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ВЛИЯНИЕ ВРЕМЕНИ ОЖИДАНИЯ КОМПЕНСАЦИИ НА ЛОЯЛЬНОСТЬ КЛИЕНТОВ НА ПУТИ К МНОГОСТУПЕНЧАТОЙ УСЛУГЕ В РЕСТОРАНЕ ПОЛНОГО ОБСЛУЖИВАНИЯ: ДАННЫЕ ПО ИНДИИ

Исследования показывают, что время ожидания в сфере услуг является важным источником оценки услуг заказчиком. На самом деле, время является одним из компонентов общей стоимости, которую несет клиент. Стоимость является основным компонентом воспринимаемого уравнения затрат и выгод, которые клиент использует, чтобы оценить ее, или его постоянный выбор определенной услуги. В большинстве услуг клиенты рассматривают ожидание, как пустую трату времени. Однако, с точки зрения клиента, в случае ресторана с полным спектром услуг, ожидание предвидится, а иногда и желательно. Предыдущие исследования, в основном на Западе, предполагают, что, когда клиенты думают, что ждать обслуживания слишком долго, они становятся менее довольны общим качеством обслуживания. На основании условий исследования в полномасштабном ресторане в Индии, в этой статье мы искали ответы на два исследовательских вопроса: во-первых, каковы детерминанты общей удовлетворенности от времени ожидания; и, во-вторых, как влияет время ожидания на лояльность клиентов.

Ключевые слова: лояльность клиентов, время ожидания удовлетворенности, службы управления.

References (in Latin): Translation / Transliteration/ Transcription

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UDC 334

JEL: M11

DOI: <http://dx.doi.org/10.17721/1728-2667.2016/183-6/5>

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STRATEGIC PLANNING AS A NECESSARY PREREQUISITE TO SUCCESSFUL PROGRAM BUDGETING IN GEORGIA

This article gives answers to following important questions: What are the main tasks and aims of strategic planning and program budgeting in the context of managing the public finances? Why the introduction of linking between strategic planning and program budgeting, oriented to the result, is important in Georgia? The paper emphasizes the efforts of Georgian authorities to implement performance-based program budgeting. Based on the initial results, authorities decided to establish a link between strategic planning and budgeting, as a condition for implementing performance-based budgeting. It presents steps toward this goal and outlines some remarks on future measures.

Keywords: public finance, strategic planning, performance budgeting, output, outcome, performance indicators.

Introduction

Strategic planning plays the role of an instrument that promotes coherent public policies, ensures quality and the right justification of the budgetary programs and backs up

the main public policies to be financed. Introducing the strategic planning system also creates the premises for a clear, coherent and well-argued competition regarding financing of the additional initiatives of line ministries (a

mechanism for financing public policies which are initiated after the budget is approved). Strategic planning can be a useful and even an instrumental tool to provide efficient management of public finances in the context of performance-based program budgeting implementation.

Performance-based program budgeting is the practice of developing budgets based on the relationship between program funding levels and expected results outcome of the program. In other words, it is the linkage between funding and results (outputs and outcomes). Program budgeting implies public expenditures by type of activity.

Aims of the program budgeting includes:

- Maintaining the general fiscal discipline;
- Allocating resources according to the state priorities;
- Supporting service effectiveness;
- Linking the country's social-economical development strategy to the state budget;
- Allocations based on the priorities from the strategy;
- Increasing the accountability and transparency of the results achieved;
- Eliminating some (identified) problems completely;
- Significant improvement in the suitable field, having influence over the country priorities.

The programs – objective-based categories of expenditure, where objectives should generally refer to the intended outcomes of the expenditure associated with details on what work is to be done. Budgeting based on programs has placed the emphasis explicitly on the budgetary choices between competitor policies. While performance budgeting aimed to discover the most efficient method to achieve a certain objective program budgeting has regarded the objectives as variables. Therefore, program budgeting strived for a connection between the program's costs and the results of the public programs. This budgeting method is intended to be an alternative to the conventional practice of making budgetary compromises, its supporters claiming that the decisions to allot the budget expenses will be taken in accordance to the marginal value which can be obtained through a different use of the budget's resources.

