



*Managing Budgetary
Pressures – Perspectives
from Budget Officers*

Background to presentation

- Interviews of budget officers (Malaysia, Myanmar, Netherlands, Slovenia, UK)
- Background research for CABRI conference (Burkina Faso, Liberia, Malawi, Uganda)

Introduction

- The different roles of the budget officer in managing pressures
- Common myths you hear about pressures
- Some final reflections



*The different roles of the
budget officer in managing
pressures*

The Plate Spinner



The Plate Spinner

At any one time, budget officer managing multiple tasks:

- Routine tasks (e.g. preparing the annual budget)
- Dealing with 'stuff that comes up'

The Referee



The Referee

Budget officers have responsibility for ensuring legal framework is respected when pressures arise:

- In some countries, lots of 'refereeing' - processing lots of virements, etc.
- Other countries, controls at a higher level

The Intelligence Gatherer



Financial information

- Looking at past performance
- Looking at updated forecasts

Understanding 'what's going on in your ministry'

- Policy changes
- Changes in external environment
- Progress of major projects

Reviewing reliability of intelligence

- *'Are estimates of costs of pressure reliable?'*
- *'How have they been calculated?'*
- *'Are estimates of proposed savings reliable?'*
- *'Are there risks those savings will not be generated?'*

The Solution Broker



The Solution Broker

Budget officers broker solutions in different ways

- The 'post-man' that passes the information upstairs
- The 'analyst' that presents the trade-offs politicians have to choose between
- The 'negotiator' that tries to broker an agreement on the appropriate course of action between the ministry, the budget office and other relevant parties



*Common myths you hear
about pressures*

The Myth of Perfect Planning

‘This request for a virement three months after the budget shows they are not taking planning seriously’



The Myth of Total Uncertainty

‘We cannot budget for natural disasters because we do not know if they will happen.’



The Myth of The Silver Bullet

‘These problems won't come up when we have finalized our MTEF/performance budgeting/evaluation/[insert here] reform’





Some final reflections

Pressures arise everywhere

- We cannot predict the future with certainty
- Challenge for budget reforms to get the right balance between control and flexibility

Political and institutional factors affect the ability to manage budgetary pressures

- The timeliness and reliability of financial reports
- The rules and regulations guiding virements/supplementaries
- The willingness of ministries to cooperate with rules etc.

But in any system, individual budget officers can be more or less equipped to manage the pressures that emerge

- The quality of analysis using available information
- The soft-skills needed to build trust with ministries
- Understanding of how to push decisions through often tiresome bureaucratic processes
- The ability to navigate the political side of budgeting (whose backing do you need, which battles should you pick etc.)



Thank you

m.miller@odi.org