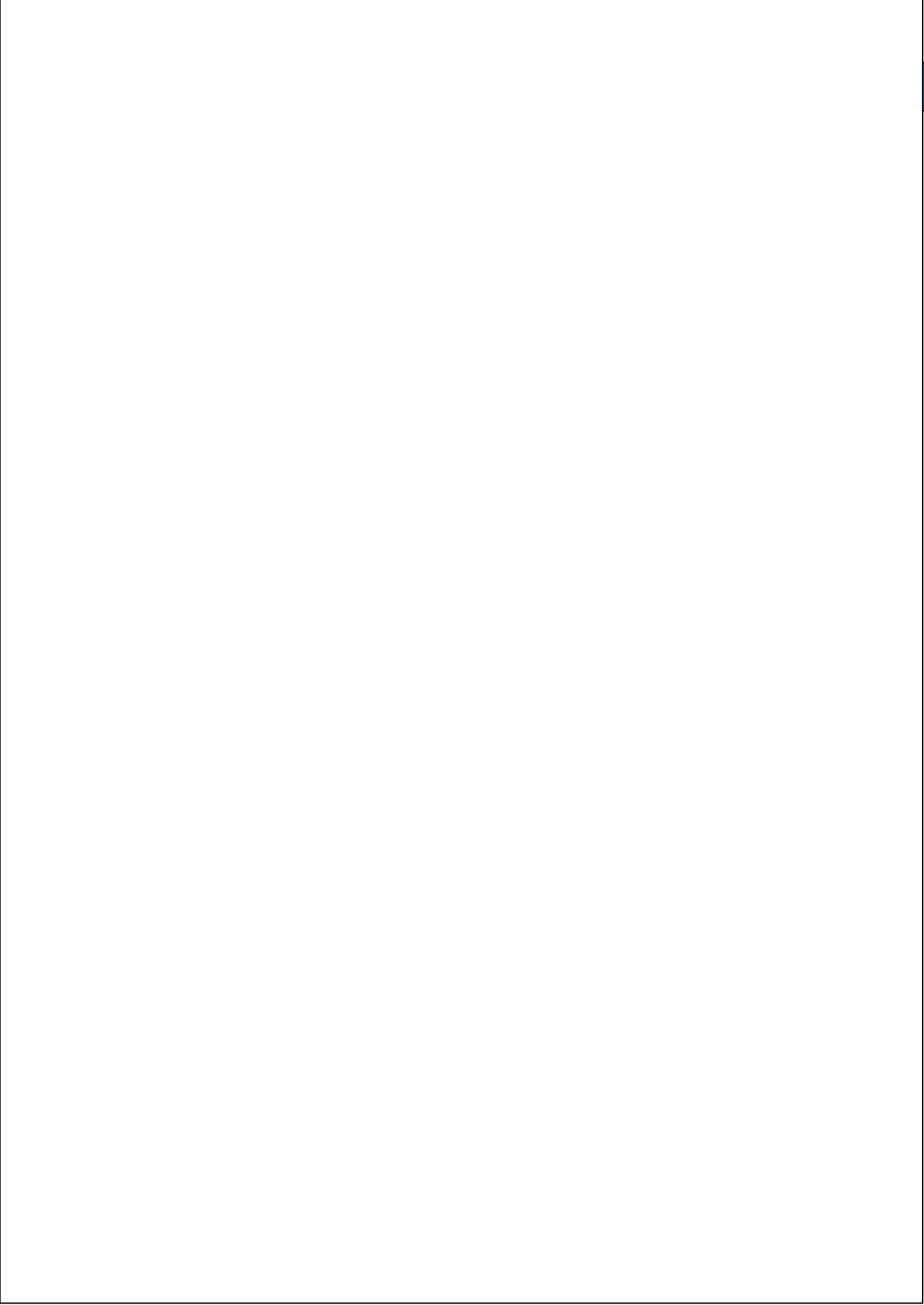




CAPACITY BUILDING NEEDS ASSESSMENT

A Guide for Supreme Audit Institutions

2009



FOREWORD

Assessing needs is the first important step in the process of building capacity in Supreme Audit Institutions (SAIs). The purpose of a needs assessment is to identify areas of an SAI's operations that need to be strengthened, and the reasons for the gaps in those areas. That, in turn, provides the basis for designing appropriate interventions to address the gaps and, thereby, build SAI capacity. Capacity building interventions are unlikely to be effective in the long term if they are not needs based.

Assessing needs in learning organisations such as SAIs is both time consuming and very complex, and should therefore be done systematically. As such, when the IDI widened its scope from training to capacity building of both people and organisational systems, one important first step was to develop a framework and tools to assess the needs in the INTOSAI regions and in Supreme Audit Institutions. A global project team composed of representatives from the IDI, the ARABOSAI and AFROSAI-E Secretariat, the ASOSAI Training Administrator and the SAIs of Mali, Pakistan, Philippines and Yemen met in Oslo in March 2007. The purpose was ultimately to develop a handbook that provided practical guidance on how INTOSAI regions and SAIs can conduct needs assessments to provide inputs into their strategic and other planning processes.

The first version of the guidance material was pilot-tested in a number of SAIs across various INTOSAI regions. As more regions and SAIs introduced needs assessment as part of their strategic planning processes and organisational development, a great deal of regional and local adaptation was done to the IDI's generic guidance material and many valuable lessons were learned. Such work is reflected in this version of the 'Needs Assessment Guide'. The final revision of the material was carried out by a team of IDI staff responsible for the implementation

of capacity building programmes in needs assessment in a number of different regions namely, AFROSAI-E, ARABOSAI, ASOSAI, OLACEFS and CAROSAI

During the period of pilot testing of the guide, a courseware on how to use the guide was designed and delivered to SAI teams in several INTOSAI regions including AFROSAI-E, ARABOSAI, OLACEFS. As a result, there are now facilitation teams trained by the IDI, capable of using the guidance material to plan, conduct and report on such assessments. The courseware on how to use the guide is also available from the IDI on request for use by SAIs and INTOSAI regions.

This Guide presents a number of practical tools in data collection, including document review, focus groups, surveys, interviews, and physical observation. It also explains how to analyse both qualitative and quantitative data. Another important component of the Guide is a framework specifically designed to assess the needs of SAIs.

Hopefully this Handbook will be useful for anyone who seeks a systematic approach to assessing needs in an SAI, using the information on what a needs assessment is and what the most common models and theories are.

A handwritten signature in blue ink that reads 'Else Karin Kristensen'.

Else Karin Kristensen
Deputy Director General/Head of Programmes
INTOSAI Development Initiative

CONTENTS

		PAGES
	Introduction	6
CHAPTER 1	Capacity Building Needs Assessment (CBNA) and related concepts	9
CHAPTER 2	CBNA framework	19
CHAPTER 3	Overview of the CBNA process	31
CHAPTER 4	Planning the CBNA	35
CHAPTER 5	Gathering data	43
CHAPTER 6	Analysing data	81
CHAPTER 7	Reporting on the CBNA	93
CHAPTER 8	External stakeholder relations	101
CHAPTER 9	CBNA at regional or global level	109
	Conclusion	113
	Annexes	117
	Acronyms	202
	References	203

INTRODUCTION

The ‘IDI Capacity Building Needs Assessment – A Guidance’ was developed by the IDI in March 2007. The purpose of that document was to build capacity in conducting needs assessments at the SAI level, and to equip regional bodies within the INTOSAI regions with the tools to enable them to assess needs at the regional level. To this end, a capacity building framework, detailed guidance for selected data collection tools and a needs assessment toolkit were developed by a team comprising representatives from four INTOSAI regions (AFROSAI-E, AFROSAI-F, ARABOSAI and ASOSAI) and the IDI Secretariat.

Following the development of the 2007 guidance document, capacity building needs assessments were conducted during 2007 and 2008 at both the SAI level and the regional level in five INTOSAI regions, namely AFROSAI-E, ARABOSAI, ASOSAI, OLACEFS and CAROSAI, using material from the guidance document.

At both the regional and SAI level, modified versions of the Guide with its supporting needs assessment toolkit were used. Based on these hands-on experiences, the IDI learned valuable lessons and obtained a better understanding of capacity building needs assessment and the usability of the guide. As such, we believe it appropriate to review and update that guide.

What is the purpose of this guide?

