IMPLEMENTATION OF PERFROMANCE AUDIT RECOMMENDATIONS BY GOVERNMENT DEPARTMENTS IN BOTSWANA

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Abstract

Performance Audit in Botswana was introduced in 1992 as a complement to Financial Audit through an amendment of the Financial and Audit Act. Introducing Performance Audit was a step forward to ensure that public resources were used economically, efficiently and effectively by Government Departments and Parastatals. This study explores the patterns of implementation produced by the Office of the Auditor General (OAG) after Performance Audits at government departments in Botswana. Not much is known if the audit recommendations are implemented and this is studied. The study encompasses the review of documentary sources and semi-structured interviews which were conducted through purposive sampling. One of the main findings of the research was that there was a lot of missing documentation on implementation of audit recommendations. It was also established that the OAG does not have the powers to enforce implementation and it had not conducted any follow-up audits since Performance Audit inception.

Declaration

I declare that this report is my own, unaided work. It is submitted in partial fulfillment of the requirements of the degree of Master of Management (in the field of Public and Development Management) in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree for examination at any other University.

Mmabatho Selotlegeng

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Dedication

For my late father Mr. Aaron Sekonopo Selotlegeng, with thanks. You were the best daddy ever.

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I give thanks to God for carrying me through my studies for if it was not for his grace, I wouldn't have managed.

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LIST OF ABBREVIATIONS

AAO	Australian Audit Office
AFROSAI-E	African Organisation of Supreme Audit Institutions of English Speaking Countries
AU	African Union
CA	Comprehensive Audit
CCFA	Canadian Comprehensive Auditing Foundation
CMS	Central Medical Stores
ICSAI	International Congress of Supreme Audit Institutions
INTOSAI	International Organisation of Supreme Audit Institutions
NEPAD	New Partnership for Africa's Development
OAG	Office of the Auditor General
PA	Performance Audit
PAC	Public Accounts Committee
SAIs	Supreme Audit Institutions
VFMA	Value for Money Audit
3E's	Economy, Efficiency and Effectiveness
USGAO	United States Government Accounting Office

1.0 INTRODUCTION

Performance Audit is the examination of whether public resources and operations have been utilized and or undertaken in the most economical, efficient and effective manner (Swedish National Audit Office, 1999). Performance Audit in Botswana was introduced in 1992 as a complement to Financial Audit, which only reports on the degree of compliance to existing financial regulations. Financial Audit did not account on how public operations, which includes programmes or development projects, were undertaken. Therefore the extent to which the intended results and effects were achieved was not clear. Taking such a limitation into account, a wider concept of accountability was introduced in Botswana. According to Moon (2001), Performance Audit is a significant approach for taxpayers, financiers, members of parliament, ordinary citizens and the media to obtain insight into the different activities performed by the government and their outcomes.

The purpose of this study is to explore the patterns of implementation of the recommendations by the Office of the Auditor General (OAG) after Performance Audits in Botswana. If audit recommendations are not implemented, the value that Performance Audit is intended to add to the efficiency of government's departments will not be felt. Conducting Performance Audits would be a waste of resources if auditors' reports are left to gather dust.

This research report comprises six chapters. This introductory chapter takes the reader through the contextual background of the research and provides the policy and legislative frameworks. This chapter begins by illustrating the background of this research, by providing a contextual overview of the issues that prompted the researcher to raise the question of implementation of Performance Audit recommendations by government departments in Botswana. This is followed by a problem statement which is a concise expression of the research topic and identifies the knowledge gap that this research report addresses. It also highlights the two fundamental questions that this study seeks to answer. A brief description highlighting the significance of the study is offered, identifying the outcome that the research seeks to provide in relation to the area of study and the knowledge gap.

Chapter two defines the current state of knowledge on issues of concern and identifies the knowledge gap that this study intends filling. Chapter three presents a detailed description of the methodologies used to probe the research questions.

The fourth chapter presents all the data collected, from both interviews and documents and chapter five is a detailed analysis of all the data collected. Finally, chapter six wraps up the report and moves a number of recommendations.

1.1 Background to the Study

The Botswana Government-Constitution of Botswana 1966, section 124 (2) states that "there shall be an Auditor General who audits the public accounts of Botswana, all officers, courts and authorities of the Government of Botswana." The Auditor General also audits the accounts of Councils, Landboards, Local Authorities and Parastatals. The Office of the Auditor General (OAG) undertakes the above duty on behalf of the Auditor General who is the head of the Office. The OAG is therefore the supreme Audit Institution of the Republic of Botswana. The prime objective of the Auditor General is to enhance the socio economic development of the nation through the promotion of sound financial management and proper accountability for public funds and assets (OAG-Botswana, Strategic Plan, 2004).

In addition to his duties the Auditor General "shall where he considers necessary or desirable, examine the economy, efficiency or effectiveness within which any officer, authority or institution of government falling within the scope of his audit has, in discharge of his or its official functions, applied or utilized the public moneys or public supplies at his or its disposal…….."The Botswana Government (1997) [Finance and Audit Act: Section 29 (2)]. The preceding quote forms a foundation for what is known as Value for Money or Performance Audit (Office of the Auditor General-Botswana, Performance Audit Manual, 2007). For this reason, it is the mandate of the OAG to conduct Performance Audit in all government ministries, departments and parastatals.

Unlike Financial Audit, Performance Audit is a multidiscipline field that accommodates people of different academic backgrounds. The OAG in Botswana boasts of officers from diverse specialties such as: economics, environmental science, sociology, information systems, accounting and public policy. Therefore it is expected that the office is able to perform efficiently Performance Audits in various fields.

The Swedish National Audit Office (1999, p. 9) argues that, in this "era of globalization and its aftermaths of the ever rapidly changing political and socio-economic conditions and expectations about the role of government and public management, the concept of Performance Audit has evolved."

Performance Audit is a relatively new concept in Botswana as its inception dates back to 1992. According to the Botswana Government (1997), the Audit was instigated before the amendment of section 29 (1) of the Financial and Audit Act. The reason behind the introduction of the concept before the amendment of the legislation could have been due to the pressure the government faced including "inefficient administration, poor value for money, possibility of loss due to waste and extravagance" (Sherer and Turley, 1991, p. 10). That is why it is important for auditors not to be concerned with the regulation of the accounts only (Sherer and Turley, 1991), but to also focus on Performance Audit.

The role of government departments is rapidly developing and many of them have taken broader functions. All government entities in Botswana are implementing projects, programmes and operations with the aim of improving service delivery. Substantial public funds are being invested in various government initiatives to provide efficient services to the people. Government frameworks that underpin accountability for public money and improving service delivery are evolving, so must the Performance Audit function. According to the Office of the Auditor General-Botswana, Draft Strategic Plan of Performance Audit (2007, p. 1), “the assessments of public sector performance and improvement need to extend beyond organizational boundaries to reflect the public’s experience of the delivery of services.”

Performance Audit provides feedback on the basis of whether money has been spent efficiently. However, this is subjective because it is complex to make an analysis on whether money has been spent well. For this reason there is a contestation of the meaning of efficiency. The audit also determines whether intended objectives are achieved and whether end users reap the benefits of governmental activities. It also makes recommendations and suggests new ways in which public sector management can improve (Office of the Auditor General-Botswana, Draft Strategic Plan of Performance Audit, 2007, p. 2).

Since 1992, about twenty Performance Audits have been conducted on various government ministries and departments in Botswana. The scope of Performance Audits used to be from two to three years. In the last five years the scope has been reduced to one year for every Performance Audit conducted. This justifies the small number of reports that have been produced so far. Although reports have been produced, there is a knowledge gap as to whether management in government ministries and departments implement the recommendations proposed by Performance Audits.

The headquarters of the Office of the Auditor General is situated in the capital city of Botswana, Gaborone. There is another office in the other city, Francistown which concentrates solely on the Financial Audit of the Local Authorities. For this study, focus will be made on the headquarters of the OAG where the Performance Audit unit is housed.

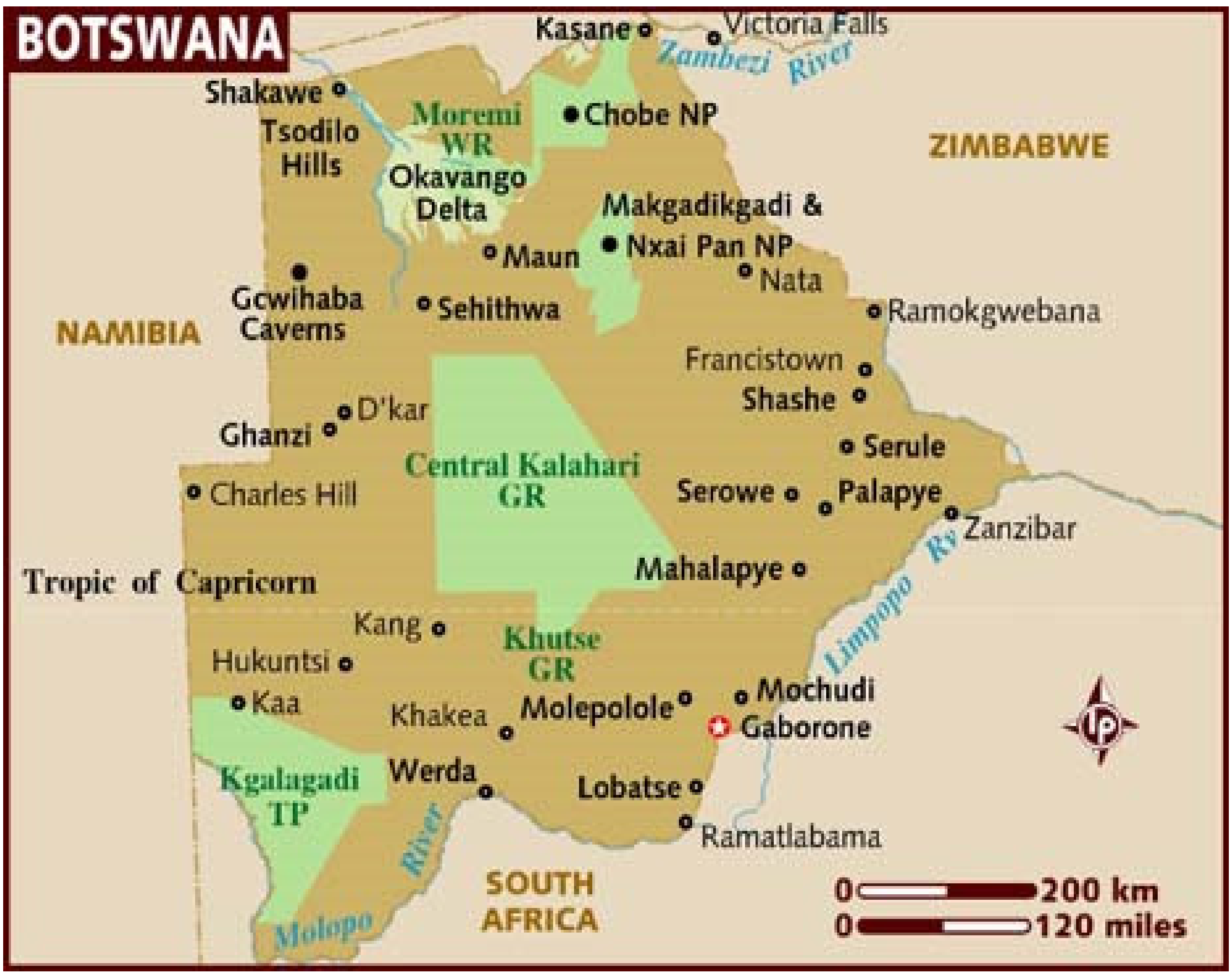

Figure 1: *Shows the Map of Botswana (http://www.lonelyplanet.com/maps/africa/botswana/). The map indicates where OAG is situated as the area of study for research. The map shows where Gaborone is situated*

1.2 THE RESEARCH PROBLEM

This research aims to explore whether there is implementation of audit recommendations by government ministries and departments and what the patterns of implementation are. This aim is explained in the problem and purpose statements and the research questions outlined below.

1.2.1 Problem Statement

For the past 16 years, Performance Audits (PA) conducted at the Office of the Auditor General have provided recommendations to government ministries and departments. Despite the fact that Performance Audit in Botswana was introduced in 1992, academic literature in this area is absent. A question which heightens the importance of this research is whether government departments actually implement Performance Audit recommendations. Little is known about whether these recommendations are implemented by the audited government ministries and departments. Unless there is a formal study on whether, and how, the recommendations of Performance Audits are implemented, there will be no evidence on whether the audit interventions are working.

Reider (1999) argues that the nature and extent of recommendations developed in the course of operational review vary considerably. He suggests that the reviewer should continually look for best practice in a program for continuous improvement. In light of the above, the bone of contention lies with the fact Performance Auditors, during their audits or reviews need to persistently institute recommendations for enhancement in the way things have been done, hence improvements could be made even before the audits get completed. This is important because recommendations in Performance Audit can be suggested at any stage during the audit and this gives auditees the liberty to make improvements whilst the audit is ongoing.

Secondly, it is the role of the auditor to assist management in operating at the lowest possible cost in all situations. In addition, to ensure that the set goals and objectives are met and that there is efficiency in the delivery of services at all times. These are some of the factors that are determined when conducting a Performance Audit.

According to Thompson (1996), Performance Auditors must make sound and workable recommendations to make a government work better for less. This allows auditees to implement audit recommendations without complications or financial complications. Most importantly, this enables the departments to improve their services.

Focus is also placed on the relationship between auditors and auditees, as well as how an audit affects the performance of the auditee as Moon (2001) sheds some light on how the audit can compromise performance and auditor-auditee relationship.

1.3 Purpose Statement

The purpose of the study is to explore the patterns of implementation of recommendations produced by OAG after Performance Audits at the Clinical services, Central Medical Stores (CMS) and Public Health departments, which fall under the Ministry of Health in Botswana. The study sets out to see what the outcomes of Performance Audit are in these departments. It also speaks to the challenges that the departments have in implementing recommendations. In addition, the study focuses on whether OAG has challenges which could hamper it to assess the implementation process.

