

# Citizen engagement and public financial management

The pivotal role of public sector financial leaders in advancing public participation in government policy and performance

December 2017

In association with:



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## Preface

This report is the latest in a biennial series stretching back 12 years, jointly published by Grant Thornton International Limited and the International Consortium on Governmental Financial Management (ICGFM).

We aim to analyse the progress and direction of public financial management (PFM) and highlight the latest challenges and opportunities. We also want these reports to spark debate, spread best practice and build a sense of community among PFM leaders around the world.

In 2013, ICGFM published a worldwide survey that explored PFM reforms in the wake of the global financial crisis. In 2015, the report focused on implementing innovative reforms in an increasingly complex and uncertain global environment.

This year, we focus on how PFM fits within the primary purpose of government – the provision of public goods to people. We explore practical ways to engage with citizens, improve transparency and build more effective PFM systems.

We hope this report will stimulate debate, among all those involved in PFM, around how fiscal transparency and citizen engagement can be encouraged, how citizens can be made more aware of how their public resources are being used, and how these measures can reduce corruption and encourage more open societies.

# Introduction: Government for the people

Around the world, organisations are discovering the benefits of putting people at the centre of their plans and processes.

Retailers offer personalised product recommendations, banks provide services that are customised to individuals, and healthcare providers strive to implement patient-centred care models. In any industry where people matter, there are efforts to shift from organisation-centric, one-size-fits-all thinking towards person-centric, tailored services for all.

There can hardly be an industry where people matter more than government. After all, representative democracy is meant to be “government of the people, by the people, and for the people.” Yet, over 150 years after Abraham Lincoln’s famous words, many countries still fail to engage, listen and communicate effectively with the people they serve.

This is not to take away from the many great achievements governments have delivered for their citizens, often under considerable pressure from economic, political and natural challenges. This research is about how governments can build on their successes by adopting new approaches.

For decades, there has been a tendency for governments to design and provide services based on their own internal processes and needs. By contrast, contemporary citizen-centric governments put the needs of the people at the centre of everything they do, with the goal of improving efficiency, quality and satisfaction.

They do this because evidence increasingly suggests that the right kind of citizen engagement can help governments become more effective, while also offering innovative solutions to key development challenges.<sup>1</sup> Plus, in the digital age the right kind of engagement is often low-cost, easy and fast.

## A key role for public financial managers

What does this kind of citizen-centric government have to do with government financial managers? What can financial practitioners do to improve engagement with citizens? How should they prioritise citizen engagement in relation to their other goals, such as transparency and modernisation?

These are some of the questions we explore in this year’s global public financial management (PFM) leaders research. It is designed for anyone involved or interested in PFM, and draws on insights from financial leaders in governments around the world, as well as related thought leaders and academic experts.<sup>2</sup>

We find that there is strong support for moving citizen engagement higher up the agenda of financial managers. Some say that financial practitioners in government can lose sight of their true purpose – serving citizens and communities – by getting caught up in processes, departmental agendas and government bureaucracy.

However, financial managers have the power to use strategy, accountability and transparency to promote powerful, sustainable improvements to society. As we see in this report, this depends on financial managers staying as close to society as they are to government and to their profession.



Contemporary citizen-centric governments put the needs of the people at the centre of everything they do.

<sup>1</sup> <http://www.worldbank.org/en/about/what-we-do/brief/citizen-engagement>

<sup>2</sup> For more on our methodology, please see “About the research” at the end of the report.

# Section 1: Beyond passive transparency

Delivering more citizen-focussed government services requires citizens to get more engaged with public planning, decisions, oversight and assessment.

As a foundation, governments need to nurture this citizen engagement by allowing information to flow outward. For this information to be useful, it must be accurate, understandable and timely. Only then will the public have any chance of fully engaging.

Most participants in our study (89%) believe that fiscal transparency is a basic requirement for citizen engagement, while more than three-quarters (78%) believe that fiscal transparency greatly increases citizen engagement. But how exactly does it work?

On its own, availability of information should not be mistaken for transparency, and certainly not for engagement. In our research, participants complained about “passive transparency”, where documents are simply posted on a website as a “box-checking exercise” without any efforts to communicate with citizens at large. Are citizens supposed to continually check government websites to see what’s new, before ploughing through reams of technical texts?

