Public Financial Management (PFM) Digital Transformation Journey

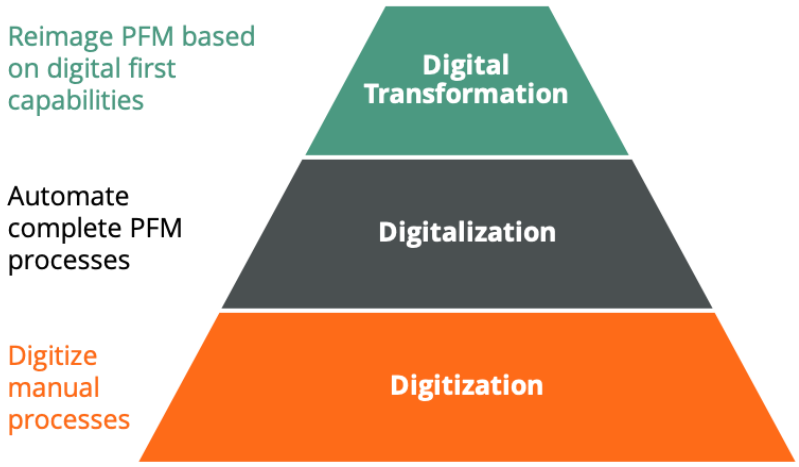
Situation

- Governments leverage digital GovTech (government technology) such as Financial Management Information Systems (FMIS) to operate and automate Public Financial Management (PFM)
- FMIS digital transformation, when integrated with emerging GovTech technologies, promises to improve PFM efficiency. effectiveness, engagement, and equity
- Digital transformation differs from digitization and digitalization through "digital by design" rethinking of PFM processes

Complication

Governments often experience:

- hype from technology vendors incorrectly claiming to provide government digital transformation
- disappointing technology outcomes through focus on digitizing existing processes without a digital transformation mindset



- lack of guidance to sequence PFM digitization in line with government needs and objectives to achieve transformation

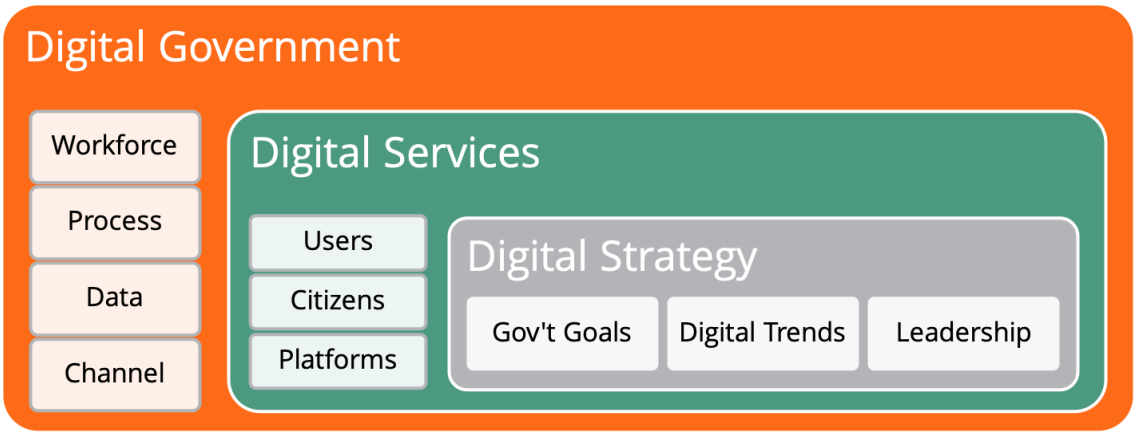
Question

How can governments sequence PFM digital transformation journeys?

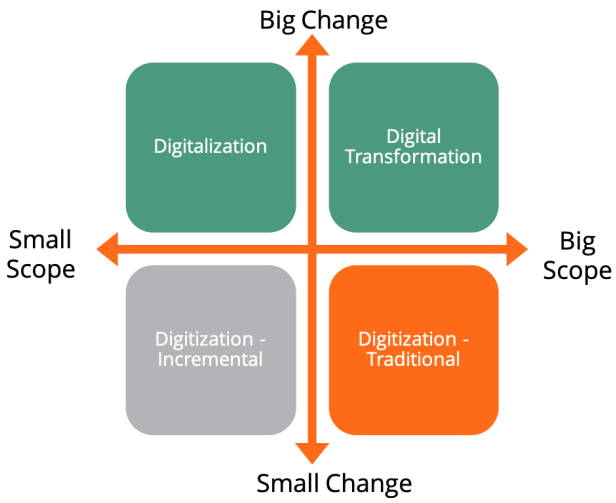
Solutions

The FreeBalance Public Value Realization advisory service sequences PFM digital transformation initiatives, while FreeBalance Government Resource Planning (GRP) advisory service develops necessary technology "PFM Digital Cores".