The study also analyses the kinds of recommendations that are implemented and those that are not implemented and why.

1.4 Research Questions

The research attempts to find answers to the following questions:

- What are the outcomes of Performance Audit in Botswana's government departments?

- What are some of the challenges that these departments encounter in implementing audit recommendations?

1.5 Significance of the Study

Performance Audit's role is crucial for the Botswana Government because it strives to contribute towards efficiency, effectiveness and economy on the use of public resources. Therefore, this study contributes to the growing knowledge on Performance Audit in Botswana by examining the implementation of Performance Audits' recommendations by government departments.

1.6 Limitations of the Study

The researcher is employed by the Office of the Auditor General and this affected the study as officers did not want to open up and respond to the questions. False impressions were made that the researcher already knew what was happening with regards to Performance Audit; therefore officers were reluctant to give the researcher information. It took the researcher a number of days before they could actually agree to be interviewed. Initially the researcher had intended to conduct three interviews in one government department that had been audited several times. However, this was impossible because there was no such department that had been audited for more than once. Hence the researcher opted to choose a Ministry in which at least three of its departments had been audited, so that the researcher could conduct at least one interview from each department.

2.0 LITERATURE REVIEW

This section begins by providing an insight into Performance Audit in regard to this research. The purpose of this literature review which informs this chapter is to present the significant academic background knowledge of Performance Audit in order to fully grasp the context within which the research is located. Furthermore, it also highlights the knowledge gap that this research addresses. A comprehensive review of the evolution and definitions of Performance Audit and its concepts which form the nucleus of the research interest is the starting point. The presence of Performance Audit and its origins are discussed and the role which Performance Audit is expected to play in order to improve service delivery within Government operations. An exploration of the concept of Performance Audit in developed countries and developing countries is also discussed. This chapter also discusses literature on the challenges of Performance Audit and how to improve the effectiveness of Performance Audit.

2.1 Origins of Performance Audit

Performance Auditing was introduced in the USA, Canada, Great Britain, Sweden and some other countries at the end of 1960s (Swedish National Audit Office, 1999, p.18). Traditionally auditing was only performed as a stewardship function. It informed the members of an entity whether management of that entity to whom they had entrusted their capital had invested as planned and could account for it. By the middle of the twentieth century, recipients of financial statements had become far more sophisticated and therefore there was need for an audit function that provided more than a mere confirmation that their investments could still be accounted for (Conor, 1996). This led to public officials turning to a relatively new mechanism called Performance Auditing for answers. Performance Audit was born out of a need by the public and by public officials for precise and understandable information about what was happening with public monies, for answers to basic questions about the use of public resources and the results of their use, if any (Brown, Williams and Gallagher, 1982).

The Swedish National Audit Office, (1999, p. 18), indicates that initially, Performance Auditing was closely linked to the concept of Performance Budgeting, whose ideas aimed at improving effectiveness by means of creating a system of control and management, which increased the necessity of economic thinking and financial responsibility at all levels. However, there have been changes in the use of Performance Audit due to the varying needs of society, resource constraints and development of various academic disciplines. Furthermore, Performance Auditing differs around the world in among other things, scope, organization and the methods used (Swedish National Audit Office, 1999, p. 21).

2.2 Definition of Performance Auditing

There are many definitions that have been suggested worldwide. Thompson (1996, p. 65) defines Performance Auditing as “an objective and systematic examination of evidence for the intention of providing an independent evaluation of the performance of a government organization, program activity or function in order to provide information to improve public accountability and facilitate decision making”.

For the purpose of this study, the word Performance Audit will be used as recognized by the International Supreme Audit Institution [INTOSAI] (Swedish national Audit Office, 1999). In this study, the researcher finds it suitable to use the definition that describes Performance Audit as, "an audit of economy, efficiency and effectiveness with which the audited entity uses its resources to achieve its goals. It is aimed at increasing the effectiveness of the state entities and programmes using laid down and clearly explained auditing standards and practices, within the mandate of an independent audit institution whose authority is defined by the relevant acts" (Office of the Auditor General-Botswana, Performance Audit Manual, 2007, p.1).

This definition is relevant to this study mainly because the Office of the Auditor General in Botswana uses guidelines and procedures and well formulated methodologies which give OAG the potential to perform effectively. However, Performance Audit is complex in that it examines organizational activities from different perspectives; therefore it is important for auditors to properly comprehend the background of an organization in addition to the application of the auditing standards.

Fountain and Lockridge (1976) and Rothwell (1984), define Performance Audit as an independent examination and evaluation of the economy and efficiency of an organization's operations and the effectiveness of its programmes. McSweeney (1985) defines Value for Money as an audit examination designed to determine whether an organization in question is performing economically, efficiently and effectively in the use of resources, operating procedures and achieving objectives The above definitions are somewhat similar although McSweeney (1985) in his definition does not specifically declare that the audit is independent but suggests that Performance Audit has always been regarded as independent. The above authors have the same view that certainly Performance Audit seeks to evaluate the operations of an organization, to determine how the economy, efficiency and effectiveness (3Es) do exist in the various organizations.

Thompson (1996) and Hatherly and Parker (1988) agree that Performance Audit is independent. Thompson (1996) argues that Performance Audit is objective in that its intention is to smoothen the process of making decisions in organizations and to improve the responsibilities of public institutions. Although none of the authors cited above addresses this crucial point, it is worth mentioning that Performance Audit is not based on formalized opinions and that it does not have its roots in private sector.

According to the Office of the Auditor General—Botswana, Performance Audit Manual (2007, p.1), Performance Auditing embraces the following:

- Audit of the economy of administrative activities in accordance with sound administrative principles and practices and management policies;
- Audit of the efficiency in utilization of human, financial and other resources, including examination of information systems, performance measures and monitoring arrangements, and procedures followed by audited entities for remedying identified deficiencies; and
- Audit of the effectiveness in performance as related to the achievement of the objectives on the audited entity and audit of the actual impact on activities compared with the intended impact

2.3 Different Types of Performance Audit

Moon (2001) indicates that there are different types of Performance Audit, which include the pre-event and post-event and internal and external audit. The distinction between pre-event and post-event is whether the audit is performed before (or simultaneously) or after the actual results of the subjects of audits such as operations and activities of the audited entity. Pre-event audit is sometimes called “the real time audit”. The external audit work in real time does bring with it some significant risk such as compromising independence and questioning public accountability regardless of the significant contribution to value for money (Moon, 2001, p. 4).

Performance Audit aims to improve the future while drawing upon the past events (Swedish National Audit Office, 1999). According to Moon (2001), effective pre-audit is indispensable for the sound management of public funds entrusted to the state. External audit include Supreme Audit Institution (SAI) and firms of Chartered Accountants. For internal audit, Performance Audit is mainly undertaken over lower levels and reported to top management. In contrast, assessing value for money of top management is part of the external auditor's responsibility in most public sectors (Moon, 2001).

2.4 DIFFERENT NAMES OF PERFORMANCE AUDIT

According to Thompson (1996), Performance Audit sometimes is known as operational audit, program audit and management audit. The term used for Performance Audit may differ from country to country. In some countries such as Zimbabwe, instead of using Performance Audit, the term Value for Money (VFM) is used (Comptroller and Auditor General—Zimbabwe, 1999). While in other countries such as Canada, it is called Comprehensive Auditing (Canadian Comprehensive Auditing Foundation, 2009). The other names for Performance Audit include effectiveness audit, operational audit, management audit and economy and efficiency audit. The different concepts may have a slightly different meaning when it comes to audit methods but the core is the same (Swedish National Audit Office, 1999, p.22).

According to Cowperthwaite (1985), the above conceptual definitions are common across the terms employed and the overlap has been well recognized in the literature. The International Congress of Supreme Audit Institutions [ICSAI], (1986) adopted Performance Audit since it was the common term. In addition, it is worth noting that Program and Economy and Efficiency Audits are the only type of assessments that do not apply all the 3Es. Program Audit focuses on effectiveness, whilst Economy and Efficiency Audit as the name implies, examine economy and efficiency. The other types of audits evaluate all the 3Es.

2.4.1 Economy and Efficiency Audit

Economy and efficiency audit seem to be two distinct audits, yet this is one examination. The economy and efficiency audit includes determining whether the government is acquiring, protecting and using its resources economically and efficiently. The audit also includes determining the causes of inefficiencies or uneconomical practices and whether the government is in compliance with laws and regulations concerning economic and efficient operations. Economy and efficiency audit may, for example, entail evaluating whether the government procurement practices are sound or operating procedures to ensure resources are used efficiently and economically.

The United States Government Accounting Office [USGAO] (1993, p.1) explains further that during Economy and Efficiency audit, there is an assessment of whether the organization in question is acquiring appropriate type of resources with regards to quality and if the amount of resources is at the lowest cost. In addition, the audit examines if the government is using minimum amount of resources in delivering the correct quantity and quality of goods and services promptly. Also the audit examines whether resources are properly maintained and protected and if efficient operating procedures are used. Dittenhofer (2001) and Parker and Guthrie (1991) also support this statement and further argue that economy and efficiency audit also include whether the entity is acquiring, protecting and using its resources such as personnel, property and space economically and efficiently. In other words, this type of audit examines the causes of inefficiencies and uneconomical practices. It also examines if there are any inadequacies in the administrative procedures and the organizational structure.

Economy and efficiency audit has barriers which makes it difficult to be successful especially in the aspect of economy. It is difficult to determine if a department was uneconomic while undertaking a particular program or project because even if there is cost overrun, other factors have to be taken into consideration. For instance cost overrun could be because of additional deliverables in a program, which would then increase the initial cost estimate. In this instance it would not be justifiable to declare that a department was uneconomical.

2.4.2 Program Audit

The other type of Performance Audit is the program audit which includes determining the degree to which programs achieve the results desired or benefits expected by the governing body, program effectiveness and government compliance with applicable laws and regulations. Sophisticated auditing techniques often are employed in comparing actual and desired program performance. According to Dittenhofer (2001), program audit includes determining the extent to which the desired results or benefits established by the legislature or other authoring body are being achieved. It also includes the effectiveness of organizations, programs, activities or functions and whether the entity has complied with laws and regulations applicable to it. Clearly this type of audit reviews programme effectiveness and does not deal with either economy or efficiency.

The United States Government Accounting Office (1993) agrees with Dittenhofer's philosophy and further argues that program audits may assess whether the objectives of proposed, new or ongoing program are properly suitable or relevant and identify what inhibits satisfactory performance. The USGAO (1993, p.2) highlights that program audit determines whether "management has considered alternatives for carrying out the program that might yield desired results more effectively or at a lower cost. The program also complements, duplicates, overlaps or conflicts with other related programs, identify ways of making progress better and asses how adequate management control system is for measuring, reporting and monitoring performance on effectiveness are valid and reliable".

2.4.3 Value for Money Audit (VFMA)

Performance Auditing is also known as comprehensive auditing, Value For Money auditing, Operational Auditing and as Management Systems Review. Each of the above term describes a similar process, which is an independent review that provides an objective evaluation and constructive guidance for improvement in management systems and controls (Schuckmann, 1988, p.6).

According to Auditing Practices Committee [UK] (1988), Value for Money Audit is an independent appraisal of performance of management in seeking to secure economy, efficiency and effectiveness in the use of resources at its disposal. Butt and Palmer (1985) provide a very similar explanation. They note that Value For Money Auditing attempts to ensure that small and large institutions in the public sector operate economically, efficiently and effectively. A similar definition is provided by Parker (1986, p. 6) who defines value for money audit as "an examination designed to determine whether the organization in question is performing economically, efficiently and effectively in its use of resources, operations, procedures and pursuit of objectives". The above descriptions of Value for Money Audit draw an attention to the fact that the audit examines all the 3Es. Therefore it could be deduced that the audit is a combination of Economy and Efficiency and Program Audits.

According to Schuckmann (1988, p. 10), "the primary objective of VFM is to provide independent recommendation about how to achieve economy, efficiency and effectiveness in revenue, expenditure and resource management."

Economy, Efficiency and Effectiveness (the 3Es), are defined as being concerned with minimizing the cost of resources acquired or utilized with regards to quality and quantity. Focus is also on relationship between the inputs and the outputs of goods and services in terms of utilizing the minimum or limited inputs in order to achieve the maximum output, and the relationship between the actual results and the intended results. According to Butt and Palmer (1985) as cited in Schuckmann (1988, p. 9), there is an interrelation between economy, efficiency and effectiveness:

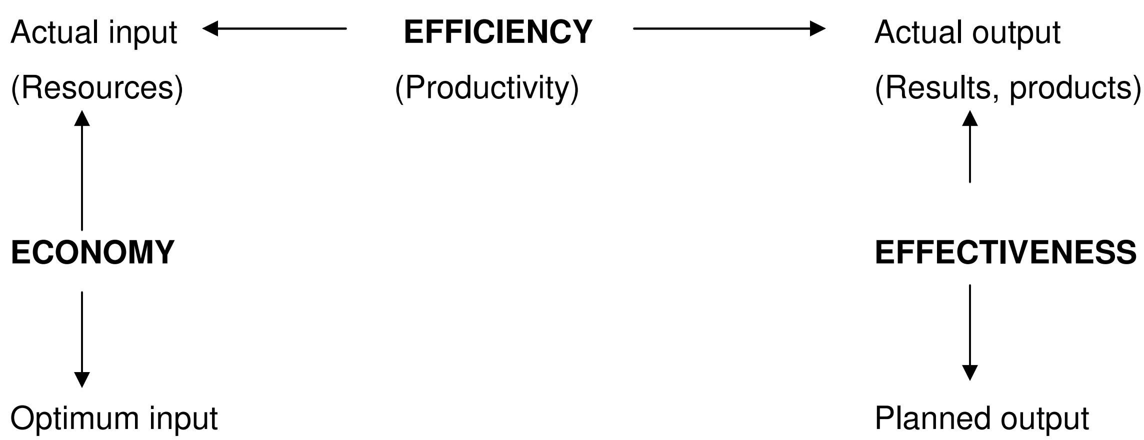

Figure 1: Interrelation between economy, efficiency and effectiveness (Butt and Palmer, 1985 p. 9)

A Value for Money Audit identifies strengths and weaknesses of an organization which are reported to management together with constructive recommendations. These recommendations must be implemented and management must be at the forefront of the implementation as it is their responsibility to ensure that there is Value for Money. This means that improved performance in the public sector is achieved by a VFMA in addition to management action (Schuckmann, 1988). According to Schuckmann (1988, p.31). “If the recommendations are not implemented, the VFM audit is futile”.