“For me, there is a major disconnect between open government and citizen engagement,” says Kevin Page, president and CEO of the Institute of Fiscal Studies and Democracy at the University of Ottawa, Canada.

Page cites the growth of budget documents: from the 50 or 60 pages that were common in the early 1980s to the 500 pages of some newer examples. To make matters worse, a lot of the most important information is buried deep in the annexes. “We’ve made a lot of public financial documents hard to read,” he says. “If we confuse or overwhelm people, if we obscure the really important information, this undermines accountability.”

## Passive transparency is a foundation

“Transparency is a necessary but maybe not a sufficient condition for citizen engagement,” says Page. Necessary, because the more information is obscured or withheld, the more citizens are excluded from participation.

Even where there has been a full commitment to transparency, practically delivering on its promise – getting to the stage where complete, quality information is readily available, on time and in multiple forms – remains a major challenge for many countries.

**“The Law of Free Access to Public Information has been a positive advance. The people have more access to financial statements of government agencies. At the same time, the free press and the private sector question the validity of the information. But while there is plenty of information available to the public, much of the statistical data is out of date and not easy to download. Some government agencies have also created challenging procedures for requesting information.”**

**Dr. René Fonseca Borja, expert on government audit and PFM reform, Guatemala**



# 89%

of respondents feel fiscal transparency is a basic requirement for citizen engagement

Dr. Jesse Hughes, professor emeritus of accounting from Old Dominion University, Norfolk, Virginia, USA and recipient of the Lifetime Achievement Award from the ICGFM in 2014, has worked in more than 30 countries, mostly emerging and developing (E&D) nations. He says that the biggest difficulty he has faced has been pushing central governments to identify all of their controlled entities, and to split these between budgetary entities, extra-budgetary entities and public corporations.

“It’s with the extra-budgetary entities where the most difficulty is encountered,” says Hughes. “Despite receiving subsidies from their central government, they often do not share information or report back to government. So you don’t get a financial statement. It’s almost impossible to make inroads into those areas, you just don’t know where the money goes.”

## Aptitude and appetite

But in countries where the major transparency challenges have been overcome – where all the important information is available – transparency alone is still not enough to create citizen engagement.

“Government organisations can get more transparent, but that doesn’t mean citizens will automatically become more informed,” says Ann Ebberts, chief executive officer of the Association of Government Accountants (AGA). “Citizens have to know where to find the data, and then how to put it into context.”

Other research participants made similar points:

- “There needs to be centralised or streamlined communication for the public to fully understand where to look for information” – Anonymous participant, North America
- “Budget document information is often too technical and complicated” – Anonymous participant, Western Europe
- “We need to improve the financial literacy of citizens, perhaps with a comprehensive school curriculum on effective government” – Anonymous participant, Eastern Europe
- “Most of civil society do not understand the way government functions” – Anonymous participant, Southern Africa

But even if citizens can locate and understand public financial issues and information, how do we ensure that they take an interest in it?

“In the US, there is decent information that a typical citizen can access,” says Jim Wright, president at the ICGFM. “The challenge is figuring out how to make that interesting to the average citizen. How do you get the average citizen to care about what’s really happening with public resources?”

Ebberts agrees. “People don’t really have either an aptitude or an appetite to consume a lot of government data,” she says. So where does this leave government financial practitioners? Do we just need to work harder on being actively transparent, on better translating, explaining and presenting information? Or is there a need to educate the public too? Is it up to public financial managers to get the public interested in PFM?

**“Research is needed on a country-by-country basis to find out what motivates, or incentivise, greater participation in various communities.”**

**Anonymous participant, North America**

Like many aspects of PFM, with transparency it is important to find the right approach for each jurisdiction. That often means starting with a more straightforward question: what information do citizens currently want?

