

Influence of Institutional and Decision Usefulness-related Factors on the effective Implementation of External Auditor's recommendations in Tanzania's Ministry of Finance (Vote 50)

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Abstract

This study investigates the influence of auditee organisation Institutional and auditee individual actors' decision usefulness factors on the effective implementation of the Controller and Auditor General's Recommendations in the Central Government. The study employed a Descriptive and explanatory study designs, with the Ministry of Finance (Vote 50) selected due to its pioneering and exemplary role in financial management of the country. Data were collected using structured questionnaires administered with key staff of the Ministry of Finance (MoF). The study found that the critical auditee organisation institutional factors including pressure from the accounting and auditing professional board, followed by pressures from development partners/donors, public pressure, the relationship between CAG and his clients, adoption of ICT (EPICOR, LAWSON) and government laws. Overall, the findings illustrate the role of institutional theories (OIE and NIS) in explaining the auditee institutional environment that shape the effective implementation of CAG's recommendations by public officers. Furthermore, the findings reveal the critical auditee individual actor factors including skills and knowledge in effective implementation of CAG's recommendations. On the other hand, limited professional liability by public officials emerged as an impediment to effective implementation of the CAG recommendations. Thus, the study findings appreciate the role of the decision usefulness concept that promote understandability acquired from skills and knowledge for the effective implementation of CAG's recommendations by public officers. The study findings also posit that public officers need to practice the professional liability, which was currently unappealing. In a nutshell, the study has established both institutional and decision usefulness factors that are significantly related to effective implementation of the CAG recommendations by public officers in the emerging economy contexts, with Tanzania serving as an example.

Key words: *The Controller and Auditor General, Audit Recommendations, Central Government, Ministry of Finance, Tanzania*

Introduction

In emerging economies such as Tanzania, the desire for accountability has been highly influenced by the adoption of NPM practices (Goddard & Malagila, 2015; Mzenzi, 2013, Gaspar & Mkasiwa, 2015; Mbelwa, 2015; Helden et al., 2021). In other words, the desired role of external audit in

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Tanzania's public sector, which is done through the National Audit Office (NAO) under the Controller and Auditor General (CAG) has also increased (Goddard & Malagila, 2015). However, there is few evidence questioning the extent to which Tanzania's public sector implement CAG's audit recommendations despite adopting and embracing NPM practices that exert pressure on become more effective, efficient and accountable in the use of public resources (Goddard & Malagila, 2015). In fact, the adoption and implementation of the NPM practices in Tanzania increased the awareness and recognition of auditing in Tanzania. The CAG-managed National Audit Office Tanzania (NAOT) play a key role in enhancing accountability and financial management in public organisations (Goddard & Malagila, 2015) as institutionalised in the Constitutional of the United Republic of Tanzania (URT), 1977, Public Finance Act amended in 2014 and in the Public Audit Act, 2008. In this context, the Supreme Audit Institution is NAOT headed by the CAG. The CAG obtains mandate from Article 143 of the Constitution of URT. Moreover, the Public Audit Act 2008 stipulates the role of the CAG and the NAO when it comes to public external audits of the Government of the United Republic organisations in the country.

In Tanzania, the CAG in line with section 5 of the Public Audit Act, 2008 has been issuing annual reports with the objective drawing the attention of the Executive, Legislature, Judiciary, Development Partners and the public to the main findings, conclusions and recommendations based on the just concluded audits (TSSU-NAO, 2014). According to Article 143 (2) and (4) of the Constitution, which indicate that, 'the reports in respect of the accounts of the Government of the United Republic, the accounts managed by all [the] officers of the Government of the United Republic and the accounts of all Courts of the United Republic and accounts managed by the Clerk of the National Assembly to be submitted by the CAG to the President, who shall direct the persons concerned to submit the reports before the first sitting of the National Assembly'.

According to the Public Audit Act (2008), CAG has power to make recommendations aimed to prevent or minimise unproductive expenditure of public monies, maximise the collection of public revenue and avert loss through negligence, carelessness, theft, dishonesty, fraud, corruption relating to public monies and resources. CAG makes such recommendations and submits such proposals to the Minister for better management of public monies and resources, including the revision of any regulations, directives or instructions issued under relevant laws. Significantly, the CAG may recommend coercive and normative measures to be taken against any public official who fails to implement his recommendations as indicated in the audit reports.

CAG reports for 2013/14 to 2017/18 period made 17,160 recommendations with an incremental of 92% (see Table 1 below). The reports indicate that the full implementation of CAG's recommendations by the Central Government auditees averaged 37% over five years. Of the remaining cases (63%), 34% were still varyingly under implementation, 21% were not implemented and for 7% of the cases some recommendations were overtaken by events. The analysis depicts either recommendations are not seriously taken by the government (URT, 2018) or there are factors that became obstacles towards effectiveness implementations of CAG recommendation for accountability in the CG. Generally, it is noted in CAG's reports 2013/14 to 2017/18 that, there is existence of the previous years' findings which might implies recommendations are not seriously taken by the government (URT, 2018). As alleged and quoted in the CAG report 2017/18, 'Compared to last year, the implementation status in this financial year [that] ended [on the 30 June 2018 is showing inadequate improvements compared to last year

[2016/2017] owing to the inadequate follow-up by the management to address the outstanding audit recommendations’. Implicitly, the government’s speed to implement the audit recommendations is slower than the number of audit recommendations issued each year.

