

Research on local government budget performance management issues

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Abstract

Budget performance management is an important way to realize the modernization of the national governance system and governance capacity and establish a scientific and reasonable modern budget system. Based on the development history of local government budget performance management, this paper analyzes the problems existing in local government budget performance management in terms of system construction, performance indicator setting, performance evaluation result application, data management, etc., and puts forward corresponding improvement measures to improve the performance management level of local government budget for reference.

Keywords

Local government; budget performance management; research.

1. Introduction

Budget performance management is guided by the results of budget expenditures. Through performance target setting, performance indicator setting, performance operation monitoring, performance evaluation results application and other links, it promotes the optimal allocation of resources and improves the operating efficiency of government departments. In 2022, the report of the 20th National Congress of the Communist Party of China proposed to improve the modern budget system and promote budget performance management. The implementation of budget performance management by local governments can objectively reflect the public service level of local governments. At present, although local governments at all levels have continuously promoted budget performance management and achieved certain results, there are still some problems that affect the implementation of budget performance management. In this context, local governments need to discuss the problems existing in budget performance management and take corresponding improvement measures to optimize the budget expenditure structure, improve the social and economic benefits of fiscal funds, and enhance the budget management level of local governments.

The comprehensive implementation of budget performance management can effectively promote the reform of my country's fiscal management system, better deepen the reform of the fiscal and taxation system, and promote the establishment of a more scientific fiscal management system on this basis. Budget performance management is also a key measure to reasonably allocate fiscal resources and improve the quality of public services. At the same time, it is also an important support and guarantee for improving my country's national governance capacity. my country has been carrying out budget performance management oriented towards budget performance since 2003, and has successively gone through the pilot stage (2003-2010), the stage of establishing budget performance management throughout the process (2011-

2012), and the stage of comprehensively promoting budget performance management (2012-2018). The Opinions put forward clear requirements on the establishment of a budget performance management system, namely "all-round, full-process, and full coverage". The Opinions also proposed to complete the establishment of this system within three to five years, which indicates that my country's budget performance management work has officially entered the era of full coverage, which is of epoch-making significance for optimizing the allocation of fiscal resources and improving the budget performance of government work.

In summary, budget performance management has many specific impacts on improving the execution and efficiency of organizations. First, by combining strategic planning with actual budgets, budget performance management can help organizations establish clear goals and indicators, improve people's recognition of goals and the pertinence of execution. Secondly, budget performance management can prompt organizations to allocate resources more effectively, optimize resource utilization, avoid waste of resources and repeated investment, thereby improving overall execution efficiency. In addition, by formulating a performance evaluation system, budget performance management can motivate government personnel to actively and diligently complete their work tasks, improve the execution of government personnel and the efficiency of team collaboration. Finally, budget performance management also provides organizations with a monitoring and evaluation mechanism, enabling organizations to discover problems and make adjustments in a timely manner, further improving execution efficiency and execution. Therefore, only by further strengthening the rationality and scientificity of budget performance target setting can we demonstrate the scientific and refined nature of fiscal budget management, further promote the better development and completion of various management tasks of the entire budget department, and promote budget performance management work to a better direction.

2. Research background

With the development of the market economy and the intensification of global competition, government efficiency and performance management have become important directions for government reforms in various countries. The traditional budget management model is difficult to adapt to the needs of modern society. The government needs to pay more attention to performance management and improve resource allocation efficiency and service quality. In addition, many countries have accumulated rich experience in implementing budget performance management, such as the GPRA Act in the United States and the PBR in the United Kingdom. The successful experiences of these countries provide references and references for local governments in China, prompting them to introduce performance management elements into budget management.

Budget performance management plays a vital role in strategic planning and goal achievement. First, it helps organizations transform strategic goals into executable budget plans and transform the abstract concepts of strategic planning into specific action plans. Second, through budget performance management, organizations can ensure the consistency of resource allocation with strategic goals and avoid waste and inefficient use of resources. In addition, budget performance management also provides a monitoring and evaluation mechanism for the strategic implementation process by setting specific performance indicators and goals, helping organizations to adjust strategies in a timely manner to ensure the achievement of goals. Therefore, budget performance management is not only a key means to put strategic planning into practice, but also an important guarantee to ensure the effectiveness of strategic implementation.