**“Citizen-centric public financial management requires financial transparency. This transparency, even at minimum levels, must provide a window into budgets and support accountability, allowing for a healthy dialogue between governments and citizens.”**

**Kathleen Sifer, managing director, public sector, Grant Thornton US**

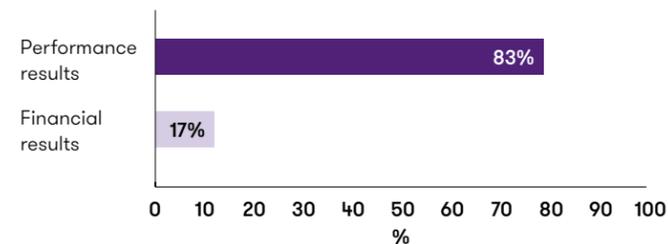
# Section 2: What do citizens want?

Our research indicates that there is greater demand from citizens for performance data in developed countries than in emerging and developing (E&D) nations, where the focus is more on budgetary information.

For example, when we asked participants what types of information citizens demand most, 59% of those from E&D nations said budget information (including results against the budget), compared to 29% from developed countries. Meanwhile, only 17% from E&D nations cited performance measures and reporting, compared to 29% again from developed countries.

However, the majority of respondents from all countries (83%) agree that when it comes to engaging the public, performance results are more important than financial results.

## Which is more important for citizen engagement?



However, financial results are crucial. The accuracy, timeliness and completeness of financial results underpins the validity of performance results, and as one participant argued: “it is impossible to separate them.”

“Financial results, and the efficacy around the use of funds, is a critical baseline,” says Wright. “Governments need to demonstrate the use of funds alongside their performance results.”

Nonetheless, performance results will often be the starting point when engaging citizens in PFM. Citizens have a more tangible understanding of performance and how it affects them, and they will engage naturally with ambitions, ideas and results. Once they are engaged, practitioners can explain the connections to financial results.

“People need to be more informed about equity and efficiency in what their government does. People need to understand the link between what is spent and what services actually get provided.”

**Ricardo Balmore López, economist, Office of Budget Analysis and Monitoring, Legislative Assembly, El Salvador**

“Governments need to be able to answer the question: what did we get for our money? How was it of benefit to me?,” says Ebberts. “For example, more drugs are being intercepted at the border because of new security technology; roads and bridges are stronger; drinking water is cleaner; new schools are being built. It is not about the millions spent – it is about translating resource allocation into a form that any citizen can understand.”



83% of respondents agree that when it comes to engaging the public, performance results are more important than financial results

## Citizens want a second opinion

But it is not all down to government. Citizens also want to hear from third parties such as non-governmental organisations (NGOs), academics, the media and bloggers.

“NGOs and civil society have a tremendous role to play in publicising PFM information,” says Wright. “That third-party perspective is important for engendering trust, so there is a shared responsibility with a lot of different actors and parties. Organisations like the Global Initiative on Fiscal Transparency can also validate how funding is being used for the average individual.”

However, government is often seen as the information provider of record, and this gives financial practitioners a special priority. This is particularly true because third-party organisations, like governments, have agendas that can affect their objectivity.

“Third parties don’t replace the need for departments and agencies to do their own analysis and present information in a meaningful format,” says Carol Bellringer, auditor general of the Province of British Columbia in Canada. “Sometimes other sources miss out on important context. You see the media picking on individual transactions to get the public interested, but the information, as presented, isn’t necessarily in the public interest.”

## Senior managers should take the lead

Engaging with third parties can help governments to communicate with citizens, which makes it an important priority.

However, much more needs to be done to engage citizens directly. Just 13% of respondents globally say that financial managers in government play a role in improving service and outreach to citizens. Yet the thought leaders we spoke to all support the idea that (at least at senior level) government financial managers should be concerned about service provision and citizen engagement.

“Financial managers are still detached from citizens,” says François Mazella di Bosco, public sector senior manager, Grant Thornton France. “They deal with financial data every day, they are at the core of the information and they should be able to create more public value from it. The function and the role should be redefined towards citizens. Financial communication in France is mainly done by politicians.”

The average public financial manager is more concerned about accountability, data integrity and accounting standards than citizen engagement. Certainly, there is merit to the idea that those in lower and mid-level positions have important, prescribed technical roles that do not need to change. “But the higher up you go within different departments and agencies,” says Wright, “the more financial leaders need to be communicating in terms of what they are accomplishing with the resources they have.”