Table 1: Status of Implementation of the CAG Audit Recommendations to the Central Government for the 2013/2014 - 2017/2018 Financial Year

	2013/14	2014/15	2015/16	2016/17	2017/18	Total
Implemented	846	1028	1449	1,543	1,459	6325
Under Implementation	653	885	1351	1454	1,626	5969
Not implemented	681	534	842	721	752	3530
Overtaken by event	48	126	256	390	445	1265
were reiterated		71				71
Total	2228	2644	3898	4108	4282	17160

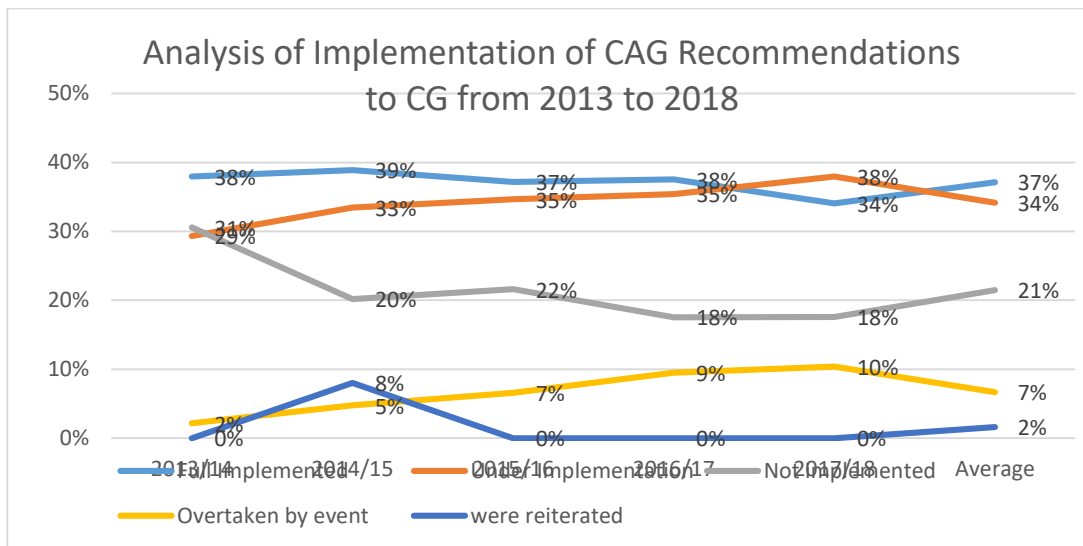


Figure 1: Analysis of the Implementation of the CAG Recommendations from 2013 to 2018

This study, therefore, investigates the factors influencing the effective implementation of CAG recommendations in the face of CAG’s allegations of deficiency in the implementation of audits recommendations aimed to foster public sector accountability. Similarly, Helden et al. (2021) posit that the NPM researches in emerging economies should focus on assessing the impact of NPM claims on desirable efficiency and service delivery, particularly to understand how the accounting and auditing report works in practice, including routes for making necessary improvements.

Literature Review

Theoretical Review

The study employed the Institutional Theories and Decision Useful Concept to explain factors influencing the implementation of external auditors’ recommendations by public officers in Tanzania’s central government. The study adopted the Institutional Theory study to guide the identification of auditee organisation institutional factors that influence the implementation of the

recommendations of external auditors to enhance the accountability of the public officers in an institutionalised environment of the public sector. The Institutional theory also facilitates understanding in addition to widening the base of factors that could influence the implementation of the CAG recommendations within the wider socio-economic institutional context in which the government operates. The theory further explains how institutions influence organisational and actors' behaviours. An institution can be a set of formal and informal social and legal rules as well as norms that govern and shape the organisation's and actors' economic behaviours on actions, form and process from macro and micro, as well as from external sources and within an organisation's institutionalized environment (Kherallah & Kirsten, 2002).

Since the theory was centripetal in this study, the researcher reviewed all its branches including New Institutional Economics (NIE), Old Institutional Economics (OIE) and New Institutional Sociology (NIS) in determining the factors influencing the implementation of the Controller and Auditor General's recommendations in enhancing accountability in public offices. The New Institutional Economics (NIE) explains an organisation's institutional arrangement and structural setting using economic and rationality reasoning, and how institutional arrangement and structural settings impact on organisational efficiency, in which opportunity and self-interest behaviour can emerge among economic actors (Kherallah & Kirsten, 2002; Scapens, 2006). According to the NIE, there is a causal link between micro and macro institutions that govern the organisation's economic transactions and organisational efficiency. Macro institutions include political, social and legal rules whereas micro factors include production, exchange and distribution, which bond the organisation's form and transactions.