From a political point of view, program budgets have a great potential to allow the Parliament to analyze political implications of the decisions regarding public expenses because these are concentrated on generating information about the efficiency of services in connection to the formal objectives that were set for them. In contrast, from the economic point of view, because of the reasons stated above, the program budgeting represents a lead in relation to the performance budgeting.

Based on the economic theory of bureaucracy, it can be noted that the information supplied by this type of budget helps the Parliament to fairly assess considerable benefits resulted from the budgetary allocations. Besides, this generates tension in the executive branch, because this branch can't influence the information about individual benefits. Therefore, the information on effects is welcomed because although it won't impact productive efficiency, at least not directly, the efficiency of allocations will grow when the members of the political authorities improve their estimations regarding the benefits.

The paper utilises official reports as the primary source of the information from international and national (Government of Georgia; Ministry of Finance of Georgia; The State Audit Office of Georgia) resources. In addition, the paper uses the legislative as well informational analytical basis and materials regarding the budgetary system.

The main research questions of this paper are:
What are the main tasks and aims of strategic planning and

program budgeting in the context of managing the public finances reforms? What kind of influence do the systems of strategic planning and program budgeting have on management practice of the public finances in Georgia? Why the introduction of results-oriented performance-based budgeting is important in Georgia?

The paper is structured as follows: Section 1 presents a brief literature review regarding the role of strategic planning and its linkage to performance budgeting. Section 2 provides analysis of shortcomings and development of public finance reform management in Georgia. Section 3 focuses on a critical investigation of policy planning system framework in Georgia and the last section offers concluding remarks.

1. Literature review

Strategic planning's origins *per se*, as used in the public sector, can be traced to the late 1950s and early 1960s. The U.S. Department of Defense began to look for better and more useful ways to plan for its long-term needs while at the same time achieving cost savings. The advent of the Planning-Programming-Budgeting-System (PPBS) began what was to blossom into a series of varying strategic planning and budgeting systems. PPBS promised to do several things to improve federal governmental operations. Some of these anticipated improvements included: establishing long-range planning goals and objectives; examining the costs and benefits of these expected ends; comparing and contrasting alternative activities to achieve agency goals and objectives; and, establishing multi-year projections for both executive and legislative consideration when considering annual budgets and appropriations (Young, 2001).

Streib and Poister (2002), in an article describing the use of strategic planning in municipal governments, state that local officials began seriously to use strategic planning in the 1980s. This was caused principally by local governments' reaction to "Reaganomics," which ultimately resulted in a series of draconian cuts of federal funding to city and county governments. In terms of definition, Streib and Poister define strategic planning as something quite basic and necessary, that is, a planning effort or method "to focus scarce resources, to maximize effort, and to exploit opportunities." They state further that strategic planning is that which: seeks to revitalize an organization by channeling effort toward the most important goals and activities. The use of strategies has military roots, and we hear of business strategies of different kinds. Strategic planning is an essential part of aggressive results-oriented management. It is a "big picture" approach that appears well suited to our rapidly changing world. (Streib and Poister (2002).

Hines (1991) speaks to strategic planning in a similar fashion. He emphasizes the common planning elements of strategic planning, such as, the determining of mission, result areas, critical issues, goals, objectives, and strategies. Of particular importance to Hines is the determination of critical issues. He states that internal and external factors (viz., critical issues) to an organization are vital to the strategic planning process.

Bryson (1995) defines strategic planning in a more comprehensive and political sense. He states that strategic planning is an excellent method for an organization – a governmental or quasi-governmental one – to contend with fluctuating situations and circumstances. Bryson argues that the main aim of strategic planning is to think and act strategically. Additionally, as a planning exercise, in the real world, it should assist in facing the critical issues Hines is so keen on. Further, strategic planning is necessarily cognizant and attuned to political realities. Bryson believes that strategic planning "accepts and builds on the nature of political decision making". In government, much that is

decided, insofar as agency missions and goals for example it is tied to political decisions. Budgets and appropriations are likewise made by elected officials and are political in one way or another. Strategic planning for Bryson is hence a

method of systematically keeping up or ahead of changing environments and is out of necessity politically sensitive.

