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The Shift Towards the Results-Oriented Budget and Its Impact on Government Performance Information

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Abstract

This study is aimed at verifying the possibility of developing the approach used in preparing the public budget of the State of Iraq by shifting towards the results-oriented budget approach and the extent to which this shift is reflected in government performance information (in terms of its uses, nature, and quality). To achieve that goal, a questionnaire of (33) items was designed and distributed to a random sample of (194) individuals who were employees in the Department of Financial Affairs and the Department of Internal Auditing at the University of Baghdad and the colleges and scientific research centers affiliated with it. The results of the study came out to show that there is a possibility to shift towards the results-oriented budgeting approach in preparing the public budget and that after the application requirements have been met, the most important of which is training the personnel responsible for preparing, implementing and controlling the public budget so that to find human resources who are qualified and capable of comprehending the concept and the procedures involved in implementing the results-oriented budget, noting that the shift towards the results-oriented budget has an effect of statistical significance in respect to the government performance information (in terms of its uses, nature, and quality).

Keywords: Results-oriented budget, line-item budget, the financial government performance information, non- financial government performance information, quality of government performance information.

1.0 INTRODUCTION

The public budget is considered the basic document representing the objectives the government intends to achieve during the coming period as well as the performance that must be accomplished in order to achieve that. However, in relation to its preparation, implementation and control, the public budget still keeps the focus on government performance information of a financial nature. Under the increasing need for non-financial information regarding the government performance (Wall & Roberts, 2008), it has become crucial to know the areas of developing the services provided and improving their quality in a manner commensurate with the aspirations of society members. Accordingly, several attempts to develop the preparation of the public budget have emerged in many countries of the world (Schick, 2008, p.2) with the intention to abandon the line-item approach which focuses on providing financial information related to spending items (Panzardi, 2005) without trying to link them to the results achieved (Rose, 2003, p.17).

Under the environment in which the Iraqi governmental units are working, it is a matter of necessity to readdress the approach adopted in preparing the public budget, reconsidering the shift from the line-item approach to a more developed one as a way of dealing with the problem of increasing the spending from one year to the next without observing the extent to which the goals and the desired results are accomplished. In 2004 the public budget of the State of Iraq

was equivalent to \$ 20 billion (Abdullah & Yassin, 2016, p.526) and in 2019 (according to the Public Budget Law of 2019), it became equivalent to \$ 112 billion.

Among the recent approaches that have emerged to develop the public budget preparation process is the Results-oriented budget ROB approach which operates as a mechanism intended to improve the decisions related to the public budget (Srithongrung, 2009) along its various stages of preparation, implementation and control and that by linking the goals and results expected to be achieved to the relevant resources allocated in the public budget. Thus, the problem of the study can be represented in the following two questions:

- i. Is it possible to shift towards the ROB approach in preparing the public budget within the Iraqi environment?
- ii. Does shifting towards the ROB in preparing the public budget have an effect on the government performance information (in terms of its uses, nature, and quality)?

The study aims to demonstrate the possibility of developing an approach for preparing the public budget of the State of Iraq, which is an urgent need, especially with the Iraqi government recent orientations and the repeated calls to abandon the traditional approach based on the line-item budget, and to choose a modern approach instead that is appropriate with the requirements of the current stage and the availability of necessary capabilities, a move backed by Article (53) of the Federal Financial Management Law No. (6) of 2019 by shifting towards the ROB approach in preparing the public budget, as well as determining the extent to which that shift would influence the government performance information (in terms of its uses, nature, and quality), so that to ensure the attainment of integrated high-quality financial and non-financial information which would, in turn, aide in determining the extent to which the objectives of the given government unit have been achieved and so the desired results, compared to the plans devised.

To accomplish this, the second section of the study dealt with the theoretical framework that discusses the theoretical aspects of the independent variable of the shift towards the ROB approach and then the dependent variable represented by government performance information. The third section was devoted to the hypotheses involved. The method of research and the procedures used are dealt with in the fourth section, followed by the fifth section that was dedicated to the practical aspect. The sixth and final section was meant to review the most important conclusions and recommendations drawn from the study.

2.0 THEORETICAL FRAMEWORK FOR THE STUDY

2.1 Adopting the ROB Approach in Preparing the Public Budget

The approach of preparing the public budget has evolved over the years and with it the main goal of its preparation until it moved towards the need to link the allocation of public resources with the goals sought and the results expected of the governmental units. This eventually led to the emergence of the so-called results-oriented budget (ROB).

The term ROB is used to refer to the budget that provides information about the expectations of the government unit in regards to the goals that it intends to achieve and the results related to it, in allocating the funds needed. Thus, it is simply possible to say that the performance information would be part of the budget documents or as part of the budget segments in which the approved allocations would be divided into groups based on the results expected to be achieved (Curristine, 2005, p.131).

ROB which is viewed by (Mizutani) as the process of reforming the public budget in the long run, may fundamentally change the way of carrying out works and delivering services. As an approach of preparing the public budget, it is considered a leap into a more performance-oriented philosophy that involves accountability of all parties responsible for carrying out that performance to achieve the desired goals and results (Mizutani, 2015, p.1).