The study also adopted the Old Institutional Economics (OIE) as a branch of Institutional Theory to explain internal institutional pressure or factors that shape an organisation's economic activities. The OIE explains why particular types of economic behaviour emerge among organisational actors and how the same root of internal organisational institutions shape them to behave in accordance with an organisational form and process (Scapens, 2006). The theory helps to understand and widen the base for internal institutional factors to influence the implementation of the CAG recommendations to enhance Public officers' accountability. These internal factors include institutionalised funding, implementation of IPSAS accrual, use of ICT and existence of organisational rules, regulations and policies. Furthermore, the need to study internal factors that influence the implementation of auditors recommendations is explained by Power (n.d., 1992, 2000a, 2000b) who highlights the strong link to the audit in terms of perceived accountability and transparency. In addition, audits comfort stakeholders, who are remotely located from day-to-day practices of management. Thus, internal factors that influence the implementation of their recommendations are crucial to be studied as compared to external factors.

The study has also integrated the New Institutional Sociology (NIS) to explain external institutional pressure that changes an organisation's form and process in addition to shaping the actors' action towards forging its external legitimacy (Dillard et al., 2004; Gaspar & Mkasiwa, 2015; Mbelwa, 2019; Adhikari and Nesbakk, 2016). And its extension that consider that external institutional pressure as an influence that can also result in organisational efficiency (Gaspar & Mkasiwa, 2015; Goddard & Mzenzi, 2015; Mbelwa, 2019). The NIS involves other sub-theories such as coercive, normative and mimetic mechanism all attempt to explain how institutional isomorphic (pressure) occurs that make actors in the public sector to behave the way they behave

towards external legitimacy. Coercive pressures advocate for some external factors can be formal or informal if the actor does not comply then there are formal and informal consequences subjected the actor to comply. Extant literature posits that pressure from financial support actors such as donors (IMF, World Bank, EU) can shape the public sector to implement CAG's recommendations on accessing the fund and fostering accountability. The pressure from the donor community on public sector is associated with punishment such as budget cuts. The donor community uses the CAG report to oversee how public organisations utilise their contributed fund confirmatory to the national and international financial regulations.

Memetic pressures explain that external pressure can result from the industry's standards when an entity or an individual try to maintain standards by comparing with the best actors in the industry. Moreover, normative pressures explain that external pressure can also result from shared values and ideas about appropriate behaviour often circulated through professional networks and education. The memetic and normative pressures posit the voluntary implementation of CAG's recommendations by the government organisations (Donatella, 2019). As such, the organisation tends to keep industry audit practice standard that supported by the professional environments such as accounting networks and professional accounting associations. In short, the behaviour of an individual or entity in institutionalising the environment is a function of the external pressure from the sources just explained. This study also adopted the NIS to explore and widen the base of factors that can influence the implementation of the CAG recommendation in enhancing public officer's accountability by examining factors that can originate from the social external environment such as public pressure, laws and regulations.

Decision usefulness concept posits, the effective implementation of CAG's audit recommendations as an accounting information use, needs public officers to understand and comprehend the information (Mbelwa et al., 2019). In other words, rational implementation of CAG's recommendation might be associated with the understandability of public officers on the recommendation provided. Understandability is an information user specific quality, as users differ in their ability to comprehend any set of information due to differences in cognitive ability, knowledge, experience and expertise (Al-Maskari & Sanderson, 2011). Chaba (2018) further posited that skills and knowledge that increase the understandability are just prerequisites towards public actors doing correct conduct such implementing CAG's recommendation. The public actors at most need to have positive attitude to and practice of professional liability (Chaba, 2018). Therefore, this study looks at how individual actors' skills, knowledge, attitude and practice professional liability can influence the effective implementation of CAG's recommendations. Also, individual actors-related factors such as skills and knowledge are acquired in the same institutionalised environment. Therefore, the study posits from institutional theory and, decision usefulness concept that auditee organisation institutional factors and auditee individual actors' factors influencing the implementation of external auditors (CAG)'s recommendations, the main thrust of this study.

Empirical Review

Auditee Organization Institutional Factors and the Implementation of CAG Recommendations

Factors influencing the auditor's recommendations are documented in various literatures. Chalu and Kessy (2011) reported that organisational performance to be largely influenced by both internal and external factors. One indicator of good governance, transparency, accountability and

responsiveness within an organisation is effective implementation of audit recommendations (Jovanova & Josheski, 2015; Kirogo et al., 2014; Sari et al., 2017). Thus, effective implementation of audit recommendations is also affected by both internal and external institutional factors to the organisation. In the context of implementation of audit recommendations, Malagila (2013) underscored major causes of non-implementation of external auditors' recommendations in the public sector to largely stem from the extent of the colonialising tendencies. The study further contends that the colonialising tendency was occasioned by weak working relationships between accountability agencies, and inconsistencies between governance and politics; as a result, CAG's office position to influence the implementation of its recommendations by public sector entities executives weakened. Various studies (Leslie & Ward, 2010; Harrison & Wicks, 2013; Malagila, 2013; Matlala & Uwizeyimana, 2020; Mbelwa, 2014; Shamki & Amur Alhajri, 2017) have concluded that the effectiveness of the implementation of auditors recommendations are largely affected by institutional factors and decisional usefulness of those recommendations coupled with individual actors. On the other hand, Kong et al (2018), Malagila (2013), Mihret and Admassu, (2011) and Sari et al, (2017) document other external factors that influence the implementation of auditors' recommendations.