In summary, the research background of local government budget performance management mainly stems from the comprehensive impact of multiple factors such as the demand for

government efficiency and performance orientation, international experience reference, government reform needs, and social needs and public opinion pressure. Problems in local government budget performance management.

3. Problems with local government budget performance

3.1. Imperfect internal supervision mechanism

Although the discipline inspection group is a dispatched agency with relatively strong independence, its supervision content focuses more on corruption risks and lacks supervision of budget operations. However, the rule of law supervision group is also a member of the Finance Bureau, and its affiliated comprehensive office is also within the scope of supervision, which makes the supervisor and supervised department leaders the same person, and the status of the comprehensive office is at the same level as other departments, which is awkward. There is a phenomenon that supervision and inspection focus on form but not substance, and cannot play a real supervisory role. Moreover, if supervisors want to really play a role, they need to be familiar with the financial budget business process, while business backbones are generally arranged in core business departments. Supervisors lack business capabilities and find it difficult to discover business risks, and their authority and independence are not strong.

3.2. Unreasonable performance evaluation indicators

Some local governments have not set a relatively reasonable indicator in the process of data collection, statistics and reporting, which allows executives to have loopholes in the process of action, and even has problems such as inaccuracy and exaggeration. This greatly reduces the authenticity and reliability of the data, and is not conducive to the development of subsequent work, and also leads to worse and worse budget performance management of local governments.

3.3. Performance management is disconnected from budgeting

Some local governments have a disconnect between performance management and budgeting, and performance goals do not match budget arrangements, which affects the implementation effect of performance management. Moreover, disconnected budgeting may cause the government's budget goals to be inconsistent with actual performance goals. This means that the government may invest resources to achieve unclear or incorrect goals, while ignoring aspects that are truly beneficial to the public and society. Disconnected budgeting may lead to improper resource allocation, so that some areas are overinvested and other areas are neglected. This may lead to inefficiency and reduced quality of public services. If budgeting does not match actual performance, performance evaluation will also be distorted. Government departments may show good performance because they have completed the tasks allocated by the budget, but in fact they have not created real value or solved social problems.

3.4. Weak data foundation for budget performance management

Perfect data is an important basis for performance indicator setting, performance operation monitoring, performance evaluation and application of performance evaluation results. In the information age, local governments have successively established data platforms and actively applied various information technologies. At present, some local governments still have some problems in the information construction of budget performance management. Some local governments have not been promoting the information construction of budget performance management for a long time, and the application of various information technologies is not deep enough, lacking in-depth data analysis methods. Some local governments have problems such as inconsistent data caliber and data fragmentation, which affect data sharing. Due to different social and economic conditions in different places, there are large differences in data resources,

resulting in barriers to data sharing. Using information technology for data mining and data analysis is a relatively complex task. Some local governments lack professional talents and cannot carry out related work efficiently, resulting in the lag of budget performance management information construction.

4. Measures to improve the budget performance management of local governments

4.1. Reasonable difficulty setting of performance targets

The target setting theory explores and demonstrates the impact of increasing or decreasing the difficulty level of setting targets on the performance level. The study shows that when completing relatively simple tasks, if the difficulty of the target is set higher, the performance level will also be higher; when the task difficulty is high, increasing the difficulty of the target often does not further improve the performance level, and often the result is a decline in the performance level. Therefore, when setting performance targets, it should not be too easy, and there should be appropriate challenges. At the same time, the performance targets set should not be too difficult and must be feasible. In order to avoid the performance targets being out of touch with the actual situation, it is necessary to take into account all possible influencing factors so that the difficulty of the performance targets set matches the external factors such as economy, resources, environment, and internal factors such as configuration, technology, and human resources. Only by setting budget performance targets with reasonable difficulty under the premise of comprehensively weighing the internal and external situations can the budget funds be used more effectively.

