

Strengthening Communication Capacity of SAIs for Ensuring Good Governance in Public Financial Management

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Introduction

Transparency and accountability are the two fundamental components of modern government and the key institutions to ensure transparency and accountability particularly in public financial management are SAIs. Their crucial role in enhancing good governance needs to be expanded by using new tools that will increase their effectiveness. As one of these new tools, maybe the most important one in enhancing their effectiveness to respond to the challenges of transparency and accountability in public financial management is strengthening their communication capacity.

In our globalised and competitive world, communication is one of the most essential tools for the success of any organisation. As supervisory bodies of each country, SAIs need to improve their communication capacities to achieve their objectives effectively and enhance their legitimacy. Communication capacity is one of the fundamental requirements for SAIs to build good relationships with their stakeholders and strengthen the bonds with citizens and their representative organisations.

ISSAI 20 endorsed by INTOSAI at the end of 2009 implicates nine accountability and transparency principles and one of them states that; “SAIs communicate timely and widely on their activities and audit results through the media, websites and by other means”. INTOSAI, which has had its own communication policy since 2006, basically recognizes the need for SAIs to have a communication strategy to enhance transparency and accountability as well.

INTOSAI community has conducted many symposium, conferences etc. directly or indirectly on communication activities of SAI, the last of which was UN/INTOSAI Symposium in held Vienna in June 2011 and the other important one was EUROSAI Seminar on “SAIs’ Communication with the Public Opinion via the Media” held in Warsaw on 10-11 May 2011.

International organisations such as Open Budget Initiative and Transparency International which evaluate overall public financial management in a global scale determine the effectiveness of SAIs by queries which mostly focus on communicative issues such as accessibility of audit reports by public and communication with the parliament (even if the results are not fair and objective).

So, it is clear that communication is one of the most important agenda items for each SAI to enhance its effectiveness and help greater transparency and accountability in public (financial) management. Without an effective communication, SAIs are not able to fulfil their constitutional and legal functions satisfactorily.

The Importance of Communication Capacity of SAIs in Effective Fulfilment of Their Roles

SAIs have crucial roles for a well functioning democracy and a sound public management system. They are key institutions for ensuring “*transparency and accountability; fairness and equity; efficiency and effectiveness; respect for the rule of law; and high standards of ethical behaviour in public management – which are fundamentals of good governance and represent the basis upon which to build open government*” (OECD, 2005). To perform their role successfully, SAI should be open to participation of the public, civil society, parliament and other stakeholders in its work and should maintain active communication with them.

First of all, SAIs have important role in fighting against corruption, which poses a major threat for the rule of law, the fundamental principle of democracy as well as for economic stability. To effectively address the challenges arising in the fight against corruption, cooperation with national and international organisations is inevitable for SAIs.

Secondly, SAIs are responsible to help a sound management system serve public effectively and use public resources efficiently, considering the needs and expectations of the citizens.

Good governance requires continuous oversight to ensure that policy is implemented as intended, strategic goals are met, and the overall performance of the government meets expectations and needs within laws and regulations. As the safeguard of transparency and accountability in the public sector, SAIs assist government in exercising oversight by evaluating whether government entities are doing what they are supposed to do, spending funds for the intended purpose, and complying with laws and regulations.

The main reason for the existence of SAIs and enhancing their legitimacy is to support the parliament and to help government to improve its performance and ensure accountability. In most countries, these are constitutional responsibilities of the SAI. ISSAI 20 states that, “SAIs maintain a strong relationship with relevant parliamentary committees to help them better understand the audit reports and conclusions and to take appropriate action”. So, each SAI needs a sound communication strategy to effectively support the parliament and to ensure a constructive working relationship with the executive branch in a professional objective and independent manner, in order to help improve government.

The overall aim of the SAI is to add value to the life of the citizens and a greater public engagement produces greater value and benefits for both SAI and the public. In many aspects that will be addressed later, SAI has to work close with the public.

Different Dimensions of the Communications

For SAIs, there are several dimensions of communication to consider in their communication strategies. Communication can be divided into two categories in general as internal and external. Internal communication within SAIs is very important to achieve the highest quality

in the working processes and the best outputs to share with the stakeholders, which constitutes the subject of external communication. External communication is a tool for collaboration and cooperation with the Parliament, public entities, civil society organisation, other relevant institutions and the public in general.