WHO (2012) and Wadesango et al (2017) highlights financial constraints, complexity of recommendations, staffing issues, delays due to linkages with other initiatives, interdependence of one recommendation with others, and recommendations that require organisational restructuring. Other authors (Al-rassas, 2015; Ardiana, 2014; Cohen & Sayag, 2010; Matlala & Uwizeyimana, 2020) summarised necessary ingredients for the implementation of auditor's recommendations to include the availability of financial resources, human resources, and sufficient time. Specifically Tariku and Shibru (2016) pinpointed out lack of interest in audit reports, the absence of integrated efforts of the organisation in question, inadequate follow-up by the audit office, delays in issuance of the audit report, lack of knowledge on how to make adjustments, especially on financial statement-related recommendations, the absence or weak enforcement of policy and law, lack of attentions by the council and respective governing body, and lack of quality of the Audit Report. The previous studies showed existence of both internal and external organisation institutional factors that influence the implementation of CAG' audit recommendations. However, the previous studies did not voucher to the factors associated to the individual actors who are daily required to act and effectively implement the CAG's recommendation towards accountability and proper management of public resources.

Auditee Individual Actors' Factors

This study investigates the auditee individual actors' factors toward effective implementation of CAG's recommendations because of inclination auditee' actors towards enhancing accountability for both the public and other stakeholders (Chalu & Kessy, 2011). On their part, Jamal et al (2014), Kong et al. (2018) proffered that human beings were eager to seek accountability. They further argued that human beings want to know and personalise consequences of actions for responsible and accountable personnel. Human nature on the eagerness to hold accountability those who are charged with governance and management responsibilities is amplified in the agency theory (Jensen & Meckling, 1976; Jensen & Smith, Jr., 2005; Power, n.d.; Rosano et al., 2016), whereby owners of resources (Principals) have the intrinsic contract with managers of those resources (Agents). Meanwhile, inadequate monitoring of this contract could lead to excessive agency costs and, therefore, misappropriation of those resources. A study on LGAs in Uganda underscored the

role of the decision-usefulness concept which established education background, culture, and perceptions of audit, as the factors that influence the effective implementation of the Auditor General's recommendations (ICAEW, 2010:7). Chaba (2018) found the skills and knowledge are prerequisites for public staff correct conduct towards effective implementation of CAG's recommendation. Chaba (2018) added that public actors are required to hold professional liability in sense the actors should fulfil their duties in an absolutely professional, correct and lawful manner. Al-Maskari and Sanderson, (2011) found that level of education, accounting experience and knowledge of accounting; accounting and budgeting systems and knowledge of ICT increase the understandability and interpretation ability towards the use of accounting information such as CAG's audit recommendation. However, Mbelwa (2015) found that more influence of individual actors' characteristics such as level of education, accounting and working experience and knowledge of accounting, accounting systems and ICT to the symbolic use than instrumental use of information towards organisation decision making. Wadesango et al (2017) found that the audit recommendations are not effectively implemented due to actors' ignorance as to how their organizations can be affected as result of non-implementation of audit recommendations. This might indicate the need to study the auditee individual actors related factors such as level of education, experience, competency and professional liability towards effective implementation of CAG's recommendations.

Effective implementation of CAG recommendations

The study treats effectiveness as the extent to which the objectives of the auditing process are achievable (Achabal, 1984; Asmild et al., 2007). Thus, the study measures the effectiveness of the implementation of CAG recommendations by increasing value for money in the deployment of public resources, increased quality of service delivery, and the reduction of misconducts and embezzlement in the public sector due to heightened accountability of public officers. Goddard and Malagila (2015) revealed that the existence of cosmetic accountability associated with the implementation of CAG's recommendations whereby NAOT/CAG and PSEA in Tanzania are colonised and not just situated to engage in effective communicative action. A study by Goddard and Malagila (2015) used a grounded theory approach whose findings suggest an emergent theory of managing colonising tendencies in Public Sector External Audit (PSEA).

Conceptual Framework components descriptions

The study operationalises the factors influencing the implementation of CAG recommendations towards fostering accountability by employing the Institutional Theory. Thus, the following are conceptualised categories of the factors and hypothesis developed.

Auditee's organisation Institutional factors

These are macro and micro factors as well as external and internal institutional factors from the public sector which ought to explain why CAG's recommendations might be implemented by government entities. Public Sector is viewed by the study as institutionalised environment where there are set of formal laws, contracts, political systems and organisation structures. To understand institutionalised environment factors that influence the implementation of the CAG recommendations and how they are affected the Institutional Theory was deemed useful. These factors include funding constraints/availability of funds, existence accounting and financial regulations, political influence, government laws, pressure from the Public Accounts Committee, public pressure, and the development partners' pressure.