Jack Koteen (1989) defines Aims of Strategic Planning, which is illustrated in the table given below:

Aim	Definition
Provide Strategic Direction	In setting direction, three purposes stand out: 1) strategic planning sets goals on where an organization wants to go; 2) it indicates where resources are to be concentrated; and 3) it gives top priority and attention to strategic goals.
Guide Priority Use of Resources	Resources are scarce or limited. Strategic planning allows for sound and pointed allocation of resources – human, financial, and material.
Set Standards of Excellence	Strategic planning allows an organization to establish <i>shared</i> values and standards of excellence.
Cope with Environmental Uncertainty and Change	Strategic planning aims to be flexible and provide contingencies for uncertainty and change.
Provide Objective Basis for Control and Evaluation	Strategic planning allows for marking success and failure. Performance measurement or tracking of strategic objectives and action plans are of significance and serve as a basis for control.

Source: author's compilation

Today, the strategic planning system in USA has advanced and has been integrated with its performance budgeting system. The Texas strategic planning and budgeting system is officially called the "Strategic Planning and Performance Budgeting System," commonly referred to by the acronym, SPPB. SPPB is described by the state's auditor as "a mission or goal oriented system that joins strategic planning and performance budgeting within the overall framework of the state's appropriations process. In short, SPPB is a system utilized to make agency spending determinations as they are linked to expected agency results. (Richard D. Young 2005).

Performance budgeting, a practical and technical term, aims to use performance information for managing budgets. However, due to differences in kinds of information used and the ways in which information is used, the term has various definitions and types. According to the concept of the Government Accountability Office (GAO) (1993), performance budgeting should link performance levels with specific budget amounts, so that it can encompass Planning Programme Budget System (PPBS), Management By Objectives (MBO), and Zero-Based Budgeting (ZBB). The Organisation for Economic Co-operation and Development (OECD) (2003) defined performance budgeting as "a form of budgeting that relates funds allocated to measurable results". Also, many literatures define performance budgeting as a process of linking budget decision making to performance of programmes (Lauth, 1985).

More broadly, Jordan and Hackbart (1999) stated that it is "preparing the budget document with identified performance measures." McGill (2001) defined it as "the process of linking expected results to budget levels but not to any particular approach." He argued that there was, in the end, no definitive process of performance budgeting.

Emphasizing the formality of producing performance information, Bobinson & Brumby (2005) defined performance budgeting as "procedures or mechanisms intended to strengthen links between the funds provided to public sector entities and their outcomes and/or outputs through the use of formal performance information in source allocation decision-making". From the perspective of an administrative reform, Andrews & Hill (2003) explained performance budgeting as an institutional reform that shifted input-oriented into outcome-oriented budgeting.

In recent times, performance budgeting has tended to be more closely associated with long/mid-term strategic planning

or mid-term expenditure frameworks. Indeed, many governments tend to attach strategic plans to budget request documents. The strategic plans set objectives or goals for the organizations and activities, and these provide a guide for performance measurement. In this context, some researchers have defined performance budgeting as "requiring strategic planning regarding agency mission, goals and objectives, and a process that requests quantifiable data that provides meaningful information about program outcomes" (Melkers and Willoughby, 2003; re-cited Robinson and Brumby, 2005). However, Melkers and Willoughby's definition encompasses non-budgeting activities, so that it expands the concept of performance budgeting to broader managing-for-results (Ronbinson and Brumby, 2005).

2. Shortcomings and development of Public Finance Reform in Georgia

Public Finance Reform in Georgia that started since 2004 included introducing Medium Term Expenditure Framework (MTEF), improving main aspects of budgeting, implementing Government Finance Statistics Manual – 2001 (GFSM 2001) classification for all levels of the Budget and moving to Program Budgeting. New regulations introduced in budgeting were depicted in the New Budget Code of Georgia, which has been elaborated and adopted by the Parliament in 2009 and is in force – has been enacted since 2010. The Budget Code incorporated in itself all the laws regulating the whole Budgetary System at the central level as well as for the Budgets of Autonomous Republics and Local Self-governments. The new code also declared the will of Georgia to gradually move to program Budgeting from 2012 for State Budget and from 2013 for the Budgets of the Autonomous Republics and Local Self-Governments. At the level of the central public administration, Georgia has experimentally introduced the program budgeting in the year 2011 in 6 Ministries and in 2012 this type of budgeting was extended to all the Ministries.

