



FACTORS AFFECTING IMPLEMENTATION OF AUDITOR

**GENERAL'S RECOMMENDATIONS:
A CASE OF OROMIA REGIONAL STATE**

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF ACCOUNTING AND FINANCE

(GRADUATE PROGRAM IN ACCOUNTING AND AUDITING)

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**June, 2019
Addis Ababa, Ethiopia**

**FACTORS AFFECTING THE IMPLEMENTATION OF
AUDITOR GENERAL'S RECOMMENDATIONS:
A CASE OF OROMIA REGION STATE**

**A Project Paper Submitted to Department of Accounting and
Finance in Partial Fulfillment of the Requirements for Master's
Degree in Accounting and Auditing**

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Factors Affecting the Implementation of Auditor General's Recommendations: A Case of Oromia Region State is submitted in partial fulfillment of the requirements for the degree of Master of Science in Accounting and Auditing complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

By:
Mengistu Gobosho

Approved By Board of Examiners

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June, 2019

Declaration

I, **Mengistu Gobosho** declare that, this project paper prepared for the partial fulfillment of the requirements for MSC Degree in Accounting and Auditing entitled “*Factors Affecting the Implementation of Auditor General’s Recommendations:*

A Case of Oromia Regional State.” is prepared with my own effort. I have made it independently with the close advice and guidance of my advisor.

Mengistu Gobosho

Signature_____

Date_____

Abstract

This study intended to assess factors affect the implementation of Auditor General's audit recommendations, the case of the Oromia regional state. The researcher reviewed three budget years (2015/16- 2017/18) audit report and audit follow up section of Office of Oromia Region Auditor General. As the reports of Oromia Region Auditor General Audit follow up section shows, the implementation of audit recommendations for the three budget years (2015/16-2017/18) was not as it expected.

To address the factors that affecting the implementation of auditor general's recommendations both quantitative and qualitative approaches used to get the various aspects of factors affecting implementation of audit recommendations. The researcher use descriptive survey research, collect both primary and secondary data from twenty audited government organizations (public sector offices) in central regional bureaus of Oromia and the staff of the ORAG, Ethiopia. in order to answer questions covering the current status of the subject in the study. Regarding the samples, the major target population of the study from 313 total populations of the ORAG staff employees 72 samples selected purposively. And from 58 the total population number of government organizations (public sector offices) found in central regional bureaus of Oromia, to make the study more feasible and manageable, the researcher minimize its study area by focusing only on 20 audited government organizations Selected purposively. The selected public sectors are expected to be used as a representative of other sectors. At the beginning the data collected from all sources were checked and organized with respect to basic research questions and objectives of the study. They analyzed quantitatively and qualitatively. The quantitative data tabulated and processed using Statistical Package for Social Sciences (SPSS). The analyses of these quantitative data made using descriptive statistics, like frequency, percentage, mean and Correlational, calculated to analyze the relationship between some items of the factors affecting audit recommendations. The findings the study implies that the nature of Audit Findings, massive corruption, lack of powers to take actions against malpractices and deviations, and political pressures and lack of top management cooperation factors affecting the implementation of Auditor General's recommendations in Oromia regional state. Audit recommendations should be action oriented, convincing, well supported and effective; Auditor general's should have guidance on how to react to cases when management or those charged with governance repeatedly ignore implementations of auditor general's recommendations; The main reason public institutions are able to ignore recommendations of the Auditor General is because of the lack of Parliamentary Oversight. The Parliament is required by law to pressure the Government in implementing the Auditor's recommendations. and The regional Parliament 'Caffee' should discharge its responsibilities in follow up the concerned body or person takes the necessary measure based on the audit report and make oversight influences over regional executives and other regional organs to take corrective actions against Auditor general's recommendations not implemented.

Keywords: Factors affecting, implementation, audit recommendation

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ACRONYMS AND ABBREVIATIONS

AICPA	American Institute of Certified Public Accountants
PAC	Public Accounts Committee
ORAG	Office of Oromia Regional State Auditor General
SAI	Supreme Audit Institution
SPSS	Statistical Package for Social Sciences
ICAEW	Institute of Chartered Accountants in England and Wales
E.C	Ethiopian calendar
EGAS	Ethiopian Government Auditing Standard
GAO	Government Accountability Office
INTOSAI	International Organization for Supreme Audit Institutions
OAGO	Office of the Auditor General of Oromia
ICT	Information Communication Technology
OFAG	Office of the Federal Auditor General
SAS	Statement on Auditing Standards
BPK	Badan Pemeriksa Keuangan; Indonesian State Audit Board

CHAPTER ONE

1.1. INTRODUCTION

Government collects and uses public money effectively, efficiently, and economically in service delivery. The source of this money is taxes collected from the citizens and it allocated to the different Public sectors to deliver services to the public in the form of budget. The houses of people's representatives, the regional 'caffee', the people agent, do this allocation to the different Public sectors in order to deliver services to the public in behalf of the regional people's mediator.

The allocated budget should be executed to the benefit of the public at large. And this may not be always true due to various factors. As a result, the houses of people's representatives, the regional 'caffee' may lose confidence upon the performance of different Public sectors, the agent of the regional houses of people's representatives.

Thus; Government audit has a significant role in strengthening accountability in the system of controlling and management of the public resource and increases credibility of the financial reports prepared by government organizations. Supreme Audit Institutions play a critical role in supporting accountability, promoting transparency in public financial management and providing an objective view of the regularity and probity of financial transactions and systems. An effective Supreme Audit Institution requires to ensuring that its audit findings are acted upon and its recommendations are implemented timely. However, supreme Audit institutions had faced many constraints in fulfilling defined objectives. When their audit reports are submitted they are not necessarily treated with the seriousness they deserve and their recommendations are not necessarily implemented (ORAG, 2018).

In order to increase the assurance of the regional houses of people's representatives and the public at large the Office of Oromia Regional State Auditor General (ORAG) was established by proclamation number 90/1997 and reestablished by proclamation number 154/2010. The ORAG contributes towards performance improvements in the administration and management practices of public sector organizations. The recommendations given by ORAG to auditees in order to take an action that are expected to improve entity performance when implemented and it deals with uncertain to the successful delivery of services.

The implementation of audit recommendations is the last point of the audit process that realizes the attainment of audit objectives. Sometimes audit recommendations may not be implemented.

Therefore, the study intends to examine the factors affecting the implementation of Auditor General's recommendations in the Office of Oromia Regional State Auditor General (ORAG). The Chapter organize as follows. background of the study, statement of the problem, significance of the study, objectives of the study, research questions, scope of the study which included the content scope, geographical scope and time scope. The chapter also looks at Limitation of the study and organization study.

1.2. Background of the study

1.2.1 Historical background

The first public audit was introduced in Great Britain as a central part of parliamentary control over national finances with the enactment of Exchequer and Audit Department Act in 1866 (Dnyanesh). The Act demanded from all departments to compile annual reports known as appropriation accounts. Furthermore, the position of Comptroller and Auditor General was established and an audit department responsible for providing staff was created (Dnyanesh).

Today around the world, there are numerous mechanisms that supervise financial reporting and operate as external government auditors; they are known as Supreme Audit Institutions (SAI). In addition, there is a worldwide organization known as the International Organization of Supreme Audit Institutions (INTOSAI), established in 1953 which aims to improve external auditing around the world, increase the impact as well as strengthen the position of member SAIs (INTOSAI). This organization has also issued the International Standards for Supreme Audit Institutions (ISSAI) which serve as general audit guidelines for external government audit worldwide (INTOSAI).

The Office of the Auditor General is the Supreme Audit Institution in any country Ethiopia inclusive. Government auditing in Ethiopia dates back to the establishment of an Audit Commission by Proclamation No. 69/1944, which was largely responsible for the examination and control of the accounts of the Ministry of Finance, and was directly accountable to the Prime Minister. The power to control and examine the accounts of all other Ministries in the country

was given to the Officers of the Ministry of Finance. In 1946, Proclamation No. 79/1946 was provided to centralize the audit and control of all Government accounts in one Department by establishing the Audit and Control Office under the direction of the Comptroller and Auditor General who reported directly to the Prime Minister. As a result of this proclamation, the powers and duties of the new Office were clearly defined and the scope of its activities expanded. The Revised Constitution of 1955 (1948 E.C.) provided even wider duties and a large measure of independence. Accordingly, the Auditor General reported to the Emperor and Parliament on the financial operations of the government and was given access to all books and records of government accounts (Senait 2003).

Subsequently, the functions of the Auditor General were amended by Decree No. 32 of 1958, which was later renumbered as Proclamation No. 179/1961. This Proclamation has defined the appointment and independence of the Auditor General in addition to defining his powers and duties, which include auditing the accounts of all autonomous bodies existing by virtue of Imperial Charters (chartered organizations). The Auditor General was then appointed by the

Emperor and he reported to him and Parliament. The Office of the Auditor General conducted the audit of the Chartered Organizations, which were established to provide essential services to the public, through its chartered Organizations Audit Department (ibid).

After the 1974 Ethiopian Revolution, Proclamation No. 164 of 1979 was enacted to redefine the powers and duties of the Auditor General giving him additional responsibility of auditing mass organizations, development projects as well as conducting performance auditing. Besides, the program of nationalization has created difficulty for the Office of the Auditor General to cope with the need to audit an increasing number of public enterprises due to lack of qualified manpower. Consequently, following a study made by the Office of the Auditor General, the Audit Services Corporation was established by Proclamation No. 126 of 1977 to render audit services to production, distribution and service providing organizations which the Government is the sole owner or the majority shareholder. Later on, the National 'Shengo' provided Proclamation No.13/1987 to establish the Office of the Auditor General of the People's Democratic Republic of Ethiopia. This Proclamation was in effect until the country introduced the new Federal Government structure in 1994. Thus, one can understand that up to 1994, OFAG was the only government audit institution in Ethiopia. However, Proclamation No. 7/1992 of the

transitional period has laid down the basis for the establishment of the National/Regional State-Governments.

Article 8(e) of this Proclamation states "Every National/Regional self-government shall have an audit and control Office". Article 15(h) of the Proclamation has also given each National/Regional Council the power to establish the Audit and Control Office. Therefore, the establishment of a Federal State Structure by the 1994 Constitution of Ethiopia, the whole arrangement of the government auditing structure changed as the duties and responsibilities were separated into the Federal and Regional audit institutions. Following this Law, every Regional State's Council promulgated a proclamation to establish an audit office. While Article 101 of the New Federal Government Constitution provided the basis for the appointment, powers and duties of the Federal Auditor General, Article 33 and 34 of the Proclamation No. 7/1992, specified the accountability, powers and duties of the Head of each National/Regional Audit and Control Office. Based on the aforementioned constitutional provisions, Proclamation No. 04/1994 was enacted to establish the Office of the Auditor General of Oromia (OAGO) for the first time and then there was continues amendments have been done to make it compatible with the current reform business processing reengineering (BPR) and until the current amendment pro. No. 154/2010 there was three series amendments have been made to redefine its authority, scope and duty of the office. Which give the Auditor General of the region, the Authority and duty to undertake; Financial/regularity, Performance, environmental, control, information system and fraud/special should be audit or cause to be audited on accounts of the regional government offices and Development Organizations according to the proclamation.

Accordingly the Office of Auditor General of Oromia has been executing its duty starting from its foundation. In recent years due to the increase of government involvement in different developmental projects, government revenue and spending increased substantially in amount and funding sources. The funding sources include the involvement of different nongovernmental agencies (foreign development partners) in government developmental programs through bilateral and multilateral agreements like; Millennium Sustainable Goal programs, the number of the stakeholders whom need the service of external auditing were increased. These conditions necessitate the need for reliable, timely financial and performance information used for monitoring, controlling and to use different economic decisions. In addition the concept and

establishment of audit is inherent in public financial administration as the management of public funds represents a trust. Audit is not an end in itself but an indispensable part of a regulatory system whose aim is to reveal deviations from accepted standards and violations of the principles of legality, efficiency, effectiveness and economy of financial management early enough to make it possible to take corrective action in individual cases, to make those accountable accept responsibility, to obtain compensation, or to take steps to prevent or at least render more difficult such breaches.(INTOSAI, lima declaration, 1998) Auditing is all about credibility which means the public expects high degree of reliance on the audit attestation work of the financial reports produced by government organizations there is no other means of independent professional proof to rely on whether the financial and economic performance reports show the real situation of financial implementation in compliance with stated criteria and the achievement of the stated goals.

Supreme Audit Institutions face the same challenges as other government institutions in developing countries. In many poor countries, the Supreme Audit Institutions simply lack the capacity to fulfill their functions. They are underfunded, understaffed, under skilled, and constrained by very narrow mandates (World Bank 2001). In a review of SAIs in East Africa, Rakner and Wang conclude that “the supreme audit institutions are not able to fulfill their assigned tasks due to lack of finances, infrastructure and human capacity.” (2005: v) This is also the experience of SAIs in many other developing countries (Albert van Zyl et al, 2009).

The Office of The Auditor General of Oromia is also not free from these problems, The research paper try to assess the major causes of the problem and the gap between the expected goals entrusted to be conducted, sets by the proclamation and the practical performance of the ORAG and in light the problem to the concerning body to recommend possible solutions.

1.3 Statement of the Problem

Audit recommendation is a critical for good governance in public sector. These is by identifying bottlenecks of better government performance and resource management to improve economy, efficiency and effectiveness of government performance which have policy and legislative requirements. The public sector auditors have the responsibility to provide the intended users with independent, objective and reliable information, conclusions or opinions or

recommendation based on sufficient and appropriate audit evidence relating to Government public entities performance. Whereas, the auditee, public sectors, responsibility is to implement the audit recommendation. Public sector accountability can be achieved through audit results and recommendations. The achievements of public sector audit objectives are determined by the implementation of audit recommendations which in turn affect better government performance and resource management.