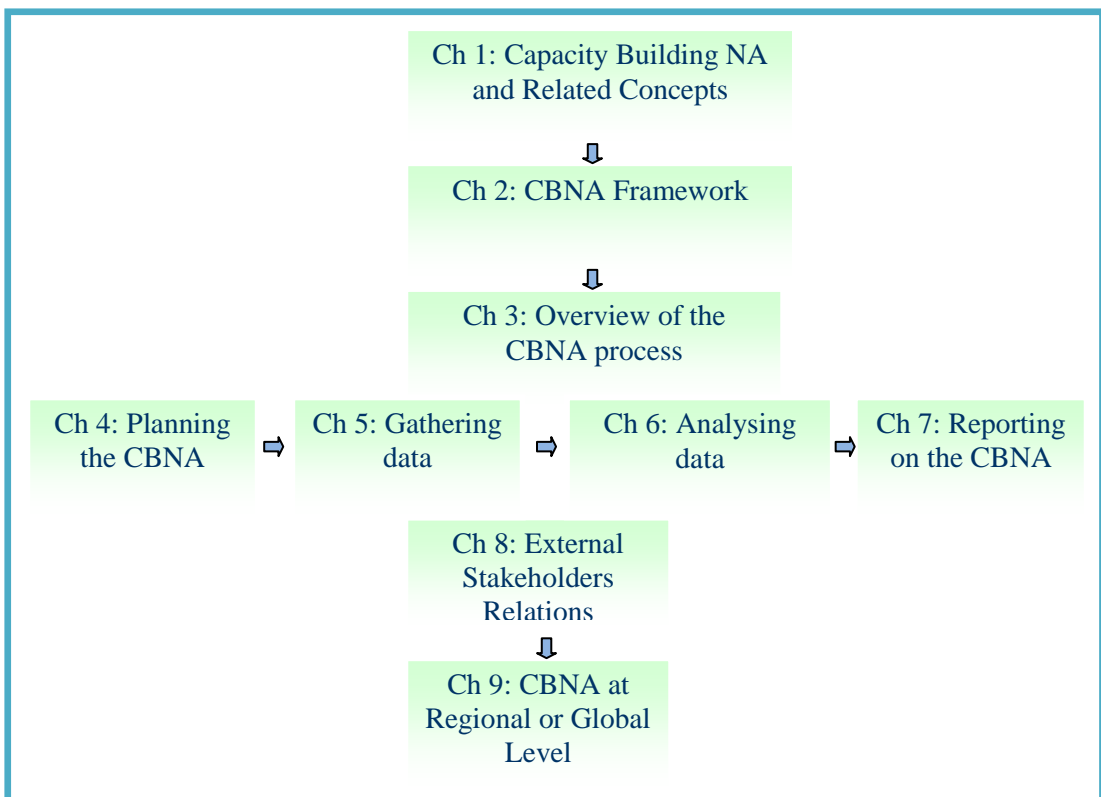
The aim of this guide is to continue to strengthen individual SAIs’ ability to conduct capacity building needs assessments. This revised guidance document provides SAIs with a capacity building needs assessment framework that is aligned to an SAI’s key functional areas and with a step-by-step approach from which gaps can be determined.

Who can use this guide?

This guide has been written primarily for use by individual SAIs. The framework and the tools can also be used by INTOSAI's regional bodies in assessing needs at regional level.

How to use this guide?

This guide is divided into nine chapters as illustrated below.



Annexes containing examples of key outputs, and illustrative questions for each of the data collection methods as well as data collection analysis works sheets are provided in this Guide to assist SAIs in implementing Capacity Building Needs

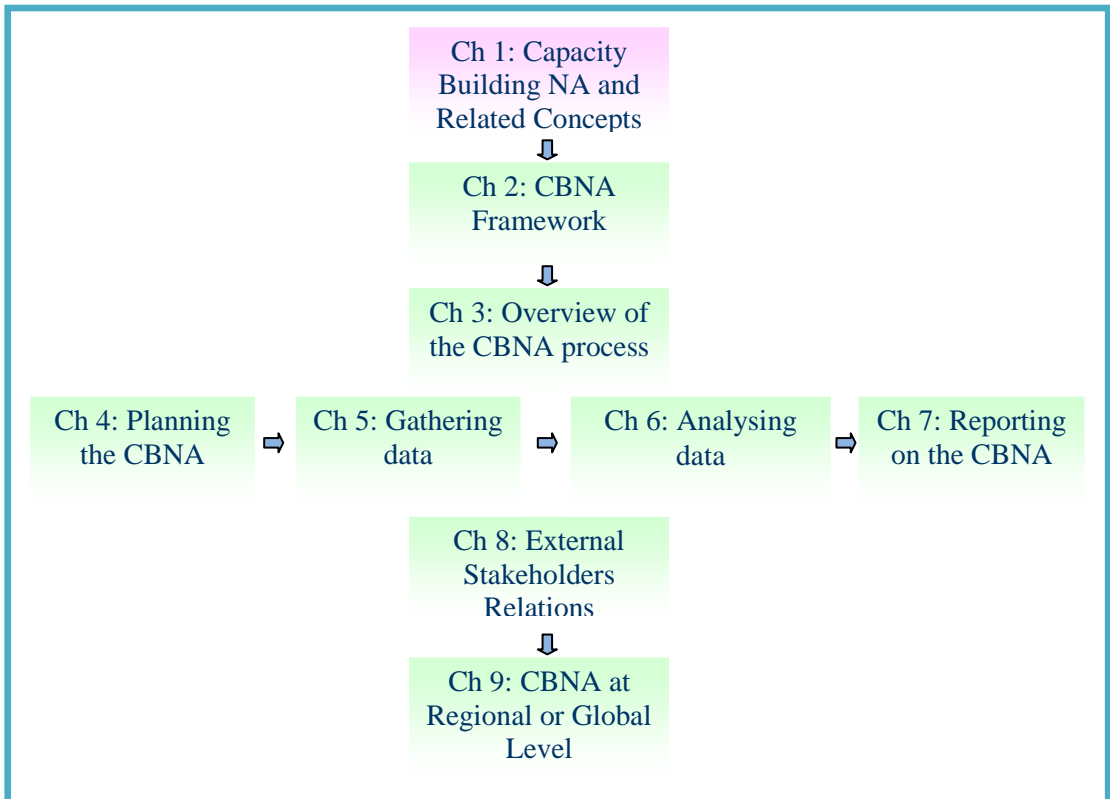
Assessments (CBNA). The terms and list of references used in developing this handbook are also presented as annexes.

The chapters of the guide have been structured to provide the SAI's with the following:

- an explanation of the concepts relating to capacity building needs assessment;
- a description of the IDI's Capacity Building Needs Assessment Framework;
- an explanation of the CBNA process covering the three key stages of a CBNA-planning, conducting and reporting;
- a step-by-step approach for each of the data collection methods, i.e., document review, survey, interviews, focus group, physical observations as well as their strengths and limitations;
- a systematic approach to quantitative and qualitative data analysis;
- considerations in obtaining information from external stakeholders during a CBNA process; and
- some considerations regarding the conducting of CBNA at a regional level.

