



Research Article

Insights of public financial management

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ABSTRACT

In present competitive and dynamic environment, financial resources are assumed as a life-blood of public organisations as acknowledged by researchers and academicians. But little attention has been paid to how financial resources are managed – what is known as public financial management (PFM). Thus, the aim of this study is to look at different studies on subject “public financial management” that are made up of distinct research perspectives. In this regard, 67 studies were selected in the systematic and bibliometric review from inception to 2021 around the globe. The outcome of this study indicates that the interest in the subject of public financial management has gained significant growth with the passage of time, particularly after 2018. In addition, most of the studies on PFM are qualitative in nature, rather quantitative and mixed method approaches have been ignored in literature. Furthermore, this article reports some potential gaps and possibilities in the body of literature for future research.

Keywords: *Public Financial Management; Systematic; PFM; Bibliometric*

1. INTRODUCTION

In public administration and management, financial resources are considered as a life-blood of public institutions as acknowledged by academicians. But little attention has been paid to how financial resources are managed – what we termed as public financial management (PFM) (Kioko et al., 2011). PFM warrants that public fund should be used as efficiently as possible to provide public services. There is no specific definition of public financial management, however its most widespread definition comprises of four PFM phases, each with its own set of processes (Andrews et al., 2014; Wishnia and Goudge, 2021). These includes: (i) budget formation / planning (ii) approval of budget (iii) implementation of the budget (iv) evaluation of budget. However, Lawson (2015) states that PFM covers a greater range of tasks than financial management, and it's usually thought of as a six-phase cyclic process that starts with policy development and ends with external auditing and assessment as shown in Fig. 1. This 'PFM cycle' involves many players in order to guarantee that it runs smoothly and transparently, though maintaining accountability.

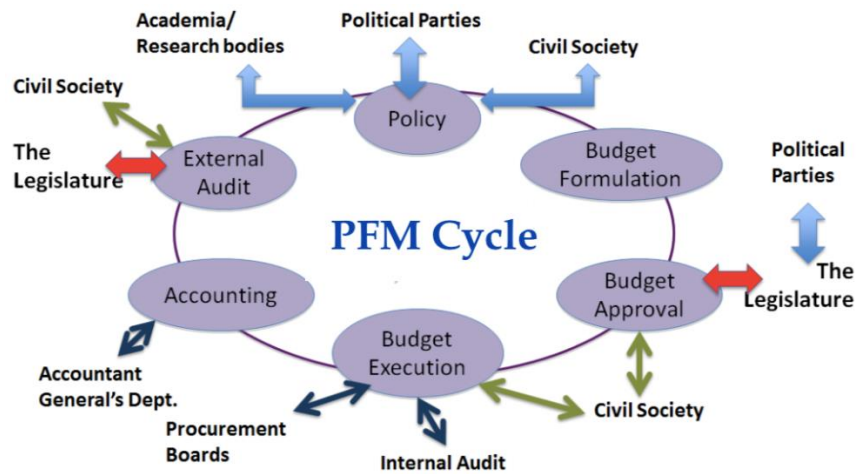


Fig. 1. "PFM Cycle" & Key Players (Lawson, 2015)

Public financial management has become a significant topic of research as a result of worldwide push and concerns about the management of public expenditure in many low- and middle-income nations (Wishnia and Goudge, 2021). Moreover, these nations are focusing on managing their public finances / funds in order to sustain and address the effect of current pandemic COVID-19 (Ball, 2020). In addition, improving the performance of public financial system can have far-reaching and long-term benefits, and can assist to promote broader social movements toward good governance, and hence towards stronger states, lower poverty, better gender equality, and more balanced growth. PFM is an essential aspect in the growth of operations, as it successfully supports public resource accessibility and aids in the stabilisation of a country's fiscal and economic policies (De Bruijn, 2002; Alshubiri, 2019). All governments strive to strengthen institutions and develop sustainable societies by pursuing PFM as a strategic goal (Andrés, Doménech, and Fatás, 2008). PFM is only possible if the government formulates a robust ministry of finance that leads to effectively manage and administer public resources and efficiently distribute reasonable wealth / funds among the community's economic sectors, while working to develop projects for the nation in a balanced way (Buch, Döpke, and Pierdzioch, 2005; Alshubiri, 2019).