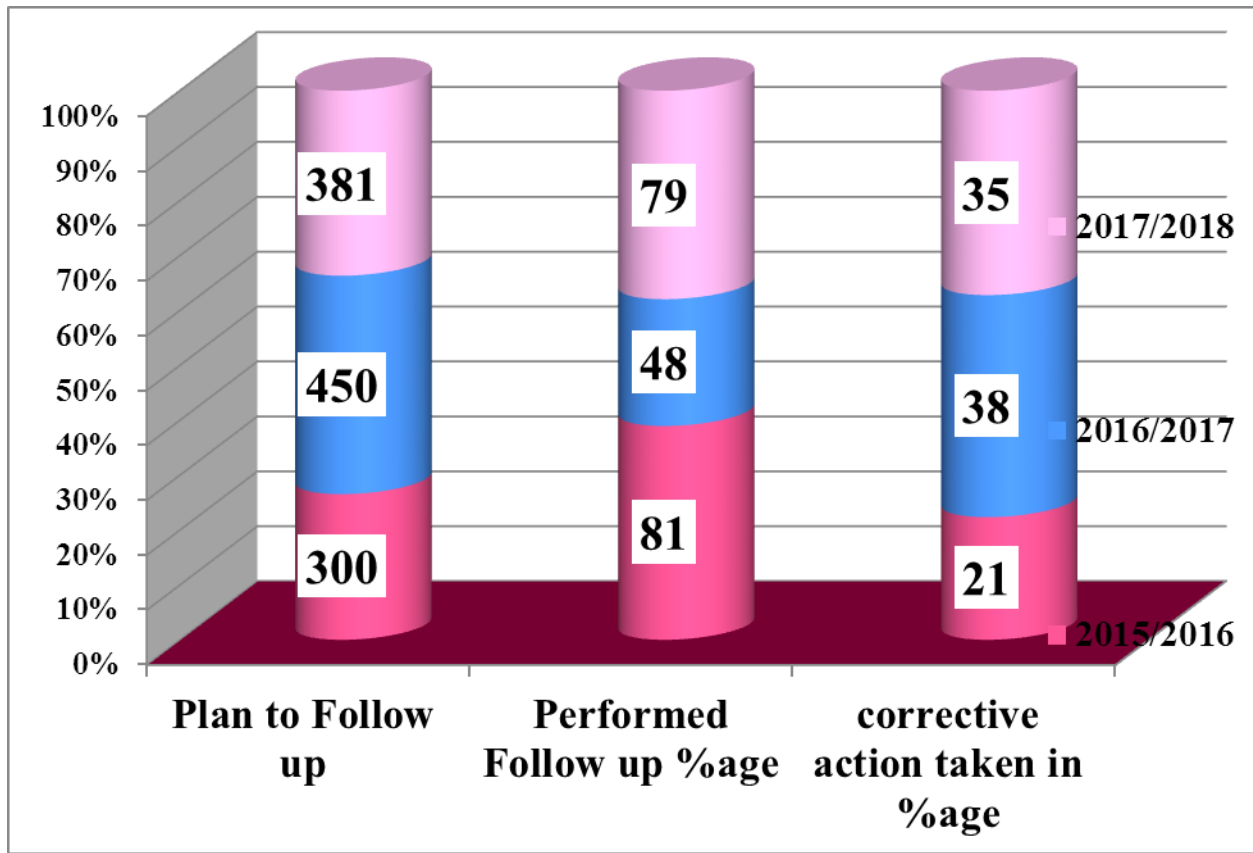
The Auditor General submits to Parliament “caffee” annually a report of the accounts audited by him for the financial year immediately preceding and within six months after the submission of the report, debate and consideration of the report to take appropriate action on the recommendations made by auditor general. However, Auditor General report revealed that most of the entities were not taking corrective action on the issues of irregularities raised in prior year audits hence some of the weaknesses remained unresolved or were recurring yearly, according to the Oromia Region Auditor General three budget years annual report, (2015/16- 2017/18 G.C).

The study intends to examine the factors that have continuously hindered the implementation of Auditor general’s recommendations in the Oromia Region Auditor General.

The researcher reviewed three budget years (2015/16- 2017/18) audit report and audit follow up section of Office of Oromia Auditor General to identify whether audit recommendations provided by auditors to Government public sectors of Oromia Regional Bureaus were implemented or not.

As the reports of Oromia Region Auditor General audit follow up section shows, the implementation of audit recommendations for the three budget years (2015/16-2017/18) was not as it expected.

Figure 1.1: Showing ORAG implementation of Audit Recommendations Report



Source: ORAG annual three Budget Years report, (2015/16- 2017/18).

Table 1.1: Showing Audit opinions of ORAG for three Budget Years

Audit Opinion	FY 2015/2016		FY 2016/2017		FY 2017/2018	
	Audited entities	%age	Audited entities	%age	Audited entities	%age
Un qualified	24	9%	23	8%	38	13%
Except for (Qualified)	189	73%	203	70%	211	70%
Adverse	23	9%	53	18%	48	16%
Disclaimer	23	9%	12	4%	5	2%
TOTAL	259	100%	291	100%	302	100%

Source: ORAG annual report, (2015/16- 2017/18).

As a result **Audit opinion** of Oromia Region Auditor General three years (2015/16-2017/18) reports was shows; inefficiency, ineffectiveness and waste of public resources are become increasingly high.

This issue indicates that, there is something factors that affecting the implementation of audit recommendations. Thus, As far as the researcher's knowledge, no extensive prior research is conducted in the region to assess factors affecting the implementation of audit recommendations in the office of Oromia Auditor General. Oromia State university conduct a related research on the implementation of audit recommendation in the public sector of Oromia but it did not include the factors affecting the implementation of audit recommendation in the office of Oromia Auditor General. Thus, this research seeks to fill the above gap and that of empirical literature.

1.4 General Objective of the Study

To assess the factors affecting implementation of auditor general's recommendations in oromia regional state.

1.4.1 Specific Objectives

The specific objectives of the study are:

1. To what extent the nature of Audit Findings affect the implementation of Auditor General's recommendations in Oromia regional state.
2. To what extent the massive corruption affect the implementation of Auditor General's recommendations in Oromia regional state.
3. To what extent the lack of powers to take actions against malpractices and deviations affect the implementation of Auditor General's recommendations
4. To what extent the political pressures and lack of top management cooperation affect the implementation of Auditor General's recommendations in Oromia regional state.

1.5 Research Questions

1. Are the natures of Audit Finding affecting the implementation of Auditor General's recommendations?

2. Does the massive corruption affect the implementation of Auditor General's recommendations?
3. Does the lack of powers to take actions against malpractices and deviations affect the implementation of Auditor General's recommendations?
4. Does the political pressures and lack of top management cooperation affect the implementation of Auditor General's recommendations?

1.6 Significance of the Study

The purpose of the study is to examine factors that affect implementation of auditor general recommendations in the Oromia Region Auditor General.

The result of this study may benefit the followings:

1. The findings of the study and the possible recommendation may help to solve the Problems and improve the effectiveness of the Oromia Auditor General goals.
2. The study might be used by Auditor General of Oromia and other government organizations as a resource to enforce the implementation of audit recommendations.
3. The results of the study may in light the factors that affect the implementation of audit recommendations for the parliament and other stake holders and may urge them to cooperate for the corrective measure taken to improve the effectiveness of the office.
4. The experience in making the research enhances and enriches the knowledge of the researcher and encourages others who have interest in the subject to do further research.

1.7 Scope of the Study

1.7.1 Geographical Scope

The study carried out in the oromia region Government public sectors (Institutions). However, to make the study more feasible and manageable, the geographical scope of the study were confined to assessing factors that affecting the implementation Auditor generals' recommendations in 20 central office (Bureaus) of the Oromia region Government public sector Institutions; the case of the Oromia Auditor General.

1.7.2 Time Scope

The study consider a factor affecting the implementation of auditor general's recommendations for the last three budget years (FY 2015/16 to FY 2017/18 G.C) to enable researcher obtain sufficient information to make substantive conclusions.

1.8 Limitation of the study

The reluctance of some respondents to provide the required data may be limitations of the study. The purposive selection of only central Bureau sectors as sample have restricted some important data.

1.9 Organization of the study

The paper structured as follows: chapter one: introduce the back ground of the research, the problem statement, the objectives of the research and the scope; chapter two: the review literature related to the issue; chapter three: the methods that applied to conduct the research.

CHAPTER TWO

2. LITERATURE REVIEW

2.1 Introduction

The chapter arranged according to theories, concepts and actual literature reviewed from studies carried out around the topic, books published by accredited scholars and researchers, Dissertations, Government documents, Policy reports and presented papers as well as articles from Journals.

2.2 Theoretical review

2.2.1 Supreme audit institutions (SAIs) Meaning and guidance

According to Stapenhurst and Titsworth (2001) Supreme audit institutions (SAIs) are the national agencies responsible for auditing government revenue and spending. Their primary purpose is to oversee the management of public funds and the quality and credibility of the government's financial reporting. SAIs supply the information needed by the legislature and the public to hold governments accountable for stewardship of public funds and assets.

The international body guiding the work of SAIs is the International Organization of Supreme Audit Institutions (INTOSAI). INTOSAI, based in Vienna, Austria, is the worldwide association of national audit offices. It issues international guidelines for auditing and financial management, develops corresponding methodologies, provides training, and promotes the exchange of information and know-how among its membership of over 170 SAIs. (Stapenhurst and Titsworth, 2001)

2.2.2 SAIs auditing systems

The legal mandates, reporting arrangements and institutional Napoleonic system structures of SAIs vary depending on a country's legal and administrative system. The most commonly used auditing systems are based on one of the following three models:

In the, also known as the "court system", SAIs are part of the judiciary, have both judicial and administrative authority and are independent of the legislative and executive branches. This

model is used in some European countries (such as France, Italy, Spain, Portugal and others) and most Latin American and francophone African countries.

In the Westminster system, used in many Commonwealth countries, the SAI (referred to as the Auditor General) is an independent body that reports to parliament.

The office serves no judicial function but, where this is warranted, its findings may be passed to legal authorities for further action. The board system, prevalent in Asia, is similar to the Westminster model in that it is independent of the executive and helps parliament perform its oversight function. *Stapenhurst and Titsworth (59,2001)*

2.2.3 Follow-up on implementation of observations and recommendations

SAIs should have an appropriate system for ensuring audited entities taken appropriate action on observations and recommendations made by the SAI, and possibly by others charged with governance of the entity. This should include the opportunity for the audited entity to respond to the recommendations, as well as the SAI undertaking follow-up, reporting on findings of follow-up activities in an appropriate manner, and where necessary reporting publicly on such findings. *INTOSAI (12 July 2013)*

The quality of information is also indicated by the follow up to the audit report findings and recommendations. The advantages of auditing can only be realized when findings and recommendations have been followed up. Following up of auditing can be in the form of discussion in Parliament and corrective action in government-audited entities (Marsidi 2002; Thai 1992). Without any follow up from Parliament, the Executive, or investigators, audit reports are useless and public accountability cannot be enforced. This means that an audit office provides audit report information to raise political interest among members of Parliament to follow up by presenting political oversight and control that offers further action. Moreover, Chowd (2005) suggested that effective monitoring and controlling is needed for the implementation of the audit follow-up recommendations.

According to Spencer (2003) to ensure the reasonable assurance regarding achievement of the organizations objectives, the monitoring process should be performed to evaluate and assess the

systems of internal control to ensure that the procedures are consistently applied over an extended period of time.

Monitoring of internal control should include policies and procedures for ensuring that the findings of audits and other reviews are promptly resolved. According to Coffin (2003) monitoring entails the activities and procedures designed to assess the effectiveness of the internal control system in achieving the entity's financial reporting objectives.

Monitoring is done continuously by external auditors, internal auditors and management; to review and evaluate the effectiveness of internal control, if corrective actions are required.

Triadji (2004) described a situation where there was an absence of internal control to prevent corrupt government management, and a lack of follow-up of an external audit report that caused difficulty in addressing accountability, and achieving transparency and good governance.

Stephan (2012) from a practical perspective, states that client management adoption of audit recommendations as a result of auditors tracking and monitoring those recommendations will help to enhance public accountability in the public management process. Therefore, local government's internal auditors should improve the documentation, monitoring and follow-up of client resolution of audit findings and recommendations in order to strengthen public accountability.

Walker (1996) underlined that: Though the management should take responsibility for the risks of not implementing the audit recommendations, it should be the responsibilities of internal audit to follow-up the results. Keating(1995) claims that the internal audit work is only beginning when audit reports are issued. This emphasizes that follow-up is critical to bring about audit outcomes. If follow-up is weak or absent, the impetus gained by audit recommendations will be lost and the credibility of internal audit will suffer. If follow-up is absent, highlighting the status of unresolved past audit issues could minimize its effect

2.2.4 Factors for SAIs success

Several factors have been identified to SAI success. Of these, the most important are: having a clear Mandate (set of rules and boundaries agreed to by parliament); independence (both from the executive and to investigate issues at its sole discretion); adequate funding (competitive

salaries and modern technology) and staff (training, education and experience); and the sharing of knowledge and experience (International exchange of ideas, knowledge and experience).
(*Kenneth and Rick, 1998*)

2.2.5 Value and benefits of government audit

The activities of SAIs to date have been to strengthen the confidence of their parliaments, governments, citizens and civil society in the independence, objectivity, quality and cost-effectiveness of their audit reporting as a contribution to their country's stability and economic growth, good governance and fight against corruption. According to Josef (2007) the value of SAIs stems from promoting good governance for today and tomorrow, through:

- Enhanced government financial and budgetary reporting and accountability to their parliaments, citizens and the international community, including supporting the adoption of international accounting and reporting standards;
- Greater transparency of government and advocacy of the importance of parliamentary scrutiny, improving public awareness and supporting a culture of scrutiny among legislative bodies and citizens;
- Improvements in public management and public service delivery, increasing its economy, efficiency, effectiveness, equity and ethics; and
- Deterring fraud and corruption in public administration and addressing it in collaboration with anti-corruption bodies.
- SAIs working together can bring value in a globalised environment, which is over and above the value from their work in their individual countries;
- Develop targets and measures of their use of resources and their efficiency, using appropriate cost and output recording systems to support their monitoring;
- Report on their delivery of products and other outputs, and achievement of their statutory remit and further parliamentary or other demands for their work;
- Establish rigorous quality assurance procedures and report the results;

- Monitor the timeliness of audit reporting, against statutory or other commitments;
- Systematically follow up audit work to identify and record its impact, for example implementation of audit recommendations, quality of service improvements, actions taken against public officials, the recovery of monies into public funds and financial savings achieved;
- Monitor staff satisfaction;
- Obtain and report feedback on their audit work, for example from parliamentarians, auditees and from other stakeholders;
- Monitor media coverage of their work;
- Continue to exchange knowledge on their work and measurement issues

2.3 Expectation gap

The expectation gap is the gap between the auditors' actual standard of performance and the various public expectations of auditors' performance (as opposed to their required standard of performance). Such public expectations of auditors, which go beyond the actual standard of performance by auditors, have led to the term 'expectation gap'.