Georgia has been formally moved to the program budget oriented towards the result already for the fourth year, but the country's parliament approves the state budget without the part of the program budget (as enclosure). Therefore, on the fourth year after moving to program budgeting, the program budget of the country still has no legal power. According to the Ministry of Finance, it will be quite difficult to determine the expected results and estimation indicators exactly at the initial stage for introducing the program budget. In case of approving them by the law initially, it is possible to set the question of

responsibility of any program or/and sub-program. It is significant to note that delaying this process may seriously threaten development of the budgetary system oriented on the results and encounter directly the practice of making the program budget superficially. One can say that from 2011 till today no program budgets of the country were oriented towards the results – results-oriented.

It is mentioned in the program budget methodology that at the initial stage, when the budget must be constructed in a new format, means three years period, program budget format should be improved. During this period one must improve the methods of elaborating the results' indicators, and the information from the indicators must become the means of measuring the implementation really, exactly and effectively. Comparing with the enclosures of 2012-2015 program budgeting tendency of improving the quality of program budgeting is not distinguished. Year by year information about the activity of programs and sub-programs has been decreasing, which, first of all, is expressed in its being less detailed. Aims and measures are not separated and they are mixed as well as the indicators of final or/and median results. From the 5th chapter of the state budget (priorities and programs of the state budget) long descriptions of the programs and sub-programs are invariably copied. Absolute majority of the indicators of given estimation is formed so generally, that it makes impossible to measure any result. Even worse, on the fourth year after moving to the program budgeting we still have no indicators to measure the median and final results.

Program budget methodology has been updated in 2015. New methodology proposes new regulations which recommending to the line ministries (describing Action Plan preparation procedures within the line ministries) how to develop programs and subprograms, prepare costing for each kind of programs (such as, administration and management, service delivery, subsidies or infrastructure programs), determine the expected outputs and outcomes and performance indicators based on their medium-term plans, sector strategies and available resources. Additional information is requested to spending agencies to submit their program budget annex, such as, the baseline of indicators, targeted indicators/data, deviations from targeted indicators and possible risks for each program and subprogram. The programs/subprograms/activities in the above-mentioned Action Plans or sector strategies should be relevant to Annual budget and Basic Data and Directions (BDD) document.

In 2016 state budget, the program budget part has been prepared according to the New Methodology. Also, Medium Term Action Plans have been prepared by five pilot ministries.

The Budget Code of Georgia requires that all primary spending units provide a report on programs as an annex to the budget. The law required that the Government, through the Ministry of Finance, elaborate the projects of annual budgeting laws and of the budgets. Among others, these projects were based on the programs drawn up by the primary spending units in order to finance actions or a set of actions that are associated with accurate objectives and results indicators and efficiency indicators. The programs are accompanied by the annual assessment of each program's performance which must set out the following: actions, associated costs, aimed objectives, estimated and obtained results for the coming years, measured by precise indicators, whose choosing is justified.

Thus, each program must define:

- the final purpose of the activity carried by a Ministry or a different central public entity;
- the aimed objectives, meaning the expected results that occur after running the program and which must mark a certain progress in reaching the desired goal;
- defining the program, specifying the priorities and indicating the time horizon it refers to;
- assessing the increasing possibilities of the efficiency/effectiveness after running the program;
- the financial effort needed to carry the program;
- results indicators, qualitative and quantitative indicators;
- financing the program – total financing and sources of descent.
- The government approved the programs drawn up by the primary spending units. A few problems were encountered regarding the programs' settlement:
 - in some cases, the programs were established depending rather on the activities than on the policies;
 - in other cases, the programs were established depending rather on the finality, than on the policies.