The aim of this study is to look at trends and insights of public financial management. In order to fulfil the objective, the current study performed systematic literature review and bibliometric analysis using Scopus and Web of Science (WOS) databases. The article is structured as follows: First section discusses the concepts and importance of public financial management; section two illustrates the methodology including databases, data collection method; section three comprised of results and analysis performed along with discussion; and last section covers the conclusion, which identifies gaps and possibilities in the literature for future studies.

2. RESEARCH METHOD

This paper investigates the public financial management using systematic literature review guidelines (Kitchenham et al., 2009; Okoli and Schabram, 2010; Henriette, Feki, and Boughzala, 2015). The systematic review is often performed through an iterative cycle of

defining appropriate procedures, which includes keyword searches, literature searches, and analysis (Saunders, Lewis, and Thornhill, 2009). As discussed earlier, while there are several studies that address the PFM, though there is no review article that brings all these studies together and provides a greater understanding of this important research field. The systematic literature review (SLR) steps start from research identification and ends at data analysis. Fig. 2 demonstrates the systematic literature review stages.



Fig. 2. Stages of systematic literature review

2.1. RESEARCH IDENTIFICATION

The first stage of this study assists in inspecting and evaluating research on "public financial management".

2.2. SEARCH STRATEGY

This stage is critical to any systematic literature review since selecting the optimum search technique, i.e. digital sources, and determining search terms is a crucial job. In this SLR, two databases (Web of Science and Scopus) were utilised as a digital source, and the following search phrase was used to find the titles and abstracts of the studies in this review: "Public Financial Management".

2.3. INCLUSION AND EXCLUSION CRITERIA

In this step, the notion of inclusion and exclusion is established, and selection criteria are specified. The inclusion and exclusion criteria are listed in Table 1 below.

Table 1. Inclusion and exclusion criteria

Inclusion Criteria	Exclusion Criteria
<ul style="list-style-type: none"> Articles published from inception to 2021 were included. Articles title related to public financial management was selected. Articles from Web of Science (WOS) and Scopus digital sources were included. The document type i.e. journal articles and conference papers were included. Articles written in only English language was included. 	<ul style="list-style-type: none"> Book chapters, editorials, notes, postgraduate theses, and unpublished articles were excluded. Records that had missing data were eliminated. The articles written in non-English language were excluded. The review articles were also excluded. Articles whose full text is not available were excluded.

2.4. DATA EXTRACTION

The data was extracted from two credible databases (Web of Science and Scopus) in order to respond to the research query of this paper. Web of Science and Scopus are considered as the world's biggest databases in terms of citations and abstracts from reputable websites and peers reviewed bibliographies, with a wide range of fields and topics covered. Fig. 3 shows the steps performed for the selection of studies in the systematic review process, which are in line with the PRISMA statement (Liberati et al., 2009; Page et al., 2021). These steps includes; the phase one attempts to find the studies in Web of Science and Scopus databases and the outcome of above keyword search revealed 247 and 252 studies, respectively. The total number of studies were 497. As same keyword were used to find the studies in two different databases, so few studies were overlap. After deleting duplicates and missing information such as the name of authors and journals, there were 366 studies left. The phase two involve screening the studies based on "titles and abstracts" after applying inclusion/exclusion criteria listed in Table 1 and 245 research publications were omitted because these papers did not meet the study's objective. Particularly, articles focusing on public financial management were included. In the last phase, 113 full-text studies were assessed and few studies were eliminated with the reasons mentioned. Finally, 67 studies were chosen for analysis (see Fig. 3).

