



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

ASSESSMENT OF GOVERNMENT AUDIT EFFECTIVENESS

IN THE CASE OF OFFICE OF FEDERAL

AUDITOR GENERAL (OFAG)

BY

TSION HAILU TSIGE

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**A THESIS SUBMITTED TO ST.MARY'S UNIVERSUTY SCHOOL OF
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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Asst.prof Asmamaw Getie. All source of material used for the thesis have been properly acknowledged. I further confirm that the thesis not been submitted either in part or in full to other higher learning institution for the purpose of earning any degree.

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December, 2018

ENDORSEMENT

This thesis has been submitted to St.Mary's University school of Graduate studies for examination with my approval as a university advisor.

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Advisor

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St.Mary's University, Addis Ababa

December, 2018

Table of content

Contents	Page no
Table of content.....	i
ACKNOWLEDGEMENTS.....	iv
Abbreviations.....	v
List of Table.....	vi
<i>Abstract</i>	vii
CHAPTER ONE.....	1
1. INTRODUCTION.....	1
1.1 Background of the Study.....	1
1.2 Statement of the problem.....	3
1.3 Basic research questions.....	5
1.3.1 Research questions.....	5
1.4 General objective.....	6
1.4.1 Specific objectives.....	6
1.5 Significance of the study.....	6
1.6 Scope of the study.....	6
1.7 Limitation of the study.....	7
1.8 Organization of the study.....	7
CHAPTER TWO.....	8
2. REVIEW OF RELATED LITERATURE.....	8
2.1 Public Sector Governance.....	8
2.2 Public Audit Institutions.....	8
2.3 Public Sector Audit.....	8
2.4 Key Elements of an Effective Public Sector Audit Activity.....	9
2.6 Types of Audits.....	11
2.6.1 Operational audit.....	11
2.6.2 Compliance audit.....	12
2.6.3 Financial statement audit.....	12
2.7 Meaning of an audit.....	12

2.8 Audit program	12
2.9 Value and benefits of government audit	13
2.10 Types of auditors.....	13
2.11 Adequate planning and supervision	14
2.12 Objectives of government Audit	14
2.13 Audit plans	14
2.14 Training	15
2.15 Audit evidence	15
2.15.1 Classifications of audit evidence	16
2.15.2 Obtaining of audit evidences	16
2.16 Time budget for audit engagement	16
2.17 Audit Procedure	17
2.18 Working papers.....	17
2.19 Audit reporting.....	18
2.20 professional certification	18
2.21 General Accepted Audit Standard (GAAS)	18
2.3 Empirical Review	19
2.4 Conceptual framework	21
CHAPTER THREE	22
3. Research Methodology	22
3.1 Research approach and design	22
3.2 Population, sample size and sampling procedure	22
3.3 Data type and source	23
3.4 Procedures of data collection	24
3.5 Data Analysis Methods	25
3.6 Validity and Reliability.....	25
3.7 Ethical Consideration.....	26
CHAPTER FOUR.....	28
4. Data Analysis, Results and Discussions	28
4.1 Response Rate Analysis	28
4.2 Profile of respondent.....	28

4.3 Contribution of human resource, professional due care, audit program and audit evidences for government audit effectiveness.....	32
4.4 Training contribution for government audit effectiveness.....	37
4.5 Independence, education, Experience, job satisfaction and staff capacity of the auditor contribution for government audit effectiveness.....	39
4.6AFROSAI-E Implementation	43
CHAPTER FIVE	45
5. Summary, Conclusion, and Recommendations	45
5.1 Summary of the findings.....	45
5.2 Conclusions.....	48
5.3 Recommendations.....	50
References.....	51
APPENDIX A.....	55
APPENDIX B	59

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Abbreviations

AFROSAI-E	The African organization of English speaking supreme audit institution
OFAG	Office of federal Audit General
ACCA	Association of chartered certified Accountant
CPA	Certified public Accountant
CMA	Certified management Accountant
GAAS	General accepted audit standard
MoFED	Ministry of Finance and Economic Development
SAI	Supreme audit Institution
SPSS	Statistical package for social science

List of Table

Table 4.1 Gender of the Respondents

Table 4.2 Ages of the Respondents

Table 4.3 Auditor Position

Table 4.4 Field of study

Table 4.5 Education Level of Respondents

Table 4.6 Professional certificate

Table 4.7 Work Position of the Respondents

Table 4.8 Human resource, professional due care, audit program and audit evidences

Table 4.9 Audit Training

Table 5.1 Independence, education, Experience, job satisfaction and staff capacity of the auditor

Table 5.2 AFROSAI-E Implementation

Abstract

The general purpose of this research is to assess the government audit effectiveness in the case of Office of Federal Auditor General (OFAG). The study has employed descriptive research method and the survey method has used to conduct this descriptive research. The researcher used data collection instrument by closed ended questionnaires, observation and interview. The researcher has used a simple random sampling technique to select the target group for the study there by distributed the questionnaire to the auditors. The collected data has been coded and analyzed by using Statistical Package for Social Sciences (SPSS) version 20 whereby frequency, percentage, mean and standard deviation used as a tool to interpret the data. The finding of the study indicate 50percent of the auditors have not adequate knowledge of the audit manual (AFROSAI-E) of the organization, lacks of qualified auditors, there is lack of human power in the audit team. Additionally the study found out that the existing auditors are not satisfied with their salary. Therefore, the study recommends that the organization needs to provide expert training and should facilitate sufficient resources for audit to improve the effectiveness of auditing in the organization, appropriate auditors should be employed in the organization and the government should give attention for public sector auditors.

Keywords:- *Assess Government Audit effectiveness, Government Audit, Office of Federal Auditor General, Qualified Auditors.*

CHAPTER ONE

1. INTRODUCTION

1.1 Background of the Study

Auditing is a corn stone of good public sector governance. By providing unbiased, objective assessments of whether public resources are managed responsibly and effectively to achieve intended results, auditors help public sector organizations achieve accountability and integrity, improve operations and instill confidence among citizens and stakeholders. Foresight identifies trends and emerging challenges. Auditors use tools such as financial audits, performance audits, investigation audits, and advisory services (Stephen, Kenneth and Jacques, 2012).

Currently, governments were highly dedicated in the provision of public services due to the increased demand and expectations of the public. Responsible financial management and accountability are among the factors that can help governments achieve this goal (Lukas, 2008).

The federal government offices activity follows proper accounting procedures that the manner of revenue collection, fund disbursement and property management is in accordance with government rules and regulations (Proclamation No. 669/2010). At the government level, ministries and several government departments are accountable to the parliament for spending money for public welfare (Anam and Rab, 2016).

The origin of audit can be traced to the need to ensure that a person who comes into possession of money or property belonging to another has properly accounted for it. The system of checking records of financial transaction in earlier time was confined to the scrutiny of cash transactions. Moreover, such checking was limited to only public accounts. The person whose duty it was to check such accounts became known as the Auditor (Karthikiyan, 2007).

Public sector offices are part of the public body which is partly or wholly financed by government budget and concerned with providing basic government services to the whole society (MoFED, 2004). The compositions of the public sectors are varied by their function and purposes, but in most cases, they are designed in order to enable the public sectors to achieve their goals and mission.

Office of federal Audit General plays an important role in the country by providing reliable data and useful information for the effective management and administration of the national economy and deliver reliable and objective information of audit report to support the house of people's representatives in carrying out its responsibilities, to strengthen the performance and accountability of the federal government for the benefit of the Ethiopia people (Proclamation No. 669/2010).

The main objectives of government auditing are to express opinion on financial statements are related issues of legality, regulatory fraud as well as examining whether government institutions are operating economically, efficiently and effectively. To achieve these objectives every country established a supreme audit institutions (SAI), Office of Federal Audit General also SAI for our country, OFAG use an audit manual called (AFROSAI-E) the African organization of English speaking supreme audit institution. This manual plays a facilitative role in empowering member supreme Audit institutions (SALs) to optimize their audit performance. This is achieved by sharing information and supporting SALs in their capacity building intervention, aimed at improved performance in the execution of their mandates. In order to this OFAG vision is to become one of model supreme audit institutions (SAIs) in Africa by 2025.

Audit of office of federal audit general is not merely a financial audit. The auditor of governmental institution is not only expected to satisfy himself by examining the books of accounts alone. In addition he has to ensure that the institution is working in accordance with the government audit principles, the relevant Act and rules, and the directions issued by the appropriate authority. to achieve their mission government auditors at all level facing serious problems including lesser opportunity of education; lack of training, supervision, orientation, clear work division, enough compensation, independence, experience, media coverage, restricted information access, inappropriate methods and formats used (Lukas 2008).

A number of factors have been identified as holding back the development of government audit effectiveness. Those are shortage of auditors, lack of due professional care, Absence of Uniform audit standards among auditors, Absence of adequate auditing manual, Lack of adequate audit training and Lack of Accountability and Responsibility to the society (Seid, 2016).

1.2 Statement of the problem

Now a day auditing play an important role in serving the public interest by increasing the accountability of managers and reinforcing true and confidence in financial reporting process and not for profit providers at organization level (Reynolds,2009) federal governments have the right and ability to access all information in every part of government sectors and find out that all money and property of the federal government are collected, preserved and used properly, in accordance with the establishment of laws and regulation of the federal government.

Government audit activity is ensure that the expenditure is incurred out of the fund which has been approved by the competent authority, Verify that expenditure of the government department is approved according to the rules and regulations of the department concerned, see that the expenditure already approved has been incurred by an officer or officers who are authorized to do so, ensured that the payments have been made to the right persons and are duly entered in the book on basis of receipts received from them and seen that the payment have been properly classified as capital and revenue (Jain,2002). In order to achieve the government auditor mission the auditors has to be independent free from any financial and self interest, need to have enough knowledge and experienced, unrestricted access, sufficient fund, trained, enough human power must be assign, etc.

Currently it is quite clear that government auditors at all level facing serious problems including shortage of auditors, lack of due profession care, absence of uniform audit, standards among audits, absence of adequate audit training, lack of accountability and responsibility to the society (Seid, 2015), “Effectiveness is the achievement of auditing goals and objectives using the factor measures provided for determining such factors” Dittenhofer (2001).