From 2012, each ministry had several performance indicators with programs presented. But program budgeting does not seem to be a serious requirement as there are little incentives to make spending units take it seriously and parliament and civil society have not used the data to hold the executive to account.

In 2015, the State Audit Office of Georgia noted that line ministries needed to improve the realism and relevance of the quantitative and qualitative performance indicators presented with the programs. As an answer, the Ministry of Finance has issued order approving the instructions on the content, format and structure of programs. The instructions provided guidance for line ministries in developing their budgets and they require that the line ministries evaluate the efficiency of allocations. The annexes to the budget provide the related performance indicators for the programs.

3. Policy Planning System Framework in Georgia – A Critical Investigation

The policy planning system framework in Georgia based on a series of strategic documents: „Social-Economic Development Strategy – Georgia 2020“, "Policy Planning System Reform Strategy 2015-2017", "Public Finance Reform Strategy and Action Plan", "Georgian Public Administration Reform Strategy", "Action Plan for Open Government Partnership", "National Anticorruption Strategy and Action Plan", as well as the sectoral policies and strategies. The problem is that, across these various products, it is difficult to find comprehensive consistency of thought and strategic direction. The various strategic documents all derive from different processes involving different players and with different purposes – some are of political character, others are focused on EU accession, yet others are target at EU fund access. In reality, none is a proper strategic government-wide framework that gives unequivocal direction to the Georgian people and public sector about what the government intends to achieve.

Government never had sufficient mechanisms to ensure the following:

- the revision of the political commitments that are planned or already exist in the mentioned strategic documents through the new information tied to the macro-fiscal framework;
- the revision of the planned or already existent public policies in light of decisions to follow other goals of policies rather than the ones in the documents mentioned above;

- identifying the degree in which different aspects of the existent set of policies can be put into practice on medium term, therefore the degree in which the time running and the implementation details of some policies must be changed;

- the actual testing of the viability for the current public policies options through a process of strategic planning which will give information about the impact and probability of their successful implementation.

More specifically, the following problems were identified: There is no legislation based, that defines each sphere and stage of policy planning which shall include policy study, policy preparation, policy reporting, policy monitoring and valuation. There is no clear indication as to what the link between strategic planning and policy framework is, what kind of order exists and what kind of correlation is observed between them.

The lack of clear policy direction in these documents is in large part a result of the fragmented processes by which policy is developed. There was no strong central policy "channeling" mechanism in the Cabinet responsible for issuing clear high-level directives and then ensuring that policy proposals all related to these, and that they were reflected in the budget. The fragmented process also results in Cabinet officials (like ministers) becoming involved in detailed aspects of policy delivery (typically the purview of delegated agencies like line ministries). This also led to the introduction of a significant number of policy products (including passing of new laws) that were not disciplined by a policy framework, or costed. In a number of cases, these resulted in unfunded mandates, sometimes introduced for implementation within a specific budget period (requiring significant funds movements, which undermined the value of the formulated budget).

Being aware of its policy-making weaknesses, Georgia's government has pursued various reforms in the past three years. These include organizational changes across and within ministries. An important role in the public policies process is played by the Chancellery of the Government of Georgia. Nowadays, it transformed to the Administration of the Government of Georgia, which has the following main tasks:

- Setting and coordinating the priorities derived from strategic documents in order to achieve the objectives of the Government in partnership with the resort ministries;
- Correlating the governmental policies with the commitments and conditions undertaken by the Cabinet in relation with international organizations;
- Coordinating activities related to working out government programs and control of fulfillment of these programs;
- Supporting and monitoring of implementation of social-economic and other state purposeful programs;
- Participating in measures related to working out the draft state budget;

A sequel of this measure was the drawing up of the Policy Planning System Reform Strategy of improvement the elaboration, coordination and planning system of the public policies at the level of central public administration in 2015. Strategic planning within the central public administration is seen as an action that reunites in a single management framework such aspects as: public policies planning, budget drafting, establishing the priorities and the organizational planning.

