

A Thematic Review on Performance-Based Budgeting in the Public Sector Organisation

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Abstract

Purpose: The current thematic review was motivated by the belief that performance-based budgeting (PBB) is an effective tool that can benefit public sector organisations in budgeting practices and assist in improving the efficiency of public spending management. Specifically, a thematic analysis procedure was conducted to identify patterns and construct themes associated with the current trends and issues regarding performance budgeting in public sector organizations. The literature from 2018 to 2023 was systematically reviewed and thematically analysed.

Design/ Methodology/ Approach: The systematic review was conducted to identify pertinent trends and issues in PBB using ATLAS.ti 22 software. A keyword was employed to search the string of the document title, followed by filters via inclusion and exclusion criteria on the SCOPUS and World of Science (WoS) databases. A total of 95 journal articles were identified in the initial stage, with 61 selected articles finalised after the inclusion, exclusion, and duplication removal process.

Findings: The results revealed three PBB themes based on 15 initial codes from 61 selected documents, namely budget practices, implementation, and use of performance information. The identified themes were significant to the current PBB trends and issues in public sector organisations. Successful PBB implementation and effective use of PBB in public sector organisations remain a critical topic requiring further investigations.

Originality/ Value: This study contributed to the evolution of PBB trends within public sector organisations through a thematic analysis. The findings are beneficial to future studies by aiding future researchers in appraising the relevant topic. Additionally, the present study can guide policymakers,

budgetary practitioners, and key stakeholders worldwide to focus on the ambiguous areas of PBB practices.

Keywords: ATLAS.ti, management accounting, performance budget, performance-based budgeting, qualitative methods, thematic review