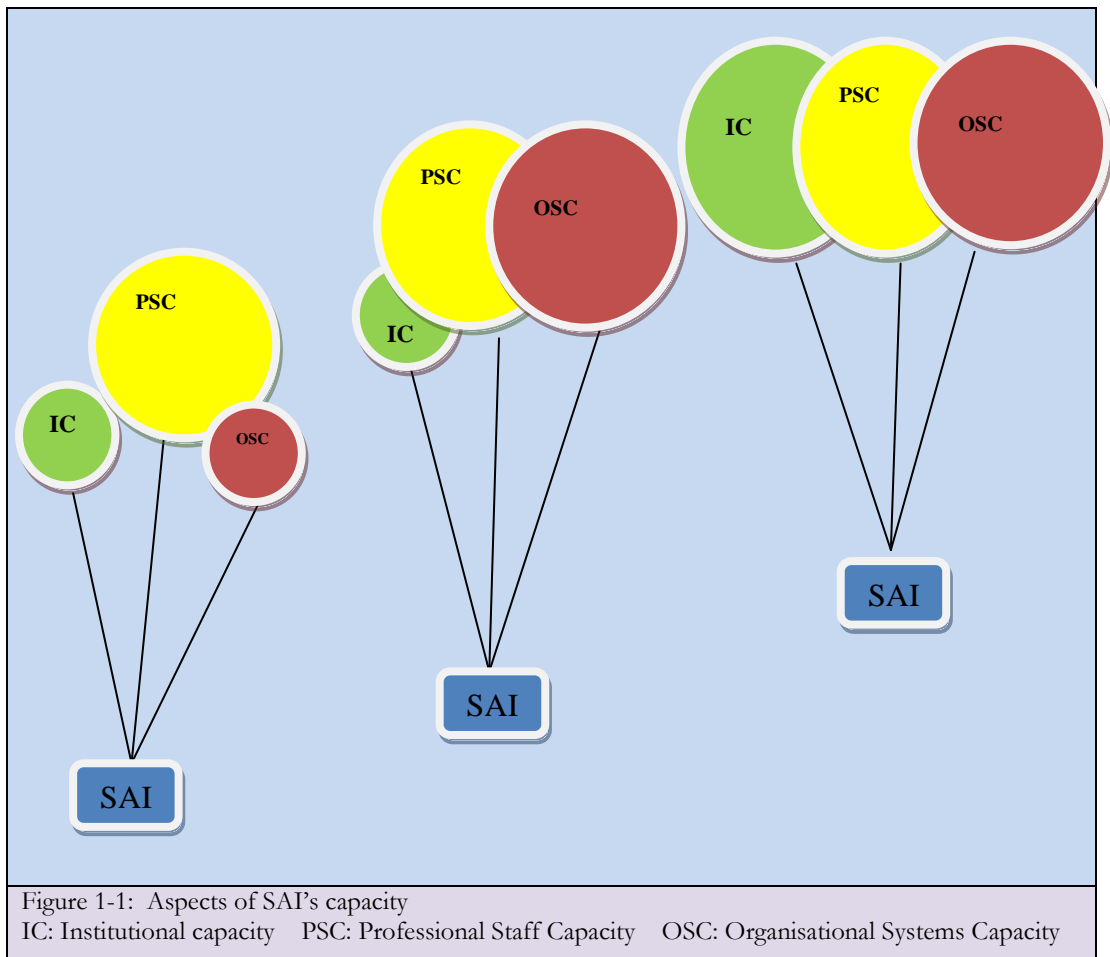
CHAPTER 1

CAPACITY BUILDING NEEDS ASSESSMENT AND RELATED CONCEPTS



1.1 WHAT IS AN SAI's CAPACITY?

There is no single way to define an SAI's capacity, but there are many ways. In this guide, SAI's capacity is looked at from three aspects: institutional, organisational systems, and professional staff capacity. The three aspects together raise the SAI's ability to a level that enables it to fulfil its mandate effectively. Failure in any one of the aspects will have a negative impact on the overall performance of the SAI, as shown by figure 1-1 (below).



The institutional aspect involves working within the framework that influences the overall SAI. The institutional framework is a combination of formal laws, regulations and procedures on the one hand, and informal conventions, customs and norms on the other, within which the SAI operates. Formal regulations include the SAI's legislation in terms of financial independence, administrative independence, audit mandate, and terms and conditions of appointment of the Head of the SAI.

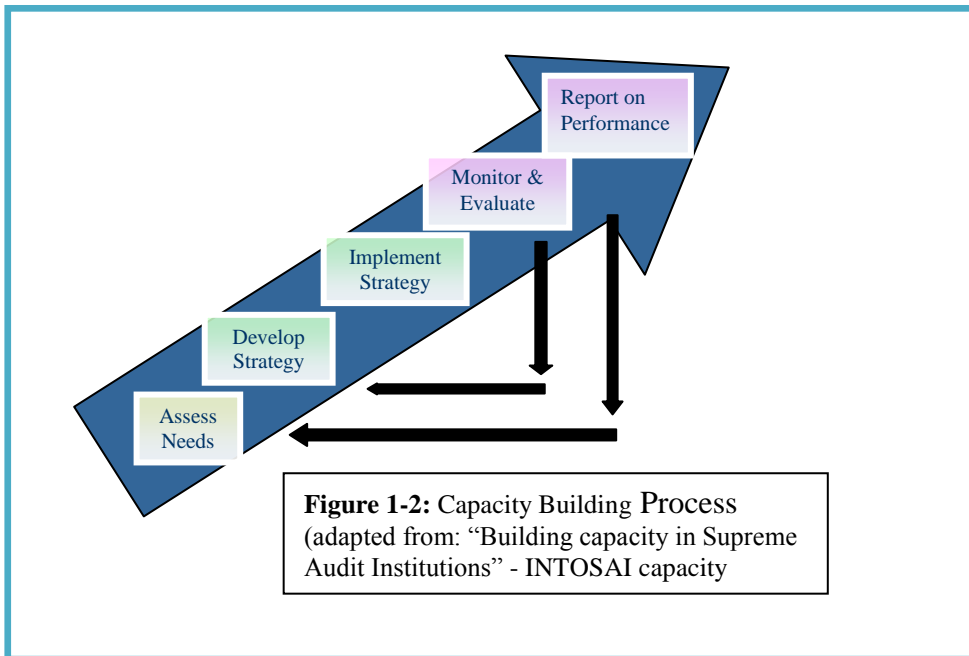
The organisational systems capacity of an SAI include the processes and structures within the organisation to enable a more effective and efficient achievement of the desired objectives. These include systems in the core business area of an SAI – audit – as well as overall governance and support systems e.g. setting up IT audit unit, establishing a human resource management system, developing audit manuals, and developing a management information system.

The professional staff capacity of an SAI is the ability of the SAI management and staff to function effectively together as per their job requirements. It includes the knowledge and skills of SAI employees.

1.2 WHAT IS CAPACITY BUILDING?

Capacity building is the sustained development of the core capabilities of an SAI to deliver its mandate more effectively so as to create the desired impact. It implies strengthening the institutional framework within which the SAI operates, the organisational systems within the SAI, and the professional capacity of its management and staff.

Capacity building can be most effective when implemented through a five-step process, as shown in Figure 1-2 (below).



The capacity building process involves assessing the needs of an SAI, developing a strategy to address those needs, implementing the strategy, monitoring and evaluating the implementation and reporting on the subsequent performance of the SAI to stakeholders. The lessons learnt should help the SAI to make adjustments in the strategy or its implementation.

1.3 WHAT IS CAPACITY BUILDING NEEDS ASSESSMENT?

Placing needs assessment in the wider context of capacity building described above, one could say that needs assessment is the first stage in capacity building where the institutional, organisational systems, and professional staff capacity building needs in a SAI are ascertained. The subsequent stages of capacity building should be based

on the results of a needs assessment. An SAI will have a varying degree and types of needs in different areas. Ascertaining these needs will enable the SAI management to determine appropriate strategies and to deliver focused interventions to meet identified needs and build capacity. Needs Assessments also provide baseline data for the capacity builder to evaluate the results of the capacity building interventions. As capacity building is an iterative process, this link between the needs assessment and evaluation allows the capacity builder to take corrective measures, if necessary, in the next round of the capacity building process.

A needs assessment involves systematically going through the following major steps:

- Determine the desired state
- Identify the actual situation
- Assess the gaps between the actual situation and desired state
- Identify the causes of the gaps
- Recommend appropriate capacity building interventions.

The needs assessment should be carried out within a capacity building framework (Chapter 2). The needs assessment team is expected to use a variety of data gathering tools to determine the gaps between the desired and the actual situation of the SAI (chapters 5 and 6). The end result is expected to be a fairly good picture of the comprehensive capacity building needs of the SAI.

1.4 WHEN TO CONDUCT NEEDS ASSESSMENT?

Ideally, capacity building needs assessment should be conducted at the beginning of each capacity building cycle, before the design and delivery of capacity building

interventions. Given that capacity building is an iterative process and since the environment and realities of an SAI are fluid – needs assessment must be undertaken at regular intervals. As needs assessment forms a critical phase in developing a strategic plan, a needs assessment could be conducted as per the strategic planning cycle of an SAI , which may reasonably be every three or five years.

1.5 WHO SHOULD CONDUCT NEEDS ASSESSMENT?

Capacity building needs assessment can be conducted effectively by a number of different players. First and foremost, it can be conducted by the SAI in order to determine its own needs and build strategies for addressing these needs.

Regional bodies in the INTOSAI community also can conduct needs assessment to ascertain the needs in their target SAIs. Other capacity building bodies in the INTOSAI community can also undertake needs assessment to determine the capacity building interventions that they can undertake to strengthen the institutional framework, and reinforce the organisational systems and professional capacity in their target SAIs.

This guide is primarily intended to provide guidance to SAIs that plan to assess their own needs. Chapter 9, however, deals with the specifics of a CBNA conducted at regional level.

1.6 GUIDING PRINCIPLES FOR CONDUCTING A NEEDS ASSESSMENT

Participatory Approach – A broad-based consultative process is recommended for conducting needs assessment. The needs assessment team should use participatory techniques such as focus groups and interviews to consult with a cross section of SAI staff across various levels. Staff from different levels and different areas of the SAI should be consulted in this process and their views should be given due weight

in assessing needs. External stakeholders' views and needs should also be taken into account. The involvement ranges from providing information or opinion to having an integral part on making decisions on needs and priorities. The more people feel they are involved, the greater the ownership and thus effectiveness of the results.

Needs Assessment is a development tool not an evaluation – Needs assessment teams must always keep in mind that needs assessment is just that – ascertaining the gaps that need to be addressed for capacity development. It is not, and should not be mixed with, an evaluation or a review of the working of the SAI. As such, the tone and tenor of a needs assessment must be 'exploratory' rather than 'investigative'. This approach will go a long way in obtaining SAI commitment for the capacity building process

Top and senior management support – The success of a needs assessment is highly dependent on the level of commitment at high levels in the SAI. If they are not convinced of the importance and pertinence of conducting the needs assessment, decision makers will not allocate the required resources to support the needs assessment process and will not follow up the findings with appropriate and timely actions.