Hypothesis 1: Auditee Organisation Institutional Factors positively influence the effective implementation of CAG's recommendations.

Auditee' Individual Actors Factors)

An individual working with an organisation in his/her own way contributes to the performance particularly of Ministry or department or organisation of the workplace. According to the decision usefulness concept, public officers must have requisite skills, knowledge and competencies that can boost the understandability and have professional liability towards the effective implementation of the CAG recommendations. Therefore, Individual actors' factors including skills, knowledge and professional liability towards the effective implementation of CAG's recommendations.

Hypothesis 2: Auditee Individual actors' factors are positively influencing the effective implementation of CAGs recommendations

Methodology

The study applied an explanatory case study design whereby quantitative data collection and analysis methods were employed to determine the factors that influence the effective implementation of CAG's recommendations. For this study, the Ministry of Finance (Vote 50) was selected case study due to its pioneering and exemplary role in the country's financial management of the country. Moreover, is the vivid reflection of research problem in the Ministry of Finance (MoF). Out of 26 recommendations made by the CAG to MOF (Vote 50) in 2015, just 10 recommendations (38%) were implemented. The remaining 16 (62%) recommendations were under implementation (Management Letter Vote 50 2015:1.1). Since the MOF served as a case study, the study provided more insight into its establishment. The Ministry of Finance is one of the first ministries established during the colonial era. Since then the structure of the Ministry has been changing subsequently to the series of changes that occurred in the entire government set up. The structure of the Ministry is enshrined in the instrument made under Article 55(i) of the Constitution of the URT, 1977 and released as Special No 4 on 1st December 2000. Its major role is to monitor the overall revenue, expenditure and financing of the United Republic of Tanzania government and provide valuable advice on the financial affairs aimed to achieve the country's socio-economic objectives. Other responsibilities of the ministry include the preparation of the Central government budget; developing tax policy and legislations; managing Government borrowing, determining expenditure allocations to different government institutions; transferring central grants to local governments; developing regulatory policy for the country's financial sector and representing the country in international financial forums.

The Ministry of Finance is responsible for monitoring of the performance of the national economy, international trade, monetary affairs and other aspects of the global economy that affects the country's domestic performance. Hence the study collected more information from this ministry regarding the factors influencing effective implementation of CAG's recommendations for the enhancement of the accountability of the public officers. Therefore, the population of this study is derived from employees of the of Ministry of Finance (Vote 50). The ministry (Vote 50) has 537 personnel, 33 in management and 504 being other kinds of staff. The population size (N =537) was then placed in the Table, according to Krejcie and Morgan (1970) to generate a sample size of S = 226. Thereafter, the researcher distributed the sample as reflected in Table 2 with

consideration on sub-vote numbers; sub-vote distributions, top management for each sub-vote and other staff for each sub votes, respectively:

Table 2: Research respondents by category, sample size

Sub vote No	Sub vote Description	Top Management	Other members of staff	Total
Sub vote 1001	Administration and Human resource	5	45	50
Sub vote 1002	Finance Department	1	15	16
Sub vote 1003	Planning Department	2	10	12
Sub vote 1004	Department of Legal Services	2	6	8
Sub vote 1005	Government Communication Unit	1	4	5
Sub vote 1006	Internal Audit Unit	1	4	5
Sub vote 1008	Procurement Management Unit	1	8	9
Sub vote 1010	Information and Communication Technology Unit	1	4	5
Sub vote 3001	Internal Auditor's General Department	6	15	21
Sub vote 5001	Government Asset Management Division	2	60	62
Sub vote 6001	Financial Management and Information Systems Unit	3	30	33
Main Total		25	201	226

Key: N – Population Size, S – Recommended Sample size. Source: (Krejcie& Morgan, 1970).

Purposive sampling was used in selecting respondents for the self-administered questionnaire. These were personnel with high involvement in audit, high magnitude for accountability and knowledge on factors that influence the effective implementation of CAG's recommendations in the Ministry of Finance. Particularly, top management of the Ministry of Finance and relevant staff were eligible and, thus, purposively selected to participate in this study. Data were collected using a questionnaire as a set of questions for gathering information from individuals. Questionnaires were administered to selected staff. The questionnaire was structured on a five-point Likert scale with options ranging from strongly agree to strongly disagree. Questionnaires were based on the constructs of the study categorised from auditee organisation institutional factors and auditee individual actors' factors, together with effective implementation of CAG's recommendations for the enhancement of the accountability of the public officers. Data was entered, cleaned and analysed using the SPSS version 20. Descriptive analysis was done by using frequency distributions, graphs, and charts. Multiple regression analysis was performed to test hypothesis that determine the extent to which the factors influenced the effective implementation of CAG's recommendations by public officers.