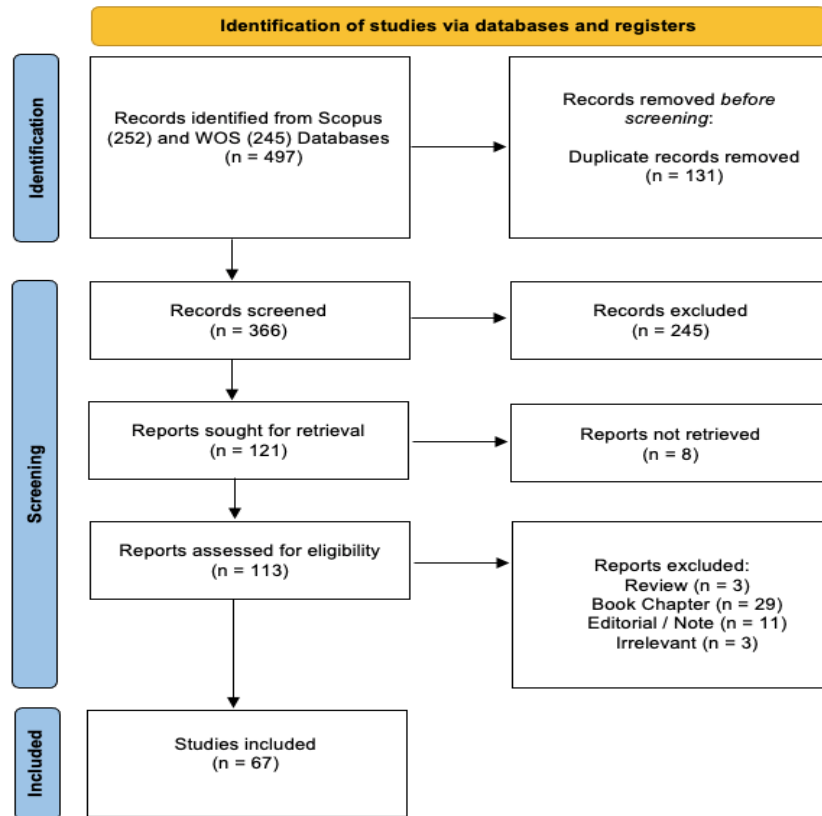


Fig. 3. PRISMA flowchart for the paper selection process

2.5. DATA ANALYSIS

In this phase, the current study perform two types of analysis:

1. Descriptive analysis (to provide a summary of the papers that were included in the study;
2. Bibliometric analysis (a bibliometric mapping software VOS-viewer V1.6.15 was used. Van Eck and Waltman (2020) the developers of this software states that "it can be used to create maps based on network data and for visualizing and exploring these maps". The maps was created from data extracted based on countries and author's keywords).

3. RESULT AND DISCUSSION

This section examines and discusses the outcome of the search-related to public financial management and will provide insight into the subject, major trends, and potential gaps for future research.

3.1. OCCURRENCE OF STUDIES BASED ON PUBLICATION YEAR

The outcomes of the present study shows that 67 articles were published on PFM between 1982 and 2021 as seen in Fig. 4. From the Fig. 4, it is revealed that until 2014, not much articles were published on topic PFM. However, after 2014, the overall number of publications every year is growing and has continued on an upward trend except in 2016,

2017 and 2019. It can be observed that the majority of the articles were published in recent years, notably from 2018 to 2021, accounting for 52 percent of all publications, demonstrating a growing tendency over time.