Needs Assessment is only the beginning of capacity building – As mentioned earlier, needs assessment is the first step in capacity building. It is important that the needs assessed at this stage are addressed appropriately by designing and delivering capacity building interventions. If this stage is not followed by the other stages, all the effort made here would probably be a waste. As such, in taking up needs assessment, the organisation should have a clear picture and commitment to what it will do with the outputs of such a study.

1.7 COMPOSITION OF NEEDS ASSESSMENT TEAMS

Forming a competent and credible needs assessment team is the first step to be taken after deciding to conduct a needs assessment. The team should ideally consist of not less than three and not more than five persons. The following are the skill sets and past experience that may be used as criteria in selecting needs assessment team members:

- Analytical skills
- Ability to synthesise
- Interpersonal skills
- Communication skills
- Computer skills
- Facilitation skills
- Audit experience
- Managerial experience

It is not required that each of the team members possesses all of the above mentioned skill sets, but it is the mix of the team members that combined should possess all the above required skills. This would enable them to use all the needs assessment tools effectively.

If need be, it would also add value if the needs assessment team could associate from time to time with experts for limited purposes. For example, the needs assessment team may need a process facilitator to facilitate a focus group if they do not have skilled process facilitators in the team. Experts in information technology audit or performance audit could also be associated with the development of specific questionnaires in these audit areas. This will enable to understand and

identify issues and needs in areas where the permanent needs assessment team lacks expertise.

An important consideration in composing a needs assessment team is whether the members should be from the SAI, or from some external agency. There is considerable value in conducting a needs assessment by members of the SAI. This arrangement would create a sense of ownership in the SAI and build capacity of the SAI personnel. Assessors from the SAI usually have a better understanding of the SAI's current state in terms of policies, procedures, culture, etc, but they may lack experience and requisite skills to conduct a comprehensive needs assessment. In addition, their views may be biased due to their preconceived opinions about the SAI's reality. And at the same time, internal sensitivities may prevent internal assessors from raising all relevant issues.

Conversely, assessors from an external agency come to the SAI with a fresh mind and have usually more comparative references to use as a basis for assessing the SAI given their gained experiences with similar entities. They may, however, need more time to understand the SAI's specific processes and environment.

Therefore, an SAI which decides to appoint a local needs assessment team is encouraged to consider involving at least one external assessor to provide independent and unbiased views.

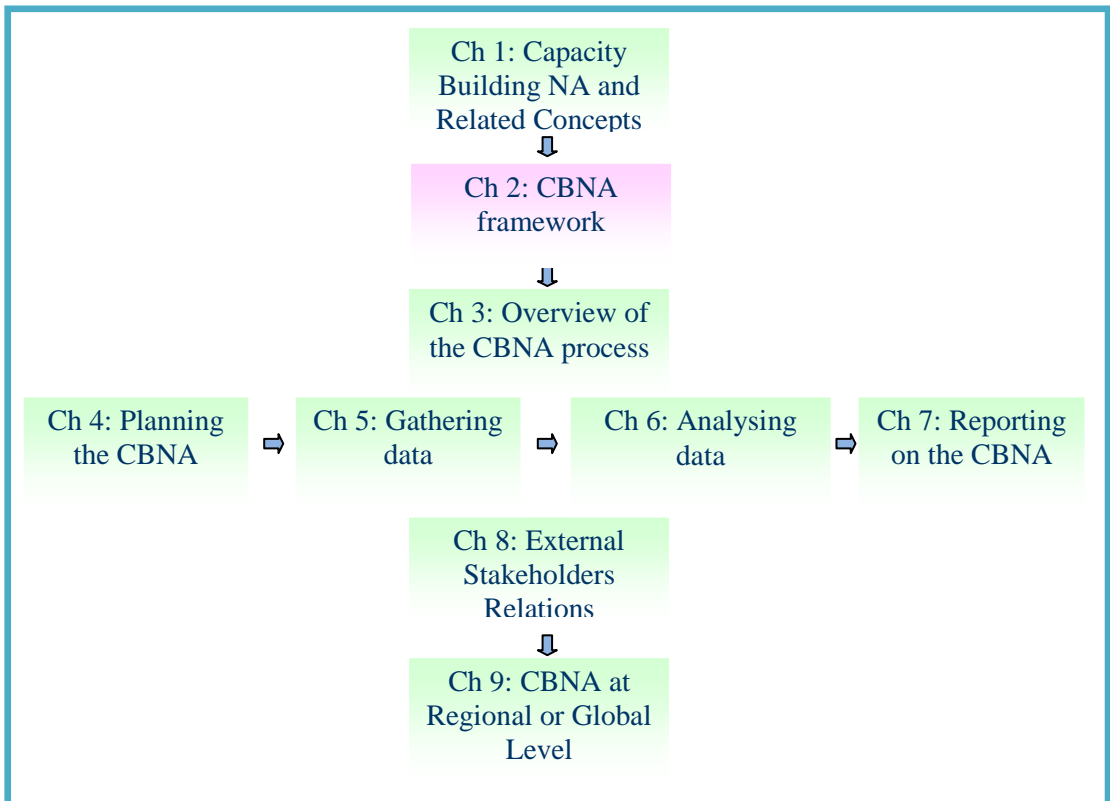
If the SAI decides to nominate an external agency, the needs assessment process would be further strengthened if appropriate persons from the SAI are involved as a part of the needs assessment team. This will afford an insider view of the SAI and form a strong link between the needs assessment team and the SAI. Moreover, this

arrangement will build the capacity of SAI personnel to conduct future needs assessments for the SAI.

Before an external agency conducts needs assessment in a SAI, it is essential to obtain SAI agreement for, and commitment to the process. The SAI must be provided with sufficient information about the process and the expected outcomes of the process. In order to further clarify roles and responsibilities, a Memorandum of Understanding could be signed between the concerned parties.