Validity of the instrument was achieved by conducting a pilot study. The pilot study specifically aimed to pre-test the research instruments, including questionnaires and interview schedules (Teijlingen, Edwin & Hundley, 2001:1). The pilot study was conducted in the Department of Finance. The questioners were thoroughly reviewed by experts. Cronbach's Alpha, a measure of scale reliability, helped to determine the degree of relevance and reliability of those factors. Considering the set criteria for its reliability, the measurement ought to be above 0.6 scale readings but less than 0.9. This being the case our findings in Table 3 are, hence, reliable because the overall Cronbach's Alpha is 0.820, which indicates good internal consistency indicating that the balance of those factors would enhance effective implementation of the CAG recommendations within Vote 50:

Table 3: Reliability of the factors Influencing the Effective Implementation of CAG's Recommendation for Enhancement of the Public Officers

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardised Items	N of Items
.820	.822	23

Data Analysis

The results of a study on the influence of auditee organisational and individual actors' factors on the effective implementation of Controller and Auditor General's recommendations cover all the information gathered from 226 staff of the Ministry of Finance as Table 4 illustrates:

Table 4: General Respondents' Characteristics

Questions/Variables	Categories	No. of the Respondents	Percent
Gender	Male	169	75
	Female	57	25
	Total	226	100
Education level of respondents	Diploma	11	5
	Bachelor's degree	99	44
	Master's degree	116	51
	Total	226	100
Working experience duration	1-2 years	67	30
	3-4 years	46	20
	5-6 years	27	12
	7 and above years	86	38
	Total	226	100
	Administration Department	12	5
	Finance and Account	34	15

Department to which the respondents belong	Financial Information System	24	11
	Government Asset Management	23	10
	Government budget	30	13
	Internal Auditor Unit	39	17
	Planning Unit	46	20
	Procurement Management Unit	18	8
	Total	226	100

Respondents were asked to indicate their participation in audits when CAG was in their vote. The level of participation indicates that even the recommendations proposed will be appropriate for improving the utilisation of the resources. Figure 3 presents the results:

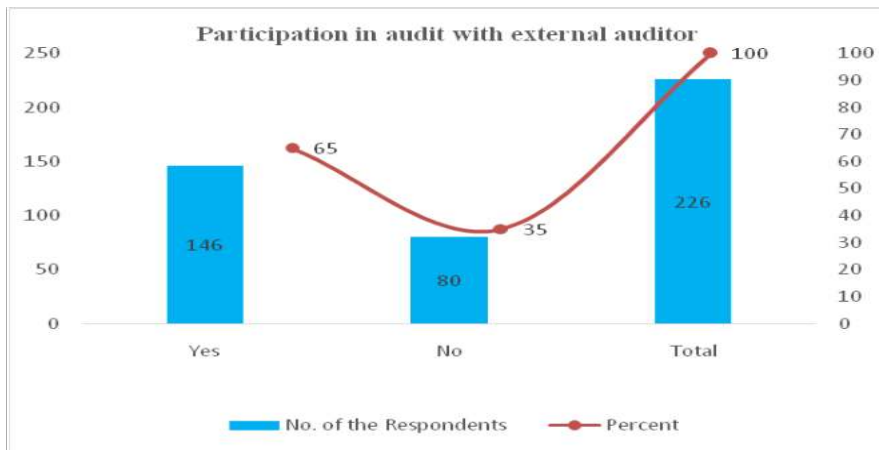


Figure 2: Participation in the audit with external auditor

As Figure 3 illustrates, 146 (65%) participated in the audits of their respective departments, 80(35%) did not do so. Many of the respondent participated in the audits and were aware of the CAG recommendations aimed to enhance the accountability of public officers and awareness of the major factors limiting the implementation of those recommendations.

Descriptive Analysis on the extent the Factors related to Effective Implementation of CAG’s Recommendations

The study described frequency score ranging from strongly disagree to strongly agree to establish the most and least important factors related to the effective implementation of CAG’s recommendations by public officers in the central government. As Table 5 illustrates, overall 78% of the respondents strongly agreed that auditee organisational factors influence the effective implementation of CAG’s recommendations. However, the availability of the accounting and financial regulations, government laws and good relationship between CAG and his clients contributed highly to compliance in implementation whereas funding constraints, public pressure and political pressure abetted low compliance in implementation. Moreover, Table 5 indicates that, overall 72% of the respondents’ opinions strongly agreed that individual actors’ factors influenced

the effective implementation of CAG’s recommendations. Surprisingly, individual factors such as Professional Liability and followed by skills and knowledge of staff on the auditing exercise contributed highly to compliance in implementation. Moreover, the results indicate that the effective implementation of CAG’s recommendations was at large to increase accountability by public official and improving the quality of the service delivery by their departments, respectively.