The expectation gap may be decomposed initially into two components: the requirements gap and the feasibility gap. (Mary, 2008)

1. Requirements gap: This is the gap between auditors' actual standard of performance and the performance required of them by the current standards of society. The required standard of performance is the standard of performance set out in both professional standards and statutes, the latter being subject to interpretation through courts of law.

The requirements gap may be further divided into:

- Performance gap: The requirements gap is the gap between the actual standard of performance and the standard of performance determined by reference to professional standards and statutes.

- Standards gap: This is the gap between the standard of performance as determined by reference to professional standards and statutes, on the one hand, and society's required standard of performance on the other. Society's required standard of performance, as stated above, is the standard of performance set out in the statutes and professional standards augmented by the decisions handed down in the courts of law.
2. Feasibility gap: The feasibility gap is the gap between society's required standard of performance and various public expectations (the expected standard of performance).

The examples include expectations that auditors are responsible for the preparation of the financial statements that auditors 'certify' financial statements, and the failure to recognize the limitations of an audit.

2.4 Duties of persons to be audited

According to Proclamation number 154/2010(21) of the Oromia Region Auditor General Organs to be audited are subject to the following responsibilities;

1. Any person or responsible official who is requested to submit any relevant document, books, ledgers, vouchers, written evidence electronics system evidence oral information and others which the Auditor General, auditors General deems it useful and necessary for auditing shall, forthwith, make available the same and approve confirmations by giving explanations deemed necessary.
2. Any person who has had in his custody or paid or has expended or is in charge of the accounts of the money and/or property of the auditee to be audited by the office under the provisions of this proclamation, shall, upon request has the obligation to have his accounts and /or performance audited.
3. Based on audit opinion and recommendation Auditee entities are obliged to take corrective measures as agreed in the exit conference and not more than 30 days and respond in writing to each point stated in the audit report
4. Any audited shall provide the necessary office and accommodations for any auditor stationed in its office to execute the audit activity.

5. Government organization should close and made ready their accounts and performance for audit afire commencement of the next budget year from the month of July up to September 20, and also the Bureau of finance and economic development should close and made ready the regional government revenue and expenditure accounts up to Dec.

2.5 Duty to Co-operate

According to Proclamation number 154/2010(22) of the Oromia Region Auditor General Any person or body are subject to the following responsibility;

Any person or body shall provide the necessary assistance with the view to helping the auditor general office to once execute its powers and duties.

2.6 Future of public audit and accountability

Future of public audit lies in the role of audit and accountability in the conception of democracy and good governance. The basic need of public audit is constant. In the future the Supreme Audit Institutions, through their audits and related consultancy service, will continue to be strong actors in the assurance of accountability and in the enhancement of good governance. They will continue to be strong actors in the creation trust towards public institutions and, eventually, in creation of trust to public finances.

The challenges for accountability in the context of social and economic change call for a better connection between audit and the exercise of legislative and budgetary power. To serve living democracy audit is expected to have more focus on the quality of governance and on the critical and objective appraisal of the effectiveness of various public policy programs.

An audit will be closer to the challenges of economic and fiscal policy. Public audit has to ensure that structures, procedures, management and actual behaviors of the governance and managements system uses resources according to the democratic decisions and produces the results and services – the common goods - intended by democratic decision makers.

Public audit will have an increasing role in the assurance of the quality of regulatory management. In financial audit more weight needs to be given to a risk based approach

combined with audit and certification of the quality of management, control and accounting systems.

Financial and compliance audit in which the risk prone sectors and stages of management chain are analytically identified will give the best results in terms of cost-effectiveness of audit and usability of audit findings. There is a need for further convergence and international benchmarking of working methods of public audit. Common analyses and understanding of risks of public finances and financial management are an area to start with the mutual learning. A profound understanding of the ICT environment of public administration and efficient use of ICT-based audit tools are conditions for quality and efficiency in the future public audit work. Poysti, T. pp 2 & 3,2007,Luxemburg

Today, SAIs around the world face a new set of challenges. Public expectations of government are changing. Citizens are increasingly intolerant of corruption and poor government services. Increasingly, SAIs will need to consider moving beyond routine audits of government finances to alert their countries to emerging challenges-before they become reach crisis proportions. SAIs will need to educate policy makers and the public to the specific long-term challenges facing their nations. (Walker, 2004)

Walker (2007) also noted that, in the future, three elements will be keys to the success or failure of both democracies and audit institutions. These elements are incentives, transparency, and accountability.

In the years ahead, SAIs can play several roles (Walker, 2004). They can help to combat corruption. They can help to ensure accountability. They can help to enhance economy, efficiency, transparency, and effectiveness in government operations. They can increase insight in to how government programs and policies are working. Finally, they can facilitate foresight about emerging trends and challenges.

2.7 Audit recommendations:

Audit recommendations suggest ways to narrow the gap between auditees' actual practices and the standards or with the aim of efficiency, effectiveness and economics (Aikins 2012; Roe 2014; Steagall 2004). However, the implementations of the recommendations are often time-

consuming (Roe 2014). Although many studies show positive audit findings, few auditees opined that the audit recommendations are not practical because they are difficult to be implemented (Hatherly & Parker 1988).

Audit recommendations identify risks to the successful delivery of outcomes consistent with policy and legislative requirements, and highlight actions aimed at addressing those risks, and opportunities for improving entity administration Aikins (2012). Entities are responsible for the implementation of audit recommendations to which they have agreed, and the timely implementation of recommendations allows entities to realize the full benefit of audit activity.

Aikins (2012:43) states that “recommendations should be action oriented, convincing, well supported and effective. When appropriately implemented they should get the desired beneficial results”.

McNellis (2011:23) says that “where audit recommendations are not convincing it is only natural that management will not implement the recommendations”.

An audit opinion is expressed on audited financial and/or performance statements through audit report.

An audit report is a written opinion of an auditor regarding the correctness and fairness of an entity's financial and performance statements. It is required that an auditor states its opinion in the view of generally accepted accounting principles have been followed or not. However, simply expressing opinion on audited financial and performance statements does not grant the complete achievement of audit goals. These audit functions would be achieved only when auditing reports are implemented in organization. Lack of auditing practices (Eze N., 2016) and audit findings implementation diminish management accountability in public sectors. For effective achievement of audit functions, management support and auditor's opinion implementation pay the great role (Mihret and Yismaw, 2007).

2.8 The lending credibility

The lending credibility theory suggests that the primary function of the audit is to add credibility to the financial statements. In this view the service that the auditors are sells to the clients is credibility. Audited financial statements are seen to have elements that increase the financial

statement users' confidence in the figures presented by management. Under this it is believed that the quality of investment decisions will improve when they are based on reliable and credible information. (Hayes et al., 1999).

The lending credibility theory advances that audit's primary function is an additional credibility to the financial statements provided by an entity. In this sense, the service the auditor sells to the customer is credibility, Audited financial statements could then be considered to have supplementary elements which enlarge the users' confidence in the figures presented. According to this theory, the users gain benefits from the increased credibility, which has a direct impact on the quality of investment decisions as they are based on reliable information as argued by Carmichael, (2004:12).

The credibility and reliability of the auditors is one of the important factors in auditing (Hatherly & Parker 1988). Quality auditor should be able to produce quality recommendations.

When auditee questioned the credibility of the auditor, the recommendation given by the auditors may be rejected or there may be a delay in implementation as it is considered less important. Thus, experience and skills can help auditors to better understand the organization and provide quality recommendations. The involvement of senior auditor in the auditing is also important in providing value added recommendations. In addition, auditors who are responsive to the auditees' needs and provide room for discussion will influence the auditees to implement the audit recommendations (Aikins 2012; Butcher, Harrison & Ross 2013; Lowensohn et al. 2007).

2.9 The theory of inspired confidence

Theory of Reasoned Action states that attitude is a function of one's beliefs. If a person believes that by performing certain behavior will lead to very profitable results, this attitude will encourage him to perform that behavior, and vice versa (Ajzen 1991).

Past researchers measured a person's attitude based on his belief in the importance and usefulness of the behavior (Buchan 2005; Dahlin 2000; Uddin 2000). Similarly, in the implementation of audit recommendations, if auditees believe that the audit recommendation will improve their performance, save public money and improve public services (Aikins 2012; Steagall 2004; Van Acker et al. 2015) then they will tend to implement it. This is because, in

overcoming the organization's weaknesses or to achieve organization's goals, audit recommendation determines the required actions, the responsible officers, the term of implementation and the monitoring action (Aikins 2011; Roe 2014).

When the attitude, which is formed as a result of the auditees' confidence, towards the positive impact of implementing the audit recommendations increased, the intention to implement the recommendation will also increase. The positive impact such as improving Government activities and increasing the auditees' skill will portray a good image of the organization to the public.

Additionally, it will indirectly provide the auditee with a satisfaction in view that his efforts have inspired others.

“The normative core of the *Theory of Inspired Confidence* is this: the accountant is obliged to carry out his work in such way that he does not betray the expectations which he evokes in the sensible layman; and, conversely, the accountant may not arouse greater expectations than can be justified by the work done” Carmichael (2004:129)

2.10 The agency theory

Agency theory postulates that an organization consists of a nexus of contracts between the owners of economic resources (the principals) and managers (the agents) who are charged with using and controlling those resources (Jensen &Meckling, 1976). The theory is based on the premise that agents have more information than principals and that this information asymmetry adversely results in moral hazard, and affects the principals' ability to monitor effectively whether their interests are being properly served by agents. It also assumes that principals and agents act rationally and that they will use the contracting process to maximize their wealth. Managers of public resources are agents who are charged with using and controlling the public resources, and are accountable to their principals for the resources provided to carry out government programs and services. These principals are both the citizens and other government officials, such as elected officials (Jensen & Meckling, 1976).

Audits provide a significant purpose in encouraging confidence and reinforcing trust in financial information. Several theories have emerged to explain the demand and supply of audit services

in increasing accountabilities in government agencies. Agency theory appears to be the crucial economic theory of accountability to explain the development of audit and its vital role in today's economy as stated by Carmona, (2008:7).

Agency theory addresses a relationship where one party (the principal) delegates work to another party (the agent). An agency relationship therefore occurs when one or more principals such as the owner engage another person as their agent to complete a task on their behalf. In order to be effective, this task implies the delegation of some decision-making authority to the agent. This appointment of responsibility by the principal and the resulting division of labour contribute to a proficient and productive economy. They might be impacted by other factors such as financial rewards or labor market opportunities that are not directly congruent as argued by Donaldson and Davis, (1991:50).

Tanzi, (2000: 445) states that "Between their creation and their final implementation, fiscal decisions go through many stages at which mistakes, indifference, passive resistance, implicit opposition, and various forms of principal agent problems may distort the final outcome." The problems occurring in formulating policies because the behaviour prescribed by the ideal role of the state may not be in the interest of the individuals who constitute the government and problems arising between the government (as principal) and top bureaucrats (as agents)

2.11. Nature of audit finding

The new auditing state finances standard (BPK RI, 2007) requires auditors to convey recommendations on corrective measures to improve performance in problem areas of public sector agencies (Paragraph 24). Based on this standard, audit recommendations are to provide potential corrections, to improve compliance with laws and regulations, and to encourage follow up of previous recommendations that were not done. In providing constructive and realistic recommendations, the BPK standard provides guidelines that are:

- (i) aimed at problem solving,
- (ii) oriented to real and specific actions,
- (iii) aimed at authorities to take action,
- (iv) Focused on concrete solutions, and

(v) Aimed at reasonable expenses/costs. In the same fashion, the Ethiopian government auditing standard (EGAS) Reporting standard 4.3.14 stated that recommendations should be constructive and directed at resolving the cause of identified problems. They should also be specific, action oriented, practical and feasible, addressed to parties that have the authority to act.

According to Proclamation number 154/2010(21) of the Oromia Region Auditor General Organs to be audited are subject to the following responsibilities; Based on audit opinion and recommendation Auditee entities are obliged to take corrective measures as agreed in the exit conference and not more than 30 days and respond in writing to each point stated in the audit report

Auditors have to provide realistic and practicable audit recommendations for auditees to implement in order to improve their performance and public administration in general (Taylor 1996).

Gendron (2007) underlined the essential nature of auditor's expertise in issuing recommendations and constructing performance guidance measurements to improve the management of government.

Adams(1994) states that coupled with education and professional training enables the audit team to better understand the internal control structure, and perform quality fieldwork by designing and performing appropriate audit test, and by providing value-added recommendations, thereby facilitating acceptance and implementation of those recommendations. This will then help the agent/public manager demonstrate to the principal that the public resources are being judiciously utilized. One of the measurements for the quality of effective information in audit reports is the provision of realistic audit recommendations.

Wilkins (1995) pointed out that the improvement in public sector accountability can be achieved through audit results and recommendations. This means that public sector audits can be effective if auditees put into action audit recommendations for better government performance and resource management, which will improve economy, efficiency and effectiveness. Whether audit results are achieved depends on the quality of the recommendation. A recommendation that is

not convincing will not be implemented. A recommendation that does not correct the basic cause of a deficiency may not achieve the intended result.