FreeBalance Public Value Realization **digital strategy** framework analyzes national development and digital aspirations, digital technology trends in context with country and public sector digital readiness, and political leadership and will.



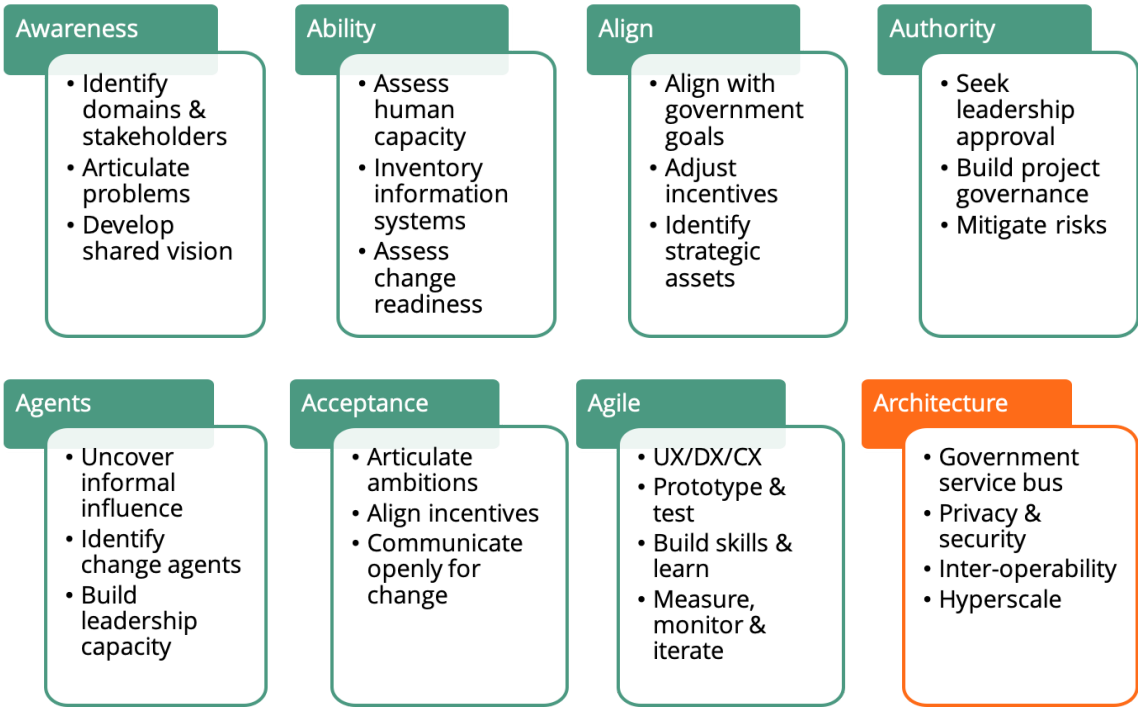
The FreeBalance Public Value Realization **digital services** framework identifies internal government user and citizen aspirations. Advantages and disadvantages of technology platforms used internally for digital enablement are identified. Social media platforms in use are also identified to support systems of engagement. This is accomplished in context to government **digital strategy**.



The FreeBalance Public Value Realization **digital government** framework builds

on **digital services** to recommend workforce capability updates, process modernization, data management for decision-making and fiscal transparency, and digital engagement channels.

PFM digital roadmaps are developed to enable scaling.



Appendix: Supporting Material

FreeBalance Academy Online Course

- Government Digital Transformation

Supporting FreeBalance blog entries

- Government Digital Transformation: From Systems of Record to Systems of Innovation
- How to Get Government Digital Transformation Right
- Interoperability in Public Financial Management Systems
- Leadership and Government Digital Transformation
- Organizational Change Management and Government Digital Transformation
- Technology Foundations for Digital Transformation
- What is Government Digital Transformation?
- Why are Governments Digitally Transforming?
- Digital PFM – Why Isn't It Working? What Can Be Done?