Accordingly, it is possible to say that ROB is one of the modern and important approaches in preparing the public budget in which attention is focused on trying to measure the results as a basic consideration in the distribution of limited financial resources among the various aspects of spending upon outlining the public budget.

Furthermore, the ROB approach aims to enhance the government's accountability for its performance and the results achieved from the goals it has set previously, all that carried out in a way that contributes to activating control over the public spending, hence ensuring it achieves its goals while reducing waste, which in turn would lead to a reduction in the public budget deficit. This is feasible by linking the public spending to measures of performance through which any improvement (in performance) will be detected (Hatry, 2006). Moreover, the adoption of ROB will help follow up the implementation of government projects and validate the achievement of the previously planned results, evaluating and dealing with the associated risks in a timely manner (Al-Zoubi, 2012, p.267). In this respect, the study of (Henaish, 2017) concluded that the goal of ROB was to find the best way to allocate the available resources and determine the general directions of the budget, including the desire to rationalise public spending and preserve public funds. ROB will also change the direction of budget discussion from being focused on detailed items to discussing general goals and expected results, which in turn would facilitate the process of making better budgetary decisions (Shah & Shen, 2007, p.5) keeping the focus on what is most important to achieve (Hatry, 2006, p.29).

The ROB application includes several steps, as follows: (APCOP, 2013)

The First Step: Defining the general objectives expected to be achieved during the next period.

The Second Step: Determining the results that the government or a government unit wants to achieve (United Nations Children's Fund, 2017, p.1), with the results representing the direct effects achieved through the services provided (Makon & Varea, 2015, p.88). Those results must be objectively defined, and must be measurable, consistent and of significance (Besrest, 2012, p.7).

The Third Step: Defining the expected outputs needed to reach the results. Those outputs represent the services provided by government units to achieve the desired goals (Mizutani, 2015, p.1) (Besrest, 2012, p.5).

The Fourth Step: Setting measures for the expected results and outputs for the next period. This represents a fundamental step for tracking the expected results (Friedman, 1997, p.2). Measures should be objective and should be outcome-oriented, applicable, and verifiable at an acceptable cost and designed to be conducted within a reasonable time (Council of Europe, 2005, p.13).

The Fifth Step: Estimating the expenditures necessary to produce the outputs and achieve the desired results (Schich, 2008, p.15) (Abraszewski and others, 1999, p.3). The benefit to be obtained from this procedure lies in the fact that it links the approved allocations stated upon in the public budget directly to the services provided by governmental units (Makon & Varea, 2015, p.77), and thus making the governmental unit obligated to submit the specified output in advance.

The Sixth Step: Measuring actual performance by providing information related to the actual spending achieved to produce outputs by identifying the output indicators and actual results and reporting them to relevant parties (Mizutani, 2015, p.7).

The Seventh Step: Evaluating the performance of governmental units through different control bodies that are responsible for this task. Their work involves observing the extent to which the planned results are achieved by comparing the targeted results (that are pre-determined and on which the public budget was prepared) with the actual results (Sri-thongrung, 2009, p.66). The step also involves questioning government units in case they fail to achieve the previously defined results, since this is a situation that reflects a failure in achieving the objectives set in advance, and upon which the relevant government unit is then required to provide an explanation about that (Hatry, 2006, p.23).

Following the aforementioned points, it is obvious that the ROB approach represents a system of collecting and providing information on the goals of the government unit and the results, whether planned (during the stage of preparing and approving the public budget) or actual (during the stage of implementing the public budget), on which the allocation and the spending of public resources are made.

2.2 What is meant by government performance information: -

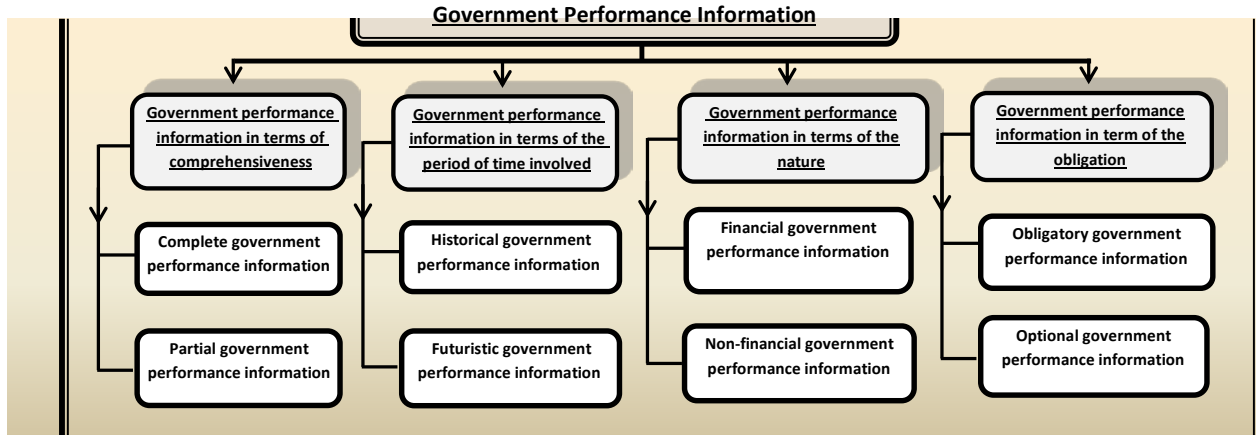
If the government performance represents the ability of the government unit to achieve its set goals through the use of public resources in an efficient and effective manner (Mashaal & Rabee, 2017, p.58), then government performance information will enable parties related to government performance to diagnose the reality of that performance and search for areas to improve it. Therefore, the availability of government performance information is important in several areas, including:

