

BY OUPA MBOKODO: DIRECTOR: ADVISORY, GRANT THORNTON

AUGUST 2016

In the public eye How social media platforms can help public financial managers

Public sector managers are embracing transparency as a positive element of financial management and they are increasingly seeking to adopt digital platforms, including social media and mobile communication, to keep citizens informed of spending. According to the Global Financial Management Leaders Survey 2015 by Grant Thornton and International Consortium on Governmental Financial Management (ICGFM), senior public financial managers see transparency as an essential element, not only of their own work, but of good government itself.

This report draws on a survey of 278 PFM leaders from related areas of government and donor organisations, as well as directors from private companies and academia. The survey was executed using in-person interview sessions, a multilingual online survey and a polling mechanism at the ICGFM annual international training conference. Participants represented over 40 countries across Europe, Africa, the Middle East, Asia Pacific and the Americas. A senior economist from Uganda described how "it is vital that citizens get value for money and this can only happen under a transparent system". A colleague from Nigeria was more blunt: "If there is transparency, citizens will benefit because income that would have been swindled can be used for welfare amenities and other public benefits."

Transparency was also linked with the ability of governments to make positive change across the board. A South African respondent indicated that community meetings were held to enhance transparency in government work – which was vital to "securing openness when dealing with taxpayers' money.



"Public trust will always be the best political capital for any reforms, enabling an environment of transparency and accountability supports our ability to make more reforms,"

Said a Filipino respondent.

Encouragingly then, this survey did not find transparency to be perceived as a burden, but rather as a positive for government as well as other stakeholders. Some 47% of those surveyed believe the main beneficiaries of transparency are citizens, and the same proportion says that citizens and the government both gain.

Governments stand to gain from transparency

As one respondent from a developed country said, transparency is "a necessary pre-condition for accountability and high-quality decision-making."

Transparency not only keeps government departments honest, it also gives them information they can act upon that ties their services a little closer to the expectations and needs of people. It is also an increasingly important political imperative.

"There is clearly a pull from the people for more information on public policy, finances, spending, reforms and the health of the economy in general," states the report which continues to emphasise that this is taking place even "to the extent that it is becoming an election-winning theme in many democracies."

Digital tools that enhance transparency are underused

Consistent with their understanding of the importance of transparency, three-quarters of respondents report using innovation to increase transparency.

However, a closer look at their use of digital technology, suggests that governments are far from the cutting edge. Only 75% of those surveyed say that their organisations are using websites to increase transparency. This is a remarkably small figure given the age of websites as a communications channel: government institutions as varied as the White House in the United States and Birmingham City Council in the United Kingdom have sites dating back to 1994.

As a first priority then, governments must find the best channel of communication with which to enhance transparency. But this is likely to differ from country to country.



"Leaders have to think about how their own populace communicates and use that to drive change and transparency, if, as in much of Africa, most of your country has a cell phone but no computer, then it would make more sense to push things out via cell phone,"

states the report's authors.

This is already the way of things in India. "Increasingly the government is moving away from computer e-governance to mobile m-governance," states the report, "particularly to engage young people."

Many leaders may expect social media to become their primary channel, but the survey found under half (43%) use social media in their departments.

By contrast, that figure is only slightly higher than those using mailing distribution lists to send out traditional group emails (37%). This starkly contradicts the research in that most respondents believe social channels are effective in bringing greater transparency to budget allocations (73%) and also regarding the making of these budget allocations more responsive to citizen priorities (53%).

Even where governments do use social media, their activity does not necessarily drive stronger public participation and engagement. One respondent from Georgia, whose organisation uses social media to explain budget allocations, said frankly: "I do not think our usage is innovative."

This highlights that once the right channel is identified, the real innovation is in the content and dynamics of the communication itself.

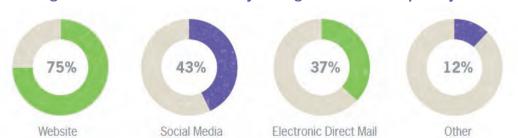
Transparency is more than making information available

In almost every example where survey respondents cited the use of digital channels for transparency, communication was largely only one way and in just one format. Many governments are certainly publishing data on their activities, but few are also offering tools for analysis or engaging in communication with the public about the data. This is consistent with what the report states. "Right now they're just shovelling data out there. There's not much in the way of analytics associated with it."