The overall objective of SAIs is to make difference in the lives of citizens by ensuring efficiency and effectiveness in the utilization of public resources. To perform their roles successfully, SAIs should be open up to participation of the public in its work and decision making process. Open participation enhances their decisions and services by welcoming and utilizing the input of the public. Public engagement gives the power to SAI to be effective and to be constructive in ensuring the needs of the public. Therefore, audit reports and other outputs of SAIs need to be included in the public debate for further appealing the interest of the public.

SAIs and Parliaments supplement each other in increasing the efficiency of public administration, enhancing effective public governance, thus promoting trust in government. SAIs play a vital role in holding governments to account for their stewardship of public funds and in helping ensure the transparency of government operations. They are co-partners with the legislature in this regard and rely on a legislative audience for their reports so that findings and recommendations may translate into effective advice to governments to help improve financial control and efficiency, and ultimately public-sector performance. SAIs may also sometimes work cooperatively with government and other relevant decision makers. The media, civil society organisations and citizens use audit reports as a source of factual unbiased information about government performance which can be benefited to support the imperative for change and improvements in systems and procedures (INTOSAI Capacity Building Committee, 2010: 1).

To achieve the best quality in the audit processes and the audit reports that make great contributions to public life, a good communication with auditees is one of the most important requirements. A clearly defined policy and transparent practices on how SAI interact with entities in performing its work will increase SAI's credibility and effectiveness.

Communication with the media is one of the most challenging tasks for SAIs. Despite some certain risks and threats, media is the most important tool to communicate with citizens. Developing and implementing communication strategies for active communication with the media will help SAIs to inform the public about government performance which raise public awareness. This communication will also provide a rich source of information to SAIs about governmental activities.

SAIs can strengthen the impact of audit reports by building ongoing relationships with auditees and other key stakeholders, who can support the SAI's work by doing the following:

- pressing for beneficial change (the media and civil society organisations);
- introducing new laws and calling government to account (the legislature);
- implementing change (auditees); and

- monitoring how effective implementation is (citizens and their representatives) (INTOSAI Capacity Building Committee, 2010: 6).

In a more complex and demanding environment, SAIs need to build positive and supportive partnerships with other public and private sector auditors, academics, professional organisations both national and international (Barrett, 2000: 2-3) to develop audit methodologies, improve professional standards, build the required capacity in specific areas and increase their credibility. Close global cooperation is the best possible mean to solve problem across countries and institutions, such as corruption which is *a pervasive, global problem that threatens public finance, legal systems and social prosperity, endangers social security and impedes the reduction of poverty* (UN/INTOSAI, 2009: 15).

The increasing global dimension of government's action requires also for SAIs an improved level of international coordination, so to assist governments in pursuing their common goals (e.g. Millennium Development Goals). Moreover there is a dynamic framework and growing complexity, as different levels of government act in a global dimension (devolution and decentralization). Finally, the spreading of private public partnerships (ppp) opens for SAIs a further function of support to different levels of government and governance – i.e. players acting autonomously but subject to audit (Termini, 2010: 22).

For all of those issues, building a strong capacity with a sound strategy for communication in any SAI is one of the main priorities.

Furthermore, SAIs need to act as close partners with each other and relevant international organisations to develop solutions for common problems and to develop their capacities in a wide range of areas. For a sound cooperation with international organisations such as UN and its sub organisations, IPU, the Worldbank, OECD, IFAC, IIA, OLAF which INTOSAI encourages, a sound communication strategy is essential.

Aims and Outputs of Communication

Strengthening audit function is directly linked to greater accountability, transparency and improved public sector management (Saghal, 1998: 2). An independent and professional SAI is a fundamental prerequisite for effective audit and the effective prevention of fraud, corruption and mismanagement.

For an effective audit, effective communication is crucial. Without an effective communication, audit reports may remain on shelves unopened and gathering dust; so they can do little to improve public sector management. For that reason, SAIs should better manage relationships with the media in order that the messages contained in audit reports reach as wide an audience as possible. Good links to the media and public can also help provide intelligence on areas of risk and lead to useful audits (INTOSAI Capacity Building Committee, 2007: 57). Briefly, the value of SAI and the impact of their reports can be maximised via good communications.

Communication is one of the best incentives for SAIs or auditors to improve their work. For example, since the legislature is one of the main audiences for audit report, effective communication with parliament will encourage auditors to think about how useful the report will be for the legislation. The same case is valid for the public, for auditees etc.