“Citizens expect that we do a lot more by way of joined up working and effective engagement; around understanding what people need and providing it,” says Miranda Carruthers-Watt, city solicitor and monitoring officer at Salford City Council, UK, “but I think governments have routinely not talked to people about what things cost and what choices they have.”

## Freedom to innovate

Financial managers with the freedom to innovate can achieve substantial change. “An active specialised mass media is very important to educate citizens and translate PFM information into a language that is easy to understand by the public,” says one participant.

Financial managers can make sure they work with the media to reach citizens more effectively. Workshops, for example, or “media boot camps to enhance understanding of terms and concepts used in PFM, with the aim of the media helping citizens to better understand government operations and performance reports - this is necessary to hold government to account” says Patrick Kabuya, senior financial management specialist at the World Bank Group in South Africa.

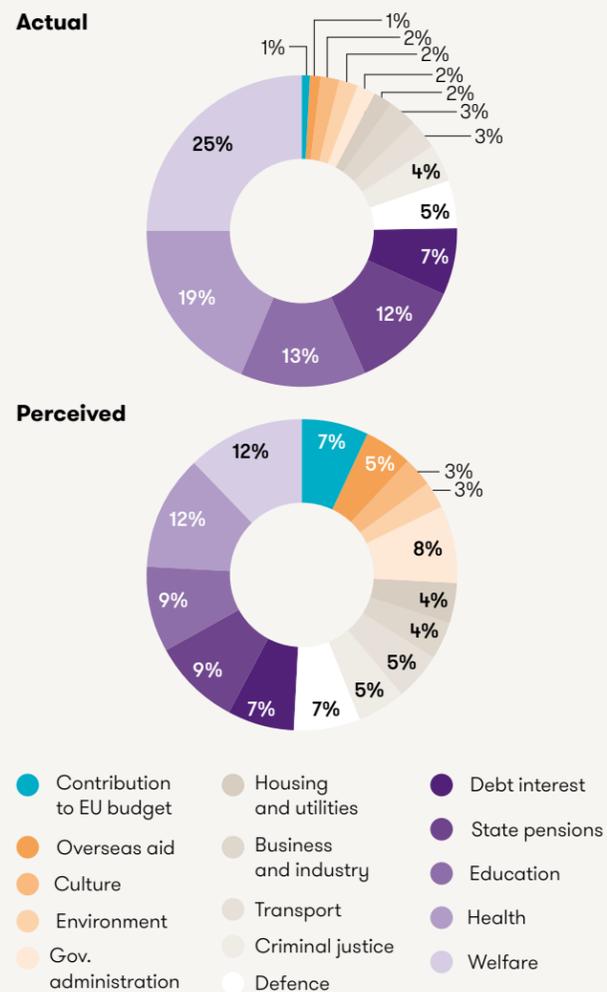
Baltimore López says: “Governments can create more interest among the public in fiscal material, particularly by publishing guides for citizens and directly reaching out to communities to discuss budgetary decisions. They can also make sure better information flows to the news media, and also work with universities to build them up as them multipliers of information and capacity building.”

In another example of innovative thinking, countries like the UK and Australia now show each citizen precisely how their tax funds are used. “I think these kinds of charts have a profound impact in getting people more engaged in the discourse around how public resources are actually used,” says Wright. “I think that kind of approach could also go a long way to dispelling certain misconceptions people have about how funding is used.”

This understanding gap has already been revealed in the UK, where the launch in 2014 of these government spending breakdowns revealed significant discrepancies between public perceptions and actual spending (see chart to the right).

## How are my taxes spent?

The UK government asked citizens how they believe their income tax and national insurance contributions are divided between 15 public spending categories. Figures shown are mean responses. Actual distribution is displayed first, according to tax statements issued to British citizens by the Treasury.



## What comes first?

Given that many countries have a long way to go, how should financial leaders prioritise citizen engagement?

“Public servants have to make choices in government about what they focus on and the citizen engagement piece does not always make the cut,” says Ebberts.

Should governments that are battling with the very fundamentals of accounting, transparency and financial management be directing precious resources towards engaging the public? Where education systems are struggling to reach even basic literacy, should governments be pushing financial literacy? Where many are in poverty, is it reasonable to be engaging in anything other than improving living conditions, health and welfare?

