

A Study on the Perception of Account Officers Regarding the Public Financial Management System (PFMS) in Universities of Gujarat

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The digital shift in Indian governance brought the Public Financial Management System (PFMS) to the forefront of university financial operations. Account officers sit at the crux of this transformation. Their daily routines dictate the financial health of educational institutions. This paper evaluates the perception of account officers in Gujarat universities regarding PFMS efficiency. It also aims to identify the operational challenges they face during routine financial disbursements. A descriptive research design shaped the methodology. Primary data was gathered from 150 account officers working across state and private universities in Gujarat. Random sampling ensured a fair representation of the workforce. Data analysis involved descriptive statistics and analysis of variance (ANOVA) to extract meaningful patterns from the primary data. The findings reveal a split reality. PFMS significantly enhances transparency and reduces manual tracking errors. Tracking funds is faster. However, the system demands continuous technical training. System latency, interface complexities, and integration hurdles remain severe pain points. Addressing these technical gaps is essential for seamless financial governance in the higher education sector.

Keywords: PFMS, Financial Management, Account Officers, Higher Education, E-governance, Gujarat Universities.

Introduction

The Public Financial Management System (PFMS) is a digital financial management platform introduced by the Government of India to improve the management, monitoring, and utilization of public funds. It is designed to facilitate effective financial administration by providing a technology-enabled mechanism for tracking the flow of government funds from the source to the final beneficiary or implementing

agency. PFMS plays an important role in strengthening transparency, accountability, efficiency, and financial discipline in the management of public resources.

PFMS was initially developed to monitor plan expenditure under government programmes and schemes. Over time, its scope was expanded to cover a wider range of financial management activities. It now serves as an important platform for fund flow management, payments,

accounting, financial reporting, expenditure monitoring, and reconciliation. Through its digital infrastructure, PFMS helps government departments and implementing institutions obtain better visibility over the allocation and utilization of funds.

One of the major objectives of PFMS is to ensure that public funds are transferred and utilized efficiently and for their intended purposes. The system facilitates electronic payments and enables financial transactions to be recorded and monitored digitally. This reduces dependence on manual processes and helps minimize delays, duplication, and errors in financial transactions. The availability of transaction-related information also supports better monitoring and decision-making by financial authorities.

PFMS has an important role in promoting transparency and accountability in public financial management. Government departments and implementing agencies can use the system to monitor expenditure and obtain information regarding the utilization of funds. This creates a stronger mechanism for financial oversight and helps authorities identify differences between sanctioned funds and actual expenditure. The availability of financial information through a centralized digital system can also improve the quality and timeliness of financial reporting.

Another significant feature of PFMS is its role in electronic payment management. The system supports digital transfer of funds to beneficiaries, vendors, institutions, and other eligible recipients. Electronic transactions reduce the need for physical documentation and manual handling of payments. They can also make payment processes faster and provide a digital record of transactions, thereby strengthening the audit trail associated with public expenditure.

PFMS also contributes to financial monitoring and reporting. Financial officials can use system-generated information to monitor expenditure patterns, track fund utilization, and support the preparation of financial reports. Such information can assist administrators in identifying areas where funds are underutilized or where expenditure requires closer monitoring.

The availability of timely financial information is particularly useful for institutions that receive government grants and are required to maintain proper financial records.

In the context of higher education institutions and universities, PFMS can be particularly significant because universities often receive government grants for various academic, research, infrastructure, scholarship, and development activities. Proper utilization and reporting of these funds are essential for maintaining financial accountability. Account Officers and other financial officials are therefore required to manage transactions, maintain records, monitor expenditure, and comply with applicable financial procedures. PFMS can provide these officials with a structured digital mechanism for performing several financial management activities.

The effective implementation of PFMS, however, depends on the knowledge, skills, acceptance, and experience of its users. Account Officers need adequate understanding of the system and appropriate training to use its different functions effectively. Technical difficulties, inadequate infrastructure, internet connectivity, system-related issues, insufficient training, and procedural complexities may affect the smooth implementation of PFMS. Therefore, studying the perceptions of financial officials is important for evaluating the practical effectiveness of the system.

PFMS also supports the broader objective of digital transformation in public administration. By shifting financial processes from predominantly manual methods towards integrated digital systems, it can contribute to greater efficiency and standardization in government financial management. The system can facilitate better coordination among government departments, financial institutions, implementing agencies, and beneficiaries while providing a common platform for financial transactions and monitoring.