Effective audits are the outcome of auditor’s efforts which are directly affected by best human resources practices-training, career development, knowledge sharing and management, performance appraisals, promotion systems and job security- which have a positive impact on employee performance. In addition to it, knowledge, skills and educational level are important to affect performance of auditors. Training of auditors is another important factor. There is a positive relation between training and employee performance. If auditors are trained to conduct audits with the help of

new auditing methods, effectiveness of audit can be increased. Availability of human, physical, intellectual and financial resources to the auditors is another important issue (Anam&Rab, 2015).

The audit activity must be empowered to act with integrity and produce reliable service, although the specific means by which auditors achieve these goals vary. At a minimum, public sector audit activities need: organizational independency, a formal mandate, unrestricted access, sufficient funding, competent leadership, objective staff, competent staff, stakeholder support, and professional audit standards (Stephen, Kenneth and Jacques, 2012).

In the case study of Anam and Rab (2015) factors affecting the success of government audits: a case study of Pakistan. This research work opens a different theoretical and used an exploratory case study, it serves as a base to separately test each variable with effectiveness of government audits. Researchers can use these variables in different ways. From the study finding and results the researcher summarized & concludes that the government auditors face different problems due to lack of financial resources. They heavily rely on auditee for stationeries, food, conveyance, photocopiers and other needs which creates a negative perception about government auditors. Appropriate budget should be assigned to eliminate that reliance, Training sessions should be conducted to upgrade audit skills, appropriate number of employees should be hired to equally share burden of work.

As stated by Lukas (2008), conducted the study on the challenges faced by federal government auditors in the case of OFAG the research using both quantitative and qualitative techniques and the samples selected only from financial auditors of the organization using simple random sampling technique. The result of the analysis revealed that, there is no positive relationship between the employees' educational level and their experience from the research concern, there is a limitation for access to information due to auditee's lack of knowledge; fear of accountability; and lack of confidence, face problems in collecting the necessary information, there is no regular supervision and clear field work division and from the auditors respond shows that only two percent of them were satisfied with their current salary and the remaining were not satisfied.

On the research of what factors challenge external auditing practices (Seid,2015), in this research the researcher using both quantitative and qualitative techniques and the data were collected from both primary and secondary sources, non-probability sampling techniques used the result of this study

showed that the government auditors had shortage of auditors, Lack of due profession care, absence of uniform audit, standards among audits, absence of adequate audit training, lack of accountability and responsibility to the society

In the previous studies the researchers identified the challenges to auditors in their audit activity, so in this study the researcher try to identified major factors that challenge the government audit effectiveness in the case of OFAG. In this study both financial and performance auditors are included and in the previous studies none of them investigates about the implementation audit manual in government auditors. Hence, the existences of this gap motivate this study for detail investigation in the area. Filings those gaps would be important for identified the major factors affect government audit effectiveness.

This study aims to assess the government audit effectiveness in the case Office of Federal Audit General and consequently, this study tries to fill the gap and forward sound recommendation the organization can make use of in making the existing audit challenge and weakness to minimize and to achieve the aim of audit as possible.

1.3 Basic research questions

1.3.1 Research questions

In order to investigate the above mentioned problems related with government audit effectiveness in the case of OFAG the following basic questions are raised

1. Are the human resources, professional due care, audit program and audit evidences contribute for government audit effectiveness?
2. Does training contributed for government audit effectiveness?
3. Does the independence, education, Experience, job satisfaction and staff capacities are contributed for government audit effectiveness?
4. How effective are AFROSAI-E manual implemented in the organization?

1.4 General objective

The general purpose of this research is to assess the government audit effectiveness in the case of Office of Federal Auditor General.

1.4.1 Specific objectives

Based on the above stated basic objective the following specific objective are used

1. To assessing the contribution of human resource, professional due care, audit program and audit evidences for government audit effectiveness.
2. To assessing the contribution of training for government audit effectiveness.
3. To identifying the contribution of independence, education, Experience, job satisfaction and staff capacity for government audit effectiveness.
4. To examining the AFROSAI-E manual implemented in the organization.

1.5 Significance of the study

The study will have the following significances. Since Office of Federal Audit General activities becomes the important issue in Ethiopia, attentions from parliamentary discussion, this study will suppose to have different importance for those who concerned.

- It will provide clear overview of effectiveness of government audit in OFAG and propose useful recommendation.
- It Help auditors and the organization to have a good understand on the value of improving the profession's competence and quality of work.
- In addition this research was important for the OFAG to examine their policy and procedures and for future researchers to develop a conceptual literature development.

1.6 Scope of the study

The study was conduct at the office of the Federal Auditor General (OFAG). Office of the Federal Auditor general is the supreme audit institute of the country (Ethiopia) having its main office at Addis Ababa and five branches at Addis Ababa, Awassa, Bahirdar, Jimma & Diredawa. The researcher was delimited the area in Addis Ababa branch office due to time and financial constraints. Addis Ababa

branch auditors cover all area in Ethiopia that are administered by federal government system and that are under budgetary organization like higher institution, ERCA, MoFED etc. Particularly both the financial and performance audits are the main concerns of this paper. By investigating the stages of the Audit process, from planning up to reporting, related challenges on auditors were identified and Suggested solutions and recommended

1.7 Limitation of the study

To investigate government audit effectiveness, it is better that if the study was conducted all of federal government auditors. However, the unavailability of resource the study restricted to Office of Federal Auditor General and lack of pervious research, journal, Articles and related literature review. Even though, the above limitation of the study the researcher made his maximum effort to understand the government audit effectiveness and to design the research as properly as possible and to achieve specified objectives.

1.8 Organization of the study

This research paper consists of five chapters; the first one includes background of the study, statement of the problem, basic research questioners and objective, significant of the study, scope and delimitation of the study and organization of the study. The second one is literature review about auditing and different issues related to it. Specifically, issues related to governmental audit highly considered in this chapter. The third one is about research methodology that includes research approach and design population, sample size and sampling procedure, data sources and data collection method and data analysis method results. Analysis, result finding with discussion included under chapter four. Finally on the five chapter summary, conclusion and recommendation were presented.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

Theoretical concepts

2.1 Public Sector Governance

According to Stephen, Kenneth and Jacques (2012), governance is defined as the combination of processes and structures implemented by the board to inform, direct, manage, and monitor the organization's activities toward the achievement of its objectives. In the public sector, governance relates to the means by which goals are established and accomplished. It also includes activities that ensure a public sector entity's credibility, establish equitable provision of services, and assure appropriate behavior of government officials reducing the risk of public corruption. Therefore government has a lot responsibility to achieve his objectives on behalf of the peoples.

2.2 Public Audit Institutions

According to Enrique (2014), Independent institutions with the specific mandate of overseeing the public administration and exercising the answerability and judgment prerogatives are regard as independent intrastate institutions specialized in accountability. This category includes Supreme Audit Institutions (SAIs) and Ombudsman Offices even if this study concerned on the former. A SAIs is very old government institutions and play important roles within the institutional mechanisms of the democratic countries (Pollitt & Summa, 1997). Law stipulates the independent status of the auditor general; auditor general selects what to have audit and how the audit have conducted and reported (Wilkins, 1995). In most cases, the state auditor has no power to enforce compliance beyond the persuasive quality of his case and the reasonableness of his arguments. There are some powers, which can used to overcome administrative resistance, if necessary, but this can only use in extreme cases, when other forms of persuasion have failed (Morin, 2001).

2.3 Public Sector Audit

The function of the public sector audit is an ancient and respected branch of government administration. It is an activity distinct from other branches of government in the system of checks and balances involved in its position, aims and sometimes also its techniques (Power, 1997).

However, the public sector audit or the public audit has always played a role in the political accountability process. Audits have demanded within the context of relations involving accountability between two parties and the operational difficulties of one party monitoring the activities of another (Power, 1997). In terms of democratic accountability, an audit provides professionally structured and independent information to a variety of actors in the accountability process (White & Hollingsworth, 1999).

2.4 Key Elements of an Effective Public Sector Audit Activity

An effective public sector audit activity strengthens governance by essentially increasing citizens' ability to hold their public sector entity accountable. Auditors perform an mainly important function in those aspects of governance that are key for promoting credibility, equity, and appropriate behavior of public sector officials, while reducing the risk of public corruption and fraud. Therefore, at a minimum, public sector audit activities need: organization independence, a formal mandate, unrestricted access, sufficient fund, complete leadership, objective staff, competent staff, and professional audit standard (Stephen, Kenneth and Jacques,2012).

Effective audits are the outcome of auditor's efforts which are directly affected by best human resources practices-training, career development, knowledge sharing and management, performance appraisals, promotion systems and job security- which have a positive impact on employee performance. In addition to it, knowledge, skills and educational level are important to affect performance of auditors. Training of auditors is another important factor. There is a positive relation between training and employee performance (Anam & Rab, 2015).

Different authors were defined the term "effectiveness" as follows; for instance, (Arena and Azzone, 2009) defined effectiveness as "the capacity to obtain results that are consistent with targets". (Dittenhofer, 2001), "Effectiveness is the achievement of auditing goals and objectives using the factor measures provided for determining such factors". The massive corruption, old methods of auditing, poor behavior of auditee, lack of auditor's power to take action against malpractices, lack of resources and lack of qualified trainers are some important causes behind ineffective audits (Anam & Rab, 2016)

Organizational independence means allows the audit activity to conduct work without interference by the entity under audit. Independence is fundamental to the reliability of auditor's reports. The assurance services provided by auditors derive their value and credibility from the fundamental assumptions of independence of mind and independence in appearance (Wines, 2012; Stewart and Subramanian, 2010). Auditors should be sufficiently independent from those they are required to audit in order to conduct their work without interference. Coupled with objectivity, organizational independence contributes to the accuracy of the auditor's work and gives employers confidence that they can rely on the results and the reports (Cohen & Sayag, 2010). Government auditors should have full independence to operate without undue pressures. In this way they can bring accountability and transparency in the public sector (Anam & Rab, 2015).

A formal mandate The audit activity's powers and duties should be established by the public sector's constitution, charter, or other basic legal document (Stephen, Kenneth and Jacques, 2012).

Unrestricted access stated by Stephen, Kenneth and Jacques (2012), Audits should be conducted with complete and unrestricted access to employees, property and records as appropriate for the performance of audit activities. On the communication skills (Smith, 2005), stated that the development of effective communication skills (such as listening, interpersonal, written and oral communication skills) is an important part of auditor's advancement potential. Auditors must possess highly developed communication level skills to become a successful professional. The development of these skills is not only enhances the auditor's potential, but will also improve the quality of audits produced.