CHAPTER 2

CAPACITY BUILDING NEEDS ASSESSMENT FRAMEWORK

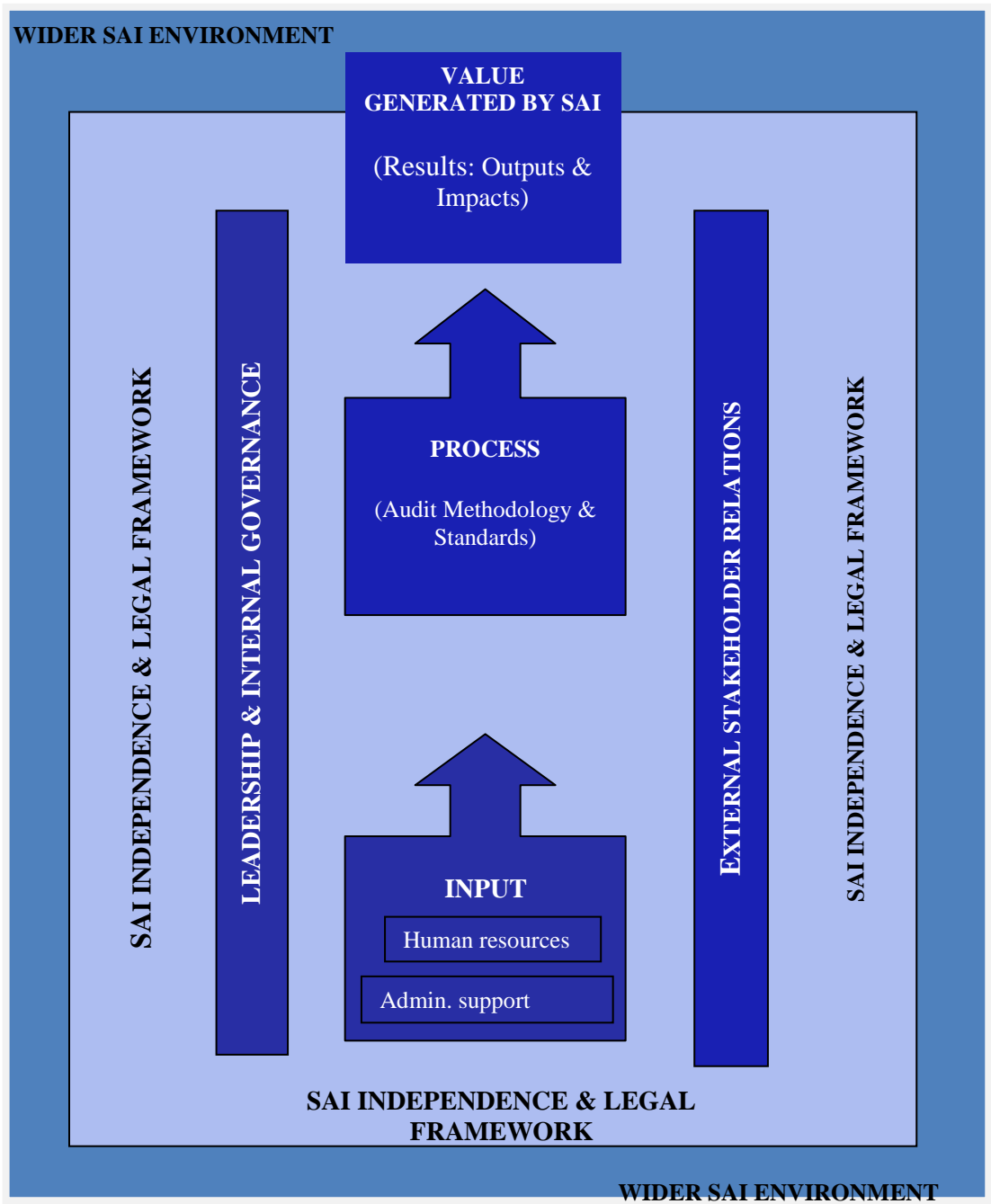


2.1 THE IDI CAPACITY BUILDING NEEDS ASSESSMENT FRAMEWORK

Chapter 1 of this guide discussed a process for building capacity in supreme audit institutions (SAIs). As outlined, the first stage of that process is to assess the capacity building needs of the SAI. The IDI's experience in capacity building needs assessments (CBNA) in SAIs has revealed the significant advantages of using a framework for planning, conducting and reporting a needs assessment. In the INTOSAI community, there are many examples of SAI capacity building frameworks that consist of functional areas or domains and the degree of development that needs to take place in each domain in terms of resources provided, processes followed and results achieved. Examples include the AFROSAI-E Capability Model, the UK's NAO's SAI Maturity Model, and the Accountability Organisation Maturity Model of US General Accountability Office.

In 2007, the IDI developed a draft CBNA framework after taking into consideration the various SAI capacity building frameworks in the INTOSAI community as well as the experience of the members of the IDI's global project team that developed the framework. This draft framework was pilot tested in AFROSAI-E, ARABOSAI, ASOSAI, CAROSAI and OLACEFS. The CBNA framework depicted in the diagram below (Figure 2-1) is a modified version that incorporates the lessons learned from the pilot tests in the above-mentioned regions.

Figure 2-1 - IDI capacity building framework



As can be seen in the diagram above, the IDI CBNA framework identifies the following seven domains that impact the functioning of an SAI and its ability to deliver its mandate:

1. Independence and legal framework
2. Human resource
3. Audit methodology and standards
4. Leadership and internal governance
5. Administrative support
6. External stakeholder relations
7. Results

The above seven domains are, in turn, set within a wider SAI environment consisting of formal laws and regulations (other than the SAI legal framework), informal norms and culture, and other organisations that have a bearing on the functioning of the SAI.

If each of the above seven domains function effectively and achieve their respective desired conditions, and the SAI environment is supportive of the SAI's role, it can be reasonably assumed that the SAI as a whole will deliver high quality products and services. As such, the purpose of an SAI capacity building needs assessment is to assess the gaps in each domain between the desired condition and the actual situation. Annexe 2-1 provides domain-wise desired conditions and some suggested performance indicator questions that can serve as criteria for the NA team to assess the nature of gaps, if any, between the desired and actual situation. Thereafter, it is the responsibility of the needs assessment team to identify the causes for the gaps and suggest strategies for addressing the causes so that the significant gaps in each

domain are resolved. The desired conditions stated at Annexe 2-1 are largely based on INTOSAI standards or other good practices. In that sense, they often relate to conditions of a highly effective SAI. For many SAIs, the gap between those desired conditions and their actual situations may be so wide that it may be beyond the current absorptive capacity of the SAIs to address in the medium term. However, there are SAIs that have adopted SAI capability models and have set targets to reach a certain level in their respective capability models which is somewhere in between the lowest and the highest level of SAI development. In such instances, the NA team for that SAI should consider replacing the desired conditions in the Annexe with the desired condition for the targeted level of the SAI's capability model.

While each domain has a certain degree of autonomy in its functioning, there is also an inter-relationship among the domains, as is the case with the components of any framework. This inter-relationship is discussed towards the end of this chapter after the explanation of each domain and the elements within it.

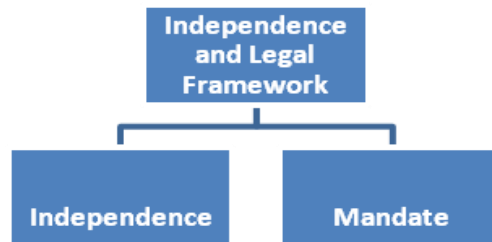
2.2 BRIEF DESCRIPTION OF THE DOMAINS AND THEIR ELEMENTS

This section provides a brief description of the seven domains listed above. A more detailed description of the elements within each domain is provided in Annexe 2-2.

Domain: Independence and Legal Framework

Desired condition: The SAI is governed by a legal framework that guarantees its independence and mandate as laid down in the ISSAI 1 'INTOSAI's Lima Declaration on Auditing Precepts', ISSAI 10 'Mexico Declaration on SAI Independence' and ISSAI 11 'INTOSAI Guidance and Good Practices Related to SAI Independence'.

This domain relates to the fundamental prerequisite for SAIs to perform effectively. Consequently, it is reflected at the highest level of the framework of International Standards for Supreme Audit Institutions (ISSAIs)¹. This domain has two elements as shown below:



Domain: Human Resource

Desired Condition: The SAI should have an adequate number of competent and motivated staff to discharge its functions effectively (ISSAI 200 Paragraph 1.3 and 1.5).

People are the most valuable assets of an audit institution. Consequently, a motivated and professionally competent workforce plays a significant role in achieving the required high quality of audit processes and outputs.

The various elements of this domain are shown in the following diagram:



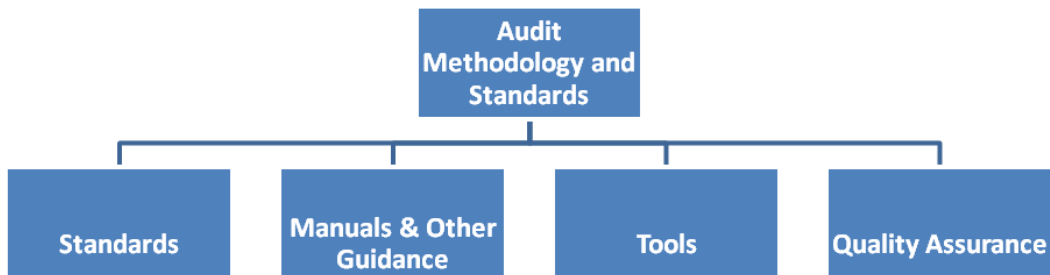
¹ Please go to www.issai.org for the ISSAI framework of INTOSAI.

Domain: Audit Methodology and Standards

Desired condition: The SAI’s audit processes should be based on the INTOSAI Auditing Standards and other international good practices (e.g. International Standards on Auditing) to the extent applicable to the national rules and regulations (ISSAI 100 Paragraph 6(a), ISSAI 200 Paragraphs 1.2(c) and 1.35).

SAI top management need to steer the process of periodically examining and refining the SAI’s audit standards and work procedures affecting SAI’s fulfilment of its mission and goals.

The elements of this domain are shown below:



Domain: Leadership and Internal Governance

Desired condition: The top management of the SAI should ensure that the SAI’s decision making and control mechanism functions economically, efficiently, and effectively, and thereby serve as a model organisation in promoting good governance.

The head of the SAI and the SAI top management need to set the appropriate tone and direction for the organisation. They must continuously send those signals that inspire the staff to comply with the approved standards and procedures, and make their best efforts to deliver quality services and products.

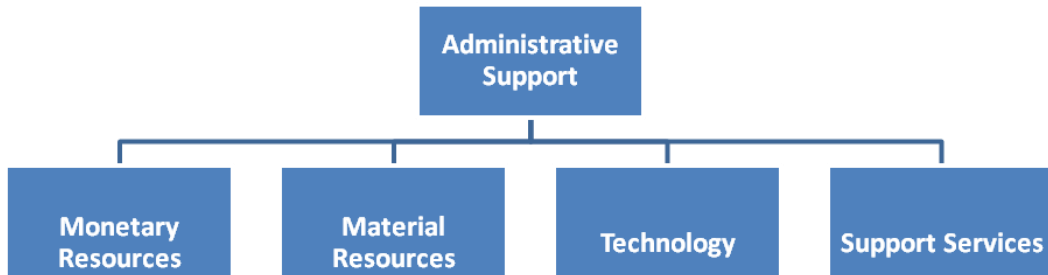
The different elements of this domain are shown in the following diagram.



Domain: Administrative Support

Desired condition: The SAI should optimally manage its monetary resources to ensure timely and sufficient delivery of required materials resources and support services that sustain its core auditing processes.

