

Public Financial Management (PFM) Digital Transformation and Service Delivery

Situation

Objectives of Public Financial Management



• Service delivery is considered the primary outcome of the PFM "operational efficiency" objective

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- Government digital adoption accelerated during the pandemic primarily to improve service delivery efficiency and effectiveness under constraints
- GovTech solutions deployed by government were primary systems of engagement for internal and external collaboration, social and business support including 24/7 services

Complication

Governments often experience:

- concerns because of few studies linking PFM enhancements with service delivery improvements
- lack of measuring GovTech and PFM improvements
- poor satisfaction with service delivery initiatives that are Ministry, Department, and Agency (MDA) focused and do not comprehensively integrate life events
- digital divide effects where underserved groups become more so relative to more affluent groups who have digital equipment, bandwidth, and skills



Question

How can governments digitally transform PFM to improve service delivery?

Solution

The FreeBalance <u>Public Value Realization advisory service</u> sequences the integration of national development strategies and government goals as performance management across budget cycles. This supports the development of service delivery performance targets and analysis tied to government objectives. For example, social support performance indicators are developed through Charts of Goals (CoG) integrated with Charts of Accounts (CoA) to track service delivery spending effectiveness. Process monitoring for service times, case management open cases, and satisfaction surveys are among the sources of service delivery performance measures that are used.



Government Priorities Pillar Pillar Pillar



Governments leverage CoA/CoG program integration to build Value-for-Money (V4M) goals. Among the V4M service delivery objectives supported are: **efficiency**, **engagement**, **effectiveness**, and **equity**.

Equity is particularly important for service delivery to underserved communities and groups. **Engagement** with these groups uncovers better service delivery modalities to overcome the digital divide including feature phone GovTech, kiosks, and physical outreach.

The <u>GRP Evaluation advisory service</u> helps governments to integrate the Financial Management Information System (FMIS) PFM systems of record with GovTech systems of engagement. CoA/CoG program integration supports systems of intelligence for service delivery analysis and improvement.

Appendix: Supporting Material

Supporting FreeBalance blog entries

- Government Digital Transformation and Inclusive Growth
- <u>Why doesn't Public Finance Improvements always improve Citizen Service Delivery?</u>