that affect operating costs. The company pays more attention and considers internal factors that can affect operational costs in the preparation of its operating expensebudget. In other words, the company takes into account external factors such as: factors of economic

change, inflation rate, social situation of society and partly in the preparation of its operational cost budget. Whereas in today's economic conditions, these external factors tend to be stronger in influencing the operating costs used by the company, rather than internal factors. In accordance with the research conducted, the system and the preparation of operational cost budgets can provide benefits to know the state of supervision as early as possible. After looking at the basic preparation of operational expense budget at PT. PARBEN. S, it can be concluded that the preparation of budgets carried out by the company has not been good so that there is a significant difference between the budget and the realization of. From the results of the analysis, it can be known that the main cause of the deviation of operating costs at PT. PARBEN. S is the lack of data and information that companies have to predict the future state of the economy. In other words, the company does not yet have a tool to get the right information about the future state of the economy, so that the budget preparation procedure carried out by PT. PARBEN. S through the administration becomes unrealistic and has not been able to with the provisions contained in the procedure in the actual budget preparation.

Analysis and Evaluation of Operating Cost Deviations

Analysis of operating expense deviations is an analysis used by interested parties, or internal control of the company by comparing budgets and realizations, in other words, budget realization comparison reports showing comparisons between the numbers listed in accounting records. This comparison also shows whether the deviation is positive or negative and should be complemented by what factors cause the deviation. With the report of irregularities it is also an assessment of the performance or achievements of everyone involved in the budget. For more details, the following is presented a comparison between the administrative and general cost budget with the realization of general administration costs listed in Table 3.5 while the comparison between the sales cost budget and the realization of sales costs is listed in Table 3.6 And there is also a comparison analysis between the operating cost budget and the breast milk realistthat occurred in 2019 as follows:

TABEL 3.5
PT. PARBEN.S
IRREGULARITIES IN ADMINISTRATIVE AND GENERAL COSTS
FOR PRIODE ENDED DECEMBER 31, 2019

No.	Estimation	Budget (IDR)	Realization (IDR)	Deviation		Ket
				IDR	%	
1.	Electricity and Water	8.300.000	9.150.000	(850.000)	(10,24%)	UF
2.	Telephone and Faximili	4.000.000	4.300.000	(300.000)	(7,5%)	UF
3.	Office Supplies	12.000.000	11.100.000	900.000	7,5%	F
4.	Photocopy Prints	9.000.000	7.800.000	1.200.000	13,33%	F
5.	Warehouse Repair and Maintenance	28.500.000	15.550.000	12.950.000	45,43%	F
6.	Warehouse Depreciation	20.000.000	20.000.000	-	-	-
7.	Insurance	400.000	210.000	190.000	47,5%	F
8.	Kitchen	6.500.000	7.500.000	(1.000.000)	15,38%	UF
9.	Security	1.500.000	2.000.000	(500.000)	33,33%	UF
10.	Earth and Building Tax	150.000	150.000	-	-	-
11.	Bank Administration	2.500.000	2.750.000	(250.000)	(10%)	UF
12.	Vehicle Tax	16.500.000	16.500.000	-	-	-
13.	Employee Salaries Of Administrative and General Section	191.000.000	199.000.000	(8.000.000)	(4,18%)	UF
14.	Commissions and Bonuses	97.560.000	92.500.000	5.060.000	5,18%	F
15.	THR	80.000.000	79.000.000	1.000.000	1,25%	F
16.	Vehicle	39.000.000	50.000.000	(11.000.000)	(28,20%)	UF
17.	Loading and Unloading Costs	51.500.000	62.500.000	(11.000.000)	(21,35%)	UF
18.	Cost of Newspapers and Subscription Magazines	1.250.000	1.500.000	(250.000)	(20%)	UF
19.	Other Common Costs	12.000.000	9.000.000	3.000.000	33,33%	F
		581.660.00	590.510.000	(8.850.000)	(1,52%)	UF

Source: Processed from the table

TABEL 3.6
PT. PARBEN.S
SALES COST DEVIATIONS
FOR THE PERIOD ENDED DECEMBER 31, 2013

No	Estimation	Budget (IDR)	Realization (IDR)	Deviation		Ket
				IDR	%	
1.	Employee Salary Cost Sales Section	55.500.000	58.250.000	(2.750.000)	(4,95%)	UF
2.	Supervisor's Salary Cost	15.000.000	18.500.000	(3.500.000)	(23,33%)	UF
3.	Commissions Fees and Bonuses	42.000.000	39.000.000	3.000.000	7,14%	F
4.	THR fee	7.000.000	6.250.000	750.000	10,71%	F
5.	Vehicle Cost	5.800.000	7.850.000	(2.050.000)	(35,34%)	UF
6.	Phone and Fax Costs	2.000.000	2.300.000	(300.000)	(15%)	UF
7.	Advertising Costs	2.000.000	1.500.000	500.000	25%	F
8.	Cost of Eating and Drinking	3.400.000	4.300.000	(900.000)	(26,47%)	UF
9.	Field Survey Costs	3.750.000	2.500.000	1.250.000	33,33%	F
		136.450.000	140.450.000	(4.000.000)	(2,93%)	UF