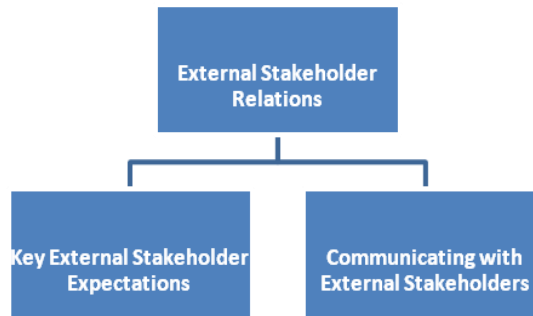
Effective performance of audit work is dependent on the timely and adequate provision of administrative support. The following are some of the key elements of such support:



Domain: External stakeholder relations

Desired condition: The SAI should establish and sustain effective working relationships and communication with key external stakeholders to ensure higher impact of the SAI’s audit reports and services.

The SAI should sustain effective working relationships and communication with external stakeholders to ensure sufficient impact of its audit reports and other products and services. It also needs inputs from external stakeholders for improving the quality of its work processes and products. The overall effectiveness of the SAI in promoting greater accountability, economy, efficiency and effectiveness in the functioning of public sector entities depends critically on the relationships it establishes and maintains with external stakeholders. The following elements of this domain should be considered during the needs assessment:

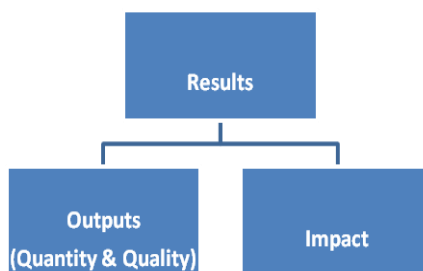


Domain: Results

Desired condition: The SAI should deliver audit reports and services as per its mandate and in a timely manner that promote accountability and transparency in the public sector, and better management of public resources.

The SAI is required to deliver quality audit reports and other services that promote accountability, transparency, value for money in the use of public resources and contribute towards good governance. Towards this end, SAIs should implement mechanisms for measuring the

- quality of its outputs (that is, the SAI’s audit reports and services); and
- longer term impact of its products and services.



In order to implement a performance measurement system, SAIs must develop performance measures for their various functions. With regard to their audit reports

and management letters, performance measures could include significance, reliability, clarity, and timeliness in their functions. It is also important to measure the impact of the SAI's outputs, and in that respect the SAI has to define impact measures. Examples can be seen at Annexe 2-2.

2.3 INTER-RELATIONSHIP AMONG THE DOMAINS OF THE CBNA FRAMEWORK

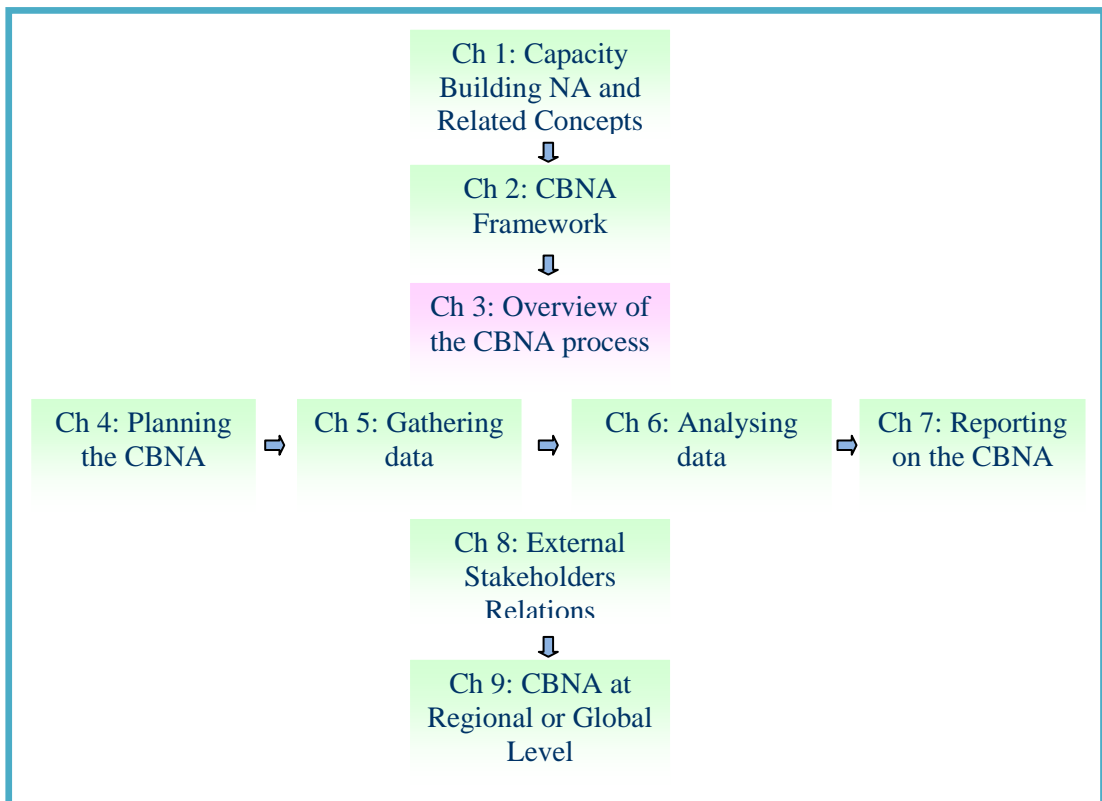
The core process of an SAI is auditing, and that pertains to the domain on audit methodology and standards. However, the core process requires inputs in the form of competent human resource as well as financial and material resources. These resource inputs required for the auditing process are the expected outputs of the human resource and administrative support domains. At the other end of the process flow is the value that the SAIs' auditing process is expected to generate and deliver to stakeholders. Value is created by an SAI in the form of quality audit reports and services (outputs), which in turn promote public sector accountability and transparency (impact). The SAIs' outputs and impact pertain to the 'results' domain in the CBNA framework.

The other three domains, namely independence and legal framework, leadership and internal governance, and external stakeholder relations have an overarching influence on the three stages of the process flow. All of them influence the availability and use of inputs (human and other resources), the core auditing processes in terms of the types of audits undertaken by the SAI, and the value generation in term of the nature and quality of audit reports and the extent of their impact. At the same time, the independence and legal framework domain forms part of the larger institutional context of an SAI and consequently influences the SAI's leadership and internal governance as well as the nature of its relations with external stakeholders.

The above seven domains are, in turn, set within a wider SAI environment consisting of formal laws and regulations, informal norms and culture, and other organisations that have a bearing on the functioning of the SAI. As such, the NA team would be well advised to obtain an understanding of the key external drivers or forces that operate in that wider context and have an impact on the SAI. Annexe 2-3 provides some guidance in this regard.

CHAPTER 3

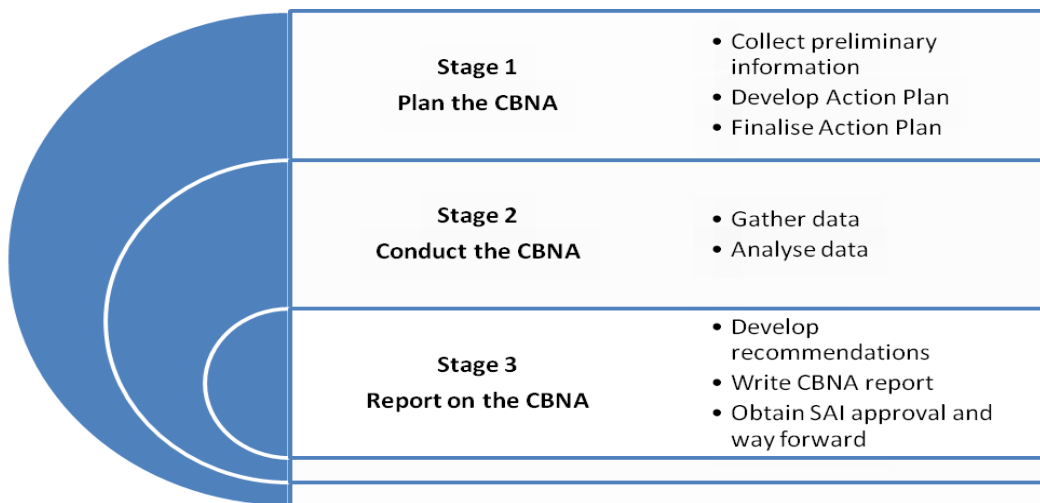
OVERVIEW OF THE CAPACITY BUILDING NEEDS ASSESSMENT PROCESS



3.1 CBNA PROCESS STAGES

Capacity building needs assessment is the first step in the capacity development efforts of an SAI. In order to assess needs, the SAI has to undertake a structured and systematic process. In this chapter, we give an overview of the process and the linkage between the different stages of the CBNA process.