2.12 Massive corruption

The key objective of SAIs is the provision of effective oversight of government spending and public finance management. Audits are thus a central feature of SAIs' work. Audits can contribute to improving government performance not only by identifying faults but also by acting as a deterrent to the abuse of power by providing valuable information about government actions to the legislature and the public. (Magnus, 2001):

Aikins (2012:59) defines “corruption as a form of dishonesty or unethical conduct by a person entrusted with a position of authority often to acquire personal benefit. Activities may include bribery, favouritism, extortion, abuse of discretion, conflict of interest, nepotism and embezzlement as well as practices that could be legal in other countries”. Roelofse et al (2014:54) says that “corruption has been identified as a complex, endemic and multi-layered problem that threaten the very existence of Nigeria and various efforts have been made to curb the menace”. Tajudeen (2013:25) argues that “the issue of corruption has been considered one of the most fundamental problems common to human society”. According to Khakbaz et al (2015:145), “the problem of corruption is not just in third world countries although the statistics are higher in developing countries than in developed countries”. According to Tajudeen (2013:29), “corrupt employees are often protected by government officials and even though Anti-corruption units are successful in their endeavours to root out corruption, it remains unfathomable because of political interference”. Roelofse (2014:176) asserts that “police and courts through bribery, followed by government officials involved with wrangling with state contracts are singled out as the most corrupt institutions. The Association of Certified Fraud

Examiners have noted that government regulations worldwide have increased criminal penalties that can be levied against companies and individuals who participate in fraud schemes at a corporate level”.

CIMA Global (2008) estimates the cost of corruption to be \$1.5 trillion each year and only a small percentage of losses from fraud is recovered by organisations. However, corruption has

been believed to help a country's growth in several ways that is bribes are seen as a way to reduce bureaucratic inefficiencies especially in developing countries.

Tajudeen (2013:45) says that "despite the controversies listed above, this research is aimed at determining whether corruption has resulted due to noncompliance with audit recommendations and the possible strategies to mitigate the risk".

Corruption is a major threat facing corporations and countries all around the world.

Corruption not only destroys lives and communities, but also undermines countries and institutions (Transparency International, 2012). Combating corruption requires the efforts and collaboration of regulatory authorities, external auditors, investigators, and the governing board (Institute of Internal Auditors, 2014).

When corporations suddenly fail or if it is revealed that management or key employees are involved in fraudulent activities, the validity of the financial statements of these corporations is often called into question. Once financial manipulation is revealed, the external auditor also comes under scrutiny (Cooper and Fargher, 2011).

Deegan and Unerman,(2006:215) notice that within the agency theory the firm itself is considered to be a 'nexus of contracts'. These contracts are used with the intention of ensuring that all parties, acting in their own self-interest, are at the same time motivated towards maximizing the value of the organization.

This study will be guided by Agency theory as it gives more direction to the relation between Auditors and the Government.

Alabede (2012, p.119) concluded that: "the auditors are still holding to the principle, which views audit as watchdog not bloodhounds and not expected to detect fraud. Unfortunately, times have changed and public expectation of the role of the auditors has equally changed".

Adeyemi and Uadiale (2011) argued that unless auditor's role conforms to public expectation, audit profession might risk social action of enforcement or penalty for nonconformity.

The public expectations of the external auditors with regards to detecting corruption or at least being able to identify corruption risks indicates that external auditors and audit regulators should

give more attention to corruption. This in turn requires audit regulators to clarify the role of external auditors with regards to corporate corruption and provide them with guidance on how to assess and respond to corruption risks. Khan (2006, p.4) stated that: the public expectations are that the auditors should play an effective role in reducing, if not eliminating, corruption”, and if external auditors cannot play a role in detecting corruption, they could at least identify areas where opportunities for corruption exist. Pacini et al (2002) argued that auditors must satisfy growing expectations, not only in the more conventional areas in financial statements but also in relation to the existence of fraud and compliance with legal obligations. Auditors now face increased pressure to plan and perform an audit to obtain reasonable assurance that material misstatements arising fraudulent acts such as bribery are detected and reported.

Modugu et al. (2012) mentioned that if external auditors are not competent especially in bringing their skills to bear in a corrupt environment, then the whole audit process is of no value.

Experience indicates that no one institution, acting alone, can significantly reduce corruption.

Corruption, Defined as the abuse of public office for private gain, has been identified as a symptom of something gone wrong with the management of the state. The most successful corrupt practices are those where the corruptor and the corruptee both gain sufficient advantage to be satisfied with the transaction. Other forms of corruption such, as theft of state assets by those who are in charge of the assets is a huge problem. (Kenneth and Rick, 1998)

According to Kenneth and Rick (1998) a recent form of corruption has emerged with of privatization state-owned enterprises for the benefit of officials. Theft of government financial resources such as pocketing revenues, not repaying advances are all forms of corruption that auditors must be more vigilant in identifying. Audit can be a powerful force to combat corruption. It also can be a potent deterrent to waste and abuse of public funds exposing non-transparent decision-making that was not in the public interest.

2.13 Lack of powers to take actions against malpractices and deviations

The quality of information is also indicated by the follow up to the audit report findings and recommendations. The advantages of auditing can only be realized when findings and recommendations have been followed up. Following up of auditing can be in the form of discussion in Parliament and corrective action in government-audited entities (Marsidi 2002;

Thai 1992). Without any follow up from Parliament, the Executive, or investigators, audit reports are useless and public accountability cannot be enforced. This means that an audit office provides audit report information to raise political interest among members of Parliament to follow up by presenting political oversight and control that offers further action. Moreover, Chowd (2005) suggested that effective monitoring and controlling is needed for the implementation of the audit follow-up recommendations.

According to Spencer (2003) to ensure the reasonable assurance regarding achievement of the organizations objectives, the monitoring process should be performed to evaluate and assess the systems of internal control to ensure that the procedures are consistently applied over an extended period of time.

Monitoring of internal control should include policies and procedures for ensuring that the findings of audits and other reviews are promptly resolved. According to Coffin (2003) monitoring entails the activities and procedures designed to assess the effectiveness of the internal control system in achieving the entity's financial reporting objectives.

Monitoring is done continuously by external auditors, internal auditors and management; to review and evaluate the effectiveness of internal control, if corrective actions are required.

Triadji (2004) described a situation where there was an absence of internal control to prevent corrupt government management, and a lack of follow-up of an external audit report that caused difficulty in addressing accountability, and achieving transparency and good governance.

Stephan (2012) from a practical perspective, states that client management adoption of audit recommendations as a result of auditors tracking and monitoring those recommendations will help to enhance public accountability in the public management process. Therefore, local government's internal auditors should improve the documentation, monitoring and follow-up of client resolution of audit findings and recommendations in order to strengthen public accountability.

Walker (1996) underlined that: Though the management should take responsibility for the risks of not implementing the audit recommendations, it should be the responsibilities of internal audit to follow-up the results. Keating(1995) claims that the internal audit work is only beginning

when audit reports are issued. This emphasizes that follow-up is critical to bring about audit outcomes. If follow-up is weak or absent, the impetus gained by audit recommendations will be lost and the credibility of internal audit will suffer. If follow-up is absent, highlighting the status of unresolved past audit issues could minimize its effect audit committee to reduce the yielding of misstated financial reports by management.

Getachew(2012) conducted a research on the role of external auditing in Public Financial Management, on Office of Federal Auditor General of Ethiopia. Data used both primary and secondary, the method employed for the study was survey research approach and he reached on the findings: Lack of strong political and legal support for the office; Lack of financial and administrative independence; High turnover of experienced employees due to lack of attractive salaries and better service conditions; Lack of autonomy in setting competitive salaries to attract and retain staff; Discriminatory staff promotion policy; Inability to take legal action directly against audited entities when frauds are detected; Inadequate resources and facilities, and Lack of coordination and cooperation among the audit office, the legislature and other civil society organizations (the Anti-Corruption Commission, the Media and Ombudsmen)

2.14 Political pressures and lack of top management cooperation

In fact, in a governmental setting, while perceptions of audit quality and auditee satisfaction are important, the translation of satisfaction and perceptions into auditee implementation of audit recommendations to improve internal controls is more significant given the need for public managers to be accountable to stakeholders and the general public. (Stephen, 2012)

Van Gansberghe (2005) in his study stated that implementation of audit recommendations is highly relevant to audit results.

Sawyer (1995) stated that management's commitment to use audit recommendations and its support in strengthening internal audit is vital to audit effectiveness.

The management's commitment to implement audit recommendations improves the operation of the auditee, as a result of which the auditee attributes would improve to the benefit of audit effectiveness (GAO, 1991). Therefore, Audit findings and recommendations would not serve much purpose unless management is committed to implement them.

2.15 Empirical observations

Even if auditing profession requires high standard of principles and ethical codes to conduct an objective, independent and impartial high quality, efficient and effective audit work; there are many challenges in the practical world that constrain it from the achievement of its responsibility.

On the African context studies show that failure to implement auditor General's recommendations is as a result of political, economic and business environment, legal framework, education background, culture, and perceptions of audit as put forward by ICAEW, (2010:7).

Another study conducted on the title *an Evaluation of the role of the SAI of Botswana in promoting environmental accountability*. Using the method evaluating the role of SAIs against predetermined criteria based on international best practice framework on compliance auditing.

The research result concludes that the office of auditor General was not very effective in terms of executing its role of ensuring that organizations become accountable for their non-compliance with environmental requirements (Batsumi, 2008).

Mihret & Yismaw [12] on their study also found that IA recommendations are not afforded enough attention. Though the audit reports are generally well prepared, they do not separately highlight the status of past audit results and they could be presented in a more consistent way. Besides, the audit evidence is attached to the reports. This provides a bulky appearance of the audit reports and reduces readability. The distribution of the audit reports is limited where copies are not provided to other senior management officers to which related to audit report. Their study also concluded that management supports to internal audit as a determinant of internal audit effectiveness.

Tadele,(2012) conduct a research on the Office of Federal Auditor General of Ethiopia and ONRSOAG assessing the factors affecting auditors and performance audit development, on identifying pitfalls faced while performance audit conducted and used as a tool against corruption, and also on strategic relationship of OFAG and ONRSOAG with their respective EACC and PAASC in each state. The methodology used to conduct this study was mixed methods hypothesis and answer research questions. Specifically, the study used surveys of

performance auditors, EACC officials and turn out auditors, documentary analysis using audit report, budget, and other documents, and interviews with head of performance audit division and PAASC. The results reveal that practice of performance audit in Ethiopia aged more than two decades and only about 50 audit reports produced by OFAG. Even though each report is full of finding with probable corruption clue areas EACC not used it as an inputs in fighting corruption.

Tanzila,(2011). Conduct a study to examine the effectiveness of government auditing of foreign aided programs/projects in the context of Bangladesh. The methodology was Primary data collected through questionnaire survey and interview carried out with the stakeholders of FAPAD (Foreign Aided Projects Audit Directorate) audit reports, gave various insights into the actual scenario of the audit work. Some crucial observations also resulted from content analysis, particularly documents pertaining to the case study of the research. A careful compilation and analysis of the findings has been done. The investigation revealed certain dissatisfaction regarding FAPAD audit in important areas, like lack of strategic planning, insufficient evidence of audit work, lack of skilled human resource, less understanding of the auditee organizations, delayed issue of audit reports, poor presentation of audit report, weak monitoring as well as follow up, weak management etc. The contexts that are perceived to affect/impinge most an effective FAPAD audit are among others, lack of skilled audit manpower, lack of proper monitoring and quality assurance process of audit, delay in implementation of audit recommendations by project management and ministry, delay in discussion of audit reports by PAC, slow/non-implementation of PAC recommendations by auditees.

Lukas Beyashe, (2008). Conduct a study to examine the Challenges Faced by Ethiopian Federal Government Auditors: the Case of the Office of the Federal Auditor General.

The methodology used to conduct this study was mixed methods hypothesis and answer research questions. Specifically, the study used surveys of the Challenges Faced by Ethiopian Federal Government Auditors.

The methodology used to conduct this study was Mixed types of data having both qualitative (such as satisfaction of auditors, auditors independence, expectation of the public etc) and quantitative (like average hours trained)

According to the analysis made the researcher has identified large number of challenges which encountering auditors of OFAG have been the following: lack of an opportunity to pursue education; lack of training on technologies and regulations related to their profession; there are problems in collecting the necessary information and timely delivery of information by auditee's is very much poor; lacking orientation on how to perform given engagement, regular supervision, clear field work division and method of measuring how effective they are; lack of effective mandate where lead to problems of independence; And, as a final point, the finding presented that public expectations of auditors' performance were different from the standard of performance, leading to an expectation gap, and the habit of working with public media's to narrow this gap is very near to the ground.

2.16 summary of the literature

Despite the considerable amount of money spent on audit public institutions little attention has been paid to ensuring that the findings and recommendations of audit are implemented in routine practice as observed by Letza, (1995:5).

The main aim of auditing is to improve organisational efficiency and effectiveness through constructive criticism. Audit recommendations are based on four main components: verification of written records; analysis of policy; evaluation of the logic and completeness of procedures, internal services and staffing to assure they are efficient and appropriate for the organisation's policies; and reporting recommendations for improvements to management as argued by Eden and Moriah, (1996:11).

To conclude, first of all there are few research papers have been done in government external audit issues, what we have seen from these researches government Audit Institutions tried to execute their responsibility in sever constraints in all types of resources; financial human and necessary support from the concerned bodies, The literatures revealed above were not enough by themselves to answer the research question under consideration, may have some limitations .First, and most of the literatures were not considered the factors affecting the implementation of audit recommendations.