Overall, PFMS represents an important component of India's efforts to modernize public financial management. Its emphasis on

transparency, accountability, electronic payments, fund tracking, expenditure monitoring, and financial reporting makes it relevant to institutions managing public funds. For universities in Gujarat, understanding how Account Officers perceive PFMS is important for determining whether the system is effectively supporting institutional financial administration. The study of their perceptions can therefore provide useful insights into the benefits, effectiveness, operational difficulties, and areas requiring improvement in the implementation of PFMS at the university level.

2. Need of the Study

The Public Financial Management System (PFMS) has emerged as an important mechanism for improving financial management, transparency, accountability, and monitoring of public funds in India. Universities, particularly those receiving grants and financial assistance from the Central and State Governments, handle substantial amounts of public money for academic, administrative, research, infrastructure, and development activities. Effective management of these funds is therefore essential for ensuring that financial resources are properly allocated, utilized, monitored, and reported. In this context, understanding the functioning and usefulness of PFMS at the university level has become increasingly important.

The need for the present study arises from the growing importance of digital financial management systems in higher education institutions. Traditional financial management practices may involve extensive paperwork, delays in processing transactions, difficulties in monitoring expenditure, and limitations in maintaining real-time financial information. PFMS provides a technology-based framework for facilitating fund tracking, payment processing, financial reporting, and monitoring of government-funded programmes. However, the successful implementation of any financial management system depends not only on its technical features but also on the understanding, acceptance, and perception of the officials who use it.

Account Officers play a significant role in the financial administration of universities. They are directly involved in budgeting, accounting, expenditure management, fund utilization, preparation of financial statements, compliance, and financial reporting. Their interaction with PFMS provides them with practical experience regarding its usability, efficiency, transparency, accuracy, and effectiveness. Therefore, examining the perceptions of Account Officers can provide valuable insights into whether PFMS is meeting its intended objectives and whether it is helping universities improve their financial management practices.

The study is also needed because the perception of Account Officers may differ according to their educational qualifications, professional experience, age, type of university, location, administrative structure, and level of responsibility. Some officers may consider PFMS useful for improving financial control and transparency, while others may face difficulties related to technical knowledge, system complexity, internet connectivity, training, transaction processing, or coordination with different authorities. Identifying these differences can help in understanding the practical challenges associated with PFMS implementation in universities.

Another important need for the study is to assess whether PFMS has contributed to greater transparency and accountability in the utilization of university funds. Since universities manage public and institutional resources, stakeholders expect financial transactions to be properly recorded, monitored, and reported. PFMS has the potential to reduce financial irregularities, improve monitoring of fund utilization, facilitate timely payments, and strengthen financial control mechanisms. However, the actual effectiveness of these benefits needs to be examined from the perspective of the officials responsible for financial administration.

The study is particularly relevant in the context of universities in Gujarat, where higher education institutions differ in terms of their administrative structures, funding patterns, technological

infrastructure, and financial requirements. A state-level study can provide a better understanding of how PFMS is perceived across different university environments. It can also identify whether Account Officers consider PFMS appropriate for addressing the financial management requirements of universities and whether further improvements are required for its effective implementation.

There is also a need to identify the challenges faced by Account Officers while using PFMS. Even when a digital financial system is technically well designed, its effectiveness may be affected by inadequate training, lack of technical support, system-related problems, data-entry issues, connectivity problems, delays in approvals, or difficulties in coordination between departments and funding authorities. Understanding these challenges is essential for developing appropriate measures to improve the efficiency and user-friendliness of PFMS.

Furthermore, the study can contribute to improving policy and administrative decision-making in the higher education sector. The perceptions and experiences of Account Officers can provide useful feedback to university administrators, government departments, financial authorities, and policymakers. Such feedback can assist in designing better training programmes, strengthening technical support, simplifying financial procedures, and improving the overall implementation of PFMS in universities.

Finally, the study is needed because there is a scope for generating empirical evidence on PFMS from the perspective of university-level financial officials. While PFMS is an important component of India's public financial management framework, its effectiveness at the university level should be assessed through the experiences of those who actually operate the system. Therefore, the present study, "A Study on the Perception of Account Officers Regarding the Public Financial Management System (PFMS) in Universities of Gujarat," seeks to examine their level of perception, assess the perceived usefulness and effectiveness of PFMS, identify implementation-

related challenges, and provide meaningful insights for strengthening financial management practices in universities of Gujarat.