Source: Processed from the table

Based on the table, it can be seen that the deviations of selling costs and administrative and general costs deviations are as follows:

	Deviation		KET
	IDR	(%)	
Sales cost deviations	(4.000.000)	(2,93)	UF
Irregularities in administrative and general costs	(8.850.000)	(1,52)	UF
Number of operating expense deviations	(12.850.000)	(1,78)	UF

Based on the results of the comparison analysis between the budget and the realization of operating costs in PT. PARBEN. S can be thoroughly evaluated that there are adverse irregularities both in terms of administrative and general costs and in terms of sales costs

Administrative and general expenses

1. Electricity and water, experiencing adverse irregularities amounting to IDR 850,000 or 10.24%. This is due to the increase in electricity and water
2. Telephone and faximili, experiencing adverse irregularities amounting to IDR 300,000 or 7.5%. This is because the company has new customers who are out of town, so the use of telephone and fax is more often intended for out of town
3. The kitchen, experiencing adverse deviations amounting to IDR 1000,000 or 15.38%. This is due to the increase in the price of food
4. Security, experiencing adverse deviations amounting to IDR 500,000 or 33.33%. This is due to the large number of citations made by certain parties such as youth organizations
5. Bank Administration, experiencing adverse irregularities amounting to IDR 250,000 or 10%. This is due to the increase in transactions through credit cards and the addition of employee salary transfers through banks
6. Salaries of employees of the Administrative and General Section, experienced adverse irregularities amounting to IDR 8,000,000 or 4.18%. This is due to the addition of employees in the administrative and general sections
7. The vehicle, experiencing adverse irregularities amounting to IDR 11,000,000 or 28.20%. This is due to the company's vehicle service
8. Loading and Unloading costs, experiencing adverse deviations amounting to IDR 11,000,000 or 21.35%. This is due to the increase in targeted freight cars
9. The cost of Newspapers and Subscription Magazines, experiencing irregularities that are detrimental to IDR 250,000 or 20%. This is due to the addition of newspaper purchases that were not budgeted before, so there is an increase in costs

Cost of Sale

1. Employee Salary Costs of Sales Section, experiencing adverse deviations amounting to IDR 2,750,000 or 4.95%. This is due to the increase in employees in the sales section.
2. Supervisor Salary Fee, experiencing adverse deviations amounting to IDR 3,500,000 or 23.33%. This is due to a misrepresentation in determining the supervisor's salary.
3. Vehicle costs, experiencing adverse deviations amounting to IDR 2,050,000 or 35.34. This is due to the company's vehicle service
4. Telephone, and Fax costs, suffered an adverse deviation of IDR 300,000 or 15%. This is because the company has new employees as distributors who are outside the city, so the use of telephone and fax is more often intended for out of town
5. The cost of eating and drinking, experiencing adverse deviations amounting to IDR 900,000 or 26.47%. This is because the price of food is rising

Supervision of operational costs through the budget is one of the supervisory functions needed to compare operational activities with work performance, so that the deviations that occur can be seen and make it possible for the leadership to evaluate and take corrective actions against such deviations. Basically, the supervision of operational costs is carried out through a predetermined budget. The thing that causes the increase in the budget that has been prepared is the lack of analysis of irregularities carried out by the company against the operating expense budget that is prepared so that the realization of operational costs also deviates from the operating cost budget that has been prepared.

CONCLUSION

Based on the theoretical description compared to the analysis and evaluation carried out, it can be concluded, the preparation of operational expense budgets is carried out by the company leadership together with the related parts together in preparing the annual budget, Anggaran evaluated at the end of the year is an oversight of operational costs carried out by the company's management. But in its implementation is still considered less good because management supervision has not been done optimally. This can be proven by the existence of irregularities in administrative and general costs and sales costs that still experience losses and the results of analysis and evaluation that have been done that there are still relatively small deviations in PT. PARBEN.S. This can be seen from the operating expense budget at PT. PARBEN. S has a total deviation that is still detrimental amounting to IDR

12,850,000, - or 1.78%. Where the deviation is detrimental to the cost of sales of IDR 4,000,000 or 2.93% and on administrative and general costs of IDR 8,850,000, - or 1.52%.

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