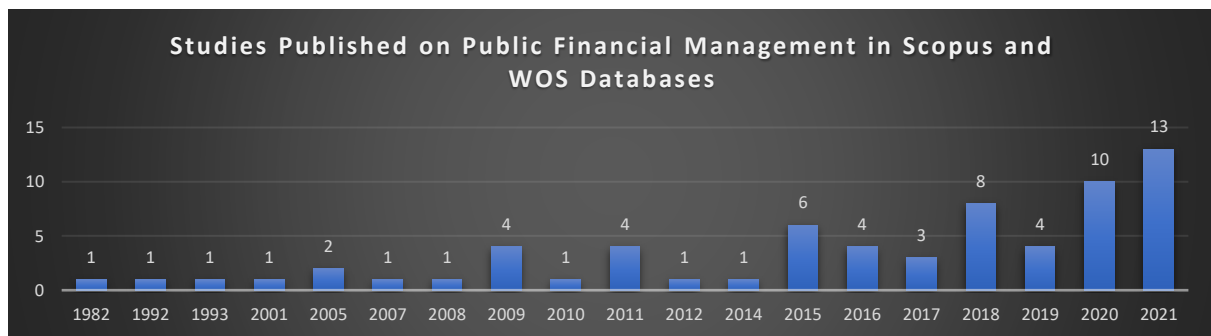


Fig. 4. Occurrence of studies based on publication year

3.2. OCCURRENCE OF STUDIES BASED ON JOURNAL

Table 2 demonstrates the journal-wise percentage occurrence of studies that which journal publishes the greater number of articles on the topic. The journal that most frequently discusses the subject “public financial management” is Public Administration and Development having 27% (6 papers) followed by eight journal having 9% (2 papers) each as shown in Table 2.

Though, the quantity of studies published in each journal is alone not a fair baseline for evaluating journals due to various studies have varying effects. Therefore, when analysing the above-mentioned results, the influence of journal articles on the subsequent investigation should be kept in mind. To address this matter, we rely on citations information available in the Web of Science and Scopus databases for each journal. The most popular way for determining the significance / rank of a publication is to do a citation analysis. The citation analysis works by counting how many times a journal article has been cited by another article (Ding and Cronin, 2011; Xu et al., 2018). The total number of citations and citation rank of the journals are shown in Table 3. Focusing only on the 67 final studies that were chosen, it was observed that the journal Public Administration and Development had the greatest citations followed by Public Administration journal. In general, the results of top cited journal were strongly consistent in terms of top two journals, having the same results in both analyses.

Table 2. Occurrence of studies published by the journal

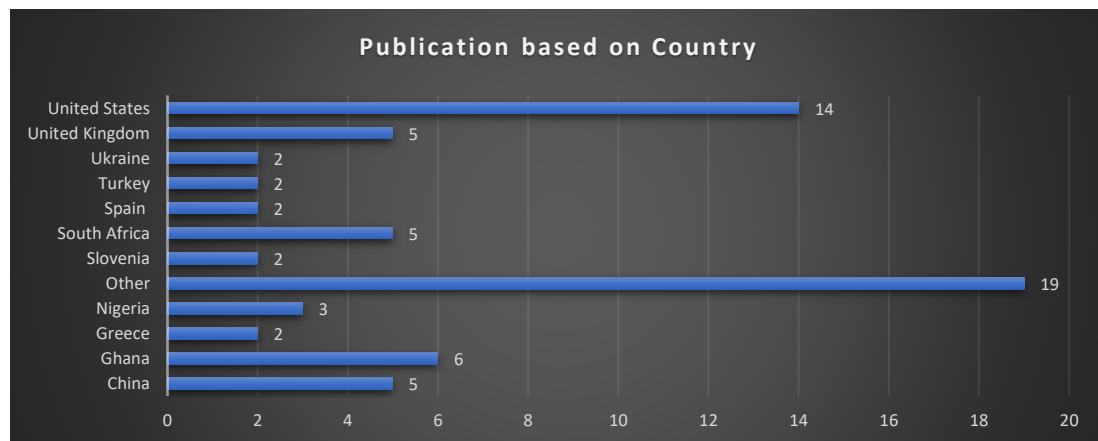
Journal Name	Number of Studies	Percentage
Public Administration and Development	6	27%
Public Administration	2	9%
BMJ Global Health	2	9%
Journal of Public Affairs Education	2	9%
Journal of Accounting and Organizational Change	2	9%
Public Money and Management	2	9%
Research in Accounting in Emerging Economies	2	9%
Journal of Legislative Studies	2	9%
Critical Perspectives on Accounting	2	9%