It is important to note that, it is not only in the Value for Money Audit where recommendations are given. Similarly to VFMA, all the other types of audits report findings and suggestions for improvement. Although VFMA examines all the 3Es, it is highly unlikely that a Value for Money Audit can asses economy, efficiency and effectiveness simultaneously. It can so happen that one of the 3Es especially effectiveness is not considered in an audit because it is difficult to audit effectiveness. An audit may also determine one of the 3Es and leave out the other two. This statement is stressed by Narayan and Susan (1993/1994), who argue that in a limited scope, which they regard as Performance Audit or VFMA inputs, outputs and outcomes are examined separately. For that reason, one or two of the variables may be examined in the absence of the others. In this type of audit there is no comprehensive assessment of the overall efficiency and effectiveness of a program.

2.4.4 Comprehensive Audit

The Canadian Comprehensive Auditing Foundation CCAF (1985, p. 1), defines a comprehensive audit as “an examination that provides an objective and constructive assessment of the extent to which financial, human and physical resources are managed with due regard to economy, efficiency and effectiveness and accountability relationships are served.”

Wiltshire Consulting (2003) has the same view as CCAF, that Comprehensive Audits are concerned with the three E’s in the design and operation of programs and services. In other words, these audits focus on the value for money spent and whether the intended results were obtained. Furthermore, Comprehensive Audits could be performed at many levels including the organization as a whole, or a specific branch or function such as human resources or financial management. Comprehensive Audit is similar to Value for Money Audit in that they both assess economy, efficiency and effectiveness.

For effective Comprehensive Audit, it is essential that the audit relies on the objectivity in which the auditor gives an independent analysis and possible suggestions to solve problems faced by the administration. Also, in Comprehensive Auditing, the auditor has to be conscious of the economic entity which deals with accounts, the books, records and the files. In addition, the auditor engaged in Comprehensive Auditing should appreciate accountability and it needs adequate response to and appreciation of such audits by the administration (Wijayasuriya, 1983).

According to Narayan and Susan (1993/1994), Comprehensive Audit needs several audit teams which could be able to look at the aspects of input, output and outcome. Therefore this means that unlike other types audits such as VFMA and Program Audit, which need a team that usually consists of two or three people, the audit under discussion might need more than the typical number of auditors. Hence, this type of audit could be costly and it also needs expertise in that the auditors are conversant in the aspects of audit they will be examining. For that reason it could be difficult to conduct the audit especially in developing countries where there is lack of expertise and budgets are limited.

2.4.5 Operational Audit

Operational Auditing as another type of Performance Audit is defined as an examination of an organization's financial and non-financial operations. The examination is done in order to determine the extent of economy and efficiency of its operations. It is also done to determine the resource utilization and to asses the effectiveness of operations and resource utilization and the effectiveness of those operations in achieving stated programme and organizational objectives (Ponder, 1984). Operational Audit is also addressed by All Business (2007), which point out that in this particular audit, operations such as the organizational structure, controls, procedures and processes are analysed. In other words, this audit only examines the daily internal activities or operations in organizations to determine whether the 3Es exist in those functions.

According to All Business (2007, p. 1), “the primary objective is to appraise the effectiveness and efficiency of a division, activity of operation of the entity in meeting the organizational goals.” Recommendations for improvement are also made and although the main user is management, this audit is different from management audit because the former deals with the whole organization. All Business (2007) maintains that many companies keep internal audit staff to perform operational audits frequently so that management can be informed how well activities are performed and where there is need for improvement.

2.4.6 Management Audit

A Management Audit is described as an evaluation of management and the organization’s functioning and performance with respect to economy, efficiency and effectiveness of operating areas, activities and results (Siegel & Milich, 1985). Management Audit like Operational Audit is performed internally, except that this particular audit focuses more on management. According to Arter (2000), Management Audit assesses the effectiveness and the controls. And also challenges the fundamental rules, procedures and methods. As it is generally performed internally, Management Audit is cause and effect analysis and when performed properly they could result in change, hence the most useful audit.

The above two types of audits are meant for internal purposes; therefore they would not work in an external type of audit. For that reason, Management Audit and Operational Audit in this particular study would not be applicable because this research report deals with Performance Audit as an external audit.

2.4.7 Definition suitable for OAG-Botswana

Effectiveness is a concept that is difficult to assess. For that reason OAG-Botswana in its efforts to conduct Performance Audit has previously avoided examining effectiveness. As mentioned earlier, the Office of the Auditor General-Botswana uses the term Performance Audit. With regards to the definition, the definition that fits with how the audit is conducted at OAG-Botswana would be derived from economy and efficient audit. The audits conducted at the OAG mostly focus on economy and efficiency. The focus may be for the reason that it is difficult to audit effectiveness; hence the OAG maybe is comfortable in auditing the economy and efficiency of government programs and projects.

2.5 ADVANTAGES OF PERFORMANCE AUDIT

2.5.1 Rationale for Performance Auditing

Performance Auditing is seen as “an activity that is aimed at helping enterprises raise economy and efficiency….” (Jin’e and Dunjia, 1997, p.192). This means that Performance Audit identifies ways in which the Government can work better and cost less, which could be termed as a “projective analysis so that management and those charged with governance and oversight can use the information to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibilities or initiate corrective action and contribute to public accountability” (US Government Accounting Office Standards, 2007, p. 23). The importance of Performance Audit is also emphasized by Moon (2001, p. 10), that Performance Audit is an attempt to improve the performance of public bodies by regarding the audited entity as a customer and by emphasizing the economic motivation not only for the benefit of the audited body itself but also for the interest of the public.

The function of Performance Audit is to complement Financial Auditing through ascertaining how prudently public operations were undertaken. That is to say, to what extent the intended results and effects have been achieved. Performance Audits are also conducted to help management do a more effective job and they are oriented towards the future because for any organization to be successful, information that is relevant for decision making is necessary (Kitindi, 1992, p.9). According to Moon (2001, p.10), Performance Audits attempt to overcome the limitation of the financial audits, which do not secure public accountability effectively and sufficiently. Therefore Performance Audit attempts to ensure accountability and democratic oversight so that those in charge of the Government programmes or ministries are held responsible for efficient running of that program or ministry.

2.5.2 Importance of Performance Audit in the Public Sector

Performance Audit is also used as a substitute for market mechanism of profit making in the public sector and it is used as a basis for decision making on future investments and priorities (Swedish National Audit Office, 1999, p. 18). Performance Audit is indeed an important tool for evaluating the performance of public organizations. Therefore, a means of maintaining oversight of their operations is required since that is the only way that the public can be informed whether the goods and services it receives are really worth their money (Kitindi, 1992, p. 8).

Supreme Audit Institutions (SAIs) in the public sector essentially perform two separate tasks. Firstly, they perform a crucial democratic function by ensuring that bureaucracy is made accountable. Secondly, the sound function which audit bodies perform concerns the management and in a broad sense, the efficiency of the state's operations and transactions. The role of performance audit is to control the audited bodies and provide advice and recommendations. Performance Auditing is also an attempt to improve the performance of public bodies by emphasizing economic motivation not only for the benefit of the audited body itself but also for the interest of the public (Moon, 2001, p. 35).

Johnsen et al (2001) concur with Morin (2008) and further reveal that the auditees regard audits as important and efficient in controlling and reforming the public sector. Lapsley and Pong (2000) in their study agree with Johnsen et al (2001) that indeed the audits help improve management of public organizations.

Walker (2006) acknowledges that Supreme Audit Institutions (SAIs) have earned a reputation over the years for promoting transparency, fighting corruption, improving government performance and ensuring public accountability. Nonetheless, he alerts that in order to leverage the credibility SAIs should be prepared to anticipate future challenges, to sound the alarm when necessary and to propose options for addressing issues, managing change and mitigating risks.

2.5.3 Improving Organizational Performance through Performance Audits

Performance Audit can provide valuable information that policy makers and managers can use to achieve better results from existing programs and future programs in order to improve the outcomes (Kreklow, 2007, p. 62). According to Kreklow (2007), after each performance review, auditees should be provided with performance indicators to be used to assess the extent to which there could be improvement in results once the recommendations are implemented in a program.

Performance Audit provides a dual purpose of accountability and learning, because conducting audits enhances organization accountability by justifying that funds are used as intended and that management is making timely and effective decisions. This can be authenticated by reviewing written records and by analyzing performance measures. Performance Audits can also help managers and policy makers identify strategies that work and provide information that is valuable in making improvements to processes and programs that lead to better results. As a result, Performance Audits shut out performance management loops and helps efforts to improve services (Kreklow, 2007, p. 63).

According to Reider (1999), improvements are classified under increased economy, efficiency and effectiveness. The reviewer may identify specific opportunities for improvement by analyzing interviews with individuals within or outside the organization, observing operations, receiving past and current operational data, analyzing transactions, making internal and external comparisons. According to Narayan and Susan (1993/94), the impact of Performance Auditing on government programs is far reaching and should not be underplayed. Therefore if Performance Audit is to effectively contribute to improvements in government programs it is necessary that it embraces a comprehensive approach to allow for thorough examination of programs.

2.5.4 Improving Effectiveness of Performance Audit: A Follow up Process

According to Sterck (2007), an audit should not only be used as a prevention function but it should also lead to concrete actions to improve management actions. It is not enough for auditors to submit their report, receive comments from management, and then leave the report to gather dust on the shelves (Prinsloo & Roos, 2006, p.54). The follow up process is a timely systematic review of management action on audit findings and recommendations in the audit report. It is also an assessment of whether the action has corrected or is likely to correct the problems that led to the audit findings or recommendations (Office of the Comptroller and Auditor General-Zimbabwe, 1999, p. 51).

Follow up is not a full audit but rather a review of the extent of corrective action and may be done by arranging a meeting after a certain time has elapsed. It may also be done by conducting reviews in terms of observations to determine the tangible results. According to the Swedish National Audit Office (1999, p.113), the recommendation made by the auditors to the auditees should be followed up to find out what steps the auditees have taken to improve performance and to check which recommendations have been implemented. The purpose of following up audit reports is to determine the impacts that Performance Audits have on programs and to demonstrate if they add any value to organizations.

According to Prinsloo & Roos (2006, p.54), sound practice would be to decide with the management of the auditees on a plan of action on how the implementation of the corrective measures will be monitored. The action to be taken must be included in the annual coverage of the audit department. Raaum & Morgan (2001, p. 151), agree with the argument of Prinsloo & Roos, (2006, p. 54) and further argue that if no action is taken by the auditee, the auditor will want to consider that in planning the current assignment.

One purpose of Performance Audit is to promote the achievement of good value for money and therefore making follow ups on the recommendations in audit reports assesses whether the recommendations have been addressed by the audited bodies or by the auditees. If no action is taken, the intended impacts of the report's recommendations would be lost (Office of the Comptroller and Auditor General of Bangladesh, 2000, p. 68).

Effective follow up arrangements should be put in place to ensure that the auditees have considered the recommendations and where appropriate have implemented the proposed actions. The elements of follow up would then include: "a timely review of the action taken by the management of the audited body on the recommendations….., an evaluation of the adequacy of the action in achieving performance improvement. It also includes an assessment of any problems that may have risen in relation to implementation, an assessment of the impacts of the examination and consideration of the need or scope for further audit work in the same or a related area" (Office of the Comptroller and Auditor General- Bangladesh, 2000, p. 68).

2.6 BARRIERS TO CONDUCTING PERFORMANCE AUDIT

2.6.1 Lack of Resources

Audit offices face a common set of challenges in conducting Performance Audits. These challenges include: funding, staff salaries, staff quantity and quality, organizational, training, audit selection, procedures for conducting and managing audits, audit protocol and quality assurance (Raaum & Campbell Jr, 2006, p. 28).

Waring & Morgan (2007, p.351), agree with Raaum & Campbell's analysis of challenges. However, they suggest that there is also a need to create an institutional environment that is conducive to reaping the benefits of a regular performance audit function. They argue that "challenges include the needs for competent staff and leadership, stakeholder support, and organizational independence, none of which can be met by mandates or pronouncements" (Waring & Morgan 2007, p. 351).

Support at the highest level is the most important requirement for conducting a Performance Audit. Second in importance is finding and retaining competent staff. Given that the role of the audit is to evaluate government activities and identify ways to improve them, auditors need to be among the best in the public service (Waring and Morgan, 2007, p. 352).

2.6.2 Ineffectiveness of Performance Audit in Developing Countries due to Corruption and Poor Governance

The barriers to conducting and reaping the benefits of an effective Government Performance Audit function in developing countries stem from the fundamental challenges facing development in Africa. These barriers include corruption, poverty, poor governance, poor infrastructure, and a continuous brain drain to developed countries in Asia, Europe, and the Americas (Madavo & Callisto, 2005). Brain drain in Africa is a huge challenge and this has affected the Performance Audit as officers leave organizations in pursuit of 'green pastures". All of these challenges constrain the effective functioning of a Performance Audit function in the public sector.

According to Waring & Morgan, (2007, p.351), if the highest levels of government are corrupt or incompetent, it will probably not be possible for the performance auditor to be effective. However, if the audit function enjoys unwavering support from the highest offices of government, it can serve as a powerful tool in rooting out corruption and identifying needed improvements in management practices.