- i. Assisting in the processes of preparation, implementation and control of the public budget (Curristine, 2005, p.132) (Robinson & Last, 2009, p.4).
- ii. Assisting the government unit administration in identifying the satisfaction of those benefiting from the services it provides in a way that enables it to improve the quality of the services provided (Mashaal & Rabee, 2017, p.63) (Downes, 2013, p.12).
- iii. Government performance information is regarded an incentive meant to improve and develop that performance (Curristine, 2005, p.147). It helps achieving that by enabling relevant parties to pinpoint the government performance's weakness or strength.
- iv. Providing performance information has a behavioral aspect that stands out by encouraging working individuals to show a distinctive level of performance, where Ludji indicates that the performance of the individual would be better in case the performance information is available compared to when it is unavailable (Ludji, 2018, p.220).
- v. Providing government performance information to related parties aids in improving the government performance in terms of transparency, thus boosting the trust in government (Curristine, 2005, 137).
- vi. The availability of government performance information aides the government unit administration in carrying out its various tasks of planning, organizing, controlling, and evaluating the performance as well as in making decisions, which in turn would help that administration avoid randomness in performing those tasks.

From the above-mentioned we notice that the importance of government performance information lies in the framework of meeting the needs of relevant parties - whether from within

or outside the government unit - of government performance information which justifies why the government performance information is classified differently based on many aspects summarized in Figure 1.

Figure (1) Classification of the government performance information



The figure shows that the mentioned aspects of the classification of government performance information do not mean that they are separate. To the contrary, they are interconnected to each other and are used side by side. They might be of a historical financial nature and government units are obligated to provide them through the financial reports that they prepare, like for example what Chapter Ten - Transparency - of the Iraqi Federal Financial Management Law No. (6) of 2019 confirms. Or they might be non-financial planned information and thus the government unit is free to make it available on its website in order to make their performance transparent (Makon & Varea, 2005, p.98), in addition to what was mentioned by Knaap, that 32% of the Organization for Economic Co-operation and Development (OECD) member states tend to include non-financial government performance information in addition to financial performance information within budgets documents in implementation of legal requirements (Knaap, 2006, p.279).

In order for government performance information to be useful to parties linked to government performance so that they assess the effectiveness of the relevant management in using the resources available (Bamidele and others, 2018, p.23), then the information must be of high quality, as is the case with accounting information, so that the government performance information would be useful to its users (Bukonya, 2014, p.186) in terms of relevance, comparability (Robinson, 2016, p.25), reliability, understandability, consistency, and in terms of being timely presented (Guzmán, 2003, p.10: 12-13).

3 THE STUDY HYPOTHESES

The study is based on the following hypotheses:

- H1: It is possible to shift towards the ROB approach in preparing the public budget.
- H2: Shifting towards ROB has an effect of significance on government performance information.

From this hypothesis emerge the following sub-hypotheses:

- H2A: Shifting towards ROB has an effect of significance on the areas of using government performance information.

H2B: Shifting towards ROB has an effect of significance on the nature of government performance information.

H2C: Shifting towards ROB has an effect of significance on the quality of government performance information.

4 METHODOLOGY AND PROCEDURES INVOLVED

4.1 Study Community and Sample

The study community included the employees in the Department of Financial Affairs and the Department of Internal Auditing at the University of Baghdad along with its colleges and scientific research centers affiliated with it. The community numbered (341) individuals representing the authorities responsible for preparing the public budget, for implementing the budget and for controlling it within the university's domain. The questionnaire was distributed to a random sample of (194) individuals, with the retrieved questionnaires that were valid for statistical analysis being (189) in number. This means that the response rate was (97%). Thus, the sample of the study in its final form amounted to (189) individuals, which constitutes 55% of the study population. The fields of work of the participants (the sample) are distributed among the categories shown in the following table:

Table (1) Study Sample Nature of Works (tasks)

Nature of work (task)	Frequency	Percentage
Preparing the Public Budget	28	15%
Implementing the Public Budget	116	61%
Monitoring the Implementation of the Public Budget	45	24%
Total	189	100%

It is clear from Table (1) that those responsible for implementing the budget came first within the study sample, given that their work would last for a full year and they are in contact with the reality of the public budget and the problems that arise during its implementation. Following were those responsible for monitoring the implementation of the budget, and then finally those responsible for preparing the public budget at the third rank.

4.2 The Study Approach

The study, in its preparation, relied on the descriptive analytics approach for the purpose of describing the research phenomenon, collecting relevant data from the sample and analyzing it to know its causes and factors that control it and then extract the results and generalize them.

4.3 Testing the Validity and Reliability the Questionnaire: To test the truthfulness and reliability of the questionnaire, the following steps were followed:

4.3.1 The Face Validity Test: For the purpose of verifying the face validity of the questionnaire, the latter was presented in its primary form to a number of specialized arbitrators, and in the light of the observations and suggestions that they submit, the paragraphs were modified by omitting some of them, adding new ones and rephrasing others, until the questionnaire was settled on (33 paragraphs).