Sufficient funding The audit activity must have sufficient funding relative to the size of its audit responsibilities (Stephen, Kenneth and Jacques, 2012). A sufficient budget is necessary to achieve the organizational goals (Fernandez and Rainey, 2006).

Competent leadership Audit effectiveness on public sector shows that the component of management support consists of the response to audit finding and the commitment to strength government audit which has significance influence on audit effectiveness (Mihret and Yismaw, 2007).

Objective staff An audit activity's staff must be objective. Audit staff must have impartial attitudes and avoid any conflict of interest (Stephen, Kenneth and Jacques, 2012).

Adequate and Competent staff According to Stephen, Kenneth and Jacques (2012), the audit activity needs a professional staff that collectively has the necessary qualifications and competence to conduct the full range of audits required by its mandate. Adequate staffing is essential for a system to its full capability. Weakness in staffing can lead to mismanagement, error and abuse, which can negate the effect of other controls (MoFED, 2004).

In Mihret and Yismaw (2007), audit effectiveness is defined as “the extent to which an audit office meets its supposed objective or the extent to which it meets the intended outcome”.

- Undertakes an independent evaluation of financial and operating systems and procedures;
- Contributes to the achievement of organizational goals;
- Needs management's commitment to implement recommendations;
- Provides useful recommendations for improvements as necessary; and
- Management support is a natural important for effective audit activity.

2.6 Types of Audits

Three primary types of audits,

- Operational audit
- Compliance audit
- Financial statement audit

2.6.1 Operational audit

An operational audit is study of a specific unit of an organization for the purpose of measuring its performance. Performance is also judged in terms of efficiency and evaluates the efficiency and effectiveness of any part of an organization's operating procedures. An operational audit tends to require more subjective judgment than do audit of financial statement or compliance audit (Ray, Kurt, Walter & Robert, 1992).

2.6.2 Compliance audit

Is conducted to determine whether the auditee is following specific procedures, rules, or regulations set by some higher authority and evaluating the financial statement presented by follow the rules and regulations (Arens, Elder & Beasley, 2012).

2.6.3 Financial statement audit

Conducted to determine whether the financial statements are stated in accordance with specified criteria, to this determining whether financial statements are fairly stated in accordance with accounting standards and the auditor gathers evidence to determine whether the statements contain material errors or other misstatements (Arens, Elder & Beasley, 2012).

2.7 Meaning of an audit

The general definition of an audit is an evaluation of a person, organization, system, process, project or product. Audits are performed to ascertain the validity and reliability of information; also to provide an assessment of a system's internal control. The goal of an audit is to express an opinion on the organization/system, under evaluation based on work done on a test basis. Due to practical constraints, an audit seeks to provide only reasonable assurance that the statements are free from material error (Kamal and Ashok, 1999).

2.8 Audit program

An audit program is necessary for adequate planning, for risk identification, for system description, to test the risk level of the organization, to fulfill the working paper properly and supervision of an engagement under the first standard of field work. An audit program should be flexible. An audit program should be chalked out in such a way that if there may be any need for revision that may be carried out without any difficulty (Jain, 2002).

An audit program is a list of the procedures auditors need to perform to gather sufficient appropriate evidence on which to base their opinion on the financial statements (Timothy, Robert, David& Jerry, 2008). Audit programs are necessary to perform an effective and efficient audit based on the results of the tests performed; the auditor should be able to determine the adequacy of the controls over a particular process (Champlain, 2003).

2.9 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, Greater transparency of government and advocacy of the importance of parliamentary scrutiny, Deterring fraud and corruption in public administration and addressing it in collaboration with anticorruption bodies, SAIs working together can bring value in a globalized environment, Monitor the timeliness of audit reporting, against statutory or other commitments, Systematically follow up audit work to identify and record its impact, Monitor staff satisfaction, Monitor media coverage of their work, Continue to exchange knowledge on their work and measurement issues.

2.10 Types of auditors

External versus Internal Auditors

The characteristic that conceptually distinguishes external auditors from internal auditors is their respective constituencies: while external auditors represent outsiders, internal auditors represent the interests of the organization. Some internal audit departments report directly to the controller. Under this arrangement, the internal auditor's independence is compromised, and the external auditor is prohibited by professional standards from relying on evidence provided by the internal auditors. In contrast, external auditors can rely in part on evidence gathered by internal audit departments that are organizationally independent and report to the board of directors' audit committee (Hall, 2011).

The external auditor evaluates the reliability and the validity of systems controls in all forms. The principal objective in their evaluation is to minimize the amount of substantial auditing or testing of transactions required to render an opinion on a financial statement (Frederick, 2004). A truly independent internal audit staff adds value to the audit process. For example, internal auditors can gather audit evidence throughout a fiscal period, which external auditors may then use at the year's

end to conduct more efficient, less disruptive, and less costly audits of the organization's financial statements (Hall, 2011).

2.11 Adequate planning and supervision

Adequate planning is essential to a satisfactory audit. Some portions of the audit can be performed prior to the end of the year under audit; some information may be compiled by the client's staff and made available for the auditor's analysis. The appropriate number of audit staff of various level of skill and the time required of each need to be determined in advance of field work.

Most of the field work of an audit is carried out by staff members with limited experience. The key to successful use of relatively new staff members is close supervision at every level. This concept extends from providing a specific written audit program to staff members all the way to an overall review of the work by the partner in charge of the engagement (Ray, Kurt, Walter & Robert, 1992).

2.12 Objectives of government Audit

- Ensure that the expenditure is incurred out of the fund which has been approved by the competent authority.
- Verify that expenditure and revenue of the government department is approved according to the rules and regulations of the department concerned.
- See that the expenditure already approved has been incurred by an officer or officers who are authorized to do so.
- Ensured that the payments have been made to the right persons and are duly entered in the book on basis of receipts received from them.
- Ensured that the asset of the government are not stole and properly managed
- Seen that the payment have been properly classified as capital and revenue (Jain, 2002).

2.13 Audit plans

The planning process is documented in the audit working papers through the preparation of audit plans, audit programs and time budgets, these "planning and supervision" working paper serve a dual purpose. According to Ray, Kurt, Walter & Robert (1992), Audi plan is a broad overview of an audit

engagement prepared in the planning stage of the engagement. Audit plans include such matters as the objectives of the engagement, nature of the work to be done, a time schedule for major audit work and completion of the engagement and staffing requirements.

There are three main reasons why the auditor should properly plan engagements: to enable the auditor to obtain sufficient appropriate evidence for the circumstances, to help keep audit costs reasonable, and to avoid misunderstandings with the client (audited entity). Obtaining sufficient appropriate evidence is essential if the CPA firm is to minimize legal liability. Keeping costs reasonable helps the firm remain competitive. Avoiding misunderstandings with the client, for facilitating high-quality work at reasonable cost (Arens, Elder & Beasley, 2012).

2.14 Training

As stated by Anam & Rab (2015), Training is an important factor to upgrade skills of auditors. New audit techniques need to be learnt to make audit effective. Audit management flaw in some organizations is their reluctance to budget sufficiently for training auditors. Expense control is understandable, but some organizations allow very little for any outside training, instead opting to rely on on-the-job training. The small and highly trained staff would prove to be much more effective and valuable to their organizations than a large number of auditors with little or no ongoing training Champlain (2003). Follows that CPA firm must not accept an audit engagement without first determining that member of its staff have the technical training and proficiency needed to function effectively in the particular industry (Ray,Walter, Kurt & Robert, 1992).

2.15 Audit evidence

According to Jain (2002), the term ‘audit evidence’ refers to information obtained by auditor incoming at a reasonable conclusions on which auditors bases their opinion on the financial statements. Audit evidence is the information obtained by the auditor in a documentary form, orally or in a visible manner from within the business unit or outside. Such an evidence is obtained through compliance tests or substantive procedures designed to obtain evidence.

2.15.1 Classifications of audit evidence

Audit evidence may be classified on the following basis:

- Internal and external
- Oral and Documentary
- Visible and non-visible

Internal evidence is consisting of documents that are produced, circulated and finally stored within the client's information system (Timothy, Robert, David & Jerry, 2008). External evidences is tended by third parties and from outside the business. The auditor himself can build up external evidence by communication with the other customers of the client. External evidence is more trustworthy than internal evidence (Jain, 2002). Information obtained orally may help the auditors to form an opinion. It is difficult to place them as a visible proof in matters of dispute or charges against the duties of the auditor. Written evidence or information documented alone can be consistent evidence. So also are the visible evidences. The auditor must be thorough in his efforts to obtain evidence and objective in its evaluation. If an auditor is unable to obtain sufficiently appropriate evidences he should not expresses an unqualified opinion (Jain, 2002).

2.15.2 Obtaining of audit evidences

According to Lukas (2008) Auditors need to have complete and accurate evidence to conclude their opinions and determine responsibility for failure, incompetence or deceit. An auditor can obtain audit evidence through:-Inspections, Observation, Enquiry and confirmation; and Computation and analysis (Jain, 2002).

2.16 Time budget for audit engagement

As stated by Ray, Kurt, Walter & Robert (1992), Public accountant firms usually charge clients on a time basis and detailed time records must therefore be maintained on every audit engagement. A time budget for an audit is constructed by estimating the time required for each step in the audit program for each of the various grades of auditors and totaling these estimated amounts. It also is an important tool of the audit senior-it is used to measure the efficiency of staff assistants and to determine at each stage of the engagement whether the work is progressing at a satisfactory rate. The development of

time budgets is facilitated in repeat engagements by reference to the preceding year's detailed time records. The time period available to complete an audit activity limited time is available, hardly short time to complete audit Irrespective of size of auditee organization which ultimately hampers appropriate presentation of auditee's performance (Anam & Rab, 2015).

2.17 Audit Procedure

As stated by Karthikiyan (2007), an auditor takes certain steps or procedures when completing an audit. These procedures depend upon the audit engagement and the understanding between the auditor and the board of directors. The audit procedures followed depend on the complexity of the tasks to be performed, the type of accounting system, characteristics of the records and the nature of the cooperative.

During an audit, the auditor will not review every transaction entered in the audit year. Rather, the auditor will test a sample of the various transactions.

The auditor will determine the type and level of sampling to use based on the complexity of the accounting system, the discussions at the pre-audit meeting, and the budgetary limitations imposed for the audit. In conducting the audit, the auditor will be concerned with the audit trail. The audit trail is the complete recording and documentation associated with a single transaction.