According to the Policy Planning System Reform Strategy and Action Plan, the strategic planning in Georgia is introduced in two stages. In the first stage, the management

component of the strategic plans was prepared. Its content targets the following aspects: the institutions' mandate, its vision, joint values, the analysis of the internal and external environment, the medium-term priorities and the activity directions. The Minister who is in charge of referred to Ministry will approve the final draft of the management component of the Institution's Strategic Plan. Before signing the final draft of the Strategic Plan, this must be assented at the level of all the ministries and must be presented within the Government's preliminary work meeting. This will ensure that the way in which these norms are imposed by the methodology is kept trace of, as well as an exchange of good practice between the ministries.

For the trans-sectoral policies, the management components from the strategic plans of the ministries must be conformed through the inter-ministry permanent councils. The councils have an advisory role, and their involvement will insure the coordination of the activities that take place in different ministries that have distinct tasks within a political segment. This will lead to the avoidance of their overlapping in functions and activities. At the end, after all the conforming procedures are applied, the updated and improved draft of the strategic plan will be adopted by the government, as well as the public policies documents or other projects for normative documents.

The solicitation that the line ministries present within a matrix with information regarding the ministries' policies, objectives, expected results, beneficiaries, current status (related to the public policies), activities of the reform programs and budgetary implications and risks was simultaneously introduced in 2015 for the budget of the year 2016.

The second stage took into account the program budgeting component, which will insure the necessary connection between the public policies planning processes and the processes regarding the preparation of the budget.

The methodology regarding the strategic planning system on medium term for the central public administration institutions mentions that the Finance Ministry will include in the annual methodology of the budget elaboration instructions about the necessity to establish a clear connection between the public policies and the priorities in the strategic plans of the spending units, on one hand, and the budgetary allotments, on the other hand.

In accordance with the strategic planning methodology – the program budgetary component, each program described by a strategic plan must correspond to a program that is really included in the yearly law of the state budget. In case of the ministry which creates a new budgetary program or sub-program during the elaboration of the budgetary programming component, this will appear within the strategic plan, and afterwards is undertaken in the documents needed to draw up the budget. So, the documents will be updated after the passing of the budget by the Parliament.

The following will be presented for each budgetary program for drawing up of this component of the strategic plan: the analysis of the current state, the objective of the budgetary program, performance results and indicators, new financing initiatives, implementation mechanisms and the main tasks as well all the program's financing.

Performance Management Framework Development

The clarity in expressing the objective(s) is essential for the success of a program's implementation, allowing the targeted allotment of the budgetary resources. In many situations, establishing the objective actually represents the solution to a major problem. These objectives should be

defined SMART: Specific, Measurable, Achievable, Relevant and Timed.

The performance results and indicators must be defined in close relation with the program's objective. The results of the program can be divided in two categories:

- the outcomes of the public policy – which describe in a measurable manner the changes that occurred in the economic, cultural and social environment. These represent the long-term impact generated by the results obtained in a different time period. Afterwards, the policy's results allow the decision factors and the society to evaluate the degree in which the objectives were achieved during the implementation step or after;

- the outcomes of the actions – which are services or products supplied by an institution depending on its goal and for which the institution is totally responsible.

The outcomes of the public policy and the outcomes of the actions must have a series of features in order to be useful in the budgetary planning process.

Therefore, the outcomes of the public policies are [4, p.11]:

- should adequately reflect the government's objectives and priorities;
- should be indicated by the impact on the community;
- should be differentiated from the agency's strategies to which they contribute;
- should clearly identify target groups, if so focused;
- should be achievable in the specified time frame;
- should be possible to monitor and assess the achievement of the outcome;
- should be possible to identify the causal link between agency's output and the outcome;
- should have clarity in definition and description to be easily reported externally.

The outcomes of the actions are:

- should be a good or service provided to individuals/organizations external to the agency;
- should be able to be clearly identified and described;
- should be for final use and not for an internal process or intermediate output;
- should contribute to achievement of planned outcomes;
- should be under the control (directly or indirectly) of the agency;
- should be able to generate information on attributes of performance – price, quantity and quality.
- should generate information that is a basis for performance comparisons over time or with other actual or potential providers.