4.3.2 Consistency among the Components of the Questionnaire: By working out the Cronbach's Alpha coefficient it becomes clear that its value reached (0.93) which is higher than the acceptable minimum of (0.70), which in turn confirms the consistency among the components of the questionnaire and accordingly the stability required in the event of repeating the test.

4.3.3 The Split-half Reliability Tests: with the correlation coefficient of the questionnaire reaching (0.89), it was evident that the questionnaire along with its various measures was of high stability and hence could be adopted at different times and for the same sample while yielding the same results.

4.3.4 The Construct Validity of the Questionnaire:

I. Validity of the Exploratory Construct: Exploratory Factor Analysis was used to discover the relationship between the variables and the extent of the need to omit some paragraphs from the questionnaire. The following steps were followed:

The first step was to test the adequacy of the sample and the existence of correlations between the variables: the test results came as presented in the table below:

Table (2) applying KMO and Bartlett's Tests on the Questionnaire Paragraphs

Details		Shifting Towards ROB	Government Performance Information
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.843	0.840
Bartlett's Test of Sphericity	Approx. Chi-Square	457.376	678.002
	Df	78	190
	Sig.	0.000	0.000

Table (2) shows that the value of the KMO test for both variables: shifting towards ROB approach and government performance information reached were (0.843) and (0.840) respectively. And since the value was greater than (0.50) then it is considered a good value according to (Kaiser) classification. Also, the Bartlett test refers to the existence of a statistical significance at the level of (sig = 0,000) which is less than the level of significance of (sig = 0.05) approved, which in turn is an evidence that the correlation between the main study variables of shifting towards the ROB approach and government performance information is of a statistical significance.

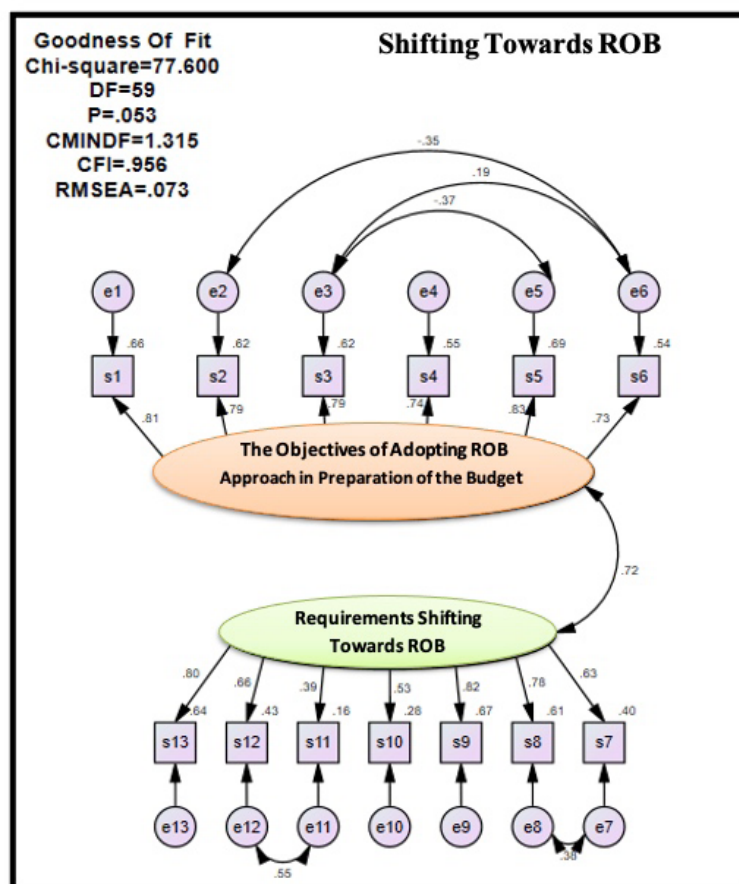
The second step is the application of the Principal components method: The results obtained from the exploratory factor analysis of the shift towards the ROB approach applied according to this method and the rotation of the paragraphs on the extracted factors (two factors), it becomes clear that the loadings of the paragraphs on the extracted factors were in variant proportions while maintaining the condition that the saturation ratios should be greater or equal to (0.30). Also, the values of the communalities represented by the variable variance ratio that can be explained by the extracted factors reached their highest value at the paragraph **(The adoption of the ROB will make the budget a tool for expressing the goals and desired results for the coming period including the cost of its implementation)** where its value came at (0.708) which means that the extracted factors explain combined 71% of the variance of this paragraph, whereas the lowest value related to the paragraph **(enacting a legislation that includes a comprehensive description of the ROB along with an explanation of how to prepare budget estimates accordingly)** The value came at (0.338) which means that the extracted factors combined explain 34% of the variance of this paragraph.

