

Quality of Audit and Professional Development – SAI Pakistan's Experience

Mrs Raheela Saad

Director General HRM, SAI Pakistan



Supreme Audit Institutes as per their mandate supervise the implementation of government budgets and evaluate the use of administrative resources to ensure that public funds are used wisely, economically, and effectively. Quality government audit involves reviewing policies according to local and international standards and provides insight, predictions, and warnings to related organizations. The feedback of governmental auditing services not only reflects how the government functions but also influences how people view the government and its executive branches. Thus, ensuring audit quality becomes a critical approach to enhance the value of resources, stimulate economic development and give direction to development.

SAIs audit quality also plays an essential role in improving the quality of public sector governance and public service for the benefits of their citizens. Therefore, in today's dynamic and demanding economic environment, professional auditors need to maintain competence and knowledge of current developments alongside auditing skills to enable them to act with due skill and care in providing this feedback.

Professional Development is a learning process that can promote personal growth, improve auditing skills, revolutionize working procedures, and increase audit report quality as the same depends on the quality of auditor judgments during all stages and processes of the audit. The maintenance of professional judgment and hence competence requires a continuing awareness and an understanding of relevant

technical, professional and business developments. It is no longer about learning of audit techniques but also industry specialization, which has become an element to not only enhance audit quality but also maintain competitiveness. An organization can promote long-term efficacy and survival development through proper knowledge management as knowledge is essential for maintaining competence.

Auditors can advance their Professional Development through continuous learning to increase their knowledge, open-mindedness, sensitivity to fraud detection, to set career goals, and to promote peer learning. Continuing Professional Development (CPD) enables an experienced auditor to develop and maintain the capabilities to perform competently within the professional environment.

The Department of the Auditor General of Pakistan (DAGP) - the Supreme Audit Institution (SAI) of Pakistan- is entrusted under Constitutional provisions, with the audit of all the revenues, receipts and expenditures of Federal and Provincial Government departments, autonomous bodies, corporations, institutions, etc., financed by or working under their administrative control. The Reports of the AGP are discussed/deliberated upon by the respective PublicAccounts Committees.

To honour these responsibilities in a befitting manner, the DAGP has been striving to upgrade its capabilities, improve quality of audit and maintain competence in line with challenging demands of

accountability and expanding governance environment. In 2012-14, SAI Pakistan undertook a comprehensive review exercise in the backdrop of these challenges coming from the ever-changing complex governance environment and growing reliance on information and communication technologies (ICTs) employed in the public sector. Also emerging areas such as privatization, public debt management, disaster management, energy management, gender issues, public-private partnerships, enhanced accountability demands, etc. needed to be considered for the meaningful audit. The review was conducted following the INTOSAI's Strategic Planning Handbook framework that suggested needs assessment by a Supreme Audit Institution (SAI) before strategic planning.

The DAGP completed needs assessment, according to the detailed road map given in INTOSAI's Capacity Building Needs Assessment (CBNA) 2009. This included taking stock of the prevailing situation and identification of gaps with the involvement and participation of all tiers of DAGP. The CBNA identified performance gaps that served as the baseline for the first Strategic Plan 2015, which is being implemented presently. Goal 2 of the plan focuses on the development of professional and institutional capacity.

The critical activities planned under the Goal 2 included building capacity and competency in current, emerging and future issue areas in public governance and audit methodologies; training in the use of existing audit manuals, guidelines, Code of Ethics; and developing capacities in IS auditing. Professional Development and training is a cross-cutting activity, also appeared under Goal 3: Developing communication and cooperation with internal and external stakeholders, and Goal 4: Use of modern audit techniques and technologies.

To promote long-term efficacy, competency and survival concerted efforts were made towards proper knowledge management. The natural outcome of this reform was Development and implementation of continuous professional development (CPD) program, focusing on understanding which an SAI's staff needed skills and experiences, what skills and knowledge they already had and what needed to be done to build on current capability and bridge any gaps. The program included professionalization not just of audit staff but all staff in an SAI.

The portfolio CPD program represents the entire gamut of the SAI's operations across present and future challenges. Besides supporting the SAI's in core audit disciplines and computer-related skillsets, the program covers areas like Strategic and Operational Planning, Management and Leadership Development, Human resources, ethics etc. The proposed CPD Program is divided into three parts, namely:

- (a) Mandatory CPD Training
- (b) Training for bridging skill gaps
- (c) Training in emerging audit areas