2.18 Working papers

Work papers are the method of documentation of communications within an internal audit department, from one audit or auditor to the next. They are also a means of communication with the enterprise's external auditors. An audit department should establish overall workpaper standards covering their style, format and content. Some specific details do not need to be frozen, given the various types of audits performed and evolving audit automation procedures. However, work paper contents should be prepared consistently for all audits and must be fulfilled by all team members. The audit procedures work paper file, for example, should contain materials covering each of the listed areas, job responsibility of the auditor, evidences gathered from different sources and documents Moeller (2010).

2.19 Audit reporting

As stated by Cascarina (2007), a variety of individuals will use audit reports for a variety of purposes. Executive management uses an audit report to gain an insight into the overall status of internal controls within a given organization as a whole. Operational management uses audit reports to determine the adequacy and effectiveness of specific objectives. Other agencies may use audit reports to gain insight into the inner workings of specific operations. In general, auditors communicate the overall findings together with recommendations for actions to be taken using the audit report. These reports are sent to those individuals who are in a position to take effective action or ensure that corrective actions are taken.

According to Morin (2004), auditors' recommendations seemed to figure among the top priorities of the organizations audited, which is perhaps an indication that the auditors did accurately target root problems. The will expressed by those at the base of the organization audited, as well as its central and the political authorities, also seems to play a very important role in the eyes of the auditees. In many cases, the audited managers recognized contribution of parliamentarians is important. Audited managers acknowledged, on average, that press coverage spurred them into action in implementing performance audit recommendations.

2.20 professional certification

A professional certification is a good way for an auditor to demonstrate that he or she has some unique and important professional skills. The knowledge gained through obtaining a certificate allows an auditor to work more efficiently and effectively in service to management. These are important indicators of knowledge, interests, and abilities. Both with an enterprise's internal audit function or moving beyond, certifications are measures of one's knowledge and interests in the profession. Every auditor should understand why a professional certification is important and should have a general knowledge of what it takes to achieve that certification (Moeller, 2010).

2.21 General Accepted Audit Standard (GAAS)

According to Ray, Kurt, Walter & Robert (1992), stated that the standards are authoritative rules for measuring the quality of performance. The existing of GAAS is evidence that auditors are very

concerned with the maintenance of a uniform high quality of audit work by all independent public accountants. If every CPA has adequate technical training & performance audit with skill, care and professional judgment, sufficient understanding of the internal control system, sufficient competent evidence matter, and the status of the profession will rise and the public will attribute more and more significance to the auditors' opinion attached to financial statement (Ray, Kurt, Walter& Robert, 1992).

2.3 Empirical Review

Summary of Literature Review and Research Gap

The objective of this section is to presents the overview of studies conducted in different countries and in Ethiopia in relation to the government audit effectiveness and factors affecting the success of government auditors. Some studies are assessed government audit effectiveness and the factors that affect the auditors in performing their activities in government organization by using different methods. These empirical evidences are derived from theories made and observation from different studies.

Lukas (2008) conducted the study on the challenges faced by government auditors in Ethiopia by using both quantitative and qualitative techniques. And the researcher takes the samples from financial auditors of the organization using simple random sampling technique. The result of the analysis revealed that, there is no positive relationship between the employees' educational level and their experience from the research concern, there is a limitation for access to information due to auditee's lack of knowledge; fear of accountability; and lack of confidence, face problems in collecting the necessary information, there is no regular supervision and clear field work division and from the auditors respond shows that only two percent of them were satisfied with their current salary and the remaining were not satisfied. the result of findings of the analysis revealed that, In order to minimize the challenges related to pursuing education, its better if OFAG tries to work in harmony with educational institutions, like universities and colleges from within and foreign countries and the value and benefit of specific and overall audit techniques performance should be assessed objectively and soundly and become measurable and comparable by international standards.

Belay(2007) find that to reduce corruption and inefficiency in the public sector of Ethiopia, it is mandatory to have effective audit function that in turn needs appropriate governance structure, mobilizing sufficient, appropriate resource and competent personnel.

The research conduct by Anam and Rab (2015), had tried to study on factors affecting the success of government audits: a case study of Pakistan. This research work opens a different theoretical and methodological dimensions and potential for further research on government audits and auditors as well. Being an exploratory research, it serves as a base to separately test each variable with effectiveness of government audits. Researchers can use these variables in different ways. The regression and correlation techniques can be applied which were avoided in this research because purpose of study was exploratory rather than relationship testing. Based on the findings government auditors face different problems due to lack of financial resources. They heavily rely on auditee for stationeries, food, conveyance, photocopiers and other needs which creates a negative perception about government auditors. Appropriate budget should be assigned to eliminate that reliance, Training sessions should be conducted to upgrade audit skills, appropriate number of employees should be hired to equally share burden of work.

The literatures reviewed in the above have some limitations they were conduct internal government auditor they did not consider external government auditors the literatures were not enough by themselves to answer the research question under consideration. Most of the literatures were not considered factors unique to our country especially in government audits. And there are no recent, enough and updated literatures about external government audit. In order to fill this gap this study uses the research design presented in the following chapter.

2.4 Conceptual framework

Based on newly revised by (Stephen, Kenneth and Jacques, 2012) the researcher tray to assess the government audit effectiveness in OFAG. As stated by (Stephen, Kenneth and Jacques, 2012) the key elements of an effective public sector audit activity need: organization independence, a formal mandate, unrestricted access, sufficient fund, complete leadership, objective staff, competent staff, and professional audit standard.

Framework developed by the student researcher about the factor that determines government audit effectiveness.



CHAPTER THREE

3. Research Methodology

3.1 Research approach and design

To conduct this study both qualitative and quantitative method used to achieve the stated research objective and to answer research questions. Specifically, the study use quantitative document analysis and qualitative in-depth interview. According to Creswell (2003), Using mixed method approach helps; to address different objectives of the study, which cannot be achieved by a single method and to enable one approach to inform another approach, either in design or in interpretation.

According to Kothari (2004), in descriptive studies, the researcher must be able to define clearly, what he wants to measure and must find adequate methods for measuring it along with a clear cut definition of ‘population’ he wants to study. As stated by Rajasekar (2013), Research design should indicate the various approaches to be used in solving the research problem, sources and information related to the problem, time frame and the cost budget

Descriptive method is an important to describe the auditor’s opinion and perception on the effectiveness of government audit and it is to develop an effective way to analysis the results findings in qualitative and quantitative method. It is appropriate choice to a cross sectional analysis because of this the researcher choice descriptive method.

3.2 Population, sample size and sampling procedure

As it was mentioned above in the first chapter the Office of Federal Auditor General has one main office and five branches. Currently, the organization has 645 employees from which 441 were auditors and the remaining 214 were supportive staffs.

The target population of the study is the auditors of OFAG. The researcher was used simple random sampling method this enable every auditors have equal chance to be selected. As it is mentioned in Kothari (2004) as a simple random sample if in each draw all elements of the population have the same probability of being selected and successive draws happen to be independent. Simple random sampling technique is used to select the sample employees from the sample units. And all employees

who work in different level have an equal access and information about the audit effectiveness of the Company. To determine sample size, total population of OFAG was 645, so the target population of the study was 441 auditors that have direct relation with the audit activity.

In order to determine the sample size, the study was used below formula based on 95% of confidence interval and 5% of accepted error.

$$n = \frac{z^2 p q N}{e^2 (N-1) + z^2 p q}$$

$$e = 2 (N-1) + z^2 p q$$

Where,

N= Size of total population;

n=size of sample

P= sample proportion, q= 1-p (.5) (p = percentage picking a choice)

e= Acceptable error

Z= the value of the Standard Variance at a given confidence level and to be worked out from table showing area under Normal Curve; At 95% confidence level the value of Z=1.96 Source: Kothari, (2004)

$$n = \frac{1.96^2 \times (0.5) \times (0.5) \times 441}{0.05^2 \times (441-1) + 1.96^2 \times (0.5) \times (0.5)} = 205.5$$

$$n \approx 206$$

Thus, from the target population of 441 auditors, the sample size was 206 auditor of OFAG.

For the interview the researcher select two directorates and one manager the directorate are from finance and performance audit and the manager from finance. In selecting individuals for the unstructured interviews and used different documents which are related to the audit work and the research objective and those which are expected to provide the necessary data with the expected precision select.

3.3 Data type and source

In organizing the paper and arriving at the specified objectives the researcher uses primary data and observation. The Primary data was collected from employees of the organization who are working in the auditing activities. The close ending questionnaires and unstructured interview guides developed

based on literature review relevant to the issue and the specific objectives. The Primary source of data was employed in order to meet the objective of the study where the data was gathered through adapted structured questionnaires originated from other related studies (Habtamu & Seid, 2015).

3.4 Procedures of data collection

In order to collect the required information for this research, closed ended questionnaires were used. In addition, questionnaires were distributed through on hand delivery to an auditors who has willing to contact persons, which in turn questionnaires were distributed to auditors involved in the financial and performance auditors process. Questionnaires distributed have collected through the contact person. The questionnaires, which have used by this research as source of data collection instrument, are close- ended. This is because close- ended questions will provide structured responses and there by enable to analyze in a better way than open-ended question responses.

The questionnaires were prepared in English language, as the participants have considered professionals working in those selected government sectors. The questionnaires were divided in to five categories. The first part focused on personal information such as, gender, age, work experience in the organization, field of study, level of education, position (level) in their organization, professional certificate if any. The second part focuses on specific questions regarding to the auditor activities that challenges in performing from pre-engagement to reporting stage, The third part about the trainings for auditors, the fourth part about the education background the independence , job satisfaction of the auditors and the last and the fifth questionnaires were about AFROSAI-E implementation in the organization.

Some of the questionnaires are developed based on a 5-point Likert-scale rating method so that the respondents could have options to answer and responses would have analyzed statistically. In developing, the questionnaires respondents have expected to answer the questions based on their knowledge as Strongly Agree, Agree, Neutral, Disagree Agree and Strongly Disagree. A response of strongly agree takes 5 points, agree takes 4 points, neutral takes 3 points, disagree takes 2 points and strongly disagree takes 1point.And the rest of the questionnaires had developed based on yes or no questionnaires.

In order to collect the data from interview there were seven interview questions for audit manager and director. And the interview were translated to Amharic language and the interview take 20-30 minutes and the interviewer were not willingness to record in voice so the researcher were using writing their response.