In respect to the government performance information variable, the results of exploratory factor analysis under this method and after rotating the paragraphs on the extracted factors that amounted to **(three factors)** showed that the saturations of the loadings of the paragraphs in regards to the extracted factors were in varying proportions, while maintaining the condition that the saturation percentages should be greater or equal to (0.30), and the values of the communalities represented by the variable variance ratio that can be explained by the factors reached their highest value of the communalities for the paragraph **(Updating the public budget preparation approach should lead to the obligation to provide financial and non-financial information on government performance)** and that at (0.778). This means that the extracted factors combined explain 78% of the variance of this paragraph, while the lowest value was related to the paragraph **(The shift towards ROB and the resulting financial and non-financial information on government performance will achieve the confidence of the parties involved in government performance)** at (0.32), which means that the extracted factors combined explain 32% of the variance of the paragraph.

II. Validity of Confirmatory Construct: Confirmatory Factor Analysis was used to verify the validity of the questionnaire construction and (AMOS V.23) was used as a tool.

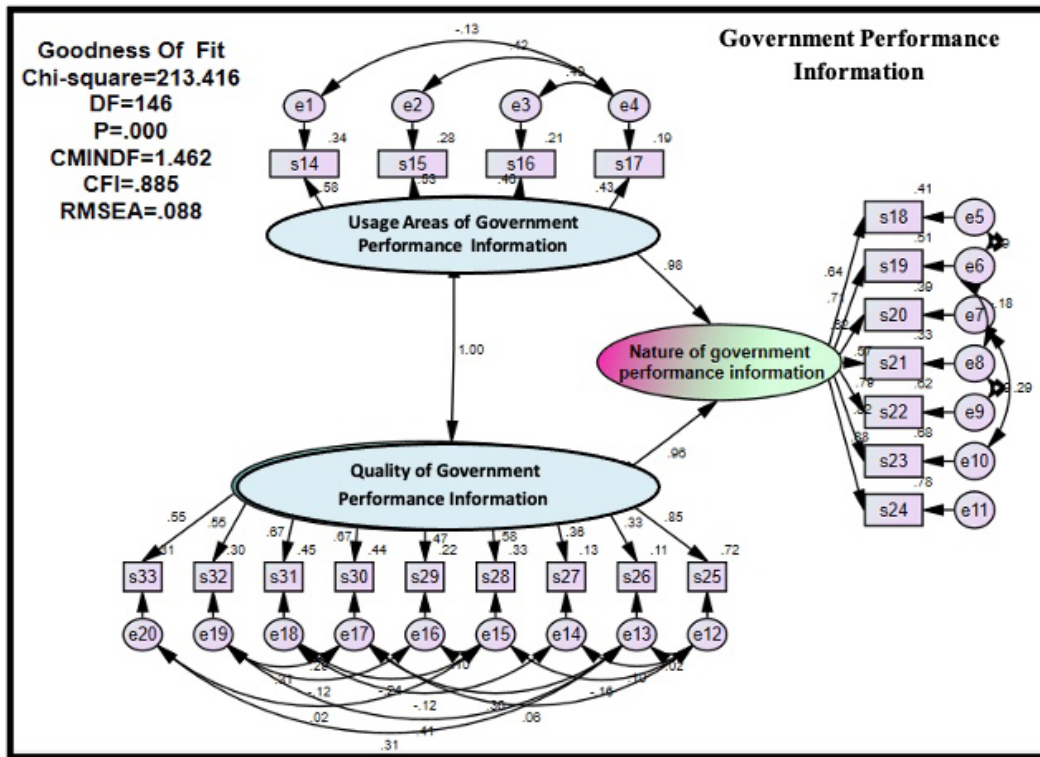
Figure (2) - in respect to the shift towards ROB variable - shows the confirmatory factor analysis of shifting towards ROB model according to the modification indices. Consisting of two main dimensions and (13) paragraphs, the figure shows all the paragraphs related to applying the ROB variable were greater than (1.96) and all were significant and identical to the goodness of fit. That in turn gives a good indication to go ahead with other statistical analyses.

Figure (2) the complete model for shifting towards ROB variable
Resource: (AMOS V.23) software



In regards to the government performance information variable, figure (3) shows the confirmatory factor analysis of that variable model in accordance with the modification indices, consisting of three main dimensions of (20) paragraphs. The figure clearly shows how all the paragraphs of the government performance information variable were greater than (1.96) and all of them were of statistical significance and identical to the goodness of fit. That gives a good indication to go ahead with all other statistical analyses within the applied side of the study to obtain results.

Figure (3) the complete model for government performance information variable
Resource: (AMOS V.23) software



5 THE EMPIRICAL SIDE OF THE STUDY

5.1 Presentation and Discussion of the Results

5.1.1 Results of the statistical analysis of the study sample opinions on the shift towards ROB variable are shown in table (3) below with the statistical indications demonstrating the following:

Table (3) results of the statistical analysis of the study sample opinions on shifting towards ROB