The problem with this, says the report, is that "you can bury information just by sheer volume. It is not transparent if you just flood citizens with raw data."

The report suggests governments need to be more strategic about the data they put out - ensuring it is contextualised in a way that can inform, assist and educate citizens. Like social media then, the transformative potential of open data remains just that.

The report finds that there are not enough good examples of "information published in such a way that citizens can digest, work through and interpret what it means." So although most are committed to transparency, public financial managers in many countries still need to find the right methods and digital tools to put it into practice.



Which digital communication channels are you using to increase transaparency for citizens?

Source: Grant Thornton and ICGFM Global Financial Management Leaders Survey 2015

Contact us

Bloemfontein

Mokone Ntshiea

Associate Director, Advisory Suite 6 The Park,14 Reid Street, Westdene, Bloemfontein, 9300 T +27 (0)51 430-5368 E infobfm@za.gt.com

Cape Town

Fayaz Mohamed Partner 6th Floor, 119 Hertzog Boulevard, Foreshore Cape Town, 8001 P O Box 2275 Cape Town, 8000 T +27 (0)21 417-8800 E comms@za.gt.com

Durban

Ahmed Timol Partner, Public Sector Assurance 2nd Floor, 4 Pencarrow Crescent Pencarrow Park La Lucia Ridge Office Estate, 4019 P O Box 950 Umhlanga Rocks, 4320 T +27 (0)31 576-5500 E infodbn@za.gt.com

Johannesburg Yugen Pillay

Partner @Grant Thornton Wanderers Office Park 52 Corlett Drive, Illovo Johannesburg, 2196 Private Bag X5 Northlands, 2116 T +27 (0)10 590-7200

Nelspruit

E infojhb@za.gt.com

Billy de Jager Director, Public Sector Advisory 2 Shereson Place 36 Murray Street Nelspruit, 1201 T +27 (0)10 590-7235 E infonel@za.gt.com

Polokwane

Yugen Pillay Partner 130 Marshall Street, Marshall Chambers Office 16A Polokwane, 0699 T +27 (0)15 297-3541 E infopkw@za.gt.com

Port Elizabeth Mark Willimot

Partner - Audit, corporate finance 125 Cape Road, Mount Croix Port Elizabeth, 6001 P 0 Box 63814 Greenacres, 6057 T +27 (0)41 374-3222 E infope@za.gt.com

Pretoria

Johan Blignaut Managing Partner Building A, Summit Place Garsfontein Road Menlyn, 0181 P O Box 1470 Pretoria, 0001 T +27 (0)12 346-1430 E infopta@za.gt.com

Rustenburg

Mokone Ntshiea Associate Director, Public Sector Advisory 234-2 Beyers Naude Drive, Rustenburg, 0300 T +27 (0)14 592-1028 E inforbg@za.gt.com

Southern Cape

Charles Minie Managing Partner 124 Cradock Street George, 6529 Private Bag X6544 George, 6530 T +27 (0)44 874-2320 E info.scape@za.gt.com

Specialists – Cape Town T +27 (0)21 417-8800

Kevin Hart Director, IT Advisory E kevin.hart@za.gt.com

Martin Jansen van Vuuren Director, Strategy development and planning E martinjansen.vanvuuren@za.gt.com

Sihaam Abrahams Director, IT Advisory E sihaam.abrahams@za.gt.com

Moutie Abrahams Director, IT Advisory E moutie.abrahams@za.gt.com

Specialists – Durban T +27 (0)31 576-5500

Bernadine Galliver Associate Director, Strategy development and planning E bernadine.galliver@za.gt.com

Specialists – Johannesburg T +27 (0)10 590-7200

Terry Ramabulana Lead Director, Strategic Initiatives E terry.ramabulana@za.gt.com

Christelle Grohmann Partner, Infrastructure Advisory E Christelle Grohmann@za.gt.com

Cobie van Antwerpen Director, Internal Audit & Governance E cobie.vanantwerpen@za.gt.com

Cashmore Muchaonyerwa Director, Financial Management Solutions E cashmore.muchaonyerwa@za.gt.com

Grant Pentrose Partner, Flnancial Modelling E grant.penrose@za.gt.com

Oupa Mbokodo Partner, IT Advisory E oupa.mbokodo@za.gt.com

Grant Thornton

www.grantthornton.co.za

©2016 Grant Thornton South Africa. All rights reserved. Grant Thornton South Africa is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.