The answer, in every case, is ‘yes’. Citizen engagement can be quick, and it can be cheap – particularly in the era of social media. The main change is in attitudes. After all, creating a more citizen-centric approach to PFM – and having a two-way conversation with the public – is arguably key to every government objective.

Engaging with the public is not about communicating complex financial principles, ratios or forecasts. As we have seen, the focus should be on tangible plans and performance first. There is not a community anywhere in the world that would not be interested in what the government has done or could do for them; any citizen can have a decision on whether a new school is more urgent than a new bridge.



# Push or pull?

Our research investigated several specific citizen engagement approaches, from completely passive transparency to proactive education and collaboration. As a shorthand, we use the terms “push approaches” and “pull approaches”. What do we mean by this?

- **Pull approach.** Where the organisation passively makes information available and has policies that make no restrictions on public involvement and observation. The government relies on citizens with enough knowledge and interest to “pull” information from government websites and other sources for their own purposes.
- **Push approach.** Where the organisation takes active steps to communicate, explain and distribute information about public finances. Citizens of all kinds have information “pushed” out to them, often in a format that suits their specific needs.

Respondents from developed countries strongly favour a push approach (88%) over a pull approach (12%). In emerging and developing nations, push approaches are also seen as more effective (55%) than pull approaches (45%) but by a much smaller proportion.

## Timeliness is critical

The more passive methods are no less important, however. For example, the simple guarantee that fiscal documentation will be released in a timely manner can be vital. “I would say this is one of the most critical aspects and one that governments have had to entrench in legislation,” says the Province of British Columbia’s Carol Bellringer. “They need to put a deadline on the public release of plans and actual results. Without this, the system falls apart and no one knows what to expect.”

For E&D nations, routinely and consistently publishing public fiscal information has been the most effective pull approach so far. This is cited by a much higher proportion (45%) than in developed countries (24%). Data portals and citizens guides, meanwhile, are cited as the most effective approaches in developed countries: 35% and 29% respectively.

## Popular push approaches

Push approaches are favoured, but what kind of activities have proved most effective at improving citizen engagement?

Social media comes top for 31% of E&D nations and 35% of developed nations. Widely advertised ‘town hall’ meetings have been effective for 29% in developed nations, and 17% in E&D nations. There is a similar gulf, but reversed, when it comes to the

proportions reporting success from legislation-mandated citizen participation (developed nations 18%; E&D nations 45%).

Neither group has seen much success with either direct mail (2% overall) or email campaigns (2% overall), while mobile app or text message engagement is also low (4% overall).

## What other techniques, approaches or technologies have governments used to improve citizen engagement?

“Media access to parliamentary sessions and the various legislative committees”

**Anonymous participant, South America**

“Radio interviews”

**Anonymous participant, West Africa**

“Whistleblowing systems”

**Anonymous participant, Western Europe**

“Developing and presenting a citizens’ budget”

**Anonymous participant, Eastern Europe**

# Section 3:

## Practical realities

While the principles of fiscal transparency<sup>3</sup> and public participation<sup>4</sup> are universal, this year's research shows that countries at different stages of development need to be able to pursue them in different ways.

So while PFM values should be the same in Blantyre, Malawi as they are in Blantyre, Scotland, the authorities in the two places need creativity, flexibility and local customisation in their implementation and progression of those values.

In terms of promoting transparency, many countries are now advanced, with multiple mature strategies in place. Budget documents are available; citizens air their views at public forums and on social media; information is accessible in multiple formats and across diverse channels; international standards are kept to; and finances and performance are audited.

But how does a jurisdiction promote transparency and engage citizens if the foundations of PFM are not in place? What if there are limited skills or capacity, for example?

Hughes has worked around the world with governments that use out dated, cash-based accounting methods and do not fully follow international accounting standards. Some lack a single leader or technician with a strong accounting background, many are not yet fully digitalised, and some still prepare their financial statements using software from the 1990s.