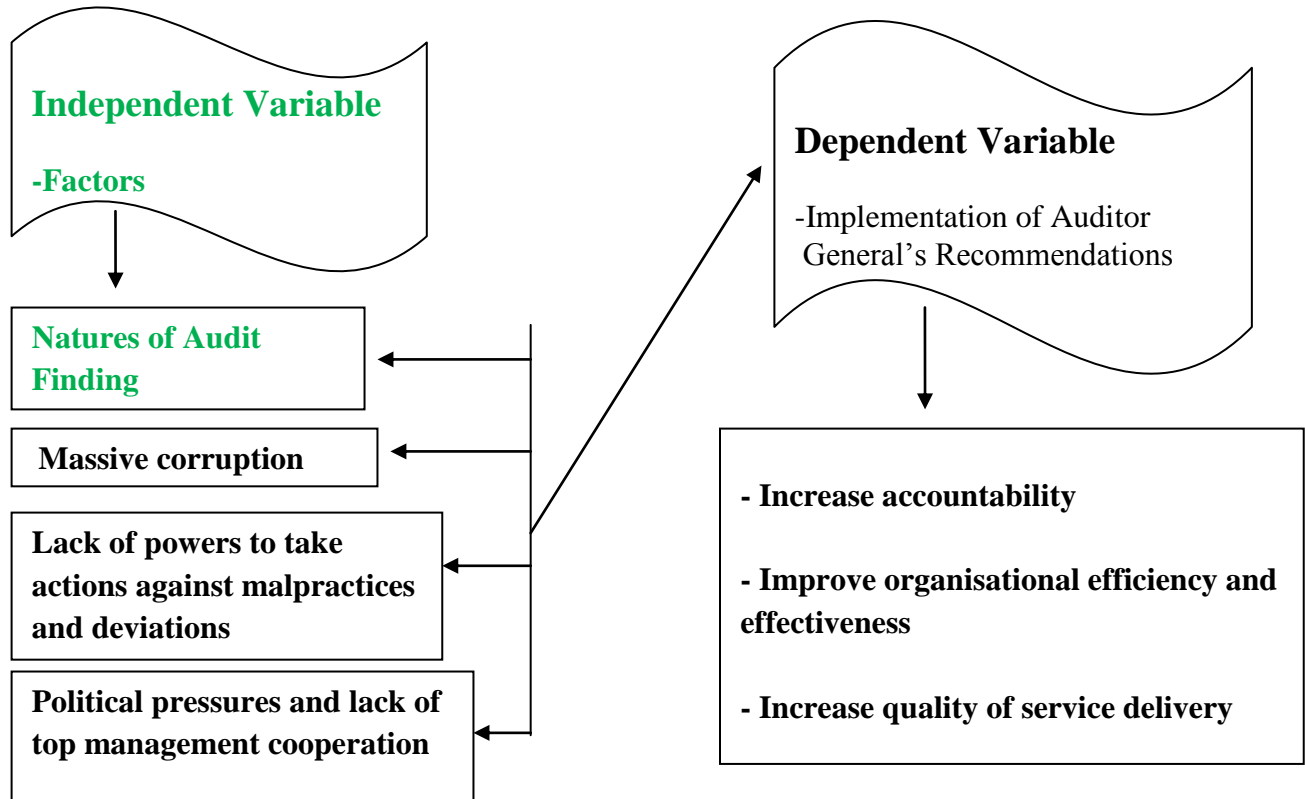
Therefore the study attempt to fill the research gap by assessing the factors affecting the implementation of audit recommendations of ORAG.

2.17 Conceptual Framework

Fawcett (1997) suggests that conceptual frameworks can be used for four purposes to guide practice; as a basis for research projects; for pedagogic purposes; and in administrative situations. The study therefore use the conceptual framework as a basis for research by linking the relationship between dependent variable and independent variable.

The study focus on how nature of findings, Massive corruption, Lack of powers to take actions against malpractices and deviations, and Political pressures and lack of top management cooperation factors that affect the implementation of Auditor General Recommendations.

Figure 2.1: the relationship between dependent variable and independent variable.



Source: Adopted from Gad Atuhumuza (2015) and modified by the Researcher.

CHAPTER THREE

3. METHODOLOGY

3.1 Introduction

This chapter shows the research methodology a description of research design, study population, determination of the sample size, sampling techniques and procedure, data collection methods, data collection instruments, procedure of data collection and measurement of variables as guided by Collis and Hussey, (2009:55).

According to Catherine (2002), the research methodology is the philosophy or general principle which guides the research. The research problems, personal experiences and different philosophy of research methodology show the choice of appropriate research methods.

3.2 Research Design

Orodho (2005) states that research design is the plan, structure and strategy of investigation proposed for obtaining answers to research questions. The study adopt a descriptive research strategy because the study wants to describe (by identifying) factors affecting the implementation of audit recommendations.

Frankel and Wallen (2003) define survey as the method that involves asking a large group questions about a particular issue. Information obtained from a sample rather than the entire population at one point in time. Descriptive survey research collects data in order to answer questions covering the current status of the subject in the study. It also allows for quick collection at comparatively cheap cost Grinnel (1993). Both quantitative and qualitative approaches used to get the various aspects of implementation of audit recommendations.

3.3 Types & Sources of Data

To carry out this descriptive type of research, both primary and secondary data sources were used by the researcher in gathering the necessary information.

The primary data gathered through survey questionnaires, structured and unstructured interviews from the following two groups:

- The staff of the OAGO, who is composed of the auditor general, the deputy general, audit directors, auditors at various levels and supporting staffs in the organization which have total number of 313 in the office.
- Twenty audited government organizations (public sector offices) which found in central regional bureaus of Oromia, Ethiopia.

The secondary data used in the research were information gathered through review of different literatures, manuals, strategic plans and annual plans, proclamations and regulations, and audit reports annual submitted to the parliament “caffee”.

3.4 Data Collection Techniques

The study use both quantitative and qualitative data collection methods. The main data collection instruments used for gathering primary data survey questionnaires. The survey questionnaires are used to gather information about opinions and attitudes of the respondents. The structured interviews are also used to capture the perspectives of participants. Finally, the direct observation method used to obtain in-depth information. The questionnaires and the structured interviews are prepared both with open-ended and closed-ended questions for the collection of qualitative and quantitative data from the respondents. The open-ended questions enabled the respondents to freely reveal existing problems and their possible causes, whereas the closed-ended questions used helped the respondents to express their level of agreement on the factors affecting the implementation of auditor General recommendations.

On the other hand, the secondary data are gathered through reviewing and reading of different literatures, manuals, strategic plans and annual plans, proclamations and regulations, and audit reports.

3.5 Data collection instruments

According to Parahoo, (2007:325) a research instrument is “a tool used to collect data. An instrument is a tool designed to measure knowledge attitude and skills.” Johnson and Turner, (2003:16) define a questionnaire is a set of questions for gathering information from individuals. Questionnaires can be administer by mail, telephone, using face-to-face interviews, as handouts,

or electronically (i.e., by e-mail or through Web-based questionnaires). An interview guide is a set of questions that the researcher asks during the interview (McNamara, 2009). The researcher is expected to design an interview guide which used during the interview of the key respondents who the region top management members. The researcher pose questions intended to lead the respondents towards giving data to meet the study objectives and also probe the respondents in order to seek clarification about responses provided. A structured interview guided used to stimulate respondents into detailed discussion of factors that affect the implementation of Auditor General's recommendations. Structured interviews are useful not only because they show excellent validity in meta-analytic research (Hunter and Schmitt, 1996), but also because structured interviews provide a chance to probe the answers of the management and understand precisely what they mean. Interviewing is a very useful approach for data collection because it allows the researcher to have control over the construction of the data and it has the flexibility to allow issues that emerge during dialogue and discussion to be pursued (Charmaz, 2002).

3.6 Population

Parahoo (1997:218) defines population as “the total number of units from which data can be collected”, such as individuals, events or organisations. Burns and Grove, (2003:213) describe population as all the elements that meet the criteria for inclusion in a study.

The target populations for the research the employees' staff of the OAGO and twenty audited government organizations (public sector offices) which found in central regional bureaus of Oromia, Ethiopia.

3.7 Sample Size &Sampling Techniques

A two-stage sampling Techniques used in the study. In the first stage, from 313 total populations of the OAGO staff employees 72 samples selected purposively. In the second stage, the total population number of government organizations (public sector offices) which found in central regional bureaus of Oromia is 58. But due to the difficulty of covering the entire total existing audited government organizations in the region, the researcher minimize its study area by focusing only on 20 audited government organizations (public sector offices) which found in

central regional bureaus of Oromia Selected purposively. The selected public sectors are expected to be used as a representative of other sectors.

Thus, the researcher focus on these public sectors which have high audit finding during last three budget years (2015/16-2017/18 GC), financed by big budget, homogenous, very popular in nature and have greater impact to influence the Oromia region's overall social, political and economic issues. From each sectors; one top management members selected purposively, and one finance & procurements process owners as well as one internal audit directors also Non-probably selected from each, as they know more about the implementation of audit recommendations than any other staffs.

The use of purposive sampling enables generating meaningful insights that help to gain a deeper understanding of the research phenomena by selecting the most informative participants (Carver 1978; Cohen 1990; Neuman 2006; Patton 1990).

A sample size of 132 respondents determined using purposive and non-probably sampling method.

Purposive sample used in the study. Parahoo (1997:232) describes purposive sampling as “a method of sampling where the researcher deliberately chooses who to include in the study based on their ability to provide necessary data”.

According to Parahoo (1997:223), in non-probability sampling researchers use their judgment to select the subjects to be included in the study based on their knowledge of the phenomenon.

In the study used non-probable and purposive sampling. The rationale for choosing the approach is that the researcher seeks the knowledge about the respondents' opinion of on the factors that affect implementation of Auditor general's recommendations in the Oromia region.

It includes various categories as specified in table 3.1 below:

Table 3.1: Research respondents by category and sample

No.	Category of respondents	(N)	(S)	Sampling technique
1	Top Management members of selected public sector	120	20	Purposive sampling
2	Finance & procurement process owners of selected public sector	20	20	Non-probable
3	Internal Audit Directors of selected public sector	20	20	Non-probable
4	the staff of the OAGO	313	72	Purposive sampling
	Total	473	132	

Key: N – Population Size, S – Recommended Sample Population

3.8 Methods of Data Analysis

The primary data collected through survey questionnaires, structured interviews, and the secondary data obtained by reading different literatures, manuals, proclamations and regulations, audit reports were analyzed quantitatively and qualitatively.

According to Picciano, (2004:18) Statistical Package for Social Sciences (SPSS) provides a number of statistical procedural programs for doing a wide variety of analyses. A partial list of the most commonly used programs is include,

ANOVA - Analysis of Variance, CORRELATION -Correlational Analysis (Pearson's Product Moment Coefficient), FREQUENCIES - Frequency Distributions, Graphs, Charts, MEANS - Measures of Central Tendency among others.

Therefore data collected, processed and analyzed using Statistical Package for Social Sciences (SPSS) in order to come up with frequencies and percentages. The relationship between the variables established and tested using Pearson correlation. Microsoft word and excel used in drawing tables, charts and graphs so as to clearly present the research findings.

3.9 Measurement of variables

The study use a 5-point likert scale to quantitatively measure the variables which are factors affecting implementation of Auditor general recommendations to come up with reliable findings. And ranged from strongly agree to strongly disagree (strongly agree, agree, not sure, disagree, and strongly disagree).

According to Bertram, (2007:2) likert scale is a psychometric response scale primarily used in questionnaires to obtain participant's preferences or degree of agreement with a statement or set of statements. Likert scales are a non-comparative scaling technique and are unit dimensional (only measure a single trait) in nature. Respondents are asked to indicate their level of agreement with a given statement by way of an ordinal scale.

A Likert-type scale assumes that the strength/intensity of experience is linear, i.e. on a continuum from strongly agree to strongly disagree, and makes the assumption that attitudes can be measured. Respondents may be offered a choice of five to seven or even nine pre-coded responses with the neutral point being neither agree nor disagree.

Checklists also used to qualitatively measure the variables.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND DISCUSSION OF RESULTS

4.1 Introduction

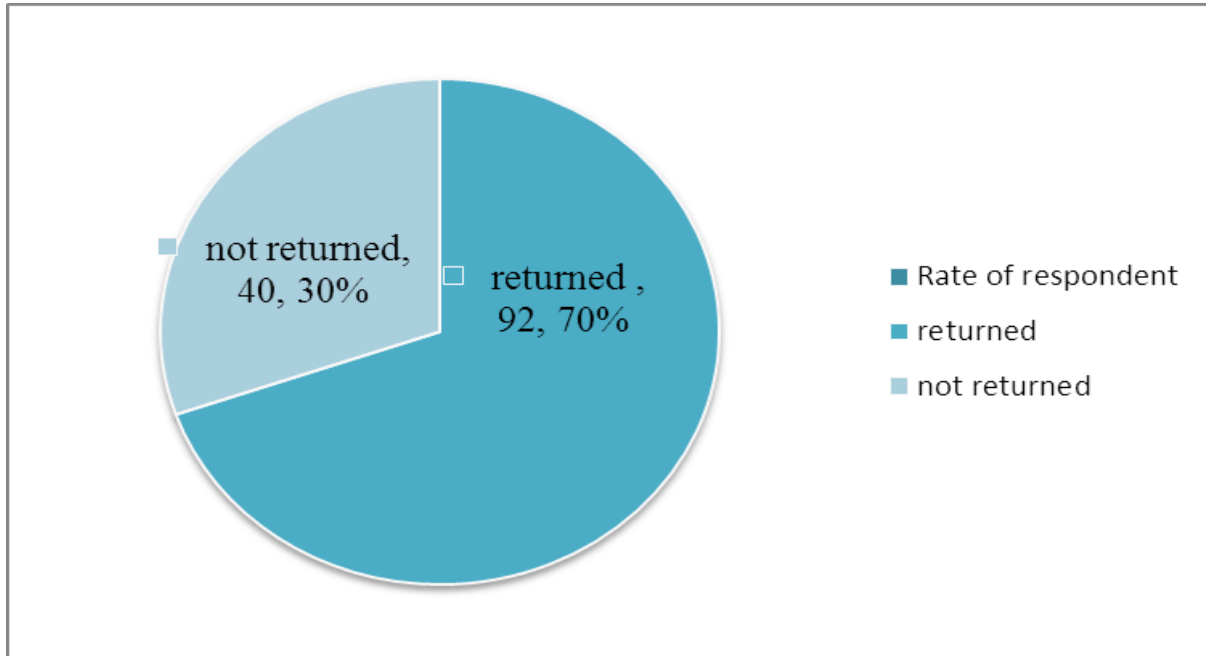
This chapter presents the detailed analysis made to identify the factors affecting implementation of auditor general's recommendations, provides presentation, discussion and analysis of data collected from the field by giving detailed information on the findings of the study and detailed discussion on responses obtained from the questions and interviews posed to the respondents as well as the analysis of the findings.