Table 5: Descriptive Analysis on the extent the Factors related to Effective Implementation of CAG’s Recommendation

Auditee Organisation Institutional Factors	Disagree and Strongly disagree	Neutral	Agree and Strongly Agree
Accounting and financial regulations	0%	7%	93%
Government laws (i.e. Public Audit Act, 2008; Public Finance Act 2001)	4%	4%	92%
Relationship between the CAG and his clients	5%	3%	92%
Public Accounts Committee	9%	8%	83%
Training provided by NBAA	14%	4%	82%
Adoption of IPSAS accrual by the government	7%	11%	82%
Adoption of ICT, EPICOR, LAWSON) in government	16%	3%	81%
Development partners pressure	13%	10%	77%
Funding constraints	10%	26%	64%
Public pressure	22%	14%	64%
Political Pressure	24%	26%	50%
Overall description of Auditee Organisation Institutional Factors	11%	11%	78%
Auditee’s Individual Actors Factors			
Professional Liability	2%	7%	91%
Skill and knowledge of staff about auditing exercise	10%	12%	78%
Overall description of Auditee’ Individual Actors Factors	13%	15%	72%
Effective Implementation of CAG’ recommendations			
Auditor general’s recommendations has increased accountability in your department	0%	2.7%	97.3%
Auditor general’s recommendations has improved quality of the service delivery in your department	4.8%	5.3%	89.9%
Overall description of Effective Implementation of CAG’s Recommendations	2%	4%	94%

Hypothesis testing on the relationship between Auditee Organisation Institutional Factors, Auditee Individual Actors’ Factors and Auditor (CAG)’s related factors to the effective Implementation of the Controller and Auditor General’s Recommendations

This section shows how data collected from the field were tested to determine the significance of the relationship between the factors and the effective implementation of CAG’s recommendations by public officers in the Ministry of finance. Multiple regression test at the 95% confidence level was used to determine the strength of this relationship between factors and effective implementation of CAG’s recommendations in enhancing the accountability of public officers in the Ministry of Finance. The findings also indicate that some of the factors have significant relationship whereas others have an insignificant relationship.

Model Fitting Information

The model summary in Table 7 shows that R²= 0.640, implying that there is a strong positive relationship between dimensions of auditee organisational factors, auditee individual actors’ factors and effective implementation of CAG’s recommendations. Adjusted R² of 0.61.80 shows that 61.8% proportion of variances in effective implementation of CAG’s recommendation is explained by the auditee organisational factors, auditee individual actors’ factors. The remaining 38.2% could be explained by other factors not covered by this study. Moreover, the Durbin Watson test revealed no autocorrelation among successive error terms with value of 1.783.

Table 6:Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.800 ^a	.640	.618	.339	.640	29.031	13	212	.000	1.783

Table 7:ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	43.383	13	3.337	29.031	.000 ^b
	Residual	24.369	212	.115		
	Total	67.752	225			

Table 8: Coefficients

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.241	.339			
	Pressure from accounting and auditing professional board	.398	.043	.550	9.256	.000
	the development partners pressure	.215	.034	.373	6.303	.000
	skill and knowledge of staff	.184	.030	.332	6.126	.000
	public pressure	-.140	.030	-.254	-4.711	.000
	the relationship between the CAG and his clients	.203	.055	.232	3.724	.000
	adoption of ICT, EPICOR, LAWSON)	-.175	.053	-.194	-3.328	.001
	Professional Liability	-.212	.066	-.250	-3.204	.002
	Available government laws	.169	.055	.209	3.068	.002

accounting and financial regulations	-.083	.046	-.122	-1.807	.072
funding constraints	.035	.027	.069	1.308	.192
availability of qualified accountants	-.042	.056	-.045	-.753	.452
adoption of IPSAS accrual	-.015	.039	-.023	-.397	.692
availability Pressure from Public Accounts Committee	.015	.044	.026	.344	.732
role of Internal Auditor	-.009	.083	-.007	-.103	.918

Discussion of the Findings

H1: Auditee Organisation Institutional factors positively influence the effective implementation of CAG’s recommendations.

Table 8 (above) reported the following institutional factors that significantly influence the effective implementation of CAG’s recommendations by $P \leq 0.001$. The 1st factor is Pressure from the accounting and auditing professional board, followed by pressure from development partners/Donors, public pressure, the relationship between the CAG and his clients, the adoption of ICT (EPICOR, LAWSON), and the laws in place. On the other hand, the study findings also reveal a negative influence of pressure from the public on the effective implementation of the CAG recommendations. Also, there were insignificant influences of $P > 0.05$ from accounting and financial regulations, funding constraints, availability of qualified accountants, role of the Internal Auditor, adoption of IPSAS accrual, and pressure from the Parliamentary Public Accounts Committee.

The findings on the role of internal institutions and professional/normative, mimetic and coercive associated pressures are the most related to the effective implementation of CAG’s recommendations. The findings are consistent with Neo-institutional theories particularly the contingency structure as suggested by Luder (1995). On the other hand, some coercive associated pressures from the public accounts committee, for example, has shown an insignificant influence on the effective implementation of CAG’s recommendations. Implicitly, this signals the existence of the symbolic instead of instrumental role of public accounts committees such as the parliamentary committee, which has been entrusted with overseeing auditing and accountability aspects, appears to play a symbolic rather than an instrumental role (Goddard & Malagila, 2015). This might suggest a weakness in the parliament in enforcing the accountability of government officials through the auditing process. This finding is inconsistent with Sabourin (2002) and Goddard and Malagila (2015), who argued that Parliamentary Public Accounts Committees have a wider role to play in the context of accountability with recourse to CAG’s audit reporting.