2.6.3 Difficulties in Measuring Effectiveness

It is actually quite hard to determine the degree to which programs achieve desired results. In practice, it is difficult to measure effectiveness. This argument is also maintained by the Swedish National Audit Office (1999, p.42) that effectiveness is usually not measured in mathematical terms or with time series, but instead it is often used as a general concept for assessing performance of organizations and for that reason it is difficult to measure it.

It may be concluded during the audit that a program has achieved its objectives. However Ross and Freeman (1989) are of view that it might not be that the program has achieved its objectives but because the objectives would have been conceived inappropriately. As such the objectives may not effectively serve their purpose.

2.6.4 Lack of Value for Money in the Eyes of the Beholder

The audit is not always guaranteed to produce desired change in the management of organizations (Morin 2008). For this reason, not all people can be convinced that Performance Audit results in value for money. Chapman (1994, p. 10), argues that "what makes the Auditor General special as a VFM evaluator and what positive improvements in public administration have resulted from value for money audits." This is further maintained by Hamburger (1989), that Performance Audit reports have led to a breakdown of the relationship between the Auditor-General and the government executive as they provide as a threat to their organization. This phenomenon could result in a negative attitude from the executive, hence negative impact on the quality of the reports and also on the independence of the auditors. In addition, value for money audits are seen as being highly subjective and threatening to the executive. According to Moon (2001), audits can sometimes make things worse. An audit may sometimes compromise performance through additional controls imposed because of problems identified by auditors. Audit reports can encourage risk aversion rather than encouraging performance oriented management; and generally the relationship between auditors and auditees can be adversarial rather than constructive (Moon, 2001)

2.6.5 Auditee Resistance to Performance Audit

According to Hatherly and Parker (1988), there has been evidence of auditee resistance to performance audits as auditees consider those audits to be expensive, time-consuming and of limited value and the auditor is seen as infringing on managements' rights. This if further accentuated by Pollitt et al

(1999), when they argue that the presence of auditors can add to the workload of auditees because they need to prepare reports for them. However, Morin (2008) disagrees that even if the auditors are not physically present, auditees should always expect them and therefore they can be able to adapt to better practices. This therefore strengthens the idea that even in the 21st century there is still resistance of auditors and this clearly shows that Performance Audit has a long way to go in being influential to auditees.

Hatherly and Parker (1988, p. 36), highlight that “where the auditee feels that the recommendations are impractical, a rather more robust response is generally forthcoming.” Hatherly and Parker (1988, p. 37) further discuss that in some instance, auditees either argue that “implementation of an audit targeted at effectiveness would cause the loss of efficiency or that an audit recommendation targeted at greater efficiency would cause objectives to be missed with consequent loss of effectiveness.” There are attributes such as “contrary to efficiency” or “contrary to effectiveness” where the auditor fails to comment fully and may not have fully considered the effectiveness implications of efficiency recommendations or vice versa. This could be especially where policies have been designed to ensure customer satisfaction, because in such instances; there is always conflicts between efficiency and effectiveness.

Although Schuckmann (1988) stresses the importance of implementing the audit recommendations, Hatherly and Parker differ. They argue that auditor recommendations maybe construed as questioning or challenging manager’s judgements or decisions. Furthermore, auditees may perceive auditors as “uninformed outsiders” who make recommendations which threaten organizational status.

Auditees are rapid to be defensive especially if they feel that their economy, efficiency and effectiveness are being made subject to scrutiny (Hatherly and Parker, 1988). In addition, Hamburger (1989, p. 17) concurs with Hatherly and

Parker (1988) and further argues that "the accountability of dimension of Performance Audit in the public sector inevitably produces recommendations that are unwelcome to auditees." On the other hand, Schwartz (2000) and Morin (2008), agree that usually implementation of recommendations is bound to happen if the recommendations are among the priorities of top management. Therefore this brings to light that if recommendations favour management's agenda as to whether management would have liked those recommendations to be acted upon, then that will be done to their advantage.

2.7 APPLYING PERFORMANCE AUDIT IN CASE STUDIES IN DEVELOPED AND DEVELOPING COUNTRIES

2.7.1 Singapore

The need for Value for Money Audits (VFMA) or Performance Audits in Singapore came about as a result of a tremendous increase in government revenue and expenditures and "since the people of Singapore own the resources owned by the government and contribute the bulk of the revenue needed to finance expenditure, it is only right that they have some assurance that the country is getting value for money spent and that their resources have been reasonably well-managed" (Pee Pin, 1989, p. 4). Additionally, when Value for Money Audits are conducted properly, they can influence ministries, departments and statutory boards to function more effectively, efficiently and economically. This could result to tangible and intangible benefits such as staff savings, increased revenue and improved services to the public and strengthened internal control systems to prevent and detect irregularities and streamlined cumbersome procedures (Pee Pin, 1989).

The Singapore Auditor General's Office experiences limitations of Value for Money Audits that other developed countries such as United States, Canada, United Kingdom and Japan face (Pee Pin, 1989). These limitations include, lack of a clear cut and acceptable criteria to evaluate performance in the public sector when there is absence of the indicators for measuring efficiency and effectiveness of the programs that are either not available or they are not generally accepted as valid assessment of whether a program has failed or succeeded.

There is also lack of expertise during review of unfamiliar operational areas where the service of experts would be needed if an auditor finds it necessary to evaluate the efficiency, economy and effectiveness of the technical operations such as the design of a dam. According to Pee pin, (1989, p. 6), in the US and Canada professionals such as social scientists, engineers are employed or engaged as consultants.

Developed and developing countries face practical problems in implementing Performance Audits. It could be because the expertise would not be available and until more experts are available, auditors would not be able to audit areas which need technical expertise. This has been realized at the OAG-Botswana where a risk has been taken by conducting audits without expertise. Hence auditors would depend on the auditee who would be an expert on the area audited for access of the relevant data. Therefore, with this approach at play, audit results could be jeopardized.

2.7.2 Australia

The Australian Audit Office's (AAO) responsibility is to cover the examination of efficiency and economy of the operations and procedures of auditees to review the efficiency and economy of operations as to whether they achieve the objectives specified by government. The AAO also assesses the efficiency of administrative systems and processes used and moreover the audits are aimed at areas suspected of wasteful use of money, personnel or other resources (Hatherly and Parker, 1988).

SAIs in developed countries, similarly to those in developing countries, are concerned with whether resources are used in pursuit of the 3Es. The AAO in its endeavor to concentrate in the areas where there is suspicion of inefficiency and uneconomic acts is to a certain extent good. However there is need for SAIs to look beyond inefficiencies and uneconomic factors only in organizations. Concentration is also needed to identify other underlying factors that could be contributory to such conditions and which need more contemplation.

2.7.3 Bangladesh

Bangladesh after more than 30 years of independence remains as one of the least developed countries with a per capita income of US $320 (Uddin, 2002, p.1). Uddin submits that the failure for the country to achieve desired goals is because of bad governance, lack of transparency and accountability. Subsequently he submits that there is a need for Value for Money Audit in order to establish good governance by ensuring that there is accountability and transparency in dealing with public funds (Uddin, 2002).

The major obstacles that the Office of the Comptroller and Auditor General of Bangladesh experience in the implementation of Value for Money Audit are: a lack of strong audit management, lack of direct supervision to control and create awareness among the working group at the field audit operations and insufficient reviewing of audit reports to ensure their quality (Uddin, 2002, p. 5). The office also experiences hurdles on having a systematic approach to address new issues and allocate timeframes for Value for Money Audit; hence this at times compromises the achievement of the desired results.

There is insufficient knowledge and expertise to conduct high quality Value for Money Audits and therefore there is need for skills development and attaining of expertise in the profession. In addition, lack of information and awareness in the auditees who feel the audit is encroaching upon their administrative authority and the lack of available records in the audited organizations also creates reluctance among the staff to cooperate with the audit team (Uddin, 2002, p. 7).

The obstacles that the Bangladesh Comptroller and Auditor General faces although are also experienced by the Office of the Auditor General—Botswana.

2.7.4 Southern Africa

Despite overwhelming challenges, many countries in Sub-Saharan Africa have succeeded in establishing good public governance. These countries include Botswana and South Africa which make an effort to exercise transparency through public accountability by putting into effect tools such as Performance Audit. According to Madavo & Callisto (2005), African governments are improving governance under instruments such as African Union (AU) and New Partnership for Africa's Development (NEPAD) and policy making institutions are also improving as they have become more durable. In governments that have not documented their operations or established public sector Performance Auditing, there is recording and monitoring of the outputs they produce. Both process and measurement based performance audits could be used in this instance. (Waring & Morgan 2007, p. 349)

Since the end of the 1960's, Performance Auditing has gradually become internationally established (Widell 1996:18). Therefore, as in other Sub-Saharan countries, the South African Auditor-General has not been restricted to the traditional auditing of accounts (Fakie, 1998). In South Africa, "the promotion of economy, efficiency and effectiveness depends on adequate management measures for the planning, budgeting, authorization, control and evaluation of the procurement and utilization of resources, and the responsibility to institute such measures rests with management" (Fakie, 1998, p. 3—4).

Fakie emphasizes on the primary objective of Performance Auditing as indicated by the National Audit Office-London, (1997) which is to confirm independently that management measures exist and are effective and to provide the management, Parliament and other legislative bodies with information. This is by means of a structured reporting process, on shortcomings in management measures and examples of the effects thereof. Consequently, Fakie (1998) stresses that, as indicated by the Canadian Comprehensive Auditing Foundation [CCAF] (1985), the secondary objective of Performance Auditing is to bring possible areas for improvement to the attention of management and to encourage auditees to take the necessary corrective steps to improve systems and controls

Performance Audit in South Africa assesses the process of government program or activity with the purpose of determining the effectiveness, efficiency and the economy of the processes of a government program or activity. “This determination, along with recommendations for improvement, is reported to managers, ministers, and legislators, who are responsible for enacting the recommendations or ensuring accountability for corrective action.” (Waring & Morgan, 2007, p. 321). Performance Auditing is therefore regarded as an important building block with which to improve the responsibility and governance of public resources (Waring & Morgan, 2007).

Although the Auditor-General in South Africa has a clear mandate to carry out and report on performance audits, the Finance and Audit Act does not give the Auditor-General the power to question the merits of policies, decisions and objectives. “This reflects the principle that the merits of Government programs and projects are primarily matters for political debate and ultimately for decision by Parliament or other legislative bodies” (Fakie, 1998, p. 4).

Although the Auditor-General's function is not to question policy, he or she has a duty to examine issues related to implementation of these policies and decisions by institutions and how they function on an operational level (Fakie, 1998). This stance suits the Office of the Auditor General-Botswana, which also does not have the powers to question policies. The Office of the Auditor General-Zimbabwe just like that one of Botswana and South Africa is not entitled to question the merits or the terms of policies of any ministry, statutory body or any other body (The office of the Comptroller and Auditor General-Zimbabwe, 1999). Note worthy is that these bodies are given the mandates only to carry out examinations into economy, efficiency and effectiveness with which any government department has used its resources in discharging its functions.

3.0 RESEARCH METHODOLOGY

This chapter describes the methods that were employed to conduct the research. It begins with a short introduction on the nature of the research as pertaining to the topic at hand. The theoretical precept is explored and this is followed by the description of the methods that were chosen to collect data.

3.1 Research Design

The nature of this research is exploratory as not much has been written about the topic and therefore the researcher sought to listen to the participants and built an understanding based on their ideas. Therefore, the study was based on a qualitative methodology and this was influenced by the idea that reality is constructed by individuals interacting with their social worlds (Merriam, 2002, p. 3). This approach or method enhanced the researcher's understanding of Performance Audit operations and the underlying challenging environment within the parameters of the chosen sample.

Furthermore, opting for qualitative research allowed the researcher to play an active role throughout the research process, thus affording the researcher an opportunity to closely engage with the research subject. (Collins, Grobelaar, Puttergill, Terre Blanche, Van Eeden, Van Rensburg and Wigston 2000). The type of information sought touched the core of Performance Audit which was linked to the issue of implementation of audit recommendations.

The qualitative approach helped the researcher to make knowledge claims based on the perspectives and meanings of individual experiences. This is emphasized by Creswell, (2003, p.18) who indicates that meaning socially and historically is constructed, with an intent of developing a theory or pattern. This statement is also supported by Creswell and Miller (2000). They are sources of well-grounded, rich descriptions and explanations of processes in identifiable local contexts. “With qualitative data one can preserve chronological flow, see precisely which events led to which consequences, and derive fruitful explanations” (Miles & Huberman, 1994, p. 1). For this particular study, the researcher was able to obtain details on implementation of audit recommendations, how they were implemented, when they were implemented and why all of the recommendations were not implemented and this was done in a sequential order.

3.2 RESEARCH METHOD

The choice of research methods used in this research was informed by the research design. The research methods that follow were utilized in the study.

3.2.1 In-depth Interviews

The researcher used in-depth interviews during the research. In-depth interviewing is described as, “a conversation with a purpose” (Kahn & Cannell, 1957, p. 149). The in-depth interview allows the researcher to explore a few general topics to help uncover the participant’s perspectives and also respects how the participant frames and structures the responses (Marshall & Rossman, 1995, p. 80). In the context of this study, the researcher was able to discover more issues through the interviewees’ responses that helped to answer some of the matters in question.

The in-depth interviews were employed by using semi-structured interviewing. According to Bernard (1988), semi-structured interviewing is best used when the semi structured interview guide has clear instructions for the interviewer and it can provide reliable, comparable qualitative data. According to Cohen & Crabtree (2006), the characteristics of semi-structured interviews are that the interviewer and respondents engage in a formal interview, the interviewer develops and uses an interview guide and this guide is followed. Therefore, the researcher was able to control the conversation that would stray from the guide when it was felt that it was appropriate. To facilitate the flow of information, the researcher had the discretion to modify questions. This was for the reason to maximize the amount of in-depth information gathered in a short period of time.

Using this technique, interviewees were asked to explain what happens to recommendations of the Performance Audit, and they were also encouraged to talk about the challenges they are faced with. The questions were carefully chosen to ensure that they were related to the research. The questions were written down to act as a guide, and they were asked in ways that followed the conversation.