The study adopted the mixed approach for the study methodology since qualitative research (narrative in nature) is more useful in terms of providing insights to research problem as Lehmann et al., (2008) mentioned and the quantitative which provides concrete measurements and facts about the research topic, and quantities related to it (Biggam, 2011).

4.2 Response Rate

The response rate of respondents from the field people who answered the survey divided by the number of respondent people in the samples. It is usually expressed in the form of a percentage.

Figure 4.1: Pie chart showing the response rate of respondents from the field



Source: Field data, 2019.

4.3 Background Information on the Respondents

Analyzing the demographic profile of the respondents to validate reliability of data collected is very important. Accordingly, the respondents were asked about their gender, Age, level of education, position and work experience. This information was required to ensure that the sample that participated in the study had similar distribution of the respondents by characteristics to that of the population it was drawn from.

This determines the accuracy and representativeness of information drawn from the sample to the population. Findings regarding their gender, level of education, position and work experience are presented in Table 4.1.

Table 4.1: Showing the background information of the respondents

Demographic questions		Frequency	Percentage
Gender	Male	69	75%
	Female	23	25%

Source: Primary Data

From Table 4.1 above, it can be seen that the majority (69, 75%) of the respondents are male. Only 23, 25% of the respondents are female. This shows the proportion of female employment in the region is low. The study implied that the Gender proportion of respondents disproportionate male and female. The probable reason for this gender bias may come from various reasons such as engagement of women in such activities because which needs further studies.

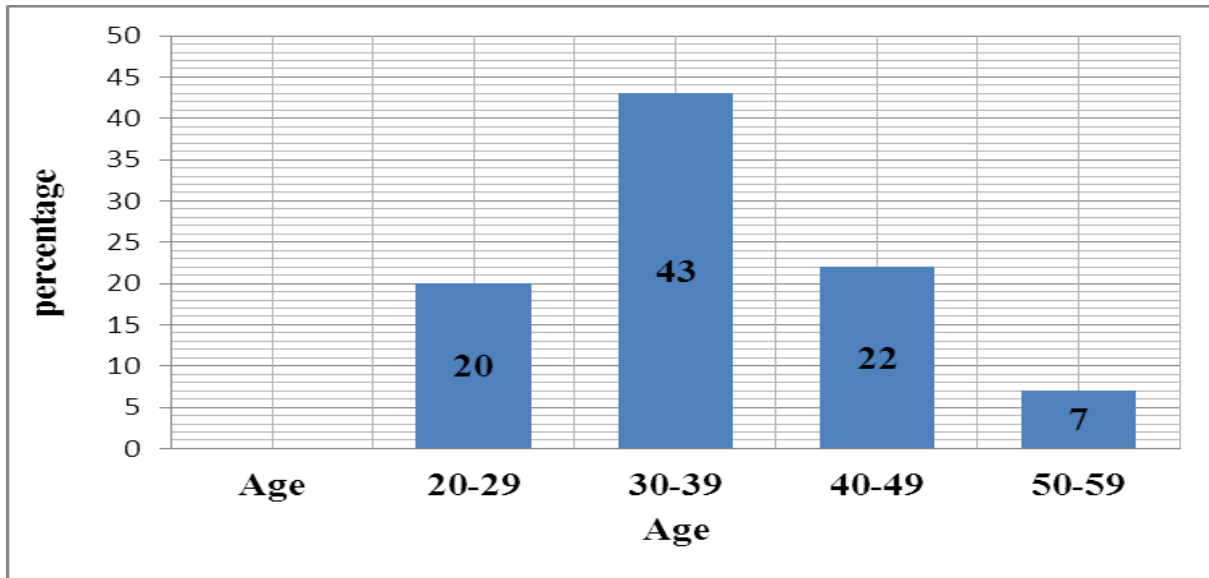


Figure 4.2: Showing the age composition of respondents

The above graph shows Age of respondents was also important variable to be considered for this analysis and the findings revealed that 20, 21% of the respondents were aged between 20 to 29 years, 43, 46.7% of the of the respondent indicated they were aged between 30 to 39 years, 22, 24% of the respondents indicated were aged between 40 to 49 years, whereas the remaining 7, 7.6 % of the respondents indicated that they were aged 50 to 59 years. This indicates the age composition of respondents were heterogeneous which constitute all age ranges between 20 and 60 years. Nearly half of the respondents were found in middle (working age) and the proportion of highly experienced (in terms of age) respondents was extremely small which one out of 92 sample respondents. The heterogeneity in age of respondents enabled the researcher to get varied response which probably represents all age groups of respondents in the organization are presented in Graph 4.2

Table 4.2 Education Level of the Respondents

Demographic questions		Frequency	Percentage
Level of education	TVET certificate	5	5.4
	Bachelor's Degree	62	67.4
	Master's Degree	17	18.5
	Others specify	8	8.7

Source: Primary Data

The knowledge and skill of the employee's contribute to the implementation of audit recommendation. These were obtained through education. As summarized in Table 4.1 above, the majority of the respondents (85.9 %) has academic competences of degree and above which is favorable. Only 14.1 % holds the TVET certificate and others. This shows that most employees of the Oromia regional state basic service providing sectors Regional Bureaus are qualified for their jobs and to analyze and implement audit recommendation.

Table 4.3 Work Experience of the Respondents

Demographic questions		Frequency	Percentage
work experience	1- 3	13	14.1
	4 – 7	21	22.8
	8 – 10	30	32.6
	above 10	28	30.4

Source: Primary Data

Experience is one of the competences to understand and factors affecting implementations of audit recommendations in an organization. Experience also referred to as professional competence. The more experienced employees are the more they understand about the factors affecting the implementations of audit recommendations. Out of the survey, 30.4 % of the respondents as indicated in Figure: 4.3 were experience with years more than 10 and 32.6 % of the respondents were with an experience between 8 to 10 years and the remaining 36.9 % of the respondents were less than 7 years" experience. This indicates that the employees are well experienced to respond to the questionnaire, factors affecting implementations of audit recommendations.

4.3 Factors Affecting Implementation of Audit Recommendations

The study was to analyse the factors affecting implementation of audit recommendations in ORAG, Ethiopia. This section, therefore, presents the reliability of analysis and detailed findings of the study.

Questionnaire as measure of consistency of the question items, the reliability analysis was conducted using Cronbach's Alpha (α), the most common measure of scale reliability test.

As shown below in Table 4.4 below the value for Cronbach's Alpha (α) was 0.898 for all variables which exceed 0.70 the accepted value for Cronbach's Alpha (Field, 2009; Cohen and Sayag, 2010). Thus, it can be concluded that, the responses generated for all of the variables used in this research was reliable enough to analyze the data.

Table 4.4 Test of reliability

Cronbach's Alpha	Cronbach's Alpha Based On Standardized Items	N of Items
0.898	0.895	5

Source: Survey results

This sub section tried to deal with analyzing the influence of four categories of determinants on the factors affecting implementation of audit recommendations. The analysis consider the response items (strongly agree-5, agree-4, Neutral-3, Disagree-2 and strongly disagree-1) as categorical and continuous variables. As continuous variable, the mean score of responses were obtained by summing up the responses of all question items with in the category and divide the value by the number of question items. Based on this mean value, score which is less than 3 was considered as the factors not affecting implementation of audit recommendations, and on the other hand, value which was greater than or equal to 3 was considered as the factors affecting implementation of audit recommendations. On the other hand the responses of respondents were also treated as discrete values where each item was employed to identify the significance of each question items to see the influence of the determinants towards the factors affecting implementation of audit recommendations. The below discussions was based on the above mentioned assumptions.

Identifying major factors that would have association with factors affecting implementation of audit recommendations was one of the major essences of this research.

The findings of those factors are presented here under this table.

Table 4.5 Response of respondent's on the Nature of audit findings

Variables	SA		A		N		DA		SDA		Mean
	F	%	F	%	F	%	F	%	f	%	
Nature of audit findings											
The implementation of corrective actions determined by types and nature of audit finding	10	10.9	57	62	23	25	2	2.2	0	0	3.79
The timing of audit findings affects the implementation of Auditor general recommendations	4	4.3	60	65.2	15	16.3	13	14.1	0	0	3.78
Audit finding recommended were not action oriented, convincing and well supported affect the implementation of recommendations	9	9.8	61	66.3	15	16.3	7	7.6	0	0	4.05
Based on audit recommendation Auditee entities to take corrective measures, the 30 days were convincing time and adequate to respond in writing to each point stated in the audit report	0	0	1	1.1	14	15.2	68	73.9	9	9.8	3.92
Average Mean											3.88

Source: Primary Data

As indicated in the above table 4.5, the majority 62% of the respondents are agree, 10.9 % of the respondents are strongly agree, 25 % of the respondents are neutral and 2.2 % respondents are disagreeing. However, none of the respondents indicates as strongly disagree that about the implementation of corrective actions determined by types and nature of audit finding recommended by Auditor General's. This shows that 72.9 % of the respondents with the mean of 3.79 think that the types and nature of audit finding affect the implementations of audit recommendations.

75% of the respondents are agree, 4.3 % of the respondents are strongly agree, 15.2 % of the respondents are neutral and 5.4 % respondents are disagreeing. However, none of the respondents indicates as strongly disagree that about the timing of audit findings affects the implementation of Auditor general recommendations. This shows that 79.3 % of the respondents

with the mean of 3.78 think that the types and nature of audit finding affect the implementations of audit recommendations.

71.7% of the respondents are agree, 17.4 % of the respondents were strongly agree, 9.8 % of the respondents are neutral and 1.1 % respondents are disagreeing. However, none of the respondents indicates as strongly disagree that about the Audit finding recommended were not action oriented, convincing and well supported affect the implementation of recommendations. This shows that 89.1 % of the respondents with the mean of 4.05 think that nature of audit finding affect the implementations of audit recommendations.

73.9 % of the respondents are dis agree, 9.8 % of the respondents are strongly disagree, 15.2 % of the respondents are neutral and 1.1 % respondents are agree. However, none of the respondents indicates as strongly agree that about Based on audit recommendation Auditee entities to take corrective measures, the 30 days were convincing time and adequate to respond in writing to each point stated in the audit report. This shows that 83.7 % of the respondents with the mean of 3.92 think that to take corrective measures, the 30 days were not convincing time and adequate to respond in writing to each point stated in the audit report.

According to the findings in Table 4.5, Audit finding recommended were not action oriented, convincing and well supported affect the implementation of recommendations were found to be the highest score from the respondents, of whom 89.1 % with the mean of 4.05 agreed, showing that it was the nature of audit finding affect implementation of the Auditor General's recommendations, while Based on audit recommendation Auditee entities to take corrective measures, the 30 days were not convincing time and adequate to respond in writing to each point stated in the audit report affect the implementation of recommendations also scored highly from the respondents, of whom 83.7 % agree and with the mean of 3.92 to the same effect. This implies that the nature of audit findings greatly affect implementation of the Auditor General's recommendations as without other components mentioned implementation of the recommendations in ORAG would seem next to impossible.

Table 4.6 Response of respondent's on the Massive corruptions

Variables	SA		A		N		DA		SDA		Mean
	F	%	F	%	F	%	F	%	f	%	
Massive corruptions											
The collaboration of regulatory authorities, external auditors, and the Auditee's top management to commit massive corruption affect the implementation of audit recommendations	17	18.5	65	70.7	10	10.9	0	0	0	0	4.08
The interaction between the auditee and the auditor with subjective norms and conflict of interest significantly affect the actual implementation of the audit recommendations	8	8.7	70	76.1	14	15.2	0	0	0	0	3.93
The relationship between auditors and management were appropriate, such that there is no perception that the auditors may lack, or appear to lack, the required degree of objectivity	2	2.2	72	78.3	17	18.3	1	1.1	0	0	3.35
External auditors or audited entities lack of having guidance on how to react to cases when management or those charged with governance repeatedly ignore implementing audit recommendation?	13	14.1	67	72.8	12	13	0	0	0	0	4.01
Average Mean											3.84

Source: Primary Data

As indicated in Table 4.6 above, majority 70.7 % of the respondents are agree, 18.5 % of the respondents are strongly agree, 10.9 % of the respondents are neutral and none of the respondents indicates as disagree and strongly disagree believed that the collaboration of regulatory authorities, external auditors, and the Auditee's top management to commit massive corruption significantly affect the implementation of audit recommendations.. This shows that 89.2 % of the respondents with the mean of this factor 4.08. Thus, it can be inferred that, the collaboration of regulatory authorities, external auditors, and the Auditee's top management to commit massive corruption significantly affect the implementations of audit recommendations.

76.1 % of the respondents are agree, 8.7 % of the respondents are strongly agree, 15.2 % of the respondents are neutral and none of the respondents indicates as disagree and strongly disagree

believed that the interaction between the auditee and the auditor with subjective norms and conflict of interest affect the actual implementation of the audit recommendations. This shows that 89.2 % of the respondents with the mean of this factor 3.93. Thus, it can be inferred that, the interaction between the auditee and the auditor with subjective norms and conflict of interest affect the implementations of audit recommendations.