Performance indicators are measurable factors that show the degree in which the results were reached. The indicators must be drawn up based on the existent statistics. The results achievement level can be tested with the help of a limited number of indicators. It is not necessary to elaborate more indicators based on expensive sampling methods for data if there is a possibility to get the same results with less effort.

All the results of the policy and actions must be in close relation with the results established in the public policies documents. If there is no policy document for that respective area, then the results of policies and actions as well as performance indicators must be enunciated during the drawing up of the program budgeting.

Based on the stipulated measure, the Georgian government tends to integrate the budget in the strategic planning system. Thus, depending on the information and data included in the program budgeting component, the Ministry of Finance in Georgia strives to prepare the public expenses framework on medium term as well as the sectoral ceilings for the annual budget. Furthermore, budget projects of ministries sent to the Ministry of Finance must be drawn up according to the budget programming component.

These actions represent essential elements for the introduction of the performance-based budgeting, which is an important mechanism for the fiscal and economic sustainability in Georgia.

Concluding Remarks

Strategic planning can be a useful and even an instrumental tool in achieving efficient management of public finances in the context of implementing performance-based program budgeting. Performance-based program budgeting is the practice of developing budgets based on the relationship between program funding levels and expected results from that program. Performance based budgeting support the service effectiveness and efficiency, promoting increasing the accountability and transparency in connection with the results. From a political point of view, performance-based budgeting has a great potential to allow the Parliament to analyze political implications of the decisions regarding public expenses because these are concentrated on generating information about the services' efficiency in connection to the formal objectives that were set for them. Georgia has been formally moved to the program budgeting but needs further development to improvement up to performance-based budgeting. The following problems were identified: there is no legislation adopted that would define each sphere and stage of the policy planning, which shall include the study, preparation, reporting, monitoring and assessment of policy. There is no clear indication as to what the link is between strategic planning, budgeting and policy framework, what kind of order exists and if there is a correlation between them.

The basic budget policy framework system has already been established in Georgia but it requires further strengthening. Moreover, additional work on reforming is needed in the following spheres: Improvement of program budgeting; Strengthening links between strategic planning, budgeting and policy framework.

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Надійшла до редколегії 22.05.16

Date of editorial approval 01.06.16

Author's declaration on the sources of funding of research presented in the scientific article or of the preparation of the scientific article: personal sources of the author.

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СТРАТЕГІЧНЕ ПЛАНУВАННЯ ЯК НЕОБХІДНА ПЕРЕДУМОВА УСПІШНОГО ПРОГРАМНОГО БЮДЖЕТУВАННЯ В ГРУЗІЇ

Ця стаття дає відповіді на наступні важливі питання: 1) Які основні цілі та завдання стратегічного планування та складання бюджету за програмами в контексті управління державними фінансами? 2) Чому введення у зв'язку між стратегічним плануванням і програмним бюджетуванням, орієнтованим на результат, важливо в Грузії? У статті підкреслюються зусилля грузинської влади по реалізації продуктивності на основі програмного бюджетування. На основі первинних результатів влада вирішила встановити зв'язок між стратегічним плануванням і складанням бюджету, в якості умови для реалізації бюджету заснованого на характеристиках. Влада робить кроки для досягнення цієї мети і викладаються деякі зауваження з приводу подальших заходів.

Ключові слова: державні фінанси, стратегічне планування, виконання бюджету, результати, загальні результати, показники ефективності.

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Эта статья дает ответы на следующие важные вопросы: 1) Какие основные цели и задачи стратегического планирования и составления бюджета по программам в контексте управления государственными финансами? 2) Почему введение увязки между стратегическим планированием и программным бюджетированием, ориентированным на результат, важно в Грузии? В статье подчеркиваются усилия грузинских властей по реализации производительности на основе программного бюджетирования. На основе первичных результатов власти решили установить связь между стратегическим планированием и составлением бюджета, в качестве условия для реализации бюджета основанного на характеристиках. Власть делает шаги для достижения этой цели и излагаются некоторые замечания по поводу дальнейших мер.

Ключевые слова: государственные финансы, стратегическое планирование, исполнение бюджета, результаты, общие результаты, показатели эффективности.

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