### Positive pathways

Despite this, Hughes is positive about the pathways most countries are on. "I've noticed a strong motivation in some countries to improve their financial systems," he says. "It has been extremely rewarding to find motivated individuals out there who are intensely interested in establishing better financial procedures."

Over the past two decades, many governments are increasingly committed to lasting PFM reforms. More and more countries have been moving to implement international standards, and at the same time, governments and supporting bodies are now more aware of the need to tailor solutions to suit local circumstances and citizen preferences.

**"The budget has become increasingly granular with specific line items referenced to specific projects and localities. This has allowed citizens to look at what the national government will fund – be it roads, schools, hospitals, etc. This has helped citizens understand the importance of the budget and strengthen accountability."**

**Hanif A. Rahemtulla, senior public management specialist, Asian Development Bank, Philippines**

"In Africa, while governments in majority of countries still prepare and use cash-based financial statements, more and more are talking of adopting accrual-based international public sector accounting standards to enhance the quality of financial information," says Kabuya. Most governments now understand the importance of accrual accounting. They're asking more about how to implement such standards, how long it will take and so forth. In some countries, such as Botswana, South Africa, and Tanzania there has been commendable progress. The experiences and lessons learnt by these countries will assist other African countries to implement reforms: something that will take many years to successfully implement".

### Multiple channels and strategies

However, communicating the right information to the right people can be complicated. "At the individual level, people need to understand what is going on, what are they going to be taxed on and what services are they going to get," says Bellringer. "Dialogue must go both ways, so they can contribute to the conversation. Then in more complex areas, where perhaps most citizens are not going to be so engaged, governments have to work to build trust in the systems that govern and scrutinise large, often intergenerational, decisions."

There is no silver bullet. Governments will have to design different strategies for different types of citizens and organisations, with a variety of goals – from listening to each community to building faith in audit procedures and transparency. There are also diverse needs across various people and groups. As Fonseca says: "We need different information for different populations."

Technology, of course, is a key accelerator of citizen engagement, and it gives governments unprecedented scope to customise information to these different audiences and channels. Developed countries in particular are using searchable and customisable data to report their financial results, and there are signs that newspapers are being replaced by social media for the publication of financial results.

"Technology is changing so fast. Information that's available today wasn't available five years ago," says Ebberts. "We need to influence people at multiple levels, and via multiple avenues to get them engaged. Many millennials, the under-30s, are technology driven, so we need to make sure they have the kind of access they respond to. I think multi-modes are necessary because we don't all respond to the same stimuli."

It is important to recognise that technology is now key to a two-way dialogue between government and citizens. "Government is using technologies and new techniques such as geo-tagging to capture information on project implementation reported in near real-time, and similarly citizens are harnessing technologies in innovative ways to strengthen accountability," says Rahemtulla. So once governments have built a capacity to better disseminate and communicate information, they must ensure they are equipped to listen effectively to citizen responses, no matter what channel they choose to use.

<sup>3</sup> [http://www.fiscaltransparency.net/ft\\_principles/#toggle-id-1](http://www.fiscaltransparency.net/ft_principles/#toggle-id-1)

<sup>4</sup> [http://www.fiscaltransparency.net/pp\\_principles/#toggle-id-1](http://www.fiscaltransparency.net/pp_principles/#toggle-id-1)

# Recommendations: About citizens, with citizens, for citizens

There is no doubt that, at a high level, the community of government financial managers we spoke with believe transparency and citizen engagement are critical to effective government. However, like all reforms political and government willingness are key.

Most participants (85%) agree that when citizens are more engaged, governments feel more pressure to be transparent about PFM. And so, as Wright puts it: “there can be reticence to create a full understanding of how public resources are being used – sometimes it is perceived as being against their interests.”

Some governments are highly selective about transparency. “There’s a risk of (cherry-picking) for sure,” says Bellringer, “there’s always a risk that if the news isn’t good enough, a government may not put it on the website.”



**85%**  
of participants agree that when citizens are more engaged, governments feel more pressure to be transparent about PFM



## Enforcement of PFM is fundamental

This of course makes it vital that there are suitable enforcement mechanisms in place to safeguard the principles and processes of PFM. Our research finds that governments have work to do in this area, with more mechanisms currently in place in developed countries (65%) than E&D countries (52%).

