

# **Managing the Challenges to Communication Facilities of SAIs and strengthening their relationship with the Media and the NGOs**

**(Vinod Rai, Comptroller & Auditor General of India)**

## **A. Changing Role of SAI India**

The framers of our Constitution in India had looked upon the SAI as the most important Office in the government. As head of SAI India, Comptroller and Auditor General (CAG) of India is a separate entity standing apart from the three pillars of the Executive, the Judiciary and the Legislature. The CAG is mandated with ensuring accountability of the executive to the Parliament and by extension to the people of India. He reports to the Legislature on the results of audit, which is carried out in accordance with the provisions of the Duties, Powers and Conditions of Service (DPC) Act, 1971, that affirms the principle of independence as well as the requirements to ensure this independence as proclaimed in the Lima Declaration of 1967 and the Mexico Declaration of 2007. Such reporting constitutes an important mechanism for exercising financial control by the legislature. SAI India also reports on the execution/performance of key schemes/ areas giving the government much needed feedback for effecting mid course corrections and for deciding on focus areas. The SAI Reports serve as an independent and invaluable information base to the legislature on the implementation of all government activities, projects and programs.

Over the years however, this traditionally perceived role of the SAI has undergone subtle shifts in terms of the expectations from the institution. It is no longer merely reporting on a project or a sector of government activity, the audit of the SAI has also become the means to evaluate the quality of expenditure as well as the final outcome of the expenditure of public funds. Further, with increasing use of technology and inclusive decision making in a highly participative and consultative democratic set up as in India, especially with the opening up of the working of the Government to public scrutiny by using the Right To Information (RTI) Act enacted in 2005, and also due to an increasingly proactive role being played by the media, the thin line between policy and execution is becoming increasingly blurred. There has been a distinct change in both the stakeholder participation and perception, and we need to equip ourselves in order to be able to react positively to these changes while fulfilling our mandate and herein lies a major challenge for the SAI.

SAI India audits all Government Ministries and Departments and their subordinate offices, besides all Government companies and public undertakings where the Government holds a majority stake. Once the audit reports are finalized and placed on the table of Parliament at the Union (federal) level and Legislature at the provincial (State) level, SAI India interacts with the Parliament or State Legislatures only through two standing Committees: The Public Accounts Committee and the Committee on Public Undertakings. The public interface of SAI India in the past was limited to brief periodical interactions with

the media at the time of placement of its reports to the Parliament or State Legislatures. Not running the risk of continual media exposure and publicity, its officials could work silently behind the scene, trying to do justice to their job with objectivity, and without fear or favour, But shying away from the media was also making the institution somewhat irrelevant, as the people by and large remained unaware of the role of the SAI and their precise contribution to society and governance. However, with the paradigm shift that has taken place in the nature of governance and consequently in the role of SAI as perceived by the other stakeholders, now it can no longer afford to remain aloof from the other organs of society, especially the media. The number of stakeholders and users of the reports of SAI India has also proliferated; now its reports are widely consulted, quoted and referred not only by an increasingly aggressive media, but also by the NGOs, civil society organizations, international institutions, banks and financiers to government bodies, academia and research organizations and many others. Its reports contain a wealth of information and data, most of which cannot be obtained from any other source.

## **B. Changing Paradigms of Our Times**

India as a country has made tremendous economic progress during the last two decades, gradually attaining a nearly double digit growth rate that has pulled millions of its citizens out of poverty, given a boost to industry, trade and the services, especially the IT sector. Economy has been and is being increasingly liberalized, the bureaucratic controls that had earlier stifled growth and enterprise have been removed one by one and individual as well as collective entrepreneurship, innovation and increasing use of technology have been and are being encouraged. With these, the nature of governance has also changed and is still changing. Government is becoming more a facilitator now than a controller of all socio-economic activities it used to be earlier.

But while the rate of growth of the economy has accelerated substantially and is expected to increase further in the coming years, certain aberrations have also cropped up. Thus there is the scenario of scarce and valuable natural resources which are national properties falling into the hands of private players. This pattern of growth is non-transparent and public goods are increasingly assuming the character of private goods, dispossessing the nation of valuable resources that would otherwise have been utilized for the development of the nation and socio-economic growth of the people by large. While this is causing a lot of discontent, often resulting in social turbulence and coming in the way of industrialization and development, the response of the political system has not been adequate in anticipating the future problems and coming up with an agenda to address them. The complete picture of this transition needs to be traced and brought into the public domain and an accountability frame developed urgently, and SAI India definitely has a role, and a responsibility too, to usher in a system based on transparency, fairness and equity in this volatile scenario. This and other developments related to sudden high economic growth is resulting in increasing disparities and creating a social divide along economic strata that may turn out to be dangerous in the

long run unless checked and safety nets are built within. There is a definite need to articulate the voice of the powerless and dispossessed, and engage with them in a systematic manner consistent with the principles of equality and natural justice as enshrined in the constitution. These are some of the new challenges in this period of transition that have to be addressed urgently and we need to equip ourselves to be able to meet them.