3.2.2 Advantages and Disadvantages of Interviews

According to Marshall and Rossman (1995, p. 80), interview is a constructive way to get large amounts of data quickly. Interviews are useful when participants are not observed directly; it allows participants to provide historical information and in addition allows the researcher to have control over the line of questioning. However, interviews have limitations such as providing information filtered through the views of interviewees, it provides information in a chosen place rather than a natural field setting. Also the researcher's presence may have preconception responses and people are not equally articulate and perceptive (Creswell, 2003, p.186). The semi-structured interviews specifically allow flexibility. The interview guide approach make interviews more systematic and comprehensive by delimiting issues to be taken up in the interview. Logical gaps in the data collected can be anticipated and closed, while the interviews are fairly conversational and situational (Patton, 1990).

On the other hand, interviewees may be unwilling to share all the information that the interviewer wants to explore or may be uninformed of the recurring patterns, the interviewer may not ask questions that bring to mind long narratives from participants and responses to the questions or elements of the conversation may not be properly understood by the interviewer (Marshall & Rossman, 1995, p. 81). The semi-structured interviews do not permit the interviewer to pursue issues that were not anticipated when the interview guide was designed and also the interviewer's flexibility in wording and sequencing questions may result in different responses from different persons, thus reducing comparability (Patton, 1990).

For this particular study, in-depth interviews through semi-structured interviews seemed to be suitable, since the method allowed the interviews to be conducted within a fairly open framework which created a focused, conversational and two-way communication. In order to minimize the disadvantages and maximize the advantages, the researcher ensured that the same questions were asked in all the interviews. The researcher also used simple language so that the interviewees could understand the questions and be able to provide as much information as they could.

3.2 Sampling

The researcher used purposive sampling to select the interviewees at OAG in order to obtain a sample that will give the researcher the richest data. Since purposive sampling involves sampling with a purpose in mind (Trochim, 2006), the researcher sampled on the basis of the people who were relevant to the research questions.

The criterion of selection used by the researcher was of people who were doing the actual audit and who have been doing it since it was introduced at the Office of the Auditor General. This approach helped the researcher to gain useful information about the area of study, since those people had been doing the audit in the longest period of time.

Also, the researcher had intended to collect data from one department that had been audited more than once. This could have given the researcher an opportunity to determine how implementation was conducted for each audit. However, there was no such department. This was for the reason that over the years the scope of Performance Audit was 2-3 years and there were staff constraints. For that reason, audits would not be repeated at the same department hence preference would be given to those departments that would have not been audited before. The auditor opted to choose a Ministry which more than one of its departments had been audited.

3.3.1 Office of the Auditor General

The researcher conducted 3 in-depth interviews with the people who were doing the actual auditing at the Office of the Auditor General. Marshall & Rossman (1995, p. 81), argue that interviews allow the researcher to understand the meanings people hold for their daily activities.

3.3.2 Ministry of Health

Three departments; namely Department of Clinical Services, Central Medical Stores and Department of Public Health in the Ministry of Health were chosen to provide insights on whether the departments were able to implement the recommendations that OAG had instigated.

Three in-depth interviews were done with management of each department. The criterion for choosing the departments was based on whether those departments had been audited 2 years prior to the research. The researcher also chose departments that are based in Gaborone where the Office of the Auditor General is situated. This made things easier for the researcher to collect data on the same locality.

3.4 DOCUMENTS REVIEW

According to Creswell (2003), during the process of research, the investigator may collect documents. Researchers supplement interviewing with gathering and analyzing documents to help develop an understanding of the setting studied. The decision to gather and analyse documents must be linked to the research questions developed in the conceptual framework of the study (Marshall & Rossman, 1995, p. 85). Therefore in this study, the researcher also collected data through documents. The researcher set out to review minutes of meetings, newsletters, audit files, Performance Audit follow up reports, progress reports and Performance Audit journals. These documents were intended to give the researcher an insight into the management and dynamics of implementation of the audit recommendations by the auditees and this was to a certain extent not met.

The researcher could only obtain the documents which include current audit files, Performance Audit manual, OAG annual report, Performance Audit guidelines and the Finance and Audit Act from the Office of the Auditor General and none was obtained from the auditee, due to non-availability of records. There were no documents available from the auditee that could inform the researcher about implementation of the audit recommendations.

3.4.1 Advantages and Disadvantages of Documents Review

Documents review enabled the researcher to obtain the language and the words precisely and it was accessed at a time convenient to the researcher. The data presented in the documents was found to be thoughtful. According to Creswell (2003, p. 187), the advantages of document review is that participants give attention to compiling data and as written evidence, therefore it saves the researcher the time and expense of transcribing. The greatest strength of this method is that it is “unobtrusive and nonreactive” as it can be conducted without disturbing the setting in anyway and the researcher can determine where great emphasis lies after collection (Marshall & Rossman, 1995, p. 86).

The disadvantages of document review are that, protected information may be unavailable to access, requires the researcher to search out information in hard to find places, materials may be incomplete and the documents may not be authentic or accurate (Creswell, 2003, p. 187).

3.5 DATA COLLECTION

3.5.1 Pilot Study

Data was collected using the in-depth interview and reviewing documents. For interviews, appointments were secured especially for the interviews with the auditee. To enhance effectiveness in the collection of data, a pilot study was conducted through the interviews. A field pre-test exercise was conducted in which the researcher conducted three sample interviews before doing the definite interviews to obtain feedback and fine tune the interview tools before conducting the actual interviews. This exercise helped the researcher rephrase the questions that the interviewees found hard to understand. For instance, the question "what are the processes followed after the Performance Audit?" was rephrased into "do you do follow-up after Performance Audit?" This question was changed because the interviewees though it was meant for the actual processes that take place after the audit such as exit meetings with auditees and tabling of the report. The other question that was changed was "what do you think is the value of Performance Audit?" to "what is the significance of Performance Audit to?"

3.5.2 Interview Schedules and Document Review Checklist

Interview schedules **(See Appendix i)** were used in conducting the interviews and a documents review checklist and guideline **(See Appendix ii)** were used in conducting the exercise.

3.5.3 Recording of Data

The researcher also used data recording strategies that fit the setting and the participant's sensitivities. The researcher took notes during the interview session, The researcher thought of using another person for recording, but it was felt that it might not have been reliable to do so especially if that person would not be able to capture critical points useful for the research. According to Marshall and Rossman (1995), planning to keep track of names, titles, descriptions of settings is valuable for piecing together patterns, defining categories for data analysis and for planning further data collection and for writing the final report. Therefore, the researcher recorded each interviewee's names, their designation, where they are located and their contact details, so that they could be contacted for clarification on certain issues.

3.5.4 Data Reliability and Validity

Reliability is the consistency with which a measuring tool yields a certain result when the entity being measured has not changed, and the validity of measurement tool is the extent to which the instrument measures what it is supposed to measure (Leedy & Ormrod, 2001, p. 31). The underlying issue also on reliability is "whether the study is reasonably stable over time and across researchers and methods" (Miles & Huberman, 1994, p. 278). This could be in terms of whether the research questions are clear and the study design matching with them, was data collected through appropriate settings, times and respondents and if data quality checks were made (Miles & Huberman, 1994, p. 278). While establishing good quality studies through reliability and validity in qualitative research, “the trustworthiness of a research report lies at the heart of issues conventionally discussed as validity and reliability” (Seale, 1999, p. 266). Since there can not be validity without reliability, a display of validity is sufficient to establish reliability (Lincoln & Guba, 1985, p. 316).

With regards to this study, during field data collection the researcher attempted to ensure that the data collected was complete and accurate. There was familiarization of the interviewing techniques to obtain accurate and complete information. This was done by conducting two interviews from Office of the Auditor General and the Ministry of Health which were redone to ensure the validity and consistency in answers and to clarify responses. The researcher also used multiple data collection methods or triangulation which included interviews and documents review to counter check reliability.

4.0 DATA PRESENTATION

This chapter presents the data collected through documentary sources and through semi-structured interviews conducted with the identified sample. The researcher categorized the data according to the research questions based on the interviews. As indicated in the background of the study and literature review, the data collection was directed by two research questions.

The presentation of the data begins by attempting the first research question and this is arranged through the data collected through documents and interviews which were gathered to respond to the research question: “what are the outcomes of Performance Audit?” Since the research focused on the implementation of Performance Audit recommendations, the researcher found it fit to present the data on the processes that follow after an audit and dynamics of implementation of the Performance Audit recommendations. The data presented first is from the documents and this forms the basis for the presentation of the data from interviews. It is hoped that this arrangement will enable the reader to easily follow the events.

4.1 DOCUMENT REVIEW

4.1.2 After an Audit Process

According to the Office of the Auditor General–Botswana, Performance Audit manual (2007), the Performance Audit draft report is submitted to the auditee with a request he reviews and comments on the report in written form. Usually the draft report is sent together with findings and recommendations. The auditees written comments are included on the final report and usually an exit meeting between the auditee and the audit team is convened and that is where the contents of the draft report are discussed.

4.1.3 Exit Meetings

The purpose of the exit meeting is to ensure that the auditee has an opportunity to comment on the draft report before it is finalized. The exit meeting is particularly important in that this is the platform where the critical findings of the audit are highlighted. During the exit meeting, it is important to ensure that "all relevant facts have been included in the report and presented in a fair way, the conclusions drawn are fair and it is clear that the auditee agrees on the findings, conclusions and recommendations" (Office of the Auditor General-Botswana Performance Audit manual, 2007, p. 80). If the auditee does not agree with the contents, the OAG has to rectify the report and send it back to the auditee to ensure that they both agree on the contents of the report before it is published.

The researcher found out from Performance Audit current files that indeed the exit meetings were held with auditees before finalization of the report. When the draft reports are sent to the respective auditees, a covering letter to the management informs them that if they want to hold a meeting with the OAG then they can make arrangement. This then paves way for discussion of the contents of the reports between OAG which would comprise of members of the audit team and head of division and management of the audited department.

4.1.4 Finalization and Tabling of the Report

After the exit meeting and after an accord between the audit team and the auditee, the draft report is internally finalized. It is further published and laid before the parliament as required by section 29 of the Finance and Audit Act, 1997. Once the report has been tabled before the National Assembly it becomes a public document, and the media and the public can have access to it and comment on its contents. To fulfill this publicity, the Office of the Auditor transmits the report to the media, (OAG-Botswana, annual report, 2006).

4.1.5 The Follow-Up

Responsibility for making corrective actions lies with the management of the audited body, but the Office of the Auditor General has the responsibility to assess the extent to which management has addressed the issues raised in the report. The purpose of the follow-up is to measure the auditee's progress in correcting deficiencies by implementing the recommendations (Office of the Auditor General-Botswana, Performance Audit guidelines, 2007, p.8). Planning for the follow-up could begin six months after tabling of the audit report in parliament and during planning, the audit team should reflect on the audit recommendations and as well as the current environment of the audited organization. Planning for the follow-up audit can be done through a written request by the Chief Auditor of Performance Audit section, requiring the auditee to respond in writing on what progress has been done to date in the implementation of recommendations (Office of the Auditor General-Botswana, Performance Audit manual, 2007, p 10).

According to the Performance Audit manual (2007), the follow-up process should comprise of a timely, systematic review of management action on audit findings and recommendations in the audit report and on the recommendation by the Office of the Auditor General. During this process, there is an assessment of whether the action has corrected or is likely to correct the problems that led to the audit findings and or recommendations, an inclusion of the follow-up review in the follow-up report is tabled in parliament, but this depends on the Office of the Auditor General. Deficiencies and improvements identified in the follow-up audit are always communicated to the auditee (Office of the Auditor General-Botswana, Performance Audit manual, 2007).

Follow-up is not a full audit but rather a review of the extent of corrective action or implementation of audit recommendations; as a result the audit team does not need to carry out extensive testing. The results of the follow-up audit are assessed to form conclusions about corrective action and progress. Where deficiencies have not been corrected, it is important to review any progress towards resolving them (Office of the Auditor General-Botswana, Performance Audit manual, 2007).

4.1.6 OAG Records

There were no records to attest that the Office of the Auditor General was conducting follow up audits to ensure that there was implementation of the recommendations. There was neither an attestation that the OAG had plans to conduct follow-up audit in the near future nor existence of data that could inform the researcher that indeed follow up audits were on the pipeline. There were no records showing that there had been any meetings held within the OAG management or let alone at the Performance Audit section to discuss and no intention to carry out follow-up audits.

4.1.7 Auditee Records

There was neither evidence on the part of the auditees that OAG conducted follow-up audits, nor were any records available to establish who was responsible to ensure that there was implementation on the auditees' side. The auditee's records did not verify that implementation of the audit recommendations was done. In addition, there was no authentication of any meetings that had been held between the Office of the Auditor General and the auditees with regards to implementation of the audit recommendations. This observation leaves a subject that needs to be talked of, that is, the level of commitment that the auditees have on the implementation of the audit recommendations.

4.2 INTERVIEWS

The data collected from the two sets of interviews at the OAG and the auditees is presented. Semi-structured interviews were conducted with three senior members of staff at the Office of the Auditor General. Guided by the research questions, the researcher begins with the presentation of the data obtained for the first research question. The names of the interviewees remain confidential. The researcher will use the following codes: senior member 1 (S1), senior member 2 (S2) and senior member 3 (S3). Interviews were also conducted with three senior members of staff who were involved with the Performance Audits conducted in the departments within the Ministry of Health. The interviews were conducted with auditee 1 (A1) at the Ministry of Health (Department of Clinical Services), auditee 2 (A2) at the Ministry of Health (Central Medical Stores), and auditee 3 (A3) also at the Ministry of Health. For confidential purposes, neither their names nor designations will be used. Focus was on one Ministry that more than one of its Departments had been audited. For that reason, Ministry of Health was chosen.

The data presented above answers the first research question, which is “what are the outcomes of Performance Audit in Botswana’s government departments?”