The CBNA process comprises three key stages;



3.2 PLAN THE CBNA

As with almost all other projects and activities, the first stage in the CBNA process is the planning stage. During this stage, the CBNA team does a preliminary review to obtain a broad overview of the SAI, determine the information to be collected, and the possible sources of that information. The team also needs to collect information on data collecting and data gathering tools to be used in the CBNA. After the preliminary review is done, the CBNA team should develop an action plan in an agreed format. The plan could contain elements such as milestones, timelines, responsibility, resources required, methods to be used, and risks to be assessed.

Before this draft plan is finalised, the team should have a discussion with the SAI management to ensure that they will have necessary resources for the implementation of the plan. It is also a good idea to establish contact with stakeholders, both internal and external to ensure that they are available for planned activities. The finalised plan should be approved by top management of the SAI.

At this stage, another consideration for the team is to agree on the format of the CBNA report. This will help the team visualise the final output and focus their information gathering plan.

3.3 CONDUCT THE CBNA

The next stage in the CBNA process is conducting the needs assessment in the SAI. This stage involves two tasks:

- Gathering data
- Analysing data

During the planning stage, the CBNA team would have decided on the data gathering tools and who to gather the data from. In the conducting stage, the team would actually use different tools including survey, focus group, interview, observation, and document review to collect information. The data gathered would be directly linked to ascertaining the current position of inputs, processes and outputs in each domain of the CBNA framework described in previous chapters.

Gathering and analysing data are iterative, rather than linear, processes. As such, the CBNA teams should not plan to initiate data analysis only after all the planned data have been gathered; rather, the action plan should provide for data analysis as soon as possible after gathering data using some tools. Alternating between data gathering and analysis will help the CBNA team narrow down the further data

requirements, depending on the results of the intermediary analyses. Both quantitative and qualitative analysis of the data can be conducted. The data analysis would enable the CBNA team to determine the input, process and output gaps on each domain and ascertain the potential causes of the gaps. The analysis would also further help the team in considering potential gaps across domains for the SAI as a whole and to determine potential causes related to the gaps for the entire organisation.

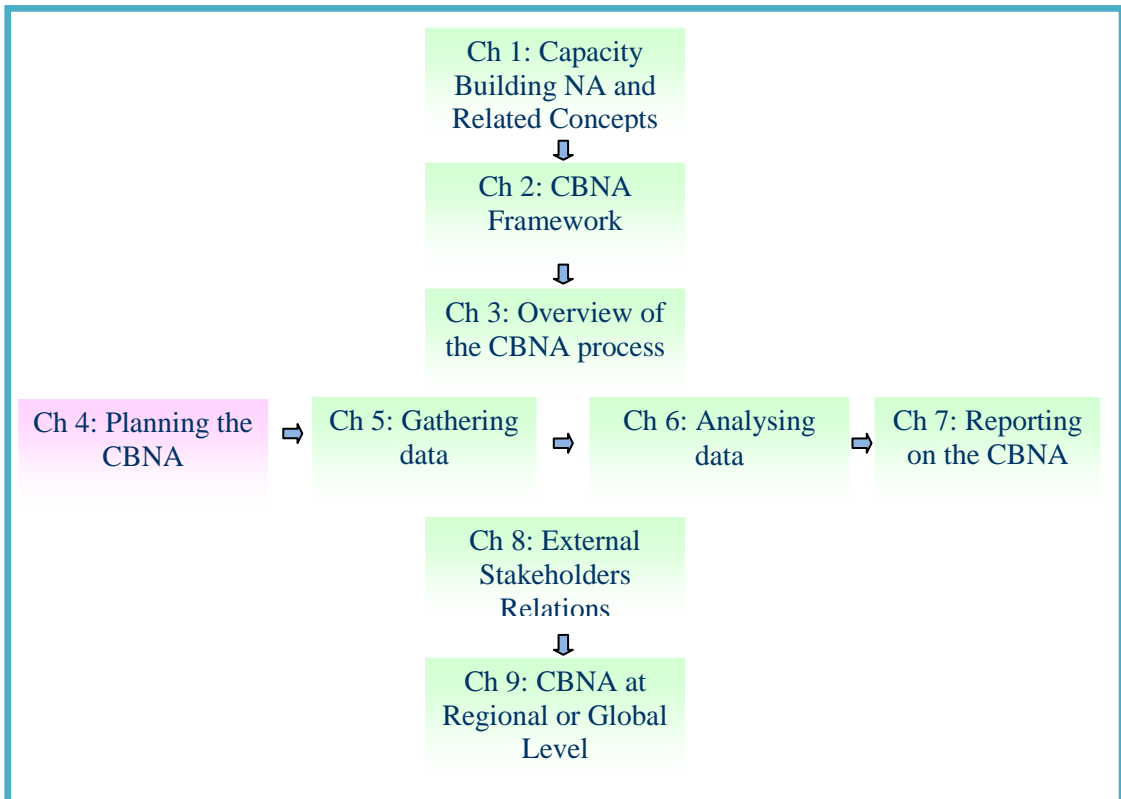
3.4 REPORT ON CBNA

The final product from the needs assessment is the CBNA report. As a first step of the reporting stage, the CBNA team would cluster causes of gaps across domains. They would then develop recommendations for the SAI based on the clustered factors. As a second step, the CBNA team would use the report structure that they might have agreed to in the planning stage to write a CBNA report. The contents of the report would be drawn from the data analysed during the previous stage of CBNA and the recommendations developed by the CBNA team.

After the team has finalised the report, the Head of SAI needs to approve the report and determine the way forward in terms of circulation of the report and action to be taken on the needs identified in the report.

CHAPTER 4

PLANNING THE CAPACITY BUILDING NEEDS ASSESSMENT



INTRODUCTION

Planning the CBNA is the first stage in the CBNA process. The planning for the CBNA is done by the team responsible for carrying out the needs assessment. The following steps could be taken in planning the assessment:



4.1 COLLECT PRELIMINARY INFORMATION

The CBNA team could start by collecting basic information about both the SAI and the tools and techniques involved in conducting a needs assessment. The preliminary information about the SAI could include information on the structure of the SAI, the people responsible for different functions in the SAI, physical location of SAI offices, types of records maintained by the SAI, details of the external stakeholders of the SAI, and the audit cycle followed by the SAI. This information can be gathered by reviewing relevant documents from the SAI or by interviewing key persons from the SAI who can provide both the information in general terms and the documents for further details. The team also needs to read up on the tools and techniques that could be used in conducting needs assessment. Unless they are fully conversant with what each tool can do and the amount of resources it requires, they would not be able to determine effectively which tool to use for the assessment. The team should also collect information and read about the different needs assessment frameworks available in the INTOSAI community and with other organisations.

4.2 DEVELOP DRAFT ACTION PLAN

As a part of developing the action plan for needs assessment, the team will decide on the following issues:

1- Milestones in conducting needs assessment

These would be a chronological sequence of activities to be carried out during the needs assessment. It is important that each milestone is clearly defined.

2- Tools to be used for gathering data

The CBNA team can use different tools for data gathering. This guidance document provides details of data gathering tools including survey, interview, focus group, observation and document review. More often than not, using a single tool will not provide adequate information for preparing an in-depth CBNA report. This need for data sufficiency will generally drive the CBNA team to use a variety of data gathering methods. The CBNA team has to decide on the appropriate set of tools for each circumstance. The team may use the following criteria for selecting the tools:

- a. **Information to be collected and data sources** - The tool used should be appropriate to the information to be collected. If the team wants to ascertain the Head of SAI's views on the future of the SAI, then interview may be the best method suited for collecting that information. If the team wants to find out whether the audit manual provisions are implemented, they may do a document review of selected audit files. If the team needs to collect information from a large number of people in the SAI, a survey might be an appropriate method. The sample performance indicator

questions at Annexe 2-1 can be used as a possible reference for determining the information needs.

- b. Sufficiency of information** - The CBNA team can be reasonably assured that it has gathered sufficient data and information if it is able to satisfactorily answer the above-mentioned performance indicator questions and identify the significant causes for gaps in performance, if any.
- c. Validation of information** - It is clearly important to gather valid data while conducting needs assessment. Depending on the circumstances, some tools may lead to more correct information than other tools. For example, if the team wants to find out whether the SAI standards are aligned to international standards, they may ask this question in a survey or an interview but the method that is most likely to give the most valid information on this point would be a document review of the SAI standards. In order to ensure valid data, the team may also consider using the triangulation approach by using different tools for the same information and then compare the results. This involves the independent confirmation of data obtained from one source with similar data gathered from another source. For example, the data on extent of compliance with audit manuals gathered through a focus group of auditors can be corroborated with a sample review of audit files.
- d. Resources available** - One of the most critical factors determining the selection of tools is the resources available for conducting a needs assessment. The CBNA team will have to realistically consider the resources that their SAI will make available for the needs assessment, and select tools

accordingly. For example, if the team finds that conducting a focus group is a very resource intensive process, they may decide to use group interviews as a tool instead.