### **C. Changing Role of Media**

In a developing country like India, socio-economic and developmental issues provide the greatest amount of news and attract the widest readership, but media is often more a haphazard chronicler of society than a social scientist who would examine the issues objectively, keeping the peoples' lives in the forefront. Thus in the media there are more sensationalisation than objective facts and their analysis and as a result, though media does influence Government decisions, it is yet to emerge as an important policy instrument integrating economic, social, cultural and technological planning. Often it also serves as an instrument of consumerism and the aims and practices of the market not always being in step with the social requirements of the country, this ends up further widening the rural and urban hiatus. The response from the political system to these distortions is not adequate to make way for a new information order in the society. Technology has greatly expanded media's outreach in our times and given it unprecedented powers, but the self-discipline and responsibility that must accompany the exercise of such powers and can truly turn media into an effective instrument of development planning are almost completely missing. Accountability of the media remains an elusive concept, almost a non-existent one. But despite its often negative role, media cannot be ignored and SAIs must engage with media to reach out to the people they ultimately serve.

### **D. Challenges Awaiting the SAI**

#### **1. Perception about SAI among the people**

The SAI India generates more than a hundred reports in a year. But no study has been made to assess the impact of these reports or to determine whether all the reports made by SAI India during the last few decades have actually succeeded in creating a wider awareness about the institution, its role in democracy and its effectiveness among general public. There is no study or survey ever undertaken to check the people's perception on the institution's performance and outcomes. In some countries such studies have been undertaken (e.g. Mexico) more than once, where the overwhelming majority of the respondents had perceived the role and contribution of the SAI as positive in improving the 'standards of expenditure of public funds, transparency, accountability, objectivity, impartiality, efficiency and integrity'. SAI needs to be self critical and introspect themselves making use of institutional mechanisms to be created for such introspection, and results of such self criticism should be

put in the public domain. It also must realign its policies and strategies to live up to the expectation of the people.

## **2. Mastering the Art of Communication: Taking SAIs Findings to the People**

The major hindrance in communicating our findings to the lay public, besides the huge number and volumes of our reports, is that the reports are often clad in technical language which becomes difficult for the lay public to understand without having any specific knowledge on the issues contained therein. Simplicity and conciseness should be the hallmark of all the reports where we aim to reach the public in general. Even the legislatures may not always be equipped to understand, debate and take follow up action on our reports. This problem, however, is attempted to be addressed by SAI India in recent years by providing sleek, easy to read and attractively packaged summary of each report.

## **3. Issue in Our Relationship and Engagement with the Media**

- (a) Confidentiality Issues:** Audit entails scrutiny of records, many of which could be secret or confidential. Ensuring confidentiality of data is a major challenge, especially during the process of audit and before finalization of the audit reports as otherwise the objectivity that is the hallmark of the audit process and its findings can be seriously jeopardized, and then we run the very real risk of losing our credibility. For an auditee to have the requisite confidence to allow us unhindered access to its records, it has to have the trust and assurance, which must be ensured at all times, that data /records accessed by audit always remains confidential. Loss of confidence of the auditee could severely inhibit future audit.
- (b) Loss of Credibility:** An audit report passes through many stages, right from the initial observation/memo issued to the final report. Depending on the responses received from the auditee, the final report could be very different from the initial observations. There is a definite threat that the observations/queries generated during the process of audit may get reported by the media as final findings of the SAI, which may not be the case. Loose reporting can be very detrimental and repeated overkills of this nature could result in a loss of credibility, causing irreparable damage to the institution.
- (c) Unwarranted Hype:** As an adjunct of the above problem, there exists the hazard of unwarranted hype getting generated over trivial or preliminary queries and initial observations which generally undergo substantial transformation during the process of audit before being finalised as audit observations that constitute the final report. SAI is outside the triumvirate of the executive, the legislature and judiciary, but any surfeit of media coverage could leave it open to the accusations of indulging in propaganda and politicizing issues.
- (d) Other Challenges:** When the information we generate commands a price in the media, there could be other related problems also.

There is thus a need to co-opt and engage the media in our functioning so as to sensitise them to these issues which pose a real threat to the objectivity involved in our activities and deliverables. We have to adopt a strategy and a plan of action in order to make them appreciate the pitfalls explained above. The engagement therefore needs to remain formal and constructive.

#### **4. Engagement with Civil Society Organisations**

Nature does not allow a vacuum, and where there is a deficit in governance, it's only natural that the deficit will be made up by other institutions and mechanisms if the society is to remain as vibrant as the Indian society is. Civil society organizations have been taking up a proactive and increasingly important role in pointing out those deficits and for mobilising public opinion to make the Government take appropriate action in those areas. In fact, their voice has become so strong that it can no longer be ignored and SAI India is trying to engage them in deciding audit strategy and auditable areas so as to maximize the value of our reports, especially in respect of mainstream themes in social sector audit. We need to continue communicating with them, ensuring their participation and articulating their responses to issues that need to be addressed.