Ref.	Paragraph	Mean	Standard Deviation	CV%
First Dimension: The objectives behind adopting the ROB approach in preparing the Public budget				
1	The adoption of the ROB will make the budget a tool for expressing the goals and desired results for the coming period including the cost of its implementation.	4.158	.719	17.292
2	The adoption of ROB will contribute to setting spending priorities according to the results desired to be obtained from the goals that the government intends to achieve during the coming period.	4.164	.778	18.684
3	Making the public budget (through ROB) an effective tool to monitor the achievement of the goals that the government intends to achieve along with the expected results.	4.148	.721	17.382
4	The ROB approach will change the direction of financial control from being inputs-detailed to the control of goals and results achieved from the objectives set during the budget period.	3.941	.800	20.299
5	ROB approach will contribute to achieving accountability of executives - at various levels - for the goals and results achieved against the fund spent.	3.978	.887	22.298
6	ROB approach will set constraints on the budget so as to rationally use the approved allocations to effectively achieve the goals and reach specific results more efficiently.	3.984	1.059	26.581
	First Dimension Weighted Mean	4.062	.575	14.156
Second Dimension: Shifting towards ROB Requirements				
7	Senior administrative leaders have a serious desire to abandon item-line budget approach in preparing the public budget.	3.291	1.108	33.668
8	Linking the objectives of the government unit and its intended results to the preparation of the public budget draft so that it can be discussed accordingly.	4.021	.729	18.130
9	Preparing quantitative measures related to the goals and results expected to be achieved from those goals so that they can be approved upon preparing the budget.	3.989	.778	19.504
10	Enacting a legislation that includes a comprehensive description of the ROB along with an explanation of how to prepare budget estimates accordingly.	4.084	.694	16.993
11	Training the personnel responsible for budget preparation, implementation, and control to find qualified human resources able to understand the ROB concept and procedures.	4.550	.671	14.747
12	Using electronic information systems to collect quantitative and financial data that facilitates the process of preparing, implementing and controlling the public budget in light of the ROB approach	4.433	.685	15.452
13	Periodically preparing statements attached to the financial reports that includes non-financial information on the achievement of the goals of the government unit and the results achieved.	4.095	.900	21.978
	Second Dimension Weighted Mean	4.066	.470	11.559

- i. The table, in respect to adopting the ROB approach in preparing the public budget, shows the superiority of paragraph (2) (The adoption of ROB will contribute to setting spending priorities...) with a weighted mean of 4.164 which was greater than the hypothetical weighted mean of (3) and with a small dispersion reflected by the standard deviation of 0.778, considering that this goal will contribute to addressing the defects of the current approach of preparing the public budget which is based on the item-line budget and the accompanying problems involved in planning public expenditures. The least paragraph ranked was number (4) stating (The ROB approach will change the direction of financial control from being inputs-detailed

to the control of goals and results achieved...). The paragraph came with a weighted mean of (3.941), which could probably be attributed to the belief that the ROB approach was to contribute to monitoring the achievement of the desired goals and results, which in turn would implicit practicing control over the spending associated with the goals and results.

- ii. Table (3), in regards to the requirements for the shift towards ROB, reflects the study sample main interest in (Training the personnel responsible for budget preparation, implementation, and control to find qualified human resources able to understand the ROB concept and procedures). That was evident through paragraph (11) that achieved a weighted mean of (4.550), a standard deviation of (0.667) and a coefficient of variation of (14.747%), which in turn shows a little dispersion in the answers and the best harmony among all paragraphs of the second dimension. Following was paragraph (12) stating (Using electronic information systems to collect quantitative and financial data...) with a small variance, since the paragraph achieved a weighted mean of (4.433) and a standard deviation of (0.668), bearing in mind that the ROB approach requires a large amount of financial and non-financial data needed to be collected and treated in order to prepare, implement and control the public budget. Finally there was paragraph (7) (senior administrative leaders have a serious desire to abandon...) that ranked last according to the responders' agreement on the requirements for the shift towards ROB.

Based on the aforementioned, one can say that the perceptions of the study sample individuals reflect an overall agreement on the possibility to shift toward the ROB approach in preparing for the public budget, which in turn, **confirms the H1**, that states:

((It is possible to shift towards the ROB approach in preparing the public budget))

5.1.2 The results of the statistical analysis of the opinions of the study sample on the variable of government performance information, as it appears in table (4) referring to the statistical indications as follows:

Table (4) results of the statistical analysis of the sample study opinions on the government performance information variable

Ref.	Paragraph	Mean	Standard Deviation	C.V%
First Dimension: areas of using government performance information				
14	Government performance information is an urgent necessity to develop the services provided and raise their quality level in line with the aspirations of members of society.	3.291	1.108	33.668
15	Government performance information ensures achieving public accountability concerning the governmental performance.	4.021	.729	18.130
16	Government performance information is of great importance in planning, directing and controlling government performance.	3.989	.778	19.504
17	Government performance information has a role in improving methods of distributing public resources on various uses upon preparing the public budget	4.084	.694	16.993
	First Dimension Weighted Mean	4.066	.470	11.559
Second Dimension: nature of government performance information				
18	Government performance information currently available through financial reports is of financial nature only.	3.804	.927	24.369
19	Government financial reports are distinguished by ignoring non-financial government performance information which is indispensable in achieving the goals and results intended.	3.756	.919	24.468