Besides, the review of documents helps the researcher to understand the key facts of the auditors. By observation some working papers of fulfilled by the auditors from the pre-engagement to report stage observe of relevant documents- audit plans, audit programs, working papers, audit reports and audit manuals, were serve as a means of generating data to support the questionnaire and interview

3.5 Data Analysis Methods

In the data analysis method the researcher used descriptive statistics methods such as tables, frequencies, percentages, mean and standard deviation. After the necessary data have been collected, edited and coded, the preparation and summary was present using the Statistical Package for Social Sciences (SPSS) version 20.

The data result presented and interpreted by using mean and standard deviation. According to Chu and Illowsky (2013), mean is a number that measure the central tendency a common name for mean is average. By definition the mean for a sample is sum of all values in the sample divided by number of values in the sample .the standard deviation provides a measure of the overall variation in a data set. The SD is always positive or 0 the SD is small when the date are concentrated closed to the mean, exhibiting little variable or spread. The SD is larger when the data values are more spread out from the mean, exhibiting more variation.

3.6 Validity and Reliability

Validity refers to extent to which differences found with a measuring instrument reflected true differences among those being tested (Kothari, 2004). Validity is the most critical criterion and shows the degree to which an instrument measures what it is supposed to measure. For this study to validate the instruments the researcher has ruled out whether there were ambiguous, confusing and poorly organized questions along with the instruments were used to ascertain their validity and suitability, by amending as per respondents understanding in collecting the requested data. The advisor has

exhaustively examined all item one by one and providing feedback and guidance on the questionnaire particulars that may be amended.

Reliability: has to do with the accuracy and precision of a measurement procedure. According to Kothari (2004), Reliability is the ability to perform the proposed responsibilities both dependably and accurately. All five attributes of reliability dimension measure the level of performance of the Company’s training provision as measured by appropriateness of four processes of trainings and showing genuine techniques in solving knowledge gap and problems. The training reliability dimension of quality is assessed through the response provided by sample employees to the five reliability attributes.

Cronbach’s Alpha was used to measure the reliability. Cronbach’s alpha is a coefficient of reliability. Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group. Ideally, the Cronbach’s alpha coefficient of a scale should be above 0.70 (Pallant, 2005).

Accordingly, the following tables show the Cronbach’s alpha result of the questionnaires

Reliability Statistics	
Cronbach's Alpha	N of Items
.771	30

The results from analysis indicated that the Cronbach’s Alpha value is 0.771. This suggested that the internal reliability in this study was acceptable and signified to be good.

3.7 Ethical Consideration

The researcher has consent of the organization for the study. Auditors who completed the questionnaires were informed about the purpose of data collection, analysis and the covenant to maintain privacy of their responses. Therefore, it was conducted in such a way that was considered ethical responsibility. Ethical responsibility include, providing information about the study for respondents (like who’s conducting the research, for what and who will benefit), also the study provided anonymity, means the information from the respondents was confidential and was not used for any personal interest.

- ❖ Regarding published and unpublished materials used in the literature review and throughout the study, all citations from copy right holder has been made properly.
 - Participants were informed about the purpose of the study,
 - Participant's privacy and dignity were maintained,
 - Confidential information of the organization has not been disclosed,
 - Convenient place and time was designed for respondents,
 - Collected data hand not been used for other purposes other than the study.

CHAPTER FOUR

4. Data Analysis, Results and Discussions

This chapter includes analysis of the data based on the data collected from the participants and results or findings of the study as set out in the research methodology in answering the research questions and discussions on the results. The study findings have presented assessment of government audit effectiveness in the case of OFAG. The data gathered from OFAG through questionnaire, interviews and observation as the data collection instrument. Analysis related to response rate, profile of the respondent and assessment of government audit effectiveness has presented in this chapter on the bases of related factors measurements.

4.1 Response Rate Analysis

The questionnaires were distributed to the auditors of Office of Federal Auditors Government (OFAG). Total of 206 questionnaires were delivered to each that have direct relation with the audit activity in the organization. From distribution of 206 questionnaires, 179 questionnaires were collected the remaining 27 were not collected because the auditors were so busy.

4.2 Profile of respondent

Respondents' gender analysis result that obtained from part one of the questionnaires presented in this part.

Table 4.1 Gender of the Respondents

Gender of respondents

Gender	Frequency	Percent
Female	80	44.7
Male	99	55.3
Total	179	100.0

Source: Survey results

As observed from the above response table, the numbers of male respondents are 99 and female respondents are 80 in number. When expressed in percent male respondents are 55.3% and female respondents are 44.7%, therefore, the female participation in the profession was low.

Table 4.2 Ages of the Respondents

Age of respondents

Age	Frequency	Percent
20-30	62	34.6
31-40	54	30.2
41-50	40	22.3
51 and above	23	12.8
Total	179	100.0

Source: Survey results

As it seen from the above graph, most of the respondents are young. Respondents of 34.60% are between ages of 20-30 years, 30.20% of the respondents were between 31-40 years old, 22.30% of the respondents were between ages of 41-50 years old, and 12.80% of the respondents were ages of 51 and above.

The age and the experience of auditors have an inverse relationship the number of auditor decrease when they become elder. The table showed that most of the auditors in the organization are between in the age of (20-30) more energetic auditors are found in the organization this enable to perform their activity more effectively.

Table 4.3 Auditor working experience

Working experience of respondent

Working Experience	Frequency	Percent
below 2 years	64	35.8
2-5 years	52	29.1
5-8 years	32	17.9
8years and above	31	17.3
Total	179	100.0

Source: Survey results

From the above table the majority of the respondents are in the range of below 5 years, 35.8% of the respondents are below 2 years, 29.1% of the respondents are between 2-5 years, 17.9% of the respondents are between 5-8 years the rest 17.3% of the respondents are above 8 year work

experience in the organization. Even if half and above of the auditors have below five years experience in the auditing the other experienced auditor will share their experiences.

Table 4.4 Field of study

Field of study of the respondent

Level of education	Frequency	Percent
Accounting	170	95.0
Management	5	2.8
Economics	0	0
other related field	4	2.2
Total	179	100.0

Source: Survey results

From the above table show that the respondents (95%) of them are background from accounting (2.8%) background from management and (2.2%) from other related filed .from the above table, we can conclude that the auditors in the organization have related field of study with the profession of audit. to be an auditor accounting department is preferable than that of other department and the majority auditors in the organization is background from accounting so they have good understanding and knowledge about the audit.

Table 4.5 Education Level of Respondents

Education background of the respondent

Education Level	Frequency	Percent
Diploma	0	0
BA/BSc	176	98.3
MA/MSc	3	1.7
PHD	0	0
Total	179	100.0

Source: Survey results

From the table above there are no respondents with education level under diploma and PHD. The 98.3% of respondents were first-degree holders, which were 1.7% of the respondents have master degree. The analysis results show that respondents are educated and their educational level can help

them to respond with good understanding of the questions and help to some extent to complete their responsibility more effectively and most of them are degree holder need to improve their education level to the next stage to be more skilled and knowledgeable auditors.

Table4.6 Professional certificate

Professional certification of the respondent

Professional certificate	Frequency	Percent
CPA	19	10.6
CMA	0	0
ACCA	0	0
No	160	89.4
Total	179	100.0

Source: Survey results

While discussing the results of the above table, (10.60%) of the respondents has certified public accountant the others respondent (89.4%) had no any professional certificate. This shows that the organization did not support their profession by the related adequate trainings and professional certifications. From this one we can conclude that organization should give an opportunity to certify the auditors in different level. Also it can imply that there is a lack of broad range of skills and expertise and ongoing professional development due to lack of this professional certification, It was contrary to Moeller (2010), a professional certification is a good way for an auditor to demonstrate that he or she has some unique and important professional skills. Professional certifications are important. The knowledge gained through obtaining a certificate allows an auditor to work more efficiently and effectively.

Table4.7 Work Position of the Respondents

Position in the organization of the respondent

Work position	Frequency	Percent
Director	5	2.8
Manager	15	8.4
Senior Auditor	21	11.7
Auditor	59	33.0
Junior Auditor	79	44.1
Total	179	100.0

Source: Survey results

As seen on the above table 2.80% of the respondents were Directors, which were five (5) in numbers, 8.40% were from manager, which were (15) In numbers, and 11.7% were at the senior Auditor which were (21) in numbers, 33% of the respondents are auditors in number (59) and the rest 44.10% were Junior Auditor in number (79) This analysis results show that majority of the organization employees are auditors and junior auditors so from the organization expected to qualified and trained them to have a competent and skilled auditor.

4.3 Contribution of human resource, professional due care, audit program and audit evidences for government audit effectiveness.

A response of strongly disagree takes 1 points, disagree takes 2 points, neutral takes 3 points, agree takes 4 points and strongly agree takes 5 point. In this research gathering information, applying professional care, the time budgeted, preparation of an audit program, number of auditors in the team and related data analysis results and discussions have presented in the following tables.

Table 4.8 Contribution of human resource, professional due care, audit program and audit evidences for government audit effectiveness.

No	Statement	Respondents Response in percentage							Mean	STD
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total			
1.1	Adequate number of staff available to conduct an audit	15.01	57	14	14	0	100	3.73	.887	
1.2	Is your office /sector audit ensuring activity performed is compliance with the established policies, procedures, laws and regulation?	0	2.3	0	72.1	25.6	100	1.79	.556	
1.3	Do you preparation of an audit program in your organization	0	9.3	5.8	57	27.9	100	1.97	.846	
1.4	I apply a professional due care during auditing?	24.4	61.6	11.6	2.3	0	100	1.92	.672	

1.5	The organization provided with sufficient time in proportion to size of auditee/formation to conduct audit effectively?	21.8	49.7	2.8	22.3	3.4	100	2.36	1.149
1.6	Distribute responsibility & rights fairly according to position held in the audit manual	53.1	5.6	2.8	19.0	19.6	100	2.46	1.697
1.7	It is possible to audit and review each activity on time and cover the planned scope of auditing activities.	24.6	50.3	2.2	20.1	2.8	100	2.26	1.123
1.8	I can freely access necessary documents, evidences, information and data about the organization/sector for my audit work?	8.9	16.2	1.7	40.2	33.0	100	3.72	1.315

In the above table 4.8 of item 1.1 point adequate number of staff available to conduct audit result shows that 14% of the respondent agree, 14% neutral, (57% disagree and 15.1% strongly disagree) from this one can conclude that there is no enough number of auditor in the organization to conduct the audit work. And the respondent had a mean response of 3.73 showing no agreement on the issue and standard deviation of 0.887 this shows response less variability of respondents. The respondents responses indicate that they are disagree with in the issue there is no enough and adequate number of staff availability to conduct audit activity in the organization. From this one we can conclude that shortage of human power lead to work load to the auditors if there is not enough and adequate human power in the entity this impact will be decreasing the audit effectiveness and quality of the audit report. According to Anam & Rab (2015), Effective audits are the outcome of auditor's efforts which are directly affected by best human resources.