To further increase peoples' participation, we may think of instituting a mechanism whereby a grassroot level dialogue and communication process get embedded into the audit methodology so as to ensure full-hearted cooperation from the auditee. In fact, the civil society organisations can become very powerful and effective pressure groups to help us circumvent many of the difficulties we face today in audit, like non-availability of records and covert non-cooperation and delaying tactics employed by some auditee organizations.

#### **5. The Relationship and Engagement with Others Institutions**

In the past, our Report mostly, and sometime only, concerned the Government that used to be the sole user of our Report. But as pointed out already, with the changing times, number of users of our report, and the stakeholders in our institution have multiplied. Today our reports attract the attention, and sometimes intense scrutiny and also cross verification, by media, civil society, NGOs, political parties, foreign countries and international and multilateral organizations like the World Bank, IMF etc. as well as academic and research institutions. Few other institutions command such a high credibility within and outside the country as the SAI India enjoys. Today there are many stakeholders in the audit process and audit outcomes and we need to communicate with all of them if we want to increase our efficiency and efficacy.

The multiple stakeholders we need to engage with formally may include:

- a. The law makers seeking information which would assist in law making or budgetary planning and allocation;
- b. The executive looking at inputs/feedback for mid-course reviews needed for making the necessary corrections or changes during the implementation of various programmes/schemes;
- c. Private citizens evaluating governance and other issues: eg. The Review on Cleanliness in the Railways, Review on water pollution - where we had issued full page advertisements in the newspapers seeking inputs from citizen.
- d. The academia, professional associations, universities, research institutions are not only users of our reports but are also the producers of the knowledge without which audit cannot be conducted. These are also the institutions that nurture and supply the future members of all SAIs. SAIs in their own interest must engage with and reach out to them and involve them in research projects organized and conducted by the SAI. We can induct their good students to spend time with us as interns and spread awareness about our activities. In each of these areas we need to utilize the most innovative patterns of communication which reinforces the foundation on which every SAI rests, which is public trust.

## **E. Communication Tools to Increase Outreach of Audit**

We should be innovative in our choice of the necessary tools of communication and take the maximum advantage of technology. The Options could range from the delivery of audit reports by use of web-based tools and connectivity to use of SMS to communicate our viewpoints to various stakeholders, web-forums on SAI websites, social networking, stakeholder / Civil Society discussions to be covered through organizational video conferencing infrastructure, seminars and regular media interactions at various levels, etc. In India, the SAI is already using several of these new age tools to widen our outreach. The new age tools that we may use to our advantage include:

### **(a) The Internet**

In today's world the medium of reaching the public most conveniently, efficiently and economically is no doubt the internet. All SAIs have their websites in the internet which are sort of 'their portraits'. These websites should be regularly updated to keep the contents interesting, topical and aesthetically appealing. SAI India has already launched a programme for updation of the departmental website on a regular basis.

The medium of the internet can be much more meaningfully utilized by making it a platform to convey the contents of the reports in particular and about the functioning of the

organization as a whole through various web-based alternatives, like blogs or distant education programmes to the public/ other stakeholders.

**(b) Conventional Media**

- (1) We can also use conventional fora like the workshops, seminars, documentary films and even put up advertisements in newspapers to keep in touch with all sections of the public and to educate them about our activities, and also to seek inputs from them to finalise our audit plans and to decide upon the audit approach.
- (2) The low public profile of audit today does not attract the best among the younger people. We can organize national essay competition, debate competition, etc. to spread awareness among the younger population about the SAI.
- (3) As pointed out already, media often portrays events in a very different light due to their obsession with sensationalisation and also due to their ignorance of the procedures and meaning of auditing processes. Often news about the activities of SAI and the audit reports appear to be out of context, thereby giving an erroneous and misleading picture to the public which might be detrimental to one of the mainstays of our profession which is credibility. By engaging meaningfully, we can partner the media as a strategic ally to project the objectivity of our institution and the accuracy of our reports. We can always educate the media by explaining to them the auditing practices and our legal and constitutional mandate, the scope of our work and constraints of the auditing practices. This can be done through periodic communication with the media in a formal structure like a workshop on media management or by getting airtime in public TV and radio. However, we must not forget that media is a double-edged weapon; it can be a friend and a foe as well. Over-exposure to media may also harm the interest of the organization. We need to be very circumspect in dealing with the media.

Finally we must remember that unless our reports reach the masses who are their actual owners since the reports ultimately reflect upon the use of taxes paid by the people, the entire auditing process will remain unsanctified. This will seriously jeopardize the role that a SAI can play and limit the impact of its reports, and will ultimately lead to an erosion of the institution itself. Media can help us reach people and therefore we must actively and constructively remain engaged with it, while not getting influenced by them and compromising the objectivity which has always been our hallmark.