“A key problem for us is a lack of effective sanctions for violating budget and finance laws.”

Anonymous participant, South America

A related question is whether properly enforced transparency and citizen engagement can help to fight corruption? And thinking beyond national borders, could it also help promote foreign direct investment (FDI)?

“There are so many moving parts to combating corruption,” says Rahemtulla, “advancing transparency is one which needs to be complemented by strengthening public financial management systems, procedures, processes, and oversight functions.”

Baltimore López agrees, citing high-profile investigations into presidents, while citizens are increasingly demanding financial statements. He also says that transparency is important to increasing FDI. “Foreign investors want good information so they can make robust decisions about whether or not to invest,” he says. Our participants agreed, particularly those from E&D countries, where 86% believe fiscal transparency is essential to maintaining and promoting FDI and the overall business climate.

## Transparency and citizen engagement impact corruption and foreign direct investment (FDI)

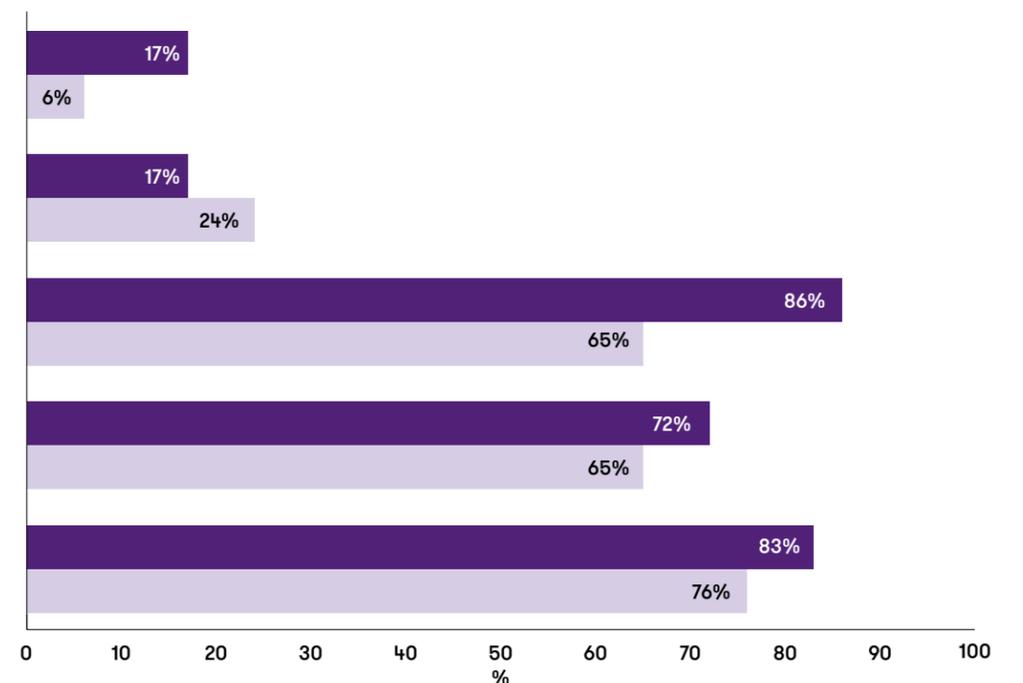
There is no correlation between fiscal transparency and FDI and the overall business climate in my country

PFM reporting is too high level to impact those providing FDI and the overall business climate in my country

Fiscal transparency is essential to maintaining and promoting FDI and the overall business climate in my country

Citizen engagement helps combat corruption in my country

Fiscal transparency helps combat corruption in my country



● E&D countries ● Developed countries



## Build capabilities

Increasing the number and skills of local accountants and financial analysts is fundamental to many efforts to improve transparency. “For financial statements to be of good quality, countries should have adequate number of suitably qualified finance and accounting officers,” says Kabuya. “Based on 2016 membership declarations by the Pan African Federation of Accountants (PAFA), there are fewer than 101,000 accountants serving in the African region, of which a very small percentage work in the public sector. So there is an onerous challenge on the accountancy profession to develop more qualified accountants that are capable of supporting effective implementation of international public sector accounting standards.”