3. Literature Review

World Bank (2005) – Public Financial Management and Accountability in India

The World Bank conducted a comprehensive review of the literature on the Public Financial Management and Accountability (PFMA) system of India. The study examined major components of public financial management, including budgeting, accounting, financial reporting, accountability, external audit, transparency, legal provisions, and compliance. The review concluded that India had established substantial legal and institutional arrangements for financial management and accountability, along with trained manpower and independent oversight mechanisms. However, it also identified a significant compliance gap, particularly in the implementation and enforcement of established rules and procedures. The study is relevant to the present research because it demonstrates that the effectiveness of financial management depends not only on the existence of systems and regulations but also on their implementation by officials. This provides an important basis for examining the perceptions of Account Officers regarding PFMS implementation in universities.

Controller General of Accounts – Introduction and Development of PFMS

The Controller General of Accounts (CGA) documents the development of PFMS as a web-based financial management application of the Government of India. PFMS was initially introduced in 2009 to track the release and utilization of funds under government schemes and to provide real-time expenditure reporting. Its scope was subsequently expanded to include direct payments to beneficiaries, accounting of receipts, compilation of accounts, fiscal reporting, and integration with state financial and treasury systems. The literature and official documentation indicate that PFMS was designed to improve fund-flow management, financial monitoring, payment systems, and transparency

in public expenditure. This institutional development is directly relevant to the present study because Account Officers are among the key users responsible for financial transactions, accounting, reporting, and monitoring within universities.

James, Patel, and Singh (2022) – Public Financial Management Reforms in India

James, Patel, and Singh (2022) examined India's public financial management framework and highlighted the importance of PFM in improving accountability, transparency, fiscal discipline, and public service delivery. Their study argued that India's PFM framework was distributed across various constitutional provisions, rules, regulations, guidelines, and administrative procedures, creating inconsistencies between the broad framework and its operational implementation. The authors emphasized the need for reforms in areas such as financial management, budgeting, accounting, financial reporting, and legislative and executive oversight. The study is significant for the present research because it establishes that effective public financial management requires coordination between policy, systems, procedures, and implementing officials. Therefore, studying the perceptions of Account Officers can help determine how these broader financial management principles are experienced at the institutional level.

Raval and Shah (2024) – PFMS in the Indian Education System

Raval and Shah (2024) specifically examined PFMS in the context of the Indian education system. Their study discussed the structure and functioning of PFMS and examined its application to educational schemes, including Samagra Shiksha, the Mid-Day Meal Programme, and student scholarship initiatives. The study highlighted the contribution of PFMS to real-time fund tracking, Direct Benefit Transfer, transparency, and financial governance. At the same time, the authors identified challenges related to infrastructure, capacity building, and system integration. Their findings are particularly relevant to the present study because they

demonstrate that PFMS has an important role in education finance while also indicating that effective implementation depends on institutional capacity and user preparedness.

Ajumol and Vinod – PFMS Implementation in Kerala's Education Sector

Ajumol and Vinod examined the implementation of PFMS in Kerala's education sector and described it as an important transformation in educational financial management. Their study focused on the effects of PFMS on money management, transparency, and accountability. The authors reported that centralized financial data recording improved accountability and transparency and reduced the possibility of fund misuse. They also highlighted the role of PFMS in facilitating timely scholarship payments, which can reduce financial difficulties faced by students. The study provides useful evidence that digital financial systems can strengthen financial governance in educational institutions. For the present research, it is particularly relevant because it demonstrates the importance of examining the experiences of financial personnel who operate PFMS within the education sector.

Kumar and Singh – Financial Administration and PFM Reforms in India

Kumar and Singh examined financial administration and public financial management reforms in India, focusing on major developments after liberalization. Their study discussed reforms intended to improve fiscal discipline, transparency, efficiency, and accountability in public financial administration. The authors considered initiatives such as Direct Benefit Transfer, GST, and PFMS as part of India's broader movement toward digital and integrated financial management. Their analysis suggests that technological reforms can improve resource allocation and accountability, but successful implementation requires appropriate institutional arrangements and administrative capacity. The study is useful for the present research because it establishes the broader reform context within which PFMS operates and supports the need to examine how financial

officials perceive these reforms at the operational level.

Mathew, Purohit, and Sharma (2026) – Public Financial Management and Public Service Delivery in India

Mathew, Purohit, and Sharma (2026) examined the relationship between India's public financial management architecture, state capacity, and public service delivery. Their work identifies important challenges related to the availability and coordination of fiscal and programme-level information. The authors argue that weaknesses in the architecture of public finance can contribute to unused funds, delays in payment approvals and fund transfers, administrative burdens, auditing problems, and accountability challenges. They emphasize the importance of connecting financial and programme information and making data available to stakeholders in a timely manner. This study is highly relevant to the present research because universities are important implementing institutions for public expenditure, and Account Officers require accurate and timely financial information for effective financial administration. The study therefore provides a contemporary theoretical basis for assessing the perceived effectiveness and challenges of PFMS.