The above table 4.8 of item 1.2 point, Ensure activity performed is compliance with established policies, procedures, laws and Regulation result shows that (25% strongly agree and 72.1% agree) 2.3 % of the respondents said that disagree from this one we can conclude that the organization performs the activity by ensuring the established policies, procedures, laws and regulation. And the respondent had a mean response of 1.79 showing agreement on the issue and standard deviation of

0.556 this shows response less variability of respondents. The respondents responses indicate that they are agree with the above issue from this one we can conclude that the organization performs the activity by ensuring the established policies, procedures, laws and regulation. And the organization perform their activity based on the established policies, procedures, laws and Regulation this enable the organization to achieve its mission and objective correctly and effectively.

In the case of prepare of audit program (table 4.8 of item 1.3) point show that 27.90%strongly agree 57% agree, 5.8% of the respondents neutral, 9.3% of the respondents said that disagree. And the respondent had a mean response of 1.97 showing agreement on the issue and standard deviation of 0.846 this shows response less variability of respondents. The respondents responses indicate that they are agree with the preparation of audit program. Prepare audit program will help the auditor to complete their activity based on logical and reasonable way. This idea supported by Champlain (2003), Audit programs is necessary to perform an effective and efficient audit. The auditor should be able to determine the adequacy of the controls over a particular process.

In the case of applying due professional care (table 4.8 of item 1.4) point show that 24.4% strongly disagree, 61.6% disagree this show that the auditors are not applying their professional responsibility during the activity the other 11.6% of the respondents are neutral, 2.3% some of the other respondent agree they apply their professional care during the audit. And the respondent had a mean response of 1.92 showing agreement on the issue and standard deviation of 0.672 this shows response less variability of respondents. The respondent's responses indicate that they are disagree with applying professional care in their activities this means the auditors are doing through their experiences rather than trained how they practiced their professions in the audit activity contrary with the idea of Jain (2002) due audit care in an audit situation is partly the extent of care taken by a reasonable man with adequate technical training and proficiency as an auditor.

The above table 4.8 of item1.5 point for the question the time budgeted for audit and human power available in the team member are equivalent? The result showed that (22.3 agree and 3.4% strongly agree) and the other 2.8 % of the respondents are neutral, (21.8 % strongly disagree and 49.7% disagree) from this we can conclude that the time budgeted not equivalent or appropriate to the auditee entity .And the respondent had a mean response of 2.36 showing no agreement on the issue

and standard deviation of 1.149 this shows response variability of respondents. The respondents responses indicate that they are disagree on the issue. From this analysis can conclude that there is work burden for some auditors and some activity like vouching will not finished on time because of shortage of time. According to Ray, Kurt, Walter & Robert (1992) it also is an important tool of the audit used to measure the efficiency of staff assistants and to determine at each stage of the engagement whether the work is progressing at a satisfactory rate.

From the interview response the respondent said that there is shortage of human power in the organization because of this the time budgeted for audit and the number of auditors assign for audit activity are not equivalent for some audit teams.

The above table 4.8 of item1.6 point, for the question is your organization distribute responsibility and rights fairly according to position held in the audit manual result shows that (53.1% Strongly disagree and 5.6% disagree) this shows that some of the auditors perform their activity more or less than their scoped identified in the audit manual some auditors had load of work this create an audit challenge for some auditors, 2.8% of the respondent said that neutral, (19% agree and 19.6% strongly agree)they perform their activity following based on the audit manual of the organization but in general result shows that disagree on the issue it had a mean response of 2.43 and standard deviation of 1.697 this shows response variability of respondents.

From the observation results the researcher observed that the audit manual of the organization and the working paper, in order to this some activities supposed to be work by senior auditor but done by auditor for example materiality of misstatement were fulfilled by senior auditor instead of auditor based on the scope identified in the audit manual. So from this one can conclude some auditors in the organization accomplished their activity not based on responsibility and rights fairly according to position held in the audit manual(AFROSAL-E) so that this will create low qualities in the working papers.

Work papers are the method of documentation of communications within an internal audit department, from one audit or auditor to the next. They are also a means of communication with the enterprise's external auditors. Work paper contents should be prepared consistently for all audits and must be fulfilled by all team members. It contains materials covering each of the listed areas, job

responsibility of the auditor, evidences gathered from different sources and documents (Moeller, 2010).

The above table 4.8 of item 1.7 point produced by SPSS regarding It is possible to audit and review each activity on time and cover the planned scope of auditing activities, the opinion of respondents result showed that (20.1% agree and 2.8% strongly agree) and the other 2.2 % of the respondents are neutral,(24.6% strongly disagree and 50.3% disagree) majority of respondent respond disagree with the issue not audit and review within the planned scope. The respondent had a mean response of 2.26 showing disagreement on the issue followed by the standard deviation of 1.123 this shows response variability of respondents. The respondents responses indicate that they are disagree with the issue it's not possible to audit and review each activity on time because of this delay of work happen. As stated by Ray, Kurt, Walter & Robert (1992), an audit plan is an overview of the engagement, outlining the nature and characteristics of the audited business operations and the overall audit strategy. It is include nature of the work to be done, a time schedule for major audit work and completion of the engagement and staffing requirements.

It could be observed from the foregoing table 4.8 of item1.8 point the result indicate that (40.2% agree and 33.0% strongly agree) and the other 1.7% of the respondents are neutral, (8.9% strongly disagree and 16.2% disagree) majority of the respondents believe that information, files and evidences are gathered without any restriction. And the respondent had a mean response of 3.72 showing agreement on the issue and standard deviation of 1.315this shows response variability of respondents. From this one can conclude that the auditors can gather information without any restriction it enable them to perform their activity more effectively. To obtain Sufficient, competent and relevant evidence afford a reasonable basis for the auditors' findings and conclusions barriers of complete access to information can have an adverse impact on auditor's reports. This idea supported by Jain (2002), audit evidence is information obtained by auditor incoming at reasonable conclusions. From the interview response the respondent said that, there are some public institutions that restrict access and information for auditors because of they have negative perception for auditors.

4.4 Training contribution for government audit effectiveness

In this research, providing training, the training is planned and systematic and Training equipment & relevant, introduce new technology, policy or procedures when it is necessary. For the questionnaire yes or no take 1 and 2 points. This related data analysis results and discussions have presented in the following tables 4.9

Table 4.9 Audit Training

No	Statement	Respondents Response in percentage					
		Yes		No		Total	
		Frequency	Percent	Frequency	Percent	Mean	STD
2.1	The office/sector supports me by providing training in order to improve my skill and update with the field.	81	45.3	98	54.7	1.55	.499
2.2	The training you attend at the organization is planned and systematic?	63	35.2	116	64.8	1.44	.498
2.3	The training equipment & relevant technologies that support the training available in OFAG?	77	43.0	102	57.0	1.57	.496
2.4	The office/sector supports me to introduce myself with new technology, policy or procedures when it is necessary	126	70.4	53	29.6	1.30	.458

Source: Survey results

As the above table 4.9 of item 2.1 point result showed that 45.3% of respondent said that the organization providing training in order to improve my skill they the rest 54.7% of the respondent respond that the organization did not providing training in order to improve my skill this shows that almost half of the respondent did not take any training in the organization. And the respondent had a mean response of 1.55 showing no agreement on the issue and standard deviation of 0.499 this shows response less variability of respondents. The respondents' responses indicate that they are no agreeing with in the issue from this one can conclude that the organization did not trained all auditors this lead the audit activity ineffective.

From the interview of response some auditors are not get training because of government did not assigned enough budgets for training, there is constraint of budget for training in the organization. From this one can conclude that there is lack of budget for training in the organization to train the auditors. Contrary with Champlain (2003), the small and highly trained staff would prove to be much more effective and valuable to their organizations than a large number of auditors with little or no ongoing training.

The next table of 2.2 the training is planned and systematic 35.2% of the respondent agree on the issue the rest 64.8% of the respondent disagree. And the respondent had a mean response of 1.44 disagree on the issue and standard deviation of 0.498 this shows response less variability of respondents. The respondents responses indicate that they are disagreeing with the training is planned and systematic. The training system shall be planned and systematic because it is an advantageous for auditors because it is long time arrangement and need to be properly planed to increase the skill of the auditors.

Table 4.9 point 2.3 result shows that 43% of the respondents respond that the training equipments are appropriate enough for training and 57% of the respondents disagree on the issue. The respondent had a mean response of 1.57 showing agreement on the issue and standard deviation of 0.496 this shows response less variability of respondents. The respondents responses indicate that they are not agree with the issue training materials are not enough for training and resource facility for training is the major factor to implement the training activity for the audience properly.

As the above table 4.9 of item 2.4 point result showed that 70.4% of respondent agree on the issue the rest 29.6% of the respondent respond disagree on the. And the respondent had a mean response of 1.30 showing agreement on the issue and standard deviation of 0.458 this shows response less variability of respondents. The respondents' responses indicate that they are agreeing that the office/sector supports them by introduce new technology, policy or procedures from this one can conclude that the organization effectively inform when there is new policies & procedure are issued in the organization. This enable the auditor to work effectively by following government rule and regulations related with their audit activity.

4.5 Independence, education, Experience, job satisfaction and staff capacity of the auditor contribution for government audit effectiveness

In this research, the independency, education opportunity, experience, job satisfaction and staff capacity of this related data analysis results and discussions have presented in the Following tables

Table 5.1 Independence, education, Experience, job satisfaction and staff capacity of the auditor.