Communication has two ways and the success of it lies on its mutuality. On one hand, communication and collaboration with others gives a wide range of opportunities to SAIs to transform the way of their work and for innovation. Especially the role that civil society can play in following up on the implementation of the recommendations is fundamental (Nino, 2010: 16).

On the other hand, by their reports, SAIs can empower the Parliament, media, civil society and individual citizens in setting a more democratic and effective management that is capable to meet the demands and expectations of the public. A strong link between SAI and the others is essential for the effectiveness of both (side).

By making their audit findings available to the public, SAIs provide a critical window on transparency in public finance management (Krafchik, 2005: 34). The communications of SAIs have crucial roles in responding to the challenges for ensuring transparency and accountability of the public financial management and provide quite a few benefits such as;

- Increasing public awareness and knowledge of government policy, processes and performance
- Creating and sustaining public interest and participant
- Increasing government accountability
- Improving data quality (accuracy, consistency and timeliness)
- Shifting to open management
- Real time, instant, diverse feedback from the public
- Open collaboration with the public to solve complex issues
- Collaboration for decision making
- Ensuring integrated governance structures and processes for public engagement
- Expanding the scope and depth of transparency, participation and collaboration capabilities
- A strong partnership in dealing with corruption, mismanagement and inefficiencies in public management.

An effective communication gives opportunity to determine, follow and improve “worldwide best practices” (IFAC, 2003: 4) in auditing as well.

To provide these benefits, SAI may set an example for a transparent and accountable institution. This will also shift the organisational culture towards more openness and transparency in each institution.

A communication policy completes SAIs' cycle of accountability, justifies their existence, is an essential component of their independence and efficiency and brings about measures which assess the impact of their work (González et al., 2008).

Main Strategies and Tools for Effective Communication

It is important for SAIs to do more than just publishing audit reports on their websites. There are other channels available to SAIs to reach their target audience: Organising special acts, congress and conferences, public relations material like brochures, books and videos, specialized publications like magazines, open days and relations with other institution (González et al., 2011: 15, 16).

The media and the SAI website are two main channels through which SAIs can send their message to their different audiences. In general, SAIs' communication plans depend to a large extent on the media and a website to publish results of their activities and to provide users with an overall view of their work (González et al. 2008: 456).

The media can enhance the role of SAIs by carrying out several functions, such as inculcating in society the notion of public ownership; in-depth investigation of corruption, waste and inefficiency; guaranteeing transparency and accountability in government work by modifying society's behaviour in terms of its right to be informed reporting advantages of freedom of information legislation. The media also acts as a defender of the legal framework by informing the general public of its rights as citizens, taxpayers and voters, by keeping a check on the secret service and police and reporting any incident entailing civil rights abuse (Anam, 2007: 106-107).

Technologic developments offer a wide range of facilities for communication. SAIs should be aware of the best tools to use for their specific messages to the public, media and civil society.

An important issue to be considered is that most of tools for public engagement are new not only for SAI (or government agencies in general) but also for the public. For that reason it is critical to develop and nurture communities at practise for knowledge sharing and learning (González et al., 2011: 29).

Conditions and Challenges for Success in Communication

Communication gives credibility to SAIs, only if they are credible, relevant and indispensable to their stakeholders. Evidently, for an effective communication there is a need for having good quality work and resulting outputs. SAI should effectively use available resources to maximise its ability to meet the need and expectation of the parliament, the auditees and the public in general.

For the next step, SAI should choose the right tools for its main messages to be communicated effectively. There should be a specific strategy to be implemented by professional units.

Communication strategies should be designed in line with the SAI's broader goals and priorities and should contribute to the SAI's mission.

If not managed well, communication activities can damage SAI's reputation and may turn into a major obstacle to sustaining transparency and openness. There are some important challenges for SAIs in improving their communication capacities, such as;

- Lack of well educated, professional communication experts capable for work of SAI,
- Cultural barriers for communication (successful SAI-public interaction requires not only public participation, but also SAI employees' commitment and support),
- Difficulties to create and sustain public interest and engagement,
- Threats for objectivity and credibility of SAI in relationship with the media (political issues, risks to be a subject of sensational publications, etc.),
- Risks for using social media,
- Need for enhancing privacy and information security (risks can be perceived to outweigh potential benefit),
- Difficulties to integrate communication processes with SAI's internal business processes

An effective communication requires leadership, technology, policy and culture. To address these challenges, SAI should;

- Allocate necessary resources for communication
- Create an institutional framework for communication with capable professionals,
- Address cultural barriers,
- Make public engagement an everyday routine,
- Institutionalise incentives,
- Improve information technology infrastructure which may integrate public engagement applications

The TCA and Communication

The TCA was established in Ottoman period in 1862 under the name of "High Court of Accounts" as an audit and judicial authority. It has been founded by an Imperial Edict of Sultan Abdülmecit, in which the measures to strengthen public financial management has been stated. One of the measures to be taken was "keeping the record of accounts in transparent manner and disclosing them to everyone".