Hypothesis 2: There is relationship between Auditee Individual Actors’ factors with the effective implementation of CAG’s recommendations.

Table 7 (above) reported that staff beliefs together with skills and knowledge are critical and positively significant in influencing the effective implementation of CAG’s recommendations by $P = 0.000$. However, Professional liability by public officials had a negative influence on the effective implementation of CAG’s recommendations by $P < 0.05$. The results of the study indicate that public actors have skills and knowledge on the auditing process; however, as they gain professional competencies, their professional behaviours paradoxically tend to be ineffective in implementing of the CAG recommendations. As the results in Table 7 indicate, the availability of qualified accountants (who are also required to exercise professional liability) also negatively and

significantly influence the effective implementation of CAG's recommendations by $P > 0.05$. This means accountant desists from practising to the required degree of professional care and skill and, hence, tend to end up with professional negligence in implementing CAG's recommendations. The statistical analysis is consistent with descriptive analysis, which also revealed that public actors, who are supposed to implement CAG's recommendations are highly skilled and knowledgeable with diplomas, bachelor's and master's degrees, with more than 65% of them participating in the audit process. This finding is consistent with Argyriades (2006) and Chaba (2018), who argued that skills and knowledge are prerequisites for public staff correct conduct. Whereas Chaba (2018) underscored the important role of practising professional liability by public actors, the current study's findings signal the existence of professional negligence in implementing CAG's recommendations. This anomaly can explain why institutional analysis indicated ineffective implementation by average 37% of CAG's recommendations, which have been fully executed by the Central Government over five years.

Conclusion and Recommendations

The study on the investigation of the influence of the Institutional and Decision Usefulness factors on the effective implementation of the Controller and Auditor General's recommendations in Tanzania's Central Government. The factors identified as auditee's organisational factors and auditee's individual actors' related factors. Conclusively, the critical auditee organisational factors include pressure from accounting and auditing professional board, followed by pressure from development partners/donors, public pressure, the relationship between the CAG and his clients, the adoption of ICT (EPICOR, LAWSON) and available government laws. Therefore, the results largely depict the role of institutional theories (OIE and NIS) to explain the auditee institutional environment that shape the effective implementation of CAG's recommendations by public officers.

Significantly, the results reveal a critical role that the auditee individual actors' related factors including skills and knowledge play in engendering effective implementation of CAG's recommendations. On the other hand, the results indicate limited professional liability by public officials emerged as an impediment to effective implementation of the CAG recommendations. Thus, the findings largely appreciate the role of the decision usefulness concept that promote understandability acquired from skills and knowledge for effective implementation of CAG's recommendations by public officers. The study concludes that the public officers should exercise professional liability by assuming degree of professional care and skill that enabled effective implementation of CAG's recommendations aimed to foster accountability and enhance public services in the public sector.

The study found the role of accounting professional board to be somewhat passive; however, the findings highlighted an increase in the adoption of Electronic Government, which facilitated the communication of the CAG recommendations, and the ensuing co-ordination, tracing and prevention based on the audit report. Consequently, such a positive environment created amenable conditions for effective implementation of CAG recommendations. Moreover, the study findings indicate a notable improvement in relationship between CAG and clients, hence making his recommendations increasingly become practicable and whether the timeframe is reasonable for effective implementation (Wadesango et al., 2017). The study has also confirmed the vital role laws such as the Finance Act 2004, Public Audit Act 2008 play in enabling the implementation of

the CAG recommendations. Therefore, the government should continue enacting relevant laws in addition to effectively harmonising the financial and auditing regulations to support the effective implementation of the CAG recommendations to boost public officers' accountability.

On the other hand, the Parliament should strengthen the Parliamentary Public Accounts (PAC) Committee, which acts as the overseer of the CAG activities by co-opting patriotic members, conducting periodic seminars to members to understand role of the CAG, good financial governance, and their power to make follow-ups on the implementation of committee directives and the CAG recommendations. A stronger and more effective PAC will be a reliable pillar to the government in ensuring the accountability of public officers is enhanced through effective implementation of the CAG recommendations. The study has also confirmed that pressure from the public highly and significantly influences the implementation of the CAG recommendations. Therefore, the government should embrace this public pressure and demand for effective implementation of the CAG recommendations. Additionally, the government should enhance transparency for information to keep reaching all the stakeholders.

As increased professional skills by the Ministry of Finance Staff are prerequisites for effective implementation of the CAG recommendations, proper training from NBAA and short specially-tailored courses, individual personal traits, and professional skills can help increase the appreciation of importance of audits. Consequently, the implementation of CAG audit recommendations could exponentially increase. Such training should target both the accountants and non-accountant professionals on the effective implementation of the CAG audit recommendations for them to gain not only accounting understanding but also sectorial comprehension.

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