59.8 % of the respondents are agree, 1.1 % of the respondents are strongly agree, 12 % of the respondents are neutral, 27.2 % of the respondents are disagree and none of the respondents indicates as strongly disagree believed that The relationship between auditors and management were appropriate, such that there is no perception that the auditors may lack, or appear to lack, the required degree of objectivity affect the actual implementation of the audit recommendations. This shows that 60.9 % of the respondents with the mean of this factor 3.35. Thus, it can be inferred that, the relationship between auditors and management were appropriate, such that there is no perception that the auditors may lack, or appear to lack, the required degree of objectivity affect the implementations of audit recommendations.

72.8 % of the respondents are agree, 14.1 % of the respondents are strongly agree, 13 % of the respondents are neutral and none of the respondents indicates as disagree and strongly disagree believed that the external auditors or audited entities lack of having guidance on how to react to cases when management or those charged with governance repeatedly ignore implementing audit recommendation affect the actual implementation of the audit recommendations. This shows that 86.9 % of the respondents with the mean factor of 4.01. Thus, it can be inferred that, the external auditors or audited entities lack of having guidance on how to react to cases when management or those charged with governance repeatedly ignore implementing audit recommendation affect the implementations of audit recommendations.

According to the findings in Table 4.6, the collaboration of regulatory authorities, external auditors, and the Auditee's top management to commit massive corruption were found to be the highest score from the respondents, of whom 89.2 % with the mean of 4.08 agreed, showing that it was the massive corruption affect implementation of the Auditor General's recommendations, while the external auditors or audited entities lack of having guidance on how to react to cases when management or those charged with governance repeatedly ignore implementing audit recommendation affect the implementation of recommendations also scored highly from the

respondents, of whom 86.9 % agree and with the mean of 4.01 to the same effect. This implies that the massive corruption greatly affect implementation of the Auditor General’s recommendations as without other components mentioned implementation of the recommendations in ORAG would seem next to impossible.

Table 4.7 Response of respondent’s on the Lack of powers to take actions against malpractices and deviations

Variables	SA		A		N		DA		SDA		Mean
	F	%	F	%	F	%	f	%	f	%	
Lack of powers to take actions against malpractices and deviations											
Auditor general lack of powers to take actions against malpractices and deviations (audit findings) not implemented rather than merely reporting	10	10.9	71	77.2	11	12	0	0	0	0	3.99
Regional Councils “caffee” lack of oversight influences over region Executives and other region organs to take corrective actions against Auditor general’s recommendations not implemented.	23	25	64	69.6	5	5.4	0	0	0	0	4.2
Regional Councils ‘Caffee’ deficiency of discharging its responsibilities in follow up the concerned body or person takes the necessary measure based on the audit report.	28	30.4	61	66.3	3	3.3	0	0	0	0	4.27
Auditee Management have full power for taking timely and appropriate steps to remedy fraud or illegal acts that auditors report to it	8	8.7	67	72.8	13	14.1	4	4.3	0	0	3.86
Average Mean											4.08

Source: Primary Data

As indicated in Table 4.7 above, majority 77.2 % of the respondents are agree, 10.9 % of the respondents are strongly agree, 11 % of the respondents are neutral and none of the respondents indicates as disagree and strongly disagree believed that the Auditor general lack of powers to take actions against malpractices and deviations (audit findings) not implemented rather than merely reporting affect the implementation of audit recommendations. This shows that 88.1 % of the respondents with the mean factor of 3.99. Thus, it can be inferred that, the lack of powers to

take actions against malpractices and deviations significantly affect the implementations of audit recommendations.

69.6 % of the respondents are agree, 25 % of the respondents are strongly agree, 5.4 % of the respondents are neutral and none of the respondents indicates as disagree and strongly disagree believed that the regional councils “caffee” lack of oversight influences over regional executives and other regional organs to take corrective actions against Auditor general’s recommendations not implemented affect the implementation of audit recommendations. This shows that 94.6 % of the respondents with the mean factor of 4.2. Thus, it can be inferred that, the lack of powers to take actions against malpractices and deviations significantly affect the implementations of audit recommendations.

66.3 % of the respondents are agree, 30.4 % of the respondents are strongly agree, 3.3 % of the respondents are neutral and none of the respondents indicates as disagree and strongly disagree believed that the regional councils ‘Caffee’ deficiency of discharging its responsibilities in follow up the concerned body or person takes the necessary measure based on the audit report affect the implementation of audit recommendations. This shows that 96.7 % of the respondents with the mean factor of 4.27. Thus, it can be inferred that, the lack of powers to take actions against malpractices and deviations significantly affect the implementations of audit recommendations.

72.8 % of the respondents are agree, 8.7 % of the respondents are strongly agree, 14.1 % of the respondents are neutral, 4.3 of the respondents are dis agree and none of the respondents indicates as strongly disagree believed that the Auditee Management have full power for taking timely and appropriate steps to remedy fraud or illegal acts that auditors report to it affect the implementation of audit recommendations. This shows that 81.5 % of the respondents with the mean factor of 3.86. Thus, it can be inferred that, the lack of powers to take actions against malpractices and deviations significantly affect the implementations of audit recommendations.

According to the findings in Table 4.7, the regional councils ‘Caffee’ deficiency of discharging its responsibilities in follow up the concerned body or person takes the necessary measure based on the audit report were found to be the highest score from the respondents, of whom 96.7 % with the mean of 4.27 agreed, showing that it was the lack of powers to take actions against malpractices and deviations significantly affect implementation of the Auditor General’s

recommendations, while the regional councils “caffee” lack of oversight influences over regional executives and other regional organs to take corrective actions against Auditor general’s recommendations not implemented affect the implementation of recommendations also scored highly from the respondents, of whom 94.6 % agree and with the mean of 4.2 to the same effect. This implies that the lack of powers to take actions against malpractices and deviations greatly affect implementation of the Auditor General’s recommendations as without other components mentioned implementation of the recommendations in ORAG would seem next to impossible.

Table 4.8 Response of respondent’s on the Political pressures and lack of top management cooperation

Variables	SA		A		N		DA		SDA		Mean
	F	%	F	%	F	%	F	%	f	%	
Political pressures and lack of top management cooperation											
Implementation of Auditor General’s recommendations influenced by political pressures and personal interests.	0	0	57	62	19	20.7	16	17.4	0	0	3.45
The political and top management pressures to change the corrective action recommended by Auditor General’s	5	5.4	58	63	21	22.8	8	8.7	0	0	3.65
The pressure by auditee’s top management to interruption implementation audit recommendations	12	13	73	79.3	7	7.6	0	0	0	0	4.05
The top management of Auditee lack of cooperate and willing to implement of Auditor general’s recommendations	2	2.2	55	59.8	20	21.7	15	16.3	0	0	3.48
The top management of Auditee lack of willingness to accept evidenced audit findings	10	10.9	72	78.3	10	10.9	0	0	0	0	4
The Oromia regional Auditor General’s poor relation and cooperation with the different stakeholders and parliament on follow up of audit recommendations not implemented	1	1.1	70	76.1	15	16.3	6	6.5	0	0	3.72
Average Mean											3.72

Source: Primary Data

As indicated in the above table 4.8, the majority(62%) of the respondents are agree, 20.7 % of the respondents are neutral and 17.4 % respondents are disagree. However, none of the respondents indicates as disagree and strongly agree that about the Implementation of Auditor General's recommendations influenced by political pressures and personal interests affect the implementations of audit recommendations. This shows that 62 % of the respondents with the mean of 3.45 think that the Implementation of Auditor General's recommendations influenced by political pressures and personal interests affect the implementations of audit recommendations.

63% of the respondents are agreeing, 5.4 % of the respondents are strongly agree, 22.8 % of the respondents are neutral and 8.7 % respondents are disagreeing. However, none of the respondents indicates as strongly disagree that about the Implementation of Auditor General's recommendations the political and top management pressures to change the corrective action recommended by Auditor General's. This shows that 68.4 % of the respondents with the mean of 3.65 think that the Implementation of Auditor General's recommendations the political and top management pressures to change the corrective action recommended by Auditor General's affect the implementations of audit recommendations.

79.3 % of the respondents are agree, 13 % of the respondents are strongly agree, 7.6 % of the respondents are neutral and none of the respondents indicates as disagree and strongly disagree that the pressure by auditee's top management to interruption implementation audit recommendations affect the Implementation of Auditor General's recommendations. This shows that 92.3 % of the respondents with the mean of 4.05 think that the Implementation of Auditor General's recommendations the pressure by auditee's top management to interruption implementation audit recommendations affect the implementations of audit recommendations.

59.8 % of the respondents are agree, 2.5% of the respondents are strongly agree, 21.7 % of the respondents are neutral, 16.3 % of the respondents are disagree and none of the respondents are indicates as strongly disagree that the top management of Auditee lack of cooperate and willing to implement of Auditor general's recommendations affect the Implementation of Auditor General's recommendations. This shows that 62.3 % of the respondents with the mean of 3.48 think that the top management of Auditee lack of cooperate and willing to implement audit finding affect the implementations of audit recommendations.

78.3 % of the respondents are agree, 10.9 % of the respondents are strongly agree, 10.9 % of the respondents are neutral and none of the respondents indicates as disagree and strongly disagree that the top management of Auditee lack of willingness to accept evidenced audit findings affect the Implementation of Auditor General's recommendations. This shows that 89.2 % of the respondents with the mean of 4.00 think that the top management of Auditee lack of willingness to accept evidenced audit findings affects the implementations of audit recommendations.

76.1 % of the respondents are agree, 1.1% of the respondents are strongly agree, 16.3 % of the respondents are neutral, 6.5 % of the respondents are disagree and none of the respondents are indicates as strongly disagree, that the Auditor General's relation and cooperation with the different stakeholders and parliament on follow up of audit recommendations not implemented affect the Implementation of Auditor General's recommendations. This shows that 77.2 % of the respondents with the mean of 3.72 think that the Auditor General's relation and cooperation with the different stakeholders and parliament on follow up of audit recommendations not implemented affect the implementations of audit recommendations.

According to the findings in Table 4.8, the pressure by auditee's top management to interruption implementation audit recommendations were found to be the highest score with the mean of 4.05 from the respondents, of whom 92.3 % agreed, showing that it was the nature of audit finding affect implementation of the Auditor General's recommendations, while the top management of Auditee lack of willingness to accept evidenced audit findings affect the implementation of recommendations also scored highly with 89.2% agree and the mean of 4.00 to the same effect. This implies that Political pressures and lack of top management cooperation greatly affect implementation of the Auditor General's recommendations as without other components mentioned implementation of the recommendations in ORAG would seem next to impossible.

Table 4.9 Response of respondent's on the Outcomes of implementations of audit recommendations.

Variables	SA		A		N		DA		SDA		Mean
	F	%	F	%	F	%	f	%	f	%	
Outcomes											
audit recommendations were properly implemented, they can bring the expected change on your office	4	4.3	69	75	16	17.4	3	3.3	0	0	3.8
The implementation of audit report on appropriate time has its own value on public resource utilization of the office	5	5.4	69	75	12	13	6	6.5	0	0	3.79
Lack of audit report implementation will enhance illegal action in public offices.	17	18.5	68	73.9	7	7.3	0	0	0	0	4.11
Implementation of audit report reduces errors and frauds in public offices	10	10.9	61	66.3	18	19.6	3	3.33	0	0	3.85
Implementation of audit report increases the moral of the auditors and auditee	0	0	68	73.9	15	16.3	9	9.8	0	0	3.64
The implementation of Auditor General's recommendations has increased accountability in your region.	18	19.6	64	69.6	2	2.2	8	8.7	0	0	4.00
The implementation of Auditor general's recommendations has improved efficiency and effectiveness of your organisation	26	28.3	62	67.4	4	4.3	0	0	0	0	4.24
Average Mean											3.92

Source: Primary Data

As indicated in the above table 4.9, the majority (67.4%) of the respondents are agreeing, 28,3 % of the respondents are strongly agree, 4.3 % of the respondents are neutral. However, none of the respondents indicates as disagree and strongly disagree that about the Implementation of Auditor General's recommendations the implementation of Auditor general's recommendations have improved efficiency and effectiveness of the organisation. This shows that 95.7 % of the respondents with the mean of 4.25 think that the Implementation of Auditor General's recommendations have improved efficiency and effectiveness of the organisation.

73.9 % of the respondents are agreeing, 18.5 % of the respondents are strongly agree and 7.6 % of the respondents are neutral. However, none of the respondents indicates as disagree and strongly disagree that about the lack of audit report implementation will enhance illegal action in public offices. This shows that 92.4 % of the respondents with the mean of 4.11 think that the audit report were not implemented will enhance illegal action in public sectors

69,6 % of the respondents are agreeing, 19.6 % of the respondents are strongly agree, 2.2 % of the respondents are neutral and 8.7% of the respondents are disagree. However, none of the respondents indicates as strongly disagree that about the implementation of Auditor General's recommendations have increase accountability in the region. This shows that 89.2 % of the respondents with the mean of 4.00 think that the implementation of Auditor General's recommendations have increase accountability in the region.

According to the findings in Table 4.9, the implementation of Auditor general's recommendations have improved efficiency and effectiveness of the public sectors in the region. were found to be the highest score with the mean of 4.25 from the respondents, of whom 95.7 % agreed, showing that it was the implementation of Auditor general's recommendations have improved efficiency and effectiveness of the public sectors in the region, while the lack of audit report implementation will enhance illegal action in public sector also scored highly with 92.4 % agree and the mean of 4.11 to the same effect, and the implementation of Auditor General's recommendations have increase accountability in the region Scored the next with 89.2 % agree and the mean of 4.00 to the same effect, This implies that the implementation of Auditor General's recommendations have improved efficiency and effectiveness of the public sectors in the region, increase accountability in the region as well as lack of implementing audit report will enhance illegal action in the region public sectors, are greatly cause without other components mentioned in ORAG would seem next to impossible.