The TCA was obliged to submit to the Head of the State (Padishah) regular reports on public financial system for each three months. The first Constitution which took effect 14 years after

the TCA's establishment, obliged the TCA to report to the Parliament align with the Head of the State.

So it is clear that need for transparency and accountability has played the main role in foundation of the TCA and TCA's communication with the Government and the Parliament was one of its most important missions.

According to all Constitutions from Ottoman period up till now, the TCA performs its audits on behalf of the Parliament and has to report the results to the Parliament. Until 1973, there was a permanent parliamentary committee that examined specifically TCA reports, the name of which was "The TCA Commission". Then Planning and Budgetary Commission has been held responsible for the task and the TCA has built close relationships with the Commission.

The TCA Law regulates special rules and principles concerning auditee relations including the access right to any information or documents.

Article 44 of the TCA Law titled "Announcement of the reports to the public" states that; "Reports of Turkish Court of Accounts, except for the cases forbidden to be announced by laws, shall be announced to the public by the President of Turkish Court of Accounts or deputy president assigned by him within fifteen days as of the submission of reports to the Turkish Grand National Assembly and related public administrations."

Article 45 regulates "Audit demands from the Turkish Grand National Assembly" and states that "Audit demands of the Turkish Grand National Assembly shall have priority".

The abovementioned articles and Constitutional roles and responsibilities of the TCA require an effective communication with the Parliament, public entities, media, citizens and their representative organizations.

To meet our legal responsibilities and serve the public more effectively, we established a specialized group named "Corporate Communication and Publication Group". The group is developing a comprehensive Communication Strategy which comprises communications with the Parliament, public entities, media, citizens and their representative organizations, academic institutions and others, in addition to internal communication. The Group's prior responsibility is to develop corporate communication practices with the Parliament and the media. To produce and publish high quality publications especially in memory of 150th year of TCA is another prior task of the group.

As one of main communication tools, our website is a source of rich information for all. Without any limitation, each user can reach any information they want. Press notes and special announcements about our reports, ongoing works or media coverage are effective tools for our communication with the media and public. Especially there is a strong media interest on our audit reports.

The intranet also offers internal users a wide range of information and documents they may need.

We have a quarterly official scientific journal which has great reputation among academics and practitioners. It was first published in 1924 to communicate court decisions, but after 1990 it started to include selected articles which are reviewed by Academic Board, align with Editorial Board.

Our monthly Newsletter is another tool to ensure internal and external information sharing. Other publications, especially the books on special scientific and professional publications are also important tools of communication.

Access to information is a legal right for each citizen and any individual can use this to gain information from TCA as well as to provide a resource of special information mostly on corruption and fraud to be used for planning and conducting audits for the TCA

In line with TCA's developing roles and extended audit capacity, our need to establish dynamic and effective mechanisms for communication is growing and being aware of this growing need and we are consistently improving our capacity for effective communication

Conclusions

In a rapidly changing world, SAIs have to be alert in re-defining their roles and strategies to address issues arising on their environment. Today, there is a stronger demand for promoting democracy and good governance which require strengthening transparency and accountability and SAIs are key institutions to response such demands. But to perform their strategic roles in enhancing democracy and good governance successfully, they should develop their institutional capacity including a professional unit and comprehensive strategies for internal and external communication.

Communication is one of the most essential tools for any organisation in achievement of its objectives. In the age of knowledge the key to accessing and harnessing knowledge lies in the ability to communicate. To achieve their objectives, SAIs need to improve their communication capacities in order to build good relationships with their stakeholders, strengthen the bonds with citizens and their representative organisations.

Effective communications with the parliament, audited entities, media, civil society organisations and the public at large will enhance SAI's effectiveness and make SAI key in responding challenges for ensuring transparency and accountability of the public financial management. As the main tool for ensuring transparency and openness in the public sector, SAIs should proactively set an example for an open, accountable and transparent institution under the frame of their comprehensive communication strategies.

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