4.2.1 Performance Audit: Ensuring Efficiency, Effectiveness and Economy

S1 has been with the Performance Audit section since its inception. Asked about the significance of Performance Audits, the response that the researcher got was that they assist government departments in improving their processes, systems etc. The interviewee went further to say the audits also ensure that the departments adhere to the laid down policies, procedures and guidelines. In addition, the departments became fully aware of the importance of goal and objective attainment or effectiveness as a result of auditing.

On the significance of the Performance Audit, S2 who is also a head of section highlighted that the audit ensures that public resources are used efficiently, economically and effectively and that it is through the audit that Government Departments become accountable to how they execute their programmes, plans and systems. In addition, since Performance Audit reports are tabled before parliament; this ensures that the public is well informed with how public resources or monies are used; hence the audit enhances transparency on how public resources are used.

S3 reiterated that, Performance Audit helps Government to function more effectively, efficiently and economically, hence there is improvement in the services to the public. He asserted that Performance Audit helps to strengthen controls and the systems in place and also gives government departments constructive recommendations which could help them improve their services.

The issue of the processes that follow after an audit was concurred by all the three interviewees that the Chief Auditor or the Assistant Auditor General and the audit team meet with the auditee to discuss the contents of the report after an audit. The report is then published after incorporating the comments of the auditee, tabled as per the Finance and Audit Act and copies sent to parliament. It is note worthy to underscore that in Botswana, the contents of the report are not discussed in Parliament.

The responses from two senior members stressed that during the meeting, emphasis is made on the findings and recommendations of the report, which the auditee should comment on. Those remarks are then incorporated in the report before it is finalized. All the interviewees corroborated that, after an audit, a department is given between 6 months and a year to implement recommendations which emanated from the audit. After that period, a follow up audit should be conducted in the same department to determine if those recommendations have been or are still being implemented. If not, then obtain the reasons why they are not implemented.

4.2.2 Difference between what should happen and what is happening

Asked if this is what happens on the ground S1, S2 and S3 answered in negative: that this was not happening. The 6 months to 1 year stipulation, did not even apply because for starters nobody was checking up on the audited departments.

It was established during interview with S1 that the "since its inception the Office of the Auditor General has not conducted follow-up audits on any government institutions that have been audited." Since its inception, that is seventeen years ago, Performance Audit section has not reviewed its audits. For this reason, it was difficult for the interviewees to confidently confirm that indeed implementation was happening and how fruitful it was.

4.2.3 Anecdotal Evidence of Effects of Audits: Verbal or Reported

S1 and S2 informed the researcher that, usually during the audit, when the auditor communicates with the auditees and gives them advice on how to improve their systems, some auditees respond very quickly and even before audit is completed and an audit report issued.

On the other hand, S1 indicated that sometimes, when auditees have embarked on implementation of the recommendations, they would even invite the audit team to a conference or workshop which could be geared towards addressing an issue discovered during the audit. This brings to light that despite absence of the reporting mechanism in place, changes still occur. An example given was that through Performance Audit conducted at the Ministry of Health, an Act on Drugs in Botswana was enacted. Another example given was that there was backlog of issuing national identity cards during an audit of the computerization of national identity cards, but after the audit, there was efficiency in the department. Hence there is no longer backlog of months and years as it only takes two weeks to apply and obtain the national identity card. It cannot be shown clearly that the improvement was due to the audit. However change did occur subsequent to an audit.

According to A2 from Central Medical Stores, after the audit, “the department acknowledged its discrepancies and was willing to implement the recommendations in order to be proficient.” It was also reiterated that through the audit there has been an enactment of the Drugs Act. On the other hand, A3 said that there has not been much change on the TB program after the Performance Audit.

Although, implementation of recommendations could be noted by the Office of the Auditor General, it is so only through invitations by auditees when launching recommendations. It still remains a fact that the Office has not conducted follow-up. One interviewee stressed that there are instances where the auditee invites the auditor when making a major change such as enacting an Act. However, the auditor is supposed to make follow ups to ensure that the recommendations have or have not been implemented.

Asked what the departments had done so far with regards to implementation of the recommendations from the Performance Audit, the respondents said that the Department had implemented some of the recommendations but not all of them, as it was difficult to implement all the recommendations. This was mainly due to unavailability of resource capacity, which is difficult to deal with, since there are budget cuts.

Another respondent said that the department had not implemented all the recommendations as well. The researcher was informed that OAG, for instance, had recommended that Central Medical Stores (CMS) should clearly distinguish high consumption items from slow moving items for re-ordering purpose. This has been done as a system of analysis by consumption was put in place to be able to distinguish between the fast and the slow moving items. It had also recommended that CMS opt for a prequalification exercise which would identify authentic suppliers, and for this, a contractor was engaged to do the prequalification exercise.

In addition, OAG had recommended that CMS devise a system that would clearly establish the trend of average monthly consumptions to ensure that quantities were more accurate. This has been dealt with as there has been established a system that measures the amount by demand, push and average. Lastly, CMS was able to engage private security services to improve on the control of drugs. Also a contractor was engaged to install an electronic security system and installation of cameras in all strategic areas. Whether this move was taken in response to the recommendation by OAG that there should be security controls that would ensure drug safety and control remains a question.

The researcher got the same response from A3 who said that "not all recommendations were implemented and only little has been done." The researcher was advised that OAG had recommended Ministry of Health ensure that follow-ups to the Districts on the submission of reports were made, but this was still difficult even though there were efforts made. Districts still did not submit quarterly reports in time because the process was manual, hence it took time to compile the reports and submit timely. In addition, a comprehensive annual training plan that was recommended for all officers involved in the TB program has not been very effective because of lack of funds. Not all of the staff members involved in the program have been afforded the training because of the limited finance that was available. Asked how many could have been trained, the researcher could not get the appropriate number, since there were no records.

The researcher inquired about the changes that were brought about after an audit. It was replied that there have not been a lot of changes after the audit. However, there has been implementation of some of the recommendations. According to A1, OAG came up with 41 recommendations, and only about 20% of those recommendations were implemented. They followed as thus: the OAG had recommended that management should ensure that all personnel involved in carrying and loading clinical waste, do so in different transport modes and treat bags with care. The researcher was informed that management has ensured that before clinical waste is transported there is inspection to determine if the personnel has followed the necessary procedure.

The OAG had recommended that management should ensure that under no circumstances should bare hands be used to transport bags containing waste, and that has been taken care of. Also, it had been recommended that the management ensures that waste, including residuals, is kept in storage facilities that are built in order to comply with the requirements of Botswana Clinical Waste Management Code of Practice (BCWMCP) and the International Best Practice. It was corroborated that this was implemented as there has been provision of built in storage facilities in order to store residual in a proper manner. In addition, it had further recommended that personnel be encouraged to use provided storage facilities accordingly and desist from throwing waste indiscriminately to avoid spillage and tearing of bags. According to A1, this has been ensured as there have been routine checks to ensure that waste is stored properly.

Furthermore, the OAG had proposed that health care facilities regularly conduct inspections on companies engaged in transporting waste to ensure that they comply with the requirements of BCWMCP and Waste Management Act, and for that a schedule for inspection has been drawn and a report after each inspection is availed to management. Lastly, it had been recommended that it should be ensured that the hospital wards personnel label the waste before leaving their wards for ease of identification and this has been ensured as all the waste is checked before it is taken away to ensure that the rightful procedure was followed.

It is important, to highlight that A1 response that implementation of the recommendations helped improve the Clinical Waste department's efficiency and accountability. The interviewee further noted that "although not all recommendations have been implemented, those that had been implemented are able to address protection of the human health and the environment." In addition, the interviewee mentioned that because clinical waste is hazardous to human health, environment and natural resources, it is important that it was appropriately managed and disposed of through safe and sound methods to protect employees' health environment and community.

In addition, the researcher was advised that there is improvement in strengthening the security of drug storage. Also there is also some form of integrity in accounting for stock in terms of slow and fast moving drugs A3 said not much had changed in the TB programme.

All the interviewees agreed that Performance Audit was crucial in that it came up with constructive recommendations for better service delivery. In addition, it also helped the government departments to use public resources efficiently, effectively and economically. However some of its recommendations were seen to be impractical while others overlooked the issue of economy in that for them to be implemented there is need for more funding.

4.2.4 Media

The media needs to be acknowledged because it plays a role in reporting and accrediting improvements in the government departments which could then convey a message that the audit recommendations make an impact on the productivity of those organizations.

4.2.5 Barriers to Follow-Up

Absence of follow-ups is motivated by the fact that the Office of the Auditor General is not capacitated to undertake those reviews because of lack of staff. The interviewees were asked to explain what they meant when they said that there were not enough auditors and to elaborate more on what number of auditors could guarantee a follow up. After giving it a thought as it seemed to be a challenging question for the interviewees, it was noted that, for starters, Performance Audit was not capacitated to conduct audits in all the government institutions. This made it even more difficult for follow-ups to conducted, because the available staff concentrated on the audits than follow-ups.

4.2.6 Which is more important: Audit or Follow Up

A follow up on the interviewees comments was: which one was found to be more important, the Performance Audit or a follow up, and two interviewees were of the same view that the follow-up was more important because it would inform the Office of the Auditor General on the extent to which Performance Audit was perceived and whether it brought rewards to the government departments. On the other hand, they argued that the Performance Audit was more important because it was able to highlight weaknesses in the auditees systems and offered the constructive recommendations for improvement.

4.2.7 Response of Auditees to Audit Recommendations

The focus was on how the auditees responded to the recommendations of the audits. Before the presentation of the data, the researcher would like to highlight that it was evident that the audit reports were somewhat kept afar keeping dust in offices. This is so because it took time for the respondents to look for copies and familiarize themselves with the previous audits. For each of the interviews, the researcher took between thirty minutes to an hour still waiting for the interviewee to find the report and familiarize themselves with the contents. It even happened that during one of the interviews, the interviewee excused themselves and called the other staff member to come and give clarity about the audit.

Asked how government departments respond to the audit recommendations, the researcher got the response from the S2 that normally the auditee implements the recommendations and do not formally inform the auditor. As for S1 and S3, they concurred that there has not been a single follow-up on implementation of the recommendations, and therefore it was difficult to know if government departments improved after implementation of the recommendations.

4.2.8 Researcher's Observations during Interviews

Within the Government Departments, there is a culture of always finding new officers having replaced those that held office. On this position, many a times, it seemed as if handing over are never effective. This issue is raised because the researcher had an encounter with one interviewee who was relatively new to the office and he did not know anything about the audit and had never seen the report nor ever heard about Performance Audit. Hence the researcher had to play the role of being an auditor at the time and briefed the interviewee about what Performance Audit is, and about the audit that was conducted in that particular department. For two interview questions, the interviewee had to rely on one staff member who was there during the audit, although that officer was also not conversant with the proceeding after the audit.

Thoughts come up are why if the audits are recognized, is it that new officers are not informed about them, so that they could be able to keep trail of whether the audit reports are utilized for the benefit of the department and most importantly if the recommendations are being implemented.

4.2.9 Value Added by Performance Audit

On another note, A1 highlighted that “other people reckon Performance Audit as one of the strategies used to fire people or discredit people in their functions and that sometimes it was thought to be mean in that it hardly ever highlighted the accomplishments and improvements that auditees have achieved themselves.” A2 and A3 shared the same view that if acknowledgements were reported, ithey would be written in a hidden manner. The concern that arises is if Performance Audit reports add value or whether they seem to be useless.

Asked how they felt before and after Performance Audit, A3 felt “that Performance Audit is crucial in that it helps to identify the causes of the problems that the departments face.” However A1 said that “sometimes those problems are beyond our control in that even if constructive recommendations are instigated, it is difficult for us to implement them.” This could be either because the auditees lack the capacity to implement those recommendations or because the recommendations are contrary to efficiency or the effectiveness of the systems in place. As for the A2, it was responded that Performance Audit is good in that before the audit was conducted, there were inconsistencies that could not be distinguished; however the audit was able to reveal the weaknesses within the processes and the systems in place and recommended constructively where improvements could be made.

4.2.10 Implementation of Audit Recommendations

The subsequent question that the interviewees answered was about the processes that the auditees were supposed to follow during implementation. A1 said “we are not aware of any processes in place that were stipulated or that we are supposed follow, or any procedures.” The interviewee pointed out that after OAG had submitted copies of the report to management, it was the responsibility of the auditee to ensure that the recommendations were implemented. However, there were no reporting channels in place for feedback purposes on the progress of the implementation. The OAG had never visited that auditee since submission of the final report to confirm if indeed the auditee was implementing the recommendations.

A2 and A3 agreed that there were no processes to be followed and that after the OAG handed the report, there has not been any communication between the OAG and the Department to discuss the implementation process. They stressed that they did not know of any processes that were supposed to be followed and stated that auditees were neither obliged to report to the Office of the Auditor General, nor does the OAG have the mandate to compel the auditees to implement the recommendations.

4.3 VIEWS ON THE SECOND RESEARCH QUESTION

The second research question that the researcher addresses through interviews in data presentation is: “What are the challenges of implementing Performance Audit Recommendation?” The data presented is from both the OAG and the auditees.

4.3.1 Impediments to Implementation

Asked why government departments may not respond to all their recommendations, S1 indicated that “the Finance and Audit Act does not empower the auditor to ensure that the recommendations are enforced.” Also the auditor was over zealous and blew out of proportion the auditee’s capacity to deliver. S1 said that “the auditee often considered the auditor to be a toothless watch dog.” The interviewee further noted that the in some instances the auditor may not have stressed the need and importance of feedback after the recommendations have been implemented.

S2 explained that government departments did not respond to all the recommendations maybe because they found them to be impractical. It was further elaborated that sometimes auditees agree to recommendations when they know that it might be impossible to implement them. On the other hand, S3 explained that sometimes the auditees felt like they were being pushed to make changes that would not have impact on their systems, or they felt that the auditors did not appreciate their operations. Hence they do not take into considerations the recommendations. In addition, some auditees took their problems as “teething problems” especially on new systems hence they would not take the auditor’s recommendations seriously.