Table 3. Citation-wise ranking of journals

Journal Name	Number of Studies	Citation (Total Cited)	Citation Rank
Public Administration and Development	6	68	1
Public Administration	2	51	2
BMJ Global Health	2	1	10
Journal of Public Affairs Education	2	15	6
Journal of Accounting and Organizational Change	2	3	9
Public Money and Management	2	4	8
Research in Accounting in Emerging Economies	2	12	7
Critical Perspectives on Accounting	2	31	3
International Public Management Journal	1	27	4
Journal of Public Administration Research and Theory	1	21	5

3.3. OCCURRENCE OF STUDIES BASED ON THE COUNTRY

The country-wise distribution of studies is vital in identifying the global status of research on the subject and illustrating the overall maturity of the literature (Alshehhi, Nobanee, and Khare, 2018). Fig. 5 illustrates the ranking of the countries that have contributed most to the field. It is clearly observed that developed nation such as United States (14 articles) is placed first, Ghana (6 articles) placed at second followed by United Kingdom and South Africa, both having 5 articles each that have contributed the most. In general, the number of studies published in developing nations is much lower than in developed ones, despite the fact that now some emerging countries has started giving more importance towards this subject.

**Fig. 5.** Occurrence of studies based on the country

3.4. OCCURRENCE OF STUDIES BASED ON TYPE OF DOCUMENT

Fig. 6 indicates the kind of publication document, whether it's a journal article or a conference paper. From 1982 to 2021, the trend of publishing articles on the subject of public financial management in journals (87%) was most popular, followed by conference paper (13%). This is owing to the fact that academics and practitioners place a higher value / importance on the content and conclusions of journal publications (Nord and Nord, 1995; Hanafizadeh et al., 2014).

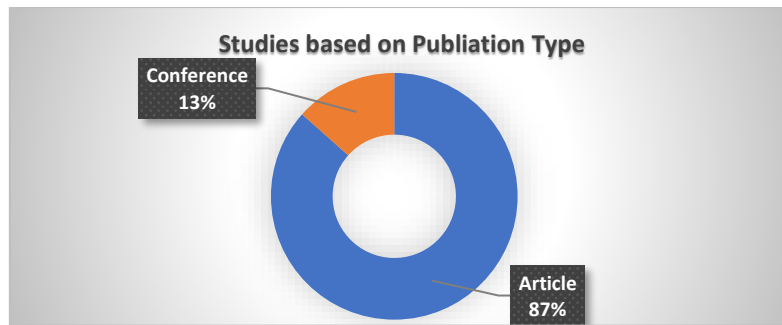


Fig. 6. Occurrence of studies based on the type of document

3.5. BIBLIOMETRIC ANALYSIS OF INCLUDED STUDIES

This paper conducted a thorough bibliometric study of selected 67 research articles based on two key parameters. First is text mining, which identifies the important terms (keywords) that are frequently studied together and gives us the idea of grouping the key research topics in the discipline. A total of 199 author's keyword was reported, with 199 appearing just once, 42 appearing twice, 9 appearing three times, and 4 appearing more than three times. After re-labelling synonymic single terms and congeneric phrases, 93 terms fulfilled the mapping criteria of at least one occurrence in VOS-viewer. Fig. 7 indicates the findings of text incidence based on "co-occurrence of the correlated keywords". Each circle in the picture represents a term in the dataset. The closer they are put on the map, the more author terms co-occurred (were utilised). According to the data, there were eighteen primary clusters indicated by circle, which reflect various terms utilised in the 67 included papers. The most apparent keyword was public financial management, which was commonly encountered term, with 35 occurrences and 65 link to other terms followed by financial management and public administration. The second crucial analysis is to look at the nations' cooperative efforts to develop alternatives to the problems. The outcome of Fig. 8 revealed that in terms of collaborative research, the United States (US) was the most associated country with 4 nations linked to it followed by United Kingdom having 2 links with other countries.