Ref.	Paragraph	Mean	Standard Deviation	C.V%
20	The currently applied approach of preparing the public budget deprives the government units the motivation to provide optional non-financial information on government performance.	3.746	.933	24.907
21	Financial information related to government performance alone is not sufficient to plan, implement and control government performance.	4.047	.833	20.583
22	Updating the public budget preparation approach should lead to the obligation to provide financial and non-financial information on government performance.	4.142	.782	18.880
23	Updating the approach of preparing the public budget should lead to the obligation to provide future financial and non-financial information relevant to government performance.	4.127	.768	18.609
24	Updating of the public budget preparation approach should lead to the obligation to provide historical financial and non-financial information on government performance.	3.941	.806	20.452
	Second Dimension Weighted Mean	3.938	.587	14.906
Third Dimension: quality of government performance information				
25	The shift towards ROB will make government financial and non-financial performance information relevant for rationalizing the allocation of funds within the public budget.	4.153	.766	18.444
26	Adopting ROB will make the government performance information in its financial and non-financial aspects truthfully representing the goals of the government unit, its intended results as well as the cost of achieving them.	3.978	.862	21.669
27	The shift towards ROB and the resulting financial and non-financial information on government performance will achieve the confidence of the parties involved in government performance.	3.978	.898	22.574
28	The ROB approach will increase confidence in government performance information, especially the non-financial information, once included in the budget documents.	4.079	.784	19.220
29	Making non-financial information on government performance available along with the financial information will make the ROB-based public budget documents more understandable.	4.111	.731	17.782
30	Adopting ROB and the resulting non-financial information, in addition to the financial information on government performance, will increase the ability to verify the achievement of the pre-set goals and the desired results.	4.074	.808	19.833
31	Adopting ROB and the resulting non-financial government performance information, and not just government financial performance information, will increase the comparability of the government unit with another one or will increase that comparability over several periods of time.	4.084	.820	20.078
32	The adoption of the ROB approach will provide financial and non-financial information that enables the identification of strengths in government performance, enhancing them, while identifying the weaknesses, studying their causes, addressing them and avoiding their future recurrence so that to improve the level of government performance.	4.037	.760	18.826
33	The shift towards ROB will make the budget a primary source for providing financial and non-financial information that is appropriate for monitoring the progress made towards achieving the goals and desired results.	4.195	.750	17.878
	Third Dimension Weighted Mean	4.077	.579	14.202

- i. In regard to the use of the government performance information, the opinions of respondents reflected a close agreement on the content of paragraph (17) stating: (Government performance information has a role in improving methods of distributing public resources...). This is highlighted by the weighted mean of (4.084) which was greater than the hypothetical weighted mean, and the standard deviation (0.694) and was also greater than the coefficient of difference (16.993%). That in turns reflects a small dispersion and a good degree of harmony among the opinions of the sample individuals on this paragraph. Contrariwise, the last rank within the dimension of the areas of use of government performance information was for paragraph (14) which states (Government performance information is an urgent necessity to develop the services provided...) with a weighted mean of (3.291), a standard deviation of (1.108) and the coefficient of variation of (33.668). That was due to the traditional view of the information focusing on the financial side only, ignoring the non-financial one in spite of the importance of that information in developing the governmental performance.
- ii. Statistical indications related to the dimension of the nature of the government performance information show the superiority of paragraph (22) that states: (Updating the public budget preparation approach should lead to the obligation to provide financial and non-financial information...), since it achieved the highest weighted mean of (4.142) compared to other paragraphs within the same dimension. The paragraph values was also slightly different from those related to paragraph (23) that states: (Updating the approach of preparing the public budget should lead to the obligation to provide future financial and non-financial information...), which achieved a weighted mean of (4.127). The difference could be attribute to the fact that the financial performance information of the government was based on what happened during the last period of time, which involves passing on the mistakes of the past to the future if the government's financial performance information for the past period was inaccurate or contained errors. Additionally, the government's financial performance information alone does not reflect the future orientation of the government performance, since it does not show the possibility of adopting opportunities potential to enhance or develop the performance in the future nor does it deal with the threats that are likely to arise in the future.
- iii. Statistical indications related to the third dimension of the quality of government performance information point to a consensus in the views of the sample members in respect to paragraph (33) that states (The shift towards ROB will make the budget a primary source for providing financial and non-financial information that is appropriate for monitoring...). The paragraph that ranked first among other paragraphs of this dimension came at a weighted mean of (4.195), with little dispersion and a good degree of harmony in the answers, both reflected by the standard deviation of (0.750) and the coefficient of difference of (17.878%). Following was paragraph (25) that states (The shift towards ROB will make government financial and non-financial performance information relevant for...) with a slight difference in terms of a weighted mean of (4.153), a standard deviation of (0.766) and a coefficient of variance of (18.444%), which in turn is an indicative that the shift towards ROB would provide both financial and non-financial government performance information, appropriate in the field of monitoring the implementation of the goals of the government unit, the desired results and the fund spent for that purpose. Accordingly, it is possible to consider relevance as the distinguishing feature among other characteristics to achieve the quality of government performance information in the event of a shift towards ROB.

5.2 Testing Hypotheses of Influence

To test the second main hypothesis and its secondary sub-hypotheses, coefficient of the Simple Linear Regression was used.