Asked why they didn’t implement all the recommendations, the auditees had this to say: that some of the recommendations needed financial costs which were not readily available. Hence government departments were not always in a position to provide funds for the implementation of those recommendations. For instance, the A1 elaborated that in one of its recommendations that “the OAG noted that strategic plans dealing with clinical waste issues be put in place. However this has not been fulfilled because to come up with strategic plans, availability of funds is a prerequisite so as to be able to commence workshops and training for that.”

Also, the interviewee noted that the development of clinical waste handbook in other languages which is one of OAG’s recommendations had not been possible because, similarly, there was unavailability of funds. It was also responded that it was costly and time consuming to implement all the recommendations, and that some of the recommendations were impractical. For instance, A2 highlighted in one of its recommendations, OAG indicated that proper infrastructure be availed to ensure privacy for patients as well as safety for both workers and other patients. But provision of infrastructure meant funds to be spent in an already tight budget.

4.3.2 What could happen better

On what could happen better, it was responded that the Finance and Audit Act should be amended to empower auditors to ensure recommendations are implemented. Also there should be improved communication between the auditor and the auditee. It was also suggested that the auditor should be trained to listen more than talk, to understand and appreciate the position of the auditee with regard to the recommendations. In addition, it was said that there should be increased publicity on the role of the auditor so that auditors' opinions and recommendations could be received in "good hands" or be valued. Two senior members had the same view that there is need for communication between the OAG and the auditee and also pointed out that emphasis on follow-ups should be made, otherwise Performance Audit could be seen as worthless. This was also accentuated by the other senior member who said if there could be follow-ups then the "fruits" of Performance Audit could be determined.

Asked what they could change in Performance Audit, the researcher was informed that that there should be some kind of checks and meetings between OAG and auditees in order to establish if the recommendations were implemented and if not establish the reasons why. The researcher was advised that, this could even strengthen Performance Audit, as OAG could be able to determine the type of recommendations that were likely to be implemented and why those particular recommendations were implemented mostly. A2 indicated that "OAG should be given powers to enforce implementation on the auditee."

On the other hand, it was pointed out that Performance Audit should be well marketed so that government departments would know what it was and its importance. This is so because many a times it was deemed to be an "instrument" used to destroy officers' reputation and there was fear that it was meant to discredit people and get them fired. It was communicated that, there is also the need to emphasize implementation of recommendations and OAG be given powers to ensure that auditees implement recommendations. Finally, there is need for a reporting mechanism between OAG and the auditees to determine the progress of implementation.

To sum up the data obtained from OAG and the auditees, although Performance Audit is crucial in the efficiency of the Government of Botswana, there are hindrances which make it impossible to achieve its goals of ensuring that there is efficiency, economy and effectiveness in the use of public resources.

In this chapter, Performance Audit at the Office of the Auditor General and implementation of its recommendations by the Ministry of Health were examined in depth. Hence, there is good insight of the part OAG takes in the implementation process as well as the place the auditees occupy in implementing Performance Audit recommendations. The next chapter speaks to the analysis of the data collected.

5.0 DATA ANALYSIS

This chapter represents the central part of the research. It presents an analysis of all the data and deduces answers to the research questions. All the six interviews (three from the OAG and three from the Ministry of Health), answered questions on the outcomes of Performance Audit and on the challenges of implementing Performance Audit recommendations. The information sought from the interviews complements the available documentary sources. In addition, the combination of the documentary sources and interviews allows the researcher to establish different ways in which Performance Audit recommendations were recognized.

Descriptive and exploratory responses on the implementation of Performance Audit recommendations and the challenges faced in managing implementation are collected into various categories that surface from the data. The researcher uses thematic analysis of the data collected and this analysis took place simultaneously with data collection. As indicated earlier, the documents reviewed also form part of the analysis. The headings that emerged from the data collected included missing documents, the perceptions on the usefulness of Performance Audit recommendations, barriers to implementation, implementation recommendations, no follow-up, the role of the media, the role of Parliament and communication between the OAG and the auditees.

5.1 DOCUMENT ANALYSIS

5.1.2 Missing Documents

Through the data analysis it was deduced there was lack of documents. The researcher could only come up with analysis from the current audit files, Performance Audit Manual, and Performance Audit guidelines.
There were no progress and follow-up audit reports. This had an impact on the depth of the information that was derived from the available documents. For this reason, the researcher could not establish what was really transpiring with regards to implementation of audit recommendations. There was no evidence if there were any meetings held between the OAG and the auditees nor substantial information from the auditees' side as indicating that there was implementation.

The researcher was not able to obtain other documents that were needed for the purpose of this research. These documents include follow up audit reports, progress reports on implementation and minutes of meetings between the OAG and the auditees. The question that arises or rather a concern that needs to be addressed is whether absence of these essential documents shows that the OAG finds the follow up audits to be critical or not.

It is possible that the documents existed but the officers were not aware of them because they were new.

5.1.3 No Powers

The analysis of the data collected also reveals that, the OAG does not have powers to enforce implementation of the recommendations to the auditees as the Finance and Audit Act is silent on this aspect. The OAG endures lack of legislation powers to conduct the reviews. Hence whether the audits add value or not to the efficiency of the auditees, remain a big concern.

5.2 INTERVIEWS ANALYSIS

5.2.1 Perceptions on the Usefulness of Performance Audit and its Recommendations

From the interviews, it became clear that the auditees believed that Performance Audit is crucial on how to improve the productivity of government ministries and departments because it helps those institutions improve on their systems and processes. S1, S2 and S3 from the OAG concurred that Performance Audit was useful. According to S1 "Performance Audit ensures that Government Institutions use their public resources efficiently, economically and effectively." In addition, the respondents concurred that Performance Audit ensures that the public is informed on how public resources are used. The respondents from the Ministry of Health were of the view that Performance Audit was crucial because it was able to identify weaknesses in the systems and what caused them and what could be the effects that could hamper productivity and then come with constructive recommendations for improvement.

Although Performance Audit was seen to be good in that it brought suggestions for improvement, it was rather difficult for the auditees to implement those recommendations due to lack of capacity and some of the recommendations are somewhat contrary to efficiency or the effectiveness of the system in place. On the other hand, A1 responded that "we are willing to improve on our system so that we become proficient, and had it not been for Performance Audit we would not have enacted the Drug Act." Whilst the other was of the opinion that Performance Audit did not bring much change and that it was somewhat regarded as a make up tool for dismissing people from their jobs by pinpointing their weaknesses and reporting on them in a document that was made public at the end of the day. Performance Audit was found to be used to highlight the “wrong doings” of officers. For this reason, there was an increasing doubt about the value of audits projects conducted to assess Value for Money for programmes and activities of departments.

The above provisions suggest that the auditees still have mixed feelings about Performance Audit as it is seen as a robust exercise which does not necessarily bring tremendous change. But there are still those who see the exercise as tool that improves the efficiency of the organizations.

5.3 BARRIERS TO IMPLEMENTATION

5.3.1 Implementation Processes

On the part of the auditees, first of all, the interviewees did not have any knowledge as to whether there were any processes that were to be followed during implementation. They were not even aware if they had to inform the OAG about the implementation, hence this allowed the auditees to take their own time to implement the audit recommendations even though they were meant to benefit their organizations. This is a negative aspect on the effectiveness of Performance Audit, because if there are no processes, then it is a non starter after all. There was no evidence to justify that there were processes put in place for the OAG to monitor implementation of the recommendations.

5.3.2 Lack of Resources

During one of the interviews, the researcher was informed that the OAG did not have enough manpower to conduct follow up audits. With regard to the barriers that hamper follow up audits, one interviewee at the OAG explained that the office was not capacitated to undertake such an exercise because of inadequate staff and the available staff could only do the Performance Audits. The interviewee highlighted that “the Performance Audit section does not have enough staff members to conduct follow-up audits, therefore focus is on the Performance Audit itself.”

All the three respondents agreed that they did not implement all the audit recommendations. They all had the same views as to why there was no implementation of all the recommendations, that is, lack of capacity and finance due to the small and tight budgets they operate on. One interviewee said that “it was difficult for us to implement all the recommendations because they needed financial costs and at that time we did not have any money.” This then meant that the only available funds were used for critical projects which were given priority. In one of the interviews, another respondent mentioned that “we have not been able to train all the officers responsible for the program because of lack of funds.”

5.3.3 Attitudes

The researcher found a tension between the auditees and the auditors, as the former who are specialists in the area of duty felt that because they had practical knowledge to some extent the auditor’s recommendations were undermined. A1 mentioned that “we can deal with our problems better than an outsider because we do this work everyday.” The auditees still felt that the recommendations were inappropriate and this made the management reluctant to implement them. One auditee remarked that “auditors are ordinary people, who know absolutely nothing about our area of expertise.” The other auditee argued that “yes, sometimes we find it difficult to accept the audit recommendation because of the belief that they might not be able to address our challenges fully.” A3 said that the auditor was overzealous and often blew out of proportion the auditees’ capacity to deliver and this did not go well with the auditees. A2 interviewee reiterated that why they were not fond of Performance Audit was because “it is a tool used to fire people”.

Auditees tended to have an off-putting mindset towards the auditor’s recommendations. They somewhat had negative perception towards who the auditors were and if implementation of their recommendations could add value.

All the interviewees indicated that some of the recommendations that the audit came up with were impractical and some were deemed to overlook the issue of efficiency and effectiveness. On the impracticability of the recommendations, this is supported by Pollitt et al (1999) and Morin (2004) that on occasion the recommendations are incompatible with management practices.

Furthermore, all the interviewees stated that implementation of some of the recommendations was costly and time consuming. For that reason they could not be implemented, until such a time when it was felt that there adequate resources and time to implement them. A1 noted that “OAG does not have the mandate to force us to implement his recommendations.” Another interviewee noted that “once OAG has given us the report, it is up to us to ensure that the recommendations are implemented.” This rings an alarm and shows that there are auditees who do not have dedication in ensuring that the suggestions for improvement are fulfilled.

5.3.3.1 OAG’s View on Attitude

On the part of the OAG, all the three interviewees were of the same view that it was easy for the auditees not to implement the recommendations or at least not all of them, because there was no enforcement on them, since the Finance and Audit Act did not empower the auditors to impose the recommendations on the auditees. They were of the view that “yes”, auditees would always come up with all sorts of excuses why they did not implement the recommendations but unless the auditor was given powers to enforce the recommendations, the auditor would always be deemed as a “toothless watchdog”.

5.4 IMPLEMENTATION OF RECOMMENDATIONS

Although there are no follow-ups, this does not mean absence of change. One of the three respondents from the OAG remarked that when the auditee saw the need to inform the OAG about their changes they could do so. Sometimes they would even invite the auditors for conferences or workshops which they would have embarked as part of the strategy of implementation of the recommendations. On the other hand, two other respondents argued that sometimes the auditees made changes whilst the audit was still in progress as result of the suggestions the auditors would have communicated verbally during the audit.

5.4.1 Verbal Accounts of Implementation

All the implementation was only described verbally and there were no documents to back them up. The examples of the changes are as follows: on the implementation of the recommendations by the auditees during the interviews at the OAG, it was mentioned that it is through Performance Audit recommendations that the Ministry of Health has enacted an Act on Drugs. In addition, there used to be a backlog of issuing identity cards. However after a Performance Audit of the computerization of national identity cards, there were no more backlogs and this led to reduction of time for waiting for the identity cards to only two weeks. The interviewee elaborated that when there was critical implementation such as enactment of an Act, the OAG is informed.

It is not known if there is causal link between Performance Audit and these changes could be from other causes other than Performance Audit. The improvements from the auditees could come from other investigations and consultancies that would have been made in particular Departments. Moreover, most improvements could be made known to the OAG, just by word of mouth or through the media. The OAG never received an official memorandum notifying them on the improvements made so far.

On a further note, A2 and A1 stated that indeed there were improvements in their respective departments as a result of Performance Audits. A1 said that "improvements have been witnessed in my department" and A2 remarked "yes, of course there has been an improvement." They were in agreement that from the implementation of recommendations by Performance Audit that they had conducted so far, there was some kind of improvement in their systems and operations. However, A3 was not confident enough to declare that "yes" there was improvement. The interviewee went further to say that "not much has changed so far in our Department."

5.5 THE ROLE OF THE MEDIA

In Botswana, the media plays a significant role in making coverage of the audit reports that are tabled before parliament. The media publishes the findings and recommendations of the tabled reports for public awareness. Therefore, members of the public are able to get informed about the audit, its findings and recommendations. It should be pointed out that the purpose of the coverage is not to highlight the deficiencies of departments and to discredit them but to emphasize the action that need to be put into practice for improvement. Morin (2008) supports this idea and accentuates that if an audit receives press coverage, auditees tend to react more quickly to the audit report by implementing corrective measures.

5.6 THE ROLE OF PARLIAMENT

There is no influence exerted by the parliamentarians with regards to implementation. This is so because although, Performance Audits reports are tabled in Parliament of Botswana, they are never discussed before the members of the Public Accounts Committee (PAC). This leads to a low contribution by Members of Parliament. Malloy (2004) argues that the intervention of parliamentarians has been shown to improve follow up on implementation of the recommendations.

5.7 NO FOLLOW-UP

Pollitt et al (1999), Morin (2003) and Morin (2000), argue that if auditees have knowledge that auditors will return they would be quick in correcting their deficiencies, be more prudent in their management practices, adopt better management practices and implement recommendations.

The analysis of the responses on Performance Audit recommendations by the OAG and the auditees reveal that on the part of the Office of the Auditor General, no attempts have been made to conduct follow-ups to ascertain whether the recommendations are being implemented. Therefore the absence of follow-ups have brought uncertainties as to whether indeed there is any action taken on those recommendations by the auditees. There is a likelihood that if no follow-ups are conducted, all the audits would end up just at the audit stage and then the reports would lie in offices.

All the three interviewees from the Office of the Auditor General agreed that the same government departments were supposed to be revisited after six months or a year to do a follow-up and determine if the recommendations were implemented. However, they confessed that, since its inception in 1992, the Performance Audit Section has never conducted any follow ups.