No	Statement	Respondents response in Percentage							Mean	STD
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total			
3.1	I am satisfied with my current salary in this organization?	46.5	40.7	4.7	8.1	0	100	4.26	.884	
3.2	The office/sector supports auditor by budgeting funds for certification to have relevant education in auditing that allows them to audit all of the organization's/sector's systems & to improve their skill	52.2	39.5	4.7	3.5	1.2	100	4.36	.825	
3.3	The office/sector considers auditing practices as a value-adding activity and I work smoothly and motivated from the above managers	16.3	2.3	5.8	29.1	46.5	100	3.84	1.094	
3.4	I perform the auditing activities without any interference from anybody and without any influence from the office/sector	2.2	3.4	27.9	47.5	19.0	100	3.78	.871	
3.5	The existence and findings (report) of auditors meet my expectation	22.3	42.5	7.8	22.3	5.0	100	2.45	1.205	
3.6	The existing government audit is playing sufficient enough to address the very purpose for what is established?	3.9	3.9	21.2	44.1	26.8	100	3.86	.987	

3.7	The government auditing activity has a role in the country	18.4	11.2	1.1	32.4	36.9	100	3.58	1.524
3.8	I can get the necessary resources (facilities) that help me to perform auditing activities as needed.	15.6	10.1	1.7	36.9	35.8	100	3.67	1.445

Source: Survey results

From the above table 5.1 of item 3.1 point for the question satisfied with current salary respondent said that 8.1% agree, 4.7 neutral and the other (40.7% disagree and 46.5% strongly disagree) above 86% of the organization auditors were not satisfied with their salary in the organization. And the respondent had a mean response of 4.26 showing no agreement on the issue and standard deviation of 0.884 this shows response less variability of respondents. The respondents responses indicate that majority of the auditors are not satisfaction with in their salaries from this one we can conclude that the auditors work with low salary and payment so this will create job dissatisfaction. Talented and motivated young people need better payment in order to hold on to in a given organization. This idea contrary Stephen, Kenneth and Jacques (2012), the audit activity must have sufficient funding relative to the size of its audit responsibilities and budget impacts the audit activity's capacity to perform its responsibilities.

From the above table 5.1 of item 3.2 point, for the questioner he office/sector supports auditor by budgeting funds for certification to have relevant education in auditing that allows them to audit all of the organization's/sector's systems & to improve their skill the respondent respond that that (1.2% strongly agree and 3.5% agree) this shows the some auditor got an opportunity to improve their skill, 4.7% Neutral and the rest (46.5 disagree and 52.2% disagree) on the issue. And the respondent had a mean response of 4.36 showing no agreement on the issue and standard deviation of 0.825 this shows response less variability of respondents. This shows that the auditors are not get an educational opportunity to develop their skill from this one can conclude that the organization did not give educational opportunity to improve the auditor's skills. The employment and preservation of qualified (educated) accountants and auditors is the most significant in order to provide a knowledgeable service and increase the trust of users on audit outputs. As stated by Stephen, Kenneth and Jacques

(2012), the audit activity needs a professional staff that collectively has the necessary qualifications and competence to conduct the full range of audits required by its mandate.

From the above table 5.1 of item 3.3 point, The office/sector considers auditing practices as a value-adding activity and I work smoothly and motivated from the above managers, respondent said that that (46.6% strongly agree and 29.1% agree), 5.8 % Neutral, (2.3 % disagree and 16.3% strongly disagree) And the respondent had a mean response of 3.84 showing agreement on the issue and standard deviation of .094 this shows less variability of respondents.. This show the auditors are motivating by their activity so this creates job satisfaction for auditors, any auditor with good performance must be encouraged. According to Anam& Rab (2015), Demotivation is another factor that makes an audit ineffective. Management does not focus on promotions of auditors in a timely manner which hampers audit effectiveness

In the above case of point 3.4 perform the auditing activities without any interference from anybody and without any influence from the office/sector the respondents (3.4% disagree and 2.2% strongly disagree) 27.9% neutral and 47.5 Agree 19% strongly agree on the issue. And the respondent had a mean response of 3.78 showing agreement on the issue and standard deviation of 0.871 this shows response less variability of respondents. The respondent's responses indicate that they are agreeing with the issue they perform their activity independently free from an influence. Independency means an auditor must be free from any financial and self interest in performing their audit activity so the OFAG auditors agree on the issue, if the auditor could work their activity independent their reports will be biased. This idea supported by Stephen, Kenneth and Jacques (2012), Independence may be impaired, for example, by external pressure ; prejudices held by auditors about individuals, audited entities, projects or programs; recent previous employment with the audited entity; or personal or financial dealings which might cause a conflict of loyalty or interest. Auditors have an obligation to refrain from becoming involved in all matters in which they have a vested interest.

From the above table 5.1 of item 3.5 point the existence and findings (report) of auditors meet your expectation, respondent said that (22.3% strongly disagree 42.5% disagree), 7.8 neutral and the rest respondent of (22.3%strongly agree and 5.0% agree) some auditors think that their finding and report did not meet their expectation. And the respondent had a mean response of 2.45 showing disagree on

the issue and standard deviation of 1.205 this shows response less variability of respondents. The findings and the reports are the final results of the auditor majority of the respondent disagree on the issue this means actions are not taken by the responsible person from the audit findings and reports. It was contrary to Cascarina (2007), in the end the value of an audit is improvements to the organization situation brought about as a result of the audit. Where no such improvements take place the audit may well have been a waste of time, resources, and money. Improvements will only take place where the individuals authorized and empowered to take effective action have been convinced that some form of action is appropriate to improve the control situations

From the above table 5.1 of item 3.6 point the existing government audit is playing sufficient enough to address the very purpose for what is established, respondent said that (3.9% strongly disagree and 3.9 %disagree) and 21.2% of the respondent neutral and the rest 44.1% agree and 26.8% strongly agree the respondent had a mean response of 3.86 showing agreement on the issue and standard deviation of .987this shows response less variability of respondents. From this one can conclude that the OFAG play sufficient enough to address for what is established and working with their best effort in auditing.

From the above case of table 5.1 point 3.7 the government audit has a role in the country, the respondent said that (18.4% strongly disagree and 11.2% disagree) and the rest of the respondent 1.1% neutral, 32.4%agree and 36.9% strongly agree and the respondent had a mean response of 3.58 showing agreement on the issue and standard deviation of 1.524 this shows response variability of respondents. From this one conclude that the government audit has a big role in the country if actions are properly taken. Supported by Stephen, Kenneth and Jacques (2012) Role of government audit is a corn stone of good public sector governance. By providing unbiased, objective assessments of whether public resources are managed responsibly and effectively to achieve intended results, auditors help public sector organizations achieve accountability and integrity, improve operations, and instill confidence among citizens and stakeholders.

From the above case of table 5.1 point 3.8 I can get the necessary resources (facilities) that help me to perform auditing activities as needed, the respondent said that (15.6% strongly disagree and 10.1% disagree) and the rest of the respondent 1.7% neutral, 36.9%agree and 35.8% strongly agree and the respondent had a mean response of 3.67 showing agreement on the issue and standard deviation of

1.445 this shows response variability of respondents. From this one can conclude those resources/facility are fully presented for auditor for their audit activity. This enables the audit activity to be more effective.

4.6 AFROSAI-E Implementation

In this research, apply AFROSAI-E Audit manual, enough knowledge and understand about AFROSAI-E , AFROSAI-E implement in your organization, Complete or full Audit manual to guide audit & relevant this related data analysis results and discussions have presented in the following

Table 5.2 AFROSAI-E Implementation

No	Statement	Respondents Response in percentage							
		Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	Total	Mean	Std. Deviatio
4.1	I have enough knowledge and understand about AFROSAI-E Audit manual?	10.2	47.7	8.1	22.6	10.5	100	2.97	1.132
4.2	Is AFROSAI-E implement in your organization?	1.2	12.80	9.3	48.80	27.90	100	2.10	.994
4.3	Is there a complete or full Audit manual to guide audit function?	7	23.30	7	43	19.80	100	2.55	1.243

Source: Survey results.

From the above table 5.2 of item 4.2 point, enough knowledge and understand about AFROSAI-E Audit manual, the respondent said that (10.5% strongly agree and 22.6% agree), 8.1% Neutral and the rest (47.7% disagree and 10.2%strongly disagree) in the issue. The mean of 2.97 this shows that disagreement on the issue and standard deviation of 1.132 this shows response variability of respondents. From this one can conclude that some auditors did not fully understand the audit manual of the organization this decrease the quality of the audit findings & results and create challenges for auditors.

From the above case of implementation of AFROSAI-E in the organization (table 5.2 point 4.3) the respondent respond that (27.9% strongly agree and 48.80% Agree) this show AFROSAI-E audit manual implement in the organization, 9.3% Neutral and the rest respondent respond that (12.8% Disagree and 1.2 strongly disagree) in the issue, And the respondent had a mean response of 2.10 showing agreement on the issue and standard deviation of .994 this shows less variability of respondents. This shows that the auditors believe that AFROSAI-E implement in the organization. The audit directors managers and senior auditors have a good understanding about the manual because they are familiar with AFROSAI-E by stay long time in the organization so they will correctly implement the audit manual.

From the interview respondent response that, yes AFROSAI-E manual implement in the organization but there is some challenges in the implementation process some of the auditors did not understand the manual properly because of lack of training, less experience so there is some challenges for them to implement it correctly even though in the audit teams the expensed auditors and manager share their knowledge to new auditors.

From the above table 5.2 of item 4.3point, complete or full Audit manual to guide audit function, (19.8% strongly agree and 43% agree) this show some of them believe that the organization had full audit manual to guide the audit function, 7% Neutral, (23.3% agree and 7% strongly disagree) And the respondent had a mean response of 2.55 showing agreement on the issue and standard deviation of 1.243 this shows response variability of respondents. The respondents responses indicate that they are agreeing with that of there is full audit manual to guide the function. Full audit manual will support the auditors with high guidance in performing their activity properly and within a professional manner.

CHAPTER FIVE

5. Summary, Conclusion, and Recommendations

5.1 Summary of the findings

On this chapter summary of the finding, conclusion to the main issues of the study and finally recommendation are presented.

The purpose of this study is to assessment the government audit effectiveness in the case of OFAG and recommending on the actions to be taken in minimizing or eliminating these challenges and problems. The study focused on both financial auditors and performance auditor of the organization. The data were collected through the use of questionnaires, interviews, observation and the research used descriptive survey. The samples are selected using simple random sampling methods this enable the population have equal chance in the selecting the sample. The collected data were organized and the necessary summaries and preparations were made in the form tables and using Statistical Package for Social Sciences (SPSS).