Table (5) the Influence of Shifting towards ROB on Government Performance Information

Independent variable	Dependent variable	Value of constant (a)	Value of marginal propensity coefficient (B)	coefficient of determination (R ²)	Calculated (F) value	Tabulated (F) value	Sig	Significance
Shifting towards ROB	areas of using government performance information	1,389	0,674	0,319	87,453	3.89	0.000	Significant
	nature of government performance information	0,533	0.838	0,442	147,935		0.000	Significant
	quality of government performance information	0.619	0,851	0,467	164,007		0.000	Significant
	Government performance information	0,847	0,788	0,555	233,065		0.000	Significant

The above table shows the results obtained from the SPSS software, where the results of the statistical analysis showed that the calculated (F) value between the independent variable (shifting towards ROB) and the dependent variable (government performance information) was (233.065) which is greater than the tabular (F) value of (3.89) at the level of significance of (0.000) which is smaller than the level of significance of (0.05). Accordingly **H2** is accepted which states (**Shifting towards ROB has an effect of significance on government performance information**). From the value of the coefficient of determination (R²) of (0.555), it becomes evident that the shift towards ROB explains (55.5%) of the variables that affect the government performance information, while the remaining (44.5%) relates to other variables not included in the study model. Furthermore, the (β) coefficient value of (0.788) shows how a change in the shift towards ROB by one unit would lead to a change in government performance information by (78.8%).

As to the effect of the shift towards the ROB approach on the areas of using the government performance information, the (F) value calculated between the shift towards the approach of ROB and areas of using the government performance information was (87.453) which was greater than the tabular (F) value of (3.89) at a significance level of (0.000), which was smaller than the significance level of (0.05). Accordingly, **the H2A** is accepted which states (**Shifting towards ROB has an effect of significance on the areas of using government performance information**). This indicates that the approach of shifting towards ROB in preparing the public budget is effective and strongly influential in the areas of using government performance information. Furthermore, the value of the coefficient of determination (R²) of (0.319) shows how adopting the ROB approach explains (31.9%) of the variables affecting the areas of using government performance information, while the remaining (68.1%) is due to other variables not included in the study model. The (β) coefficient value of (0.674) shows that a change in the shift towards ROB approach by one unit would lead to a change in the areas of the use of government performance information by (67.4%).

The results shown in table (5), regarding the effect of the shift towards ROB approach on the nature of government performance information, show that the (F) value calculated between the shift towards the approach of ROB and the nature of government performance information was (147.935) which was greater than the tabular (F) value of (3.89) at the significance level of (0.000), which was smaller than the significance level of (0.05). Accordingly, the **H2B** is accepted which states **(Shifting towards ROB has an effect of significance on the nature of government performance information)**. This indicates that the approach of shifting towards ROB in preparing the public budget is effective and strongly influential on the nature of government performance information. Furthermore, the coefficient of determination (R^2) of (0.442) shows how the shift towards the ROB approach explains (44. 2%) of the variables affecting the nature of government performance information, while the remaining (56. 8%) relates to other variables not included in the study model. The (β) coefficient value of (0.838) shows that a change in the shift towards ROB approach by one unit would lead to a change in the nature of government performance information by (83.8%).

With regard to the effect of the shift towards ROB approach on the quality of government performance information, the results included in table (5) show that the calculated (F) value was (164.007) which was greater than the tabular (F) value of (3.89) at the level of significance of (0,000), which was smaller than the significance level (0.05). Accordingly **the H2C** is accepted which states **(Shifting towards ROB has an effect of significance on the quality of government performance information)**. This indicates that the approach of shifting towards ROB in preparing the public budget is effective and strongly influential in regards to the quality of government performance information. Furthermore, the coefficient of determination (R^2) of (0.467) shows how the shift towards the ROB approach explains (46. 7%) of the variables that affect the quality of government performance information, while the remaining (53.3%) relates to other variables not included in the study model. The (β) coefficient value of (0.851) shows that a change in the shift towards ROB by one unit would lead to a change in the quality of government performance information by (85.1%).

6 CONCLUSIONS

This study represents an attempt to reform the current approach adopted in preparing the public budget that is being based on the item-line budget approach, by shifting towards the ROB approach which aims at reconsidering the philosophy of preparing the public budget from the viewpoint of resources to that of results. The results obtained from the field study came to confirm this, since the shift towards ROB approach will contribute to determining the priorities of spending according to the results desired to be obtained from the goals that the government intends to achieve during the coming period. The study showed that was a possibility of shifting towards the ROB approach in the Iraqi environment after creating the transformation requirements, on top of which is training the personnel responsible for preparing, implementing and controlling the budget so that to have qualified human resources capable of absorbing the concept and carrying out the relevant procedures followed in implementing the ROB. The field study results also showed that government performance information has a role in improving the methods of distributing public resources over different uses upon preparing the public budget.

Therefore, the authorities responsible for preparing, implementing and controlling the public budget of the State of Iraq, whether in the Ministry of Finance or within government units, should adopt the ROB approach and should justify the allocation of resources within the public budget according to the goals of those government units and the results expected from them during the coming period, since, the approach will contribute to the availability of high quality information applicable on broad areas of use by parties related to government performance in order to plan

and control the government performance so as to enable relevant people to make sound and effective decisions in the process of allocating public resources in a manner that prevents waste of resources while achieving optimal use of the public resources available to government units.

Moreover, the ROB approach enables in establishing a database that helps integrate the government financial with non-financial performance information which in turn helps in drawing an integrated picture of the government performance with the possibility of linking that with accountability which would eventually boost transparency, hold those in charge accountable and support the scrutiny role of various oversight bodies.

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