4.2. Increase the transparency of performance target setting

First, the government can make performance data public, including the implementation of various departments and projects, cost-benefit analysis, and information on the goals achieved. In this way, the public and stakeholders can have a clearer understanding of the government's work results and efficiency. Secondly, establish a performance evaluation framework. Establish a clear performance evaluation framework, including goal setting, indicator selection, data collection and analysis, etc., to ensure the objectivity and fairness of the evaluation and provide a basis for transparency. Regular reporting and communication. The government can regularly report performance data and evaluation results to the public and stakeholders, share the government's performance with them through various forms of communication (such as reports, meetings, social media), and accept their feedback and suggestions. Finally, strengthen supervision and auditing. Establish an effective supervision and auditing mechanism to ensure the accuracy and authenticity of performance data, prevent data manipulation and misconduct, and disclose audit results and supervision reports to the public and regulators.

4.3. Strengthen the rule of law and form a strong institutional constraint

Establish a sound legal and regulatory system, including the Constitution, laws, administrative regulations, local regulations, etc., to ensure that government actions are carried out within the legal framework, clarify the boundaries of government power and the procedures for exercising them; Strengthen the awareness of the rule of law: Through education, publicity and other means, improve the awareness and attention of the whole society to the rule of law, cultivate citizens' awareness of the rule of law, and encourage the government and its staff to consciously abide by laws and regulations. ; Establish an effective legal supervision mechanism: including judicial organs, supervisory organs, auditing organs, etc., to conduct legal supervision of government behavior and ensure the implementation and execution of laws; Promote government information disclosure: through legal means, standardize the scope, procedures and standards of government information disclosure, enhance the transparency and

accountability system of the government, and allow citizens and social organizations to better supervise government behavior; Establish and improve administrative procedure norms: standardize government administrative procedures, clarify the legality and legitimacy standards of administrative behavior to protect the legitimate rights and interests of citizens; Strengthen legal training and capacity building: provide legal training and education for government staff, improve their legal literacy and awareness of law-abiding, and effectively perform legal responsibilities.

4.4. Strengthen the application of performance evaluation results

Improve the feedback mechanism of performance evaluation results. The performance evaluation results are a summary and reflection of the efficiency of the use of fiscal funds and the degree of project completion. Local governments need to deeply analyze the performance evaluation results, explore the causes of the problems, and take corresponding improvement measures. Local governments need to publish the performance evaluation results in a timely manner, and put forward rectification opinions to relevant departments, urge various departments to carry out rectification work, and continuously improve the work process. All departments need to actively carry out rectification, form rectification reports and submit them to management personnel for review. Improve the reward and punishment system. Local governments need to continuously improve the reward and punishment system to give play to the restraining and incentive role of budget performance management. For departments with good performance evaluation results, local governments can give priority to the next budget; for departments with poor performance evaluation results, local governments need to cut the budget for the next year. By linking performance evaluation results with budget arrangements, it is possible to mobilize the enthusiasm of various departments to participate in budget performance management and improve the level of budget performance management. Local governments need to improve the accountability mechanism and hold relevant staff accountable for problems such as waste of fiscal funds and failure to achieve performance targets. By strengthening the binding force of budget performance management, it is conducive to improving the efficiency of the use of fiscal funds and smoothly achieving performance targets.

5. Summary

In today's socialist society facing the world and the future, government reform must inject the power of local government budget performance management. Whether in improving the market environment or promoting the steady development of local government budget performance management, we must ensure the effective constraint of public power. Give full play to the power of people's democracy and let the people fully participate in proposals and supervision. In addition, the government will implement local government budget performance management throughout the reform, so that local government budget performance management can escort fiscal and taxation government reform. We can also use the mandatory and effective nature of the law to judge whether the government can assume the responsibility of local government budget performance management. We must attach importance to the important role of local government budget performance management in government reform, give full play to the backbone of local government budget performance management in government reform, create a good environment and atmosphere, and let the economy develop with high quality. Promote government reform and development through the construction of local government budget performance management, and further promote the steady development of my country's economy and the long-term stability of the people.

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