Could lack of planning explain why there were no follow ups? Why could they not spontaneously talk about what brought in the absence of follow ups? This discrepancy is of interest to the researcher's analysis, and on this note the question, is Performance Audit taken seriously by auditees arises, if it only finishes at the audit stage and there is no one who takes the initiative to conduct reviews? The researcher established that implementation of the audit recommendations was not taken very seriously because, if it was, relevant measures to ensure that there was effective implementation would have been put in place. This reveals a gap that needs to be addressed.

5.8 OAG: NO POWERS

At the Open Budget Index Conference-Botswana (2009), a senior member from the OAG, confirmed that the OAG does not have the powers to enforce auditees to implement its recommendations. This is a sad admission, since the Office of the Auditor General is autonomous, hence that has always given an impression that the Office could hold the government departments to account for their actions. This limits the OAG in its purpose of ensuring accountability in the use of public funds by government, public enterprises and public servants.

5.9 COMMUNICATION BETWEEN THE OAG AND AUDITEES

The interviewees from the auditees' side were of the same view that Performance Audit needs to be strengthened. The interviewees strongly believed that there should be communication between the OAG and the auditees to report on the progress of implementation and on the way forward. They asserted that, there should be meetings between auditees and the OAG to determine if the recommendations are being implemented and if not, the reasons or problems that prevents the auditees from implementing all the recommendations.

On the other hand, the A1 declared that there should be a reporting mechanism between the auditees and the OAG to determine progress. Whilst on the other hand, A2 charged that "as auditees we have fear on the outcomes of Performance Audit partly because we do not understand clearly what it is, and therefore do not particularly like it, therefore being in contact with auditors could be helpful".

All respondents agreed that it was crucial that there was communication between the OAG and the auditees. S1 explained that "auditors should be trained to listen more than talk to understand the position of the auditee."

5.10 GIVE THE OAG TEETH

All the respondents from the OAG were of the same view that the Finance and Audit Act should be amended to empower the OAG to enforce recommendations and further remarked that "unless we carry out follow-up audits, the audits would be of no use, therefore there is need that with the available staff we conduct those reviews." The interviewees acknowledged that if they did not carry out follow-up audits, then the fruits of the Performance Audit would not be determined. According to Rigsrevisionen (2009), audit is not an end in itself, therefore when an audit is considered to have corrective function it is important to ask questions such as what are the results of our audit reports, do the reports have any effect on public sector procedures and products?

In addition two interviewees were of the view that the OAG be given powers to enforce implementation of the recommendations on the auditees. They said "the OAG needs to be given powers to force implementation."

5.11 CONCLUSION

The researcher focused on the implementation of the recommendations by auditees is because this is important to the efficiency of the operations of the Government Departments. It is important that auditors know the extent to which the auditee has implemented previous audit recommendations in order to ensure diligence and accountability in the public sector of Botswana.

Implementation of Performance Audit recommendations seems to not to be done satisfactorily due to the fact that after the audit it is the sole responsibility of the auditee, secondly, the OAG on the other hand does not conduct follow-ups to determine if the recommendations are implemented and if execution of those recommendations have added value to the systems and operations of the auditee. Whilst the auditees are receiving the audit reports, after that, there is no way of entering into a relationship with the Office of the Auditor General, in terms of reporting on the feedback of implementation of their recommendations.

Even though it is accepted that the auditees can implement recommendations before the audit is completed, the researcher is of the opinion that, this does not give the OAG an excuse not to do follow-ups. This is so, because even then, that would not mean that all the suggestions made would all be implemented during the audit, hence there would still be a need for the OAG to do follow-ups after some time.

The purpose of the follow-up is to inform the public through Parliament on the audited body and towards correcting deficiencies. This statement highlights the importance of follow-ups and how the absence of those has an impact on Performance Audit.

The attribute of not conducting follow-ups has further been accentuated by the fact that the Auditor General does not have power to impose his recommendations to government. Also, that the responsibility of implementing recommendations rests with the auditees. This is supported by (The Botswana Gazette, 2009), that in most cases implementation is not done and it was unclear if anyone was compelled to provide the OAG with feedback

On the other hand, even though the auditees claimed to have implemented some of the recommendations, this still remains a grey unverified area. Unless a step further is taken to seek progress on the implementation of the audit recommendations, auditees will not take recommendations or implementation seriously. Schuckmann (1988), argues that improved performance in the public sector is achieved when management acts upon the audit recommendations, otherwise if they are not implemented the audit is fruitless.

In addition, the researcher is of the opinion that indeed auditees may be prompted to be defensive of the audits because their 3Es would be put to public scrutiny. Nonetheless, this does not give them the liberty not to implement the audit recommendations. This argument is supported by the Comptroller and Auditor General of Bangladesh (2000), that if no action is taken, the intended impact of the report's recommendations would be lost.

6.0 CONCLUSIONS AND RECOMMENDATIONS

Although Performance Audit has been implemented in Botswana for 17 years no follow-up whatsoever has been done. There was lack of documentation on implementation of the audit recommendations. Also, the Office of the Auditor General has not been able to conduct follow up because of lack of adequate manpower. The fact that there is no provision for follow up in the legislation could have had an impact on undertaking follow-ups.

In a newspaper article titled: “Give the Auditor General Teeth”, the author states that the Auditor General had no power to enforce his recommendations to government and that the responsibility of implementing those recommendation lied with the departments. The article goes further on to say that in most cases implementation does not happen and that it is not clear if anyone is compelled to give the Office of the Auditor General any feedback on implementation. Hence this limits the OAG in its purpose of ensuring accountability in the use of public funds by government entities (The Botswana Gazette, 2009)

The other problems that have been highlighted during the study include lack of any processes to oversee recommendations. This could have a negative impact on implementation. There were also barriers to implementation which included lack of resources such as finance to implement the recommendations. The researcher established that the auditees had negative attitude towards implementation, as they stressed that since the OAG did not have powers to enforce the implementation, thus they felt that they could do so at their own time. The auditees also felt that the audit was only meant to discredit them and that many recommendations did not make sense to them and therefore they did not see the need to implement them. In addition, they felt that implementation of some of the recommendations was time-consuming and costly.

Parliament does not play a crucial role in ensuring that the audit recommendations are put in place and this has contributed by the fact that the audit reports are not discussed in Parliament.

There is no communication between the OAG and the auditee after the submission of the report. There are no reporting mechanisms put in place to ensure that there is implementation of the recommendations.

The media has played a significant role in ensuring that the public is informed about the audits. This is done through publishing the contents of the reports.

During the interviews the changes which were reported include the enactment of the Drug Act and the improvement in the waiting time of issuance of identity cards. Other changes included provision of security for storage of drugs, provision of built in storage facilities for proper storage of residual and conducting inspection before transporting waste to ensure that the necessary procedure were followed. In addition, there was training afforded to officers, although it was not all of them. It is note worthy, that there was no written confirmation if these changes exist. The researcher cannot be confident that all the changes were as a result of Performance Audits.

6.1 OVERALL CONCLUSIONS

The move towards Performance Audit in Botswana has not necessarily translated into results that are satisfactory in terms of implementation of Performance Audit recommendations by auditees. Although Performance Audit is important in that its overview and insights into government activities are able to influence and improve the performance of the government department, the study has shown that implementation of the audit recommendations is not satisfactory and that both the auditees and the OAG need to ensure that there are improvements realized after an audit.

The study has revealed that auditees still do not appreciate the importance of the recommendations of a Performance Audit. There were no reports to show the progress of the implementation and their impact on the performance of the auditees. The OAG is not active in determining if there is improvement after an audit. The Office of the Auditor General should conduct follow up audits to ensure that its recommendations are implemented otherwise conducting the audits risks being a waste of time and resources.

This research concludes that OAG in Botswana is not very effective in terms of playing its role to ensure that departments become accountable for their non-implementation of recommendation. Therefore the report recommends essential improvements in the OAG to ensure effectiveness of Performance Audits.

6.2 RECOMMENDATIONS

6.2.1 Discussion of Audit Reports in Parliament

There is a need for an approach that would benefit both the OAG and the auditees. The OAG should strive for its Performance Audit reports to be discussed before Public Accounts Committee (PAC) in parliament in order to gain support form the members of parliament, so that they can intervene on implementation of the recommendations.

There is need to establish restrictions such as in countries like Zimbabwe, where if the auditee does not implement the recommendations, then they will be taken to task. In Zimbabwe the auditees are reported in Parliament and are taken to task if no action is taken in line with the audit recommendations. This still remains a challenge in Botswana because the audit reports are not even discussed at the

Public Accounts Committee (PAC) level. It would be valuable if the reports were discussed for members of parliament to be informed about the audits.

6.2.2 Follow-Up

The OAG should consider the importance of conducting follow-ups. It is through this process that it would be appreciated if the audit recommendations are being implemented. It is through this exercise also that the auditees would be able to value Performance Audit and why there is need to implement recommendations, and its importance. Therefore, the OAG should adopt an approach which it would be able to utilize the available staff to conduct follow-up audits, produce follow-up audit reports that can be tabled and discussed before the parliament. With the limited staff, the OAG could use some of the staff members to conduct follow-up audits and since this review would not take as much time as the real audit, they could be able to conduct the audits afterwards.

6.2.3 Let Purpose of Audit be known

With regards to tensions between auditees and auditors, the OAG should let auditee management know that when they get into an organization to audit, they come in to assist the department to develop strategies for improvement. It is also crucial to point out that it is necessary for the OAG to conduct audit when the timing is right especially during a reform, reorganization or during implementation of a project. If the OAG comes aboard at that juncture, the audit tends to be more fruitful because then the auditors and management are able to work together and refine practices whilst still on the ground, this could reduce tensions between the two parties.

The OAG needs to instill its purpose for carrying out audits and there is need for assurance to the auditees that audits are not meant to destroy but rather to edify them. Emphasis needs to be made that auditors come as non experts when conducting audits. Because of auditors' lack of knowledge in a particular field they are forced to study the processes, systems and the procedures in that audit area. This does not make them experts through their short time of auditing.

6.2.4 Training

There is need for reassuring and educating auditees in order for them come to appreciate the role of the auditors and stop having misconception and mistrust on the auditors. Auditees should be given training through workshops so that they are made aware of how implementation of recommendations could change the efficiency of their organizations.

The OAG also needs training on timing and interaction with auditees. The auditor should be trained on how to listen more than talk in order to understand the position of the auditee. This could help in establishing an effective communication between the two parties.

6.2.5 Improved Communication

There should be improved communication between the OAG and the auditees. The OAG should also devise a method where auditees report formally within the specified period of time through progress reports. These progress reports are to include a concise description of the actions undertaken towards implementation of each outstanding recommendation, an assessment of the level of implementation. To this effect, further research should be conducted to establish the involvement and participation of the OAG in implementation of the recommendations with the aim finding relevant information into implementation of the audit recommendations.

6.2.6 Increased Publicity

There should be increased publicity through media, conferences and workshops with the relevant government officials on Performance Audit, especially on the importance of implementing the audit recommendations. All the government departments, especially those that have been audited, should be educated on why it is important to implement the recommendations.

6.2.7 Institutional Memory

There is need for an institutional memory so that information can be passed onto new employees along with understanding the importance of saving the information for future reference. There is also the need to prevent high turnover so that the officers who have the knowledge about the audits and most importantly implementation be retained.

6.2.8 Amendment of the Financial and Audit Act

The Finance and Audit Act should be amended to empower the OAG to enforce the audit recommendations. This would allow the OAG to take to task the auditees who do not implement the recommendations.

6.2.9 Related study

It is worth to note that although the researcher was fed with all the information of the improvements made: there was no substantial proof in terms of written evidence that indeed those recommendations had been implemented. Further more, with limited time the researcher was not able to verify through observations if implementation had really taken place. Therefore, it will be useful that if a related study is carried out in the future, focus be on observations in order to get tangible proof.

6.3 CONCLUDING REMARKS

For effective implementation of audit recommendations, the OAG should ultimately play a major role to ensure that they are executed.

It is the necessary path for the OAG to test if the recommendations actually make sense to the auditee. Most importantly, it would help the OAG to measure if the recommendations have an impact on the productivity of the departments. For this reason, the OAG needs to embark on important on reforms that have been identified by this study. This would assist the OAG to be effective on its follow-ups of Performance Audits.

If auditees want to make their organizations efficient, then they need to take audit recommendations seriously. In this manner, if the auditees could implement the recommendations, they would be able to determine if the recommendations create improvement in their daily operations or not.

In the end, it is concluded that Performance Audit is an important concept which if applied effectively could benefit organizations in a remarkable way. Responsibility lies with both the OAG and the auditees to ensure that this concept is used to its best ability. This could be done through acknowledgement and implementation of the recommendations and through conducting reviews to identify how effective is implementation. Through this development, the OAG and the auditees could get to know the benefits of Performance Audit.

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APPENDICES

Appendix I

Interview schedule

Senior 1	12 January 2009
Senior 2	13 January 2009
Senior 3	14 January 2009
Interviewee 1	20 January 2009
Interviewee 2	25 January 2009
Interviewee 3	29 January 2009

Appendix II

Document Review Checklist and Guideline

Questions to be answered by Documents	Documents that were be reviewed
a) After an audit, what happens?	• Performance Audits Reports of audited Department • Meetings' minutes between OAG and Auditees • Current audit files • OAG annual report
b) What processes are followed after an audit?	• Performance Audit guidelines
c) What has been done to ensure that there is implementation?	• Minutes of meetings between OAG and Auditees • Post audit Reports for audited Department
d) What are the problems that OAG faces for ensuring that there is implementation	• Minutes of OAG management meetings

	• OAG Progress Reports on implementation
e) What are the problems that the Department faces which hamper implementation?	• Auditee progress reports on implementation
f) Who is responsible on the auditees' side and how do they ensure that there is efficiency in the process?	• Minutes of department's management meetings
g) What have been the outcomes of meetings held with auditees with regards to implementation	• Minutes of meetings between OAG and Auditees