“But we don’t just need professional accountants,” says Kabuya, “we also need to develop more technicians to support professional accountants and to also fulfil various finance and accounting functions. Therefore, the professional accounting organisations (PAOs) should use innovative approaches to attract youth to the profession.”

“There is an increasing need for financial acumen from anyone above middle-management in the public sector because effective management of the budget has become absolutely critical to all that we do.”

**Miranda Carruthers-Watt, solicitor and monitoring officer, Salford City Council, UK**



## Customise the strategy

As we have discussed, governments and supporting organisations need to customise PFM reforms, transparency efforts and citizen engagement approaches to suit local conditions.

For example, many countries have made significant progress in their front-end budget planning processes – including enhancing transparency and citizen engagement – but still have major weaknesses downstream, in the execution of plans, in the implementation of initiatives and the auditing of performance and finances.

Meanwhile, in Canada, Page says, “the gap is usually more at the front end where there is often political friction that compromises due diligence around planning; but the back end and the audit do a very capable job.”

In each country, financial managers can play a key role in isolating where the most urgent work is needed.



## Encourage ideas

There are many innovations that can make a considerable difference to the effectiveness of transparency and citizen engagement, many of them driven by new technologies. It is key that governments allow their people the freedom to test new ideas.

For example, machine learning can be used to support the complex process of matching budget items to results from government departments, making it easier to see where funds are ultimately spent. And innovation need not always involve

such sophisticated technology. Measures as simple as posting photographs of completed projects on government websites – anything from a repaired bridge to a new IT centre at a school – can help governments demonstrate their progress and engage with citizens.



## Let citizens drive change

Salford City Council, UK, have recently looked at how to challenge the city’s leaders to work more effectively to tackle poverty. “We used a way of engaging people that is quite different to the ways that government and certainly local government has done it before,” says Carruthers-Watt.

Closer engagement with citizens allowed the council to understand the links between physical and mental health, debt, and service reduction in the community. “It has been a really beneficial process that will make a real difference to a number of things the Council does,” says Carruthers-Watt. “I’m hopeful it will help all public services in our area to improve their practices and work more collaboratively. I think it can work because it is based on what local people have told us.”

The approach was summed up in a slogan that citizens themselves put forward in the consultation process: “nothing about us, without us, is for us.”

It is fewer words than Lincoln needed, but 150 years on, the meaning is the same: government, and particularly the use of public funds, needs to be all about the people.

# About the research

This report draws on the insights of 46 selected PFM leaders and directors from related areas of government and donor organisations, private companies and academia. The study was carried out using in-person interview sessions and a multilingual online portal. Participants represent 27 countries from Eastern and Western Europe, Sub-Saharan Africa, the Middle East, Asia Pacific and the Americas.

We also conducted in-depth interviews with a panel of 12 thought leaders and subject-matter experts from a range of government organizations, industry associations and academic institutions. We would like to acknowledge and thank this panel for their contributions to this report:

- **Carol Bellringer**, auditor general, Province of British Columbia, Canada
- **Miranda Carruthers-Watt**, city solicitor and monitoring officer, Salford City Council, UK
- **Ann Ebberts**, chief executive officer, The Association of Government Accountants (AGA), USA
- **Dr. René Fonseca Borja**, expert on government audit and PFM reform, Guatemala
- **Dr. Jesse Hughes**, professor emeritus of accounting from Old Dominion University, Norfolk, Virginia, USA and recipient of the Lifetime Achievement Award from the ICGFM in 2014
- **Patrick Kabuya**, senior financial management specialist, World Bank Group, South Africa
- **Ricardo Balmore López**, economist, Office of Budget Analysis and Monitoring, Legislative Assembly, El Salvador
- **François Mazella di Bosco**, public sector senior manager, Grant Thornton France
- **Kevin Page**, president and CEO, Institute of Fiscal Studies and Democracy, University of Ottawa, Canada
- **Hanif A. Rahemtulla**, senior public management specialist, Asian Development Bank, Philippines
- **Kathleen Sifer**, managing director, Public Sector, Grant Thornton US
- **Jim Wright**, president, the International Consortium on Governmental Financial Management (ICGFM), USA

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EPI.189