Fig. 7. Bibliometric map created based on author keywords co-occurrence using network visualization of VOSviewer (Minimum occurrences of a keyword are set to one)

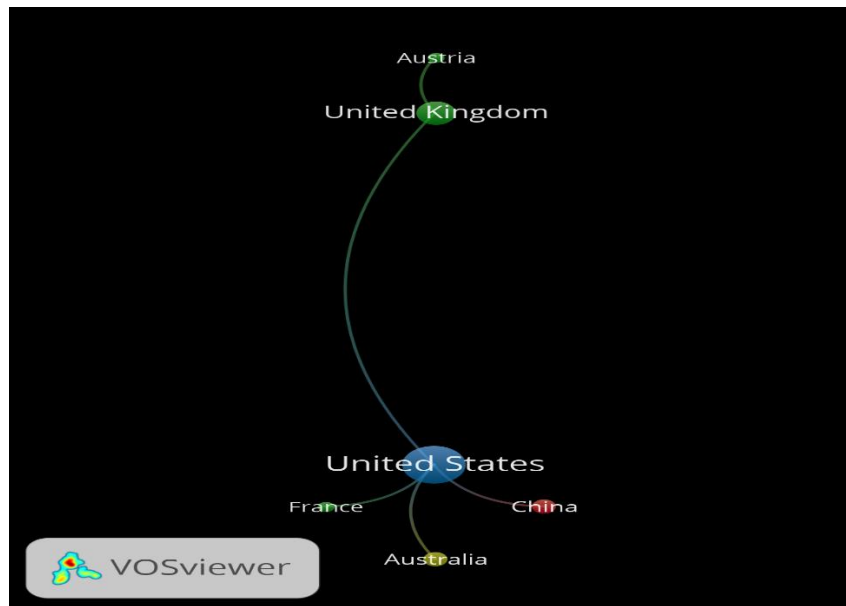


Fig. 8. Bibliometric map created based on co-authorships with network visualization mode of VOSviewer

4. CONCLUSION

The main goal of this paper was to evaluate publication insights of the studies on “Public Financial Management” from the global perspective. By providing a comprehensive overview of the available research on the topic, the current study points out the trends, different gaps in the prevailing literature on PFM and suggests direction for future research studies. To accomplish this goal, a systematic literature review was performed on 67 selected studies published from inception to 2021. The results of this study discusses and highlights some important research gaps that are given below:

1. The majority of the articles were published in recent years, notably from 2018 to 2021, accounting for 52 percent. This shows the significance of PFM topic, which is growing and has potential to increase in future, especially in the era of current pandemic (COVID-19) when countries are focusing on proper management of their public funds.
2. After a detailed assessment of selected studies, it can be concluded that most of the literature on PFM is qualitative in nature based on method, whereas quantitative or mixed method approaches have been ignored in the literature. Thus, future research on PFM should make use either of these two methods, particularly.
3. According to number of publications and citation rank, “Public Administration and Development” followed by “Public Administration” are the most important journals for this topic as financial resources are considered life-blood of public organisations in public administration and management area.
4. The maximal research work and international collaborations on PFM was done in United States, Ghana, United Kingdom etc. However, future studies can expand its research collaborations with countries in Asia regions, which is considered as developing economies. The topic “public financial management” can provide better insight as developing countries have issues in managing public funds.

5. Researchers and practitioners have used “public financial management” as most reoccurring keywords and prefer to publish their findings in peer-reviewed journals.

4.1. LIMITATIONS AND FUTURE RECOMMENDATIONS

Despite the work and time spent on conducting this study, there are few limitations. Firstly, the current study was only confined to “public financial management”, whereas other issues linked with the subject in the literature were ignored. Secondly, only two databases were used to extract data on the topic. Thus, all the papers on PFM may not be included in this study, which are published on other databases and are not available on WOS and Scopus databases. Hence, scholar might do a comparison of outcomes by extracting and adding studies from multiple databases in future. Finally, this study only employed one software (VOSviewer), therefore additional bibliometric analytic tools might be used in future investigations.

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