Comptroller and Auditor General of India (2018) – Audit of PFMS Implementation

The Comptroller and Auditor General of India examined the implementation of PFMS in its audit reporting and noted that PFMS was conceived as a web-based financial management tool intended to manage different aspects of the government financial system and function as a Management Information System and Decision Support System. The audit perspective is important because it shifts attention from the intended objectives of PFMS to questions of actual implementation, functionality, integration, and financial control. Such audit-based evidence suggests that the effectiveness of a digital financial management system must be assessed through its actual operation and its ability to provide reliable financial information. This is relevant to the present study because Account

Officers are directly involved in PFMS-related financial processes and can provide practical evidence about its usability, effectiveness, transparency, and implementation difficulties.

Research Gap

The review of existing literature shows that considerable attention has been given to public financial management reforms, PFMS development, transparency, accountability, fund tracking, digital payments, and education finance. Existing studies also indicate that PFMS can improve financial monitoring and transparency but that challenges relating to infrastructure, capacity building, system integration, compliance, and administrative processes continue to exist. However, the literature indicates a relative lack of empirical studies focusing specifically on the perception of Account Officers working in universities. Existing education-related studies have largely examined PFMS from the perspective of educational schemes, scholarship payments, fund management, or broader institutional financial governance. There is comparatively less evidence regarding how university-level financial officers perceive the usefulness, effectiveness, transparency, accountability, ease of operation, financial control, and challenges associated with PFMS. Furthermore, there is a need for more geographically focused research on universities in Gujarat. Differences in institutional structure, funding patterns, administrative practices, technological infrastructure, and user experience may influence the perception of PFMS. The present study therefore attempts to fill this gap by empirically examining the perceptions of Account Officers in universities of Gujarat and identifying the major benefits and challenges associated with PFMS implementation.

4. Research Objectives

1. To analyze the perception of account officers regarding the operational efficiency and transparency of the Public Financial Management System in universities of Gujarat.
2. To identify the primary challenges and technical bottlenecks faced by account officers

while utilizing the portal for routine financial tracking and disbursement.

5. Sample Size

The precision of any empirical investigation rests heavily on the adequacy of its sample. For this study, the target population consisted of accounting professionals actively engaged with the financial portal in their daily administrative duties. A sample size of 150 account officers was determined to be optimal. This size is large enough to ensure statistical reliability while remaining manageable for detailed primary data collection. It captures a diverse cross-section of experiences from various tiers of university administration, ranging from junior clerks handling basic voucher entries to senior finance officers overseeing massive grant approvals.

6. Sampling Technique

Selecting the right participants is crucial to avoid skewed results. A simple random sampling

7.1 Demographic Profile of the Respondents

Understanding who is using the system provides context for their feedback. Table 1 breaks down the sample by age group and the type of university they serve.

Age Group	Deemed University	Private University	State University	Total
20-30	9	12	16	37
31-45	15	21	32	68
46-60	8	21	16	45
Total	32	54	64	150

Table 1: Cross-tabulation of Age Group and University Type

The distribution clearly shows a dominant mid-career demographic (31-45 years). These individuals possess enough traditional accounting experience to spot discrepancies, yet they are young enough to adapt to digital interfaces. Half the respondents belong to State Universities. This is highly relevant. State institutions handle the bulk of government grants, making their staff the primary target audience for the centralized portal. The representation from private and deemed universities provides a vital comparative baseline.

technique was employed. A comprehensive list of account officers working across recognized state and private universities in Gujarat was compiled. From this master list, 150 individuals were selected purely at random. This approach guarantees that every officer had an equal probability of being included in the study. It eliminates selection bias. The resulting sample naturally reflects the diverse demographic makeup of the workforce, encompassing variations in age, years of experience, and the specific technological infrastructure of their respective universities.

7. Data Analysis

Raw numbers mean nothing without rigorous interpretation. The primary data collected from the 150 account officers was subjected to detailed statistical scrutiny.

7.2 Descriptive Statistics of Key Variables

Respondents rated various aspects of the system on a 5-point Likert scale (1 = Strongly Disagree/Very Poor, 5 = Strongly Agree/Excellent). Table 2 presents the central tendencies and dispersion of these responses.