Table 4.10 Correlations matrix

		Dependent variable	nature of audit finding	massive corruptions	lack of power to take action against	lack of cooperation
Dependent variable	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	92				
nature of audit finding	Pearson Correlation	.603**	1			
	Sig. (2-tailed)	.000				
	N	92	92			
massive corruptions	Pearson Correlation	.669**	.438**	1		
	Sig. (2-tailed)	.000	.000			
	N	92	92	92		
lack of power to take action against	Pearson Correlation	.531**	.341**	.194	1	
	Sig. (2-tailed)	.000	.001	.064		
	N	92	92	92	92	
lack of cooperation	Pearson Correlation	.659**	-.005	.154	.063	1
	Sig. (2-tailed)	.000	.965	.143	.551	
	N	92	92	92	92	92
** . Correlation is significant at the 0.01 level (2-tailed).						

Source: Primary Data

Pearson product moment correlation coefficient (r) was used to determine the strength of relationship between the dependent (factors affecting implementations of auditor general

recommendations) and independent variables (NAF, MC, LP & LC). It is a parametric technique which gives a measure of the strength of association between two variables.

As it can be shown in the above correlation matrix, each variable is perfectly correlated with itself and so $r=1$ along the diagonal of the table. Factors affecting implementation of audit recommendations is significantly related to nature of audit findings with a Pearson correlation coefficient of $r = .603$, $p < 0.01$, massive corruptions' with $r=.669$, $p < 0.01$, lack of power to take action against malpractice and deviations with $r=.531$, $p < 0.01$, and top management lack of cooperation with $r=.659$, $p < 0.01$ are significantly related to dependent variables.

CHAPTER FIVE

SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The aim of this chapter is to give a general summary about the whole study and make broad conclusions drawn from the findings of the results. Finally, based on the findings the researcher put some recommendations areas for further study under this chapter.

5.2 Conclusions

Based on the review conducted on related literature, analysis and interpretation of data made, the followings are the major findings Concluded:

5.2.1 The nature of audit findings

The findings in Oromia Regional state factors affecting the implementation of audit recommendation revealed that Audit finding recommended by the Office of the Auditor General were not action oriented, convincing and well supported affect the implementation of recommendations, and based on audit recommendation public sector Auditee entities to take corrective measures, the 30 days duration were not convincing time and adequate to respond in writing to each point stated in the audit report affect the implementation of recommendations This was indicated by the majority of respondents who agreed to the statements that nature of audit findings affect the implementation of the recommendations.

5.2.2 Massive Corruption

The factors affect the implementation of Auditor General's recommendations in Oromia regional state revealed that the collaboration of regulatory authorities, external auditors, and the Auditee's top management to commit massive corruption, and the external auditors or audited entities lack of having guidance on how to react to cases when management or those charged with governance repeatedly ignore implementing audit recommendation highly affect the implementation of audit recommendations

5.2.3 Lack of Powers to Take Actions against Malpractices and Deviations

To what extent the lack of powers to take actions against malpractices and deviations affect the implementation of Auditor General's recommendations in Oromia regional state revealed that

Oromia Auditor general lack of powers to take actions against malpractices and deviations (audit findings) not implemented rather than merely reporting. It has no executive power whatsoever. It cannot impose penalties on any institution that might ignore his opinions and recommendations. The only thing it can do is repeat the same recommendations year after year, and

In case the regional Parliament('Caffee') and PAC do not react upon the Auditor's recommendations, thus, the deficiency of discharging its responsibilities in follow up the concerned body or person takes the necessary measure based on the audit report as well as the lack of oversight influences over regional executives and other regional organs to take corrective actions against Auditor general's recommendations not implemented, This was indicated by the majority of respondents who agreed to the statements that lack of powers to take actions against malpractices and deviations highly affect the implementation of the recommendations.

5.2.4 Political pressures and lack of top management cooperation

The pressure by auditee's top management to interruption implementation audit recommendations, the top management of Auditee lack of willingness to accept evidenced audit findings and the Oromia regional Auditor General's poor relation and cooperation with the different stakeholders and parliament on follow up of audit recommendations not implemented affect the implementation of audit recommendations.

5.3 Recommendation

Auditing is a cornerstone of good public sector governance and also helps to create the conditions and to reinforce the expectation that public sector entities and public servants will perform their functions effectively, efficiently, ethically and in accordance with laws and Regulations. Audit recommendations suggest ways to narrow the gap between auditees' actual practices and the standards or with the aim of efficiency, effectiveness and economy. The ultimate goal of audit function cannot be achieved without adequate implementing audit report in public offices.

Audit recommendations identify risks to the successful delivery of outcomes consistent with policy and legislative requirements, and highlight actions aimed at addressing those risks, and opportunities for improving entity administration.

Results of analysis in the previous chapter showed that the factors affecting implementation of Audit recommendation at regions.

- In providing of audit findings, aimed at problem solving, oriented to real and specific actions, aimed at authorities to take action, focused on concrete solutions, and aimed at reasonable expenses/costs. The recommendations should be constructive and directed at resolving the cause of identified problems. They should also be specific, action oriented, practical and feasible, addressed to parties that have the authority to act. And recommendations should be action oriented, convincing, well supported and effective. and the ORAG Proclamation number 154/2010(21)3 “Based on audit opinion and recommendation Auditee entities are obliged to take corrective measures as agreed in the exit conference and not more than 30 days and respond in writing to each point stated in the audit report” but the duration fo 30 days were not enough, convincing time and adequate to take corrective actions and respond on it. Thus this Proclamation should be revised and adjusted in a way convincing time and appropriately implemented audit recommendations.
- Combating corruption requires the efforts and collaboration of regulatory authorities, external auditors, investigators, and the governing board (Institute of Internal Auditors, 2014).therefore, the lack of clear guidance about the responsibilities of external auditors with regards to corporate corruption could make external auditors overlook their responsibility for detecting material corruption that could have an impact on the implementation of audit recommendations Thus, in turn requires audit regulators to clarify the role of external auditors with regards to corporate corruption and provide them with guidance on how to assess and respond to corruption and the auditors should play an effective role in reducing, if not eliminating, corruption, audit regulators should clarify the role of external auditors with regards to massive corruption. Auditor general’s should have guidance on how to react to cases when management or those charged with governance repeatedly ignore implementations of auditor general’s recommendations.
- The Auditor General audits all public institutions funded by the State Budget, provides opinions and recommendations and finally, submits this report to the Parliament. The Auditor General has no executive power whatsoever. It cannot impose penalties on any

institution that might ignore his opinions and recommendations. The only thing it can do is repeat the same recommendations year after year. The Oromia Auditor General serves as a tool for the Parliament to hold the Government accountable. Thus, in order for the work of the Auditor General in Oromia to be meaningful and effective, The regional Parliament ‘Caffee’ should discharge its responsibilities in follow up the concerned body or person takes the necessary measure based on the audit report and make oversight influences over regional executives and other regional organs to take corrective actions against Auditor general’s recommendations not implemented.

- Without any follow up from Parliament, the Executive, or investigators, audit reports are useless and public accountability cannot be enforced. This means that an audit office provides audit report information to raise political interest among members of Parliament to follow up by presenting political oversight and control that offers further action. Moreover, Chowd (2005) suggested that effective monitoring and controlling is needed for the implementation of the audit follow-up recommendations. Therefore, the regional ‘Caffee’ Parliamentary Oversight should be significantly improved. The main reason public institutions are able to ignore recommendations of the Auditor General is because of the lack of Parliamentary Oversight. The Parliament is required by law to pressure the Government in implementing the Auditor’s recommendations.
- The Office of auditor Generals of the region should create strong relationship with the existing different stakeholders and parliament is essential on follow up of audit recommendations to achieve its objectives and implementations of audit recommendations, to enhance transparency and accountability on top management those interrupt implementation audit recommendations and so as to discourage misappropriation of resources in public institutions.

5.4. Future Research

In order to complement the objectives of this study, a research should be undertaken on the factors affecting implementation of audit recommendations, inadequate funding of activities or budget constraints, logistic issues, Independence and competency of the auditors for effective implementation of audit recommendations.

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APPENDIX 1: QUESTIONNAIRE

Ethiopia, Addis Ababa University College of Business and Economics Department of Accounting and Finance

Dear respondent (s), I ‘am a student of Ethiopia, Addis Ababa University College of Business and Economics Department of Accounting and Finance carrying out a research on an organization of Oromia Region Auditor General about the “factors that affect implementation of Auditor General’s recommendations”. The research is purely academic being a requirement for a qualification of a master’s degree in Accounting and Auditing.

The information you provide will only be used for the purpose of this study and will be treated with utmost confidentiality. Please feel free and answer all the questions truthfully. Hence your name is not required. Many thanks for your profound contribution towards this study.

Yours Sincerely

Mengistu Gobosho

PART I. THE PERSONAL PROFILES:

GENERAL INSTRUCTION: PLEASE INDICATE YOUR CHOICE BY PUTTING “√” MARK IN THE BRACKET.

1. Sex/Gender/: Male (____) Female (____)
2. Age (in year): 20-29 (____), 30 - 39 (____), 40 - 49 (____), 50 - 59 (____).
3. Your field of study: Accounting (____), Management (____), Economics (____),
Other specify_____
4. Level of education: TVET certificate (____), Bachelor's Degree (____), Master’s Degree (____) ,
Others specify_____
5. Position: Audit Director (____), senior auditor (____), process owners (____), Others(____)
6. Number of years of experience you work as an auditor: 1- 3 (____), 4 - 7 (____), 8 - 10 (____),
above 10 (____)

SECTION B: NATURE OF FINDINGS AFFECTING IMPLEMENTATION OF AUDITOR GENERALS RECOMMENDATIONS. (Tick the appropriate one)

Key: SA-strongly agree, A-agree, N- neutral, DA-disagree, SDA-strongly disagree

Table 6.1 questionnaire

I. Nature of audit findings					
Statements	SA	A	N	DA	SDA
	5	4	3	2	1
7. The implementation of corrective actions determined by types and nature of audit finding					
8. The timing of audit findings affects the implementation of Auditor general recommendations					
9. Audit finding recommended were not action oriented, convincing and well supported affect the implementation of recommendations					
10. Based on audit recommendation Auditee entities to take corrective measures, the 30 days are convincing time and adequate to respond in writing to each point stated in the audit report					

SECTION C: MASSIVE CORRUPTIONS AFFECTING IMPLEMENTATION OF AUDITOR GENERALS RECOMMENDATIONS. (Tick the appropriate one)

Key: SA-strongly agree, A-agree, N- neutral, DA-disagree, SDA-strongly disagree

Table 6.2 questionnaire

II. Massive corruptions					
Statements	SA	A	N	DA	SDA
	5	4	3	2	1
8. The collaboration of regulatory authorities, external auditors, and the Auditee's top management to commit massive corruption affect the implementation of audit recommendations					
9. The interaction between the auditee and the auditor with subjective norms and conflict of interest significantly affect the actual implementation of the audit recommendations					
10. The relationship between auditors and management is appropriate, such that there is no perception that the auditors may lack, or appear to lack, the required degree of objectivity					
11. External auditors or audited entities have guidance on how to react to cases when management or those charged with governance repeatedly ignore implementing audit recommendation					

SECTION D: LACK OF POWERS TO TAKE ACTIONS AGAINST MALPRACTICES AND DEVIATIONS AFFECTING IMPLEMENTATION OF AUDITOR GENERALS RECOMMENDATIONS. (Tick the appropriate one)

Key: SA-strongly agree, A-agree, N- neutral, DA-disagree, SDA-strongly disagree

Table 6.3 questionnaire

III. Lack of powers to take actions against malpractices and deviations					
Statements	SA	A	N	DA	SDA
	5	4	3	2	1
12. The auditor general lack of powers to take actions against malpractices and deviations (audit findings) not implemented rather than merely reporting.					
13. Regional Councils “caffee” have oversight influences over region Executives and other region organs to take corrective actions against Auditor general’s recommendations not implemented.					
14. ‘Caffee’ has been discharging its responsibilities in follow up the concerned body or person takes the necessary measure based on the audit report.					
15. Audited entities Management have full power for taking timely and appropriate steps to remedy fraud or illegal acts that auditors report to it.					

SECTION E: POLITICAL PRESSURES AND LACK OF TOP MANAGEMENT COOPERATION AFFECTING IMPLEMENTATION OF AUDITOR GENERALS RECOMMENDATIONS. (Tick the appropriate one)

Key: SA-strongly agree, A-agree, N- neutral, DA-disagree, SDA-strongly disagree

Table 6.4 questionnaire

IV. Political pressures and lack of top management cooperation					
Statements	SA	A	N	DA	SDA
	5	4	3	2	1
16. Implementation of Auditor General’s recommendations influenced by political pressures and personal interests.					
17. There are political and top management pressures to change the corrective action recommended by Auditor General’s					
18. There is pressure by auditee’s top management to interruption implementation audit recommendations?					
19. The top management of Auditee cooperate and willing to implement of Auditor general’s recommendations					
20. The top management of Auditee willingness to accept evidenced audit findings					
21. The Oromia regional Auditor General’s relation and cooperation with the different stakeholders and parliament on follow up of audit recommendations not implemented					

SECTION F: OUTCOMES OF IMPLEMENTING AUDITOR GENERALS RECOMMENDATIONS (TICK THE APPROPRIATE ONE)

Key: SA-strongly agree, A-agree, N- neutral, DA-disagree, SDA-strongly disagree

Table 6.5 questionnaire

V. OUTCOMES					
Statements	SA	A	N	DA	SDA
	5	4	3	2	1
22. When audit recommendations were properly implemented, they can bring the expected change on the organization					
23. The implementation of audit report on appropriate time has its own value on public resource utilization of the office					
24. Lack of audit report implementation will enhance illegal action in public offices.					
25. Implementation of audit report reduces errors and frauds in public offices					
26. Implementation of audit report increases the moral of the auditors and auditee					
27. The implementation of Auditor general's recommendations have increased accountability in the region.					
28. The implementation of Auditor general's recommendations has improved efficiency and effectiveness of the organisation					