The data collected was analyzed based on the respondent's response and summarized as follows the findings:

- Majority of the respondent agree that lack of adequate audit training in the organization in addition to this weakness on the training system, lack of materials and equipment for training.
- From the survey result showed that there is shortage of auditors which mentioned as one of the cause of government audit effectiveness. Auditors were not able to discover the all government sectors.
- Majority of the respondent are not covering each audit activity on time with the planned scope but covering the audit activities with the planned has corn advantage for audit effectiveness.
- Majority of the respondents state there is lack of professional due care during audit.
- Gather necessary documents, evidences, information and data about the organization majority of the respondent agree on the issue they freely access information for audit activity. So this is very useful for audit report their findings supported by evidences and lead to auditor's good audit opinion on the final report.

- The time budgeted and human power equivalent as the respondent said there is no equivalent human power and time budget assigned for audit activity this create load of work for some auditors and the other may not complete their work properly on time.
- Distribute responsibility & rights fairly according to position held in the audit manual as the most of the respondent disagree on the issue. From the observation of working papers material misstatement is supposed to be work by senior auditor but done by auditor. This creates over lode work to some auditors.
- Ensure activity performed is compliance with established policies, procedures, laws & regulation as the respondent said that there activity is to ensure the activity is performed based on the compliance with established policies, procedures, laws & regulation
- Unsatisfied salary the majority of the respondent said that they are not satisfied with their current salary this make to those auditors dissatisfaction in their activity and de motivate them
- Absence of independent of auditor creates audit challenge most of the respondents accept that independency of the auditors create an audit challenge in performing their activity so an auditor must be independent from any financial and self interest.
- The existence and findings (report) of auditors meet your expectation respondent said that their findings and report did not meet their expectation the responsible body are not properly take action this lead to de motivate the auditors.
- The existing government audit is playing sufficient enough to address the very purpose for what is established respondent agree on this issue the government audit playing sufficient enough to address the very purpose for what is established.
- The government auditing activity has a role in the country the respondent said that the government auditing activity has a role in the country.
- Organization gives educational opportunity to improve your skill the respondent said that there is no any educational opportunity given by the organization to improve the auditor skills.
- Motivating Auditors most of the respondent responds that they are motivation/appreciation from the above managers or directors for their activities.
- knowledge and understand about AFROSAI-E Audit manual most of the respondent responds that they don't have enough understanding about the AFROSAI-E audit manual also from the

interview respondent said that because of lack of training in the organization some auditors did not have enough knowledge and understanding about the audit manual.

- AFROSAI-E implementation in the organization respondent responds that AFROSAI-E implements in our organization experienced auditors implementing the audit manual this make the audit report more reliable and trusted by the public.
- Majority of them agree that there is a complete or full Audit manual in the hand of auditor to guide audit function.

5.2 Conclusions

The existence of effective government audit activity in the office links with improves organizational efficiency and effectiveness, reduces information asymmetry during decision making and ensures reliability of financial reporting process. Based on the findings some main points the researcher has concludes as follows

- The survey results showed that majority of the auditors are not get any form of training from this can conclude the auditors can't perform effectively their activity every auditor should be enough trained on the audit area and majority of the respondent respond that there is no enough materials, equipment and technologies for training this shows the facility for training materials is poor this lead to ineffective training. The training system is very important for auditors to make them knowledgeable and competent.
- Prepare of audit program as the respondent said that they prepare audit program it is a major activity in auditing this will helps them to identify risk area to fulfill the working paper properly and it also help for detail planning activities.
- Lack of due professional care- the other reason that the respondents disagreed up on as a core cause for government audit effectiveness of due professional care. The auditors are doing through their experiences rather than trained how they practiced their professions in the audit activity.
- The survey result indicates that out of the total number of respondents only 10.60% of them are professional certified accountants, there is shortage of auditors in the audit team and not assigned enough budgeted of time for audit activity. Because of this the government audit activity will be ineffectiveness if there is shortage of human power in the team this creates load of work to the auditors and can't cover the all sectors in annually.
- Majority of the respondents state that there is no any educational opportunity to skilled and to make competent them self. Education is key for updating them self's.

- Majority of the respondents respond that they can get audit evidences and information without any restriction of access this will lead that the government audit to be effective because it's a major source for audit reports.
- From the survey result majority of the respondents are not satisfied with their salary. Salary is major factor for job satisfaction the auditor must be highly paid or equivalent to their work.
- Some auditors respond that they don't have enough knowledge and understanding about AFROSAI- E audit manual this lead misunderstanding the activity in the organization.
- From all these it can be concluded that there is resource constraints, inadequate human resource, lack of professional due care, lack of adequate training in the organization because of this results can conclude that auditors cannot perform their activity at the required level.

5.3 Recommendations

From the above major finding of the study the researcher recommended that

- For the government audit effectiveness the researcher recommendations that the organization should hire appropriate number of auditors to equally share burden of work, auditors should be adequately paid, need motivation from the above managers and directors, auditors must be collect information without any restriction, the auditor should perform their activity based on the responsibility and rights fairly according to position held in the audit manual and need to qualified employee secure their retention. Government auditors face different problems due to lack of financial resources so appropriate budget should be assigned to eliminate this problem. The benefit of the auditors should be measured & compared with good standard level.
- Auditors shall be adequately trained. To ensure high quality of work, OFAG need to ensure the continuous development of its staff and it needs to employ qualified staff. Training sessions should be conducted to upgrade audit skills. The government shall assign enough budgets for trainings to train the auditor and to make effective the work. And all auditors should be trained in the organization.
- Government should provide educational opportunities to enhance motivation and satisfaction level with the job. Audit teams should comprise both new and experienced auditors to share experiences. In this way, training cost can be saved through on the job training methods. Auditors can learn and share in good manner. Managers and directors must support auditors to conduct their activity with honestly and fairly. And the auditors should be independent from any financial or self interest in the audited organization. In order to achieve the auditor's independency the above manager must work integrity.
- Implementation of AFROSAI-E in the organization recommended that some auditors in the organization not fully understand the manual in order to minimize and avoid this problem the organization shall trained the auditors properly with qualified person and within the audit team the experienced auditors should share their experience properly for new auditors in addition to this it needs individual effort to understand the manual by reading and update them self's.

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APPENDIX A

St. Mary's University

School of Graduate Studies

Questionnaires are on the Assessment of Government Audit effectiveness in the case of OFAG.

Dear participant

This questionnaire is designed to assist in collecting data to be used in research project which is required for the particular fulfillment of master's Degree in accounting and finance from St. Mary's University. Its main purpose is to gather your opinion and other information on assessment of government audit effectiveness. Your honest, accurate and clear response to the questions as well as your prompt response will be highly appreciated. Any of these responses will be treated confidentially and only be used for this particular research project only. Please, do not write your name on the questionnaire. In all cases, where answer options are available please tick (✓) in the appropriate space provided.

I would like to express my gratitude and great appreciation for developing your precious time to respond to the question in advance.

Tsion Hailu Tsige

I QUESTIONNAIRE FOR AUDITORS

Personal profiles

1. Sex
Female Male
2. Age
22-30 31-40 41-50 51 and above
3. How long have you been working with OFAG
Below 2 years 2-5 years 5-8 years 8 and above
4. Your field of study
Accounting Management Economics other related field
5. What is your educational background
Diploma BA/BSc MA/MSc PHD

6. Professional certification(if any)

Certified public Accountant (CPA) Certified management Accountant

Association of chartered certified Accountant (ACCA) No

7. What is your position in the organization

Director Manager Senior Auditor Auditor Junior Auditor

II The Questionnaires Related to The Study

The Questionnaire is prepared with five (5) points Chooses the values are 1=strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5= strongly Agree and with two (2) points the value are 1=yes, 2= No Therefore, you are required to put a tick (√) mark in the appropriate place that indicates your opinion.

No	Questioners Related to human resource, professional due care, audit program and gathering audit evidences	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1.1	adequate number of staff available to conduct an audit					
1.2	Is your office /sector audit ensuring activity performed is compliance with the established policies, procedures, laws and regulation?					
1.3	Do you preparation of an audit program in your organization					
1.4	I apply a professional due care during auditing?					
1.5	The organization provided with sufficient time in proportion to size of auditee/formation to conduct audit effectively?					
1.6	Distribute responsibility & rights fairly according to position held in the audit manual					
1.7	It is possible to audit and review each activity on time and cover the planned scope of auditing activities.					
1.8	I can freely access necessary documents, evidences, information and data about the organization/sector for my audit work?					

No	Questioners Related with Trainings in the Organization	Yes	No
2.1	The office/sector supports me by providing training in order to improve my skill and update with the field.		
2.2	The training you attend at the organization is planned and systematic?		
2.3	The training equipment & relevant technologies that support the training available in OFAG?		
2.4	The office/sector supports me to introduce myself with new technology, policy or procedures when it is necessary		

No	Questioners related with the Independency of Auditors, Education Experience, Job Satisfaction and Staff Capacity.	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
3.1	I am satisfied with my current salary in this organization?					
3.2	The office/sector supports auditor by budgeting funds for certification to have relevant education in auditing that allows them to audit all of the organization's/sector's systems & to improve their skill					
3.3	The office/sector considers auditing practices as a value- adding activity and I work smoothly and motivated from the above managers					
3.4	I perform the auditing activities without any interference from anybody and without any influence from the office/sector					
3.5	The existence and findings (report) of auditors meet my expectation					
3.6	The existing government audit is playing sufficient enough to address the very purpose for what is established?					
3.7	The government auditing activity has a role in the country					
3.8	I can get the necessary resources (facilities) that help me to perform auditing activities as needed.					

No	Questionnaires related with AFROSAI-E Manual implementation	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
4.1	I have enough knowledge and understand about AFROSAI-E Audit manual?					
4.2	Is AFROSAI-E implement in your organization?					
4.3	Is there a complete or full Audit manual to guide audit function?					

APPENDIX B

St. Mary's University

School of Graduate Studies

Questionnaires on the Assessment of Government Audit effectiveness in the case of OFAG.

Interview questions

For Managers and Directors

This interview is prepared for the purpose of academic thesis on the topic “assessment of government audit effectiveness in the case of OFAG” thank you in advance for your corporation to go through with this interview.

General Questionnaires

1. Are you provided with sufficient time and human power in proportion to size of auditee/formation to conduct audit effectively?
2. Are all materials and resources are fully presented for auditors? If not why?
3. Does your organization provide enough Training for auditors? If not why?
4. Is adequate number of staff (auditors) available to conduct audit? And the auditors are competent enough to conduct audit effectively?
5. Which audit criteria and audit standard are you following?
6. What kinds of problems and challenges are being faced by auditors?
7. Does AFROSAI-E implement in your organization?

Thank you very much for your contribution!