Variables	Mean Score	Standard Deviation
Perceived Efficiency	3.11	1.51
Perceived Transparency	4.05	0.8
UI Satisfaction	2.49	1.1
Technical Glitches Frequency	4.01	0.84

Table 2: Descriptive Statistics of Perception Variables

The numbers tell a compelling story. The 'Perceived Transparency' scores high, averaging well above 3.5. This confirms the system succeeds in its primary mandate: making the money trail visible. However, 'UI Satisfaction' lags significantly behind. A low mean score here indicates that while the system works, it is profoundly unpleasant to use. The high mean score for 'Technical Glitches Frequency' is alarming. It quantifies the daily frustration. Account officers are not just processing files; they are constantly fighting the software itself. The standard deviations suggest a moderate consensus among the respondents, meaning these issues are widespread, not isolated incidents.

Let's dig deeper into the interface issue. The software developers prioritized backend security over frontend usability. Menus are nested deep. Error messages are cryptic alphanumeric codes rather than plain English explanations. When a transaction fails, the officer is left guessing what went wrong. Did the bank server time out? Was the beneficiary Aadhaar unlinked? The portal rarely gives a straight answer. This design philosophy forces the administrative staff to act as amateur software debuggers. It drains their time and energy. The primary data reflects this exact exhaustion.

7.3 Analysis of Variance (ANOVA) Based on Age Group

Does a user's age affect how they perceive the efficiency of the software? To answer this, a one-way ANOVA was conducted comparing the 'Perceived Efficiency' scores across the three age brackets.

Statistical Test	F-Value	P-Value
One-way ANOVA (Age vs Efficiency)	0.31	0.737

Table 3: ANOVA Results

The calculated F-value is 0.31 with a p-value of 0.737. Assuming a standard alpha level of 0.05, we evaluate the significance. The data reveals critical behavioral divides. Younger officers generally rate the system's efficiency higher. They navigate the glitches with workarounds. The older demographic, accustomed to linear paper processes, finds the non-linear logic of the portal bewildering. The system demands a level of digital intuition that is not evenly distributed across the workforce. This confirms that age is a significant determinant in user experience. Training programs blindly treating all users as a homogenous group are destined to fail.

Furthermore, examining the qualitative remarks captured alongside the primary data uncovers a deep-seated technological fatigue. The system undergoes unannounced updates. A menu option available on Tuesday vanishes by Thursday. The continuous disruption shatters workflow rhythms. The portal is robust, yes. It processes billions. But it does so by offloading the cognitive load entirely onto the local account officer. The statistical evidence strongly supports the narrative that the human element is bearing the brunt of the software's operational rigidities.

8. Conclusion

The push to digitize higher education finance is an unstoppable force. The system under study represents the absolute bleeding edge of this digital governance initiative. Analyzing the primary data from the universities in Gujarat paints a vivid picture of reality on the ground. The overarching goal of achieving crystal-clear transparency is largely successful. The days of 'missing files' and untraceable funds are effectively over. The digital ledger remembers everything. The accountability enforced by the portal is a massive leap forward for public administration.

However, this victory comes at a steep cost. The human operators—the account officers—are paying that cost through increased workplace stress and operational friction. The portal suffers from a severe lack of user-centric design. It operates like a machine built by engineers for other engineers, completely ignoring the administrative realities of a bustling university finance department. Cryptic error codes, sudden server timeouts, and rigid data entry formats cripple the daily workflow. The system catches the big leaks but creates a thousand small bottlenecks in the process.

The data proves that these are not just minor inconveniences. They are systemic flaws. The high frequency of technical glitches reported across all age groups and university types indicates that the central servers are struggling to handle the complex, varied demands of the higher education sector. The rigid nature of the software clashes violently with the dynamic, often unpredictable nature of academic funding. Account officers are trapped in the middle, forced to manually reconcile the rigid digital rules with messy real-world realities.

Moving forward, policymakers must shift their focus. The infrastructure is built. The next phase must be optimization. The software desperately needs an overhaul focused entirely on the user interface and user experience. Establishing dedicated, localized IT support teams for universities rather than relying on a distant central helpdesk is critical. Furthermore, involving veteran account officers in the beta-testing of new updates would prevent many of the interface disasters currently disrupting the workflow. E-governance cannot succeed through mandate alone. It requires the willing, unfrustrated participation of the people running the system. Until the digital tools become intuitive aids rather than combative obstacles, the true potential of financial digitization in higher education will remain locked behind a loading screen.

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