3- Resources required

In order to carry out the activities related to needs assessment, the team will require financial resources, human resources, material resources including equipment, and space to conduct activities. The resource requirement will depend on the tools that the team decides to use. For example, if the team decides to conduct a focus group it would need financial resources to bring the focus group participants to the venue, and it would need a venue, and a facilitator. On the other hand, if the team decides to collect data through interviews, it would have to factor in its own travel time and cost in case the SAI has offices spread across the country. The resource estimation in the plans needs to be as realistic and comprehensive as possible.

4- Risks in the process

While planning for the needs assessment, the CBNA team must identify the risks related to the process and discuss risk mitigating strategies depending on the level of perceived risk. For example, given the other regular commitments of the CBNA team, there may be a high risk that the team may not be able to devote the time necessary to conduct the CBNA effectively. If the team perceives that this is a high risk, it may decide to have a conversation with their immediate line managers on how to allocate time for the CBNA assignment.

5- Timelines and responsible persons

The CBNA team should determine realistic timelines for achieving each milestone and decide on the team member responsible for that activity. In some cases the

entire team may be responsible, while in others the team members may decide to divide the work amongst them.

An illustration of a CBNA action plan is found at Annexe 4 -1.

4.3 FINALISE DRAFT ACTION PLAN

As a part of finalising the draft action plan, the CBNA team should take the following actions:

1- Discuss draft action plan with SAI management

When the CBNA team has a draft plan ready, it should schedule a discussion with SAI management to obtain necessary resources for implementing the plan. This discussion will also help the team ascertain how their planned activities fit in with other important activities taking place in the SAI.

2- Establish contact with stakeholders

Before finalising the plan, the team should also establish contact with internal and external stakeholders to ensure that they are available for participating in the CBNA process as planned. This is particularly important in the case of high level stakeholders who may have very busy schedules. For example, if the team is planning a focus group where Public Accounts Committee (PAC) members are invited, they have to agree on the planned dates well in advance.

3- Obtain management approval for action plan

Based on discussions with management and stakeholders, the CBNA team can make necessary modifications to the action plan and submit it for approval of the

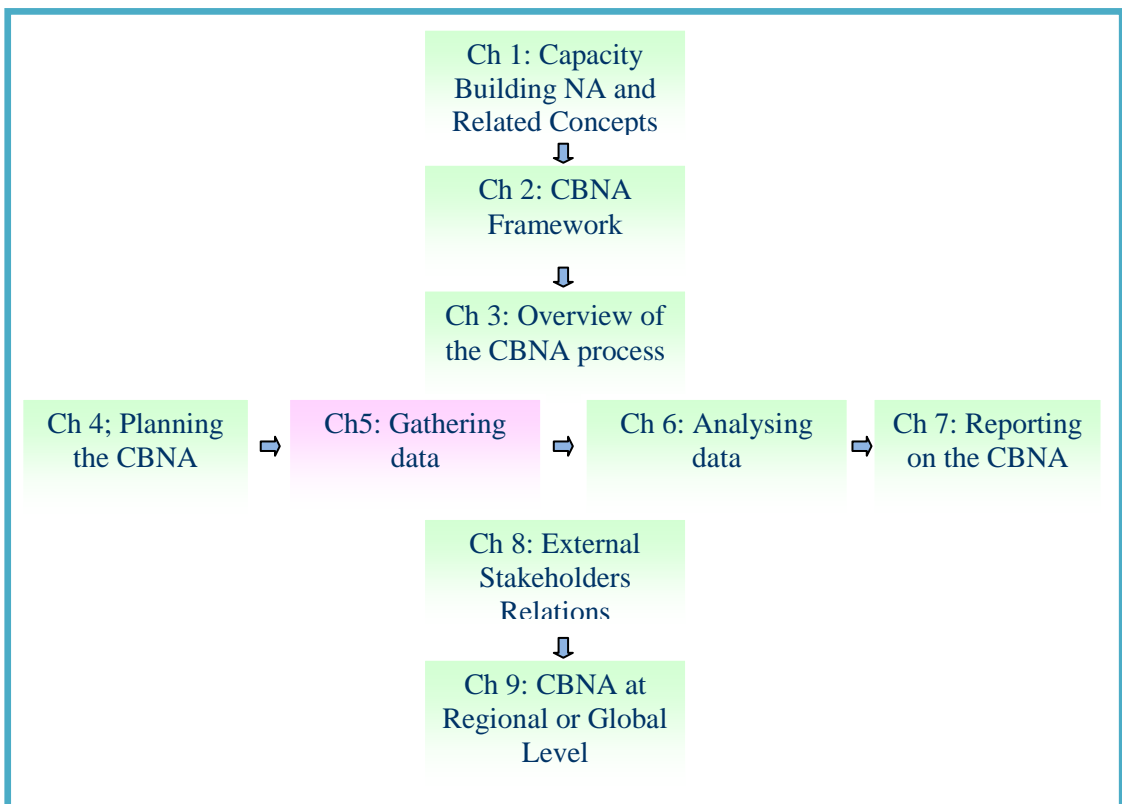
management. Getting management approval will help the team members in being released for CBNA activities by their line managers.

The action plan document will then be used by the CBNA team leader to monitor the CBNA process and ensure that things are done within the planned time frames. However, no plan is written in stone. While an action plan helps the CBNA team in getting a sense of direction and requirements for CBNA, the team should revisit the plan periodically while conducting the CBNA to ensure that it is relevant to their current situation. For example, as per plan the team may conduct a focus group. The results of the focus group may show that some of the interviews that the team planned to conduct may not be necessary. The team may then decide to skip the interviews and make necessary adjustments in the plan.

Equipped with a well thought out action plan, the CBNA team would now be ready for the next stage in the CBNA process – conducting the CBNA.

CHAPTER 5

GATHERING DATA



INTRODUCTION

By the end of the planning phase, the needs assessment (NA) team would have prepared an action plan for conducting the assessment. The conducting phase involves two distinct set of activities, namely, gathering information and analysing the information gathered. Gathering information is distinct from analysing in the sense that the two activities involve the use of different tools and skills. This chapter will discuss five different types of data gathering methods relevant for capacity building needs assessment, namely, document review, survey, interview, focus group, and physical observation.

The following chapter will then focus on the data analysis tools.

5.1 DOCUMENT REVIEW

1- What is document review?

The term “document review” has various connotations associated with it. For purpose of this guide, it is defined as the process used to gather and organise information contained in various documents to achieve pre-defined objectives. The particular objectives of a document review in a capacity building needs assessment are discussed below.

2- What is the purpose of conducting a document review?

The NA team can achieve a number of objectives through document review, including the following:

- Enable better understanding of the functioning of the SAI. This can help the needs assessment (NA) team to plan the rest of the needs assessment, and also fine tune the content of other data gathering tools. It can also

enable the NA team to respond appropriately to issues and comments that come up during subsequent interviews and/or focus groups but which cannot be clearly foreseen before the interviews and focus group discussions are undertaken.

- Gain a better understanding of the environmental forces that impact, or could impact, the SAI's operations. For example, there could be record of discussions in parliament on the growing concern about environmental issues and expectations that the SAI initiates environmental audits.
- Identify areas that the NA teams should focus on during the rest of the NA process. For example, review of documents may enable the NA team to assess that capacity building interventions in some domain and certain elements therein have the potential to maximise the benefits of capacity building initiatives *vis-a-vis* costs, instead of spreading capacity building interventions thinly over a number of domains and elements. In such a case, the NA team may focus most of its resources on those domains/elements during the remainder of the NA process.
- Identify additional information that the NA team may have to gather using other data gathering tools. In this case, the NA team may have to add, or change the nature of, questions in the other data gathering tools to address information issues that could not be adequately covered during review of documents. For example, review of financial audit files may reveal that audit teams were not using the sampling procedures laid down in the SAI's sampling guidelines. In that case, during an interview of the head of the SAI's financial audit division, it may be necessary to ask him or her why the audit teams were not complying with the sampling guidelines.
- Validate information gathered using other data gathering tools. For example, during an interview, a senior member of the SAI may have stated

that the SAI does not have the legal mandate to undertake the audit of government revenues, but a review of the legislation relating to the SAI's mandate may reveal that there is nothing preventing the SAI from conducting such audits.

- Find areas of weaknesses. For example, a review of the SAI's rules, regulations and policies may reveal gaps in the internal control system of the SAI.
- Determine causes for identified weaknesses. For example, there could be an external peer review report on the SAI that could have identified reasons for certain weaknesses.

3- Who should do a document review?

The document review should be conducted by members of the needs assessment team who possess the skills necessary for effective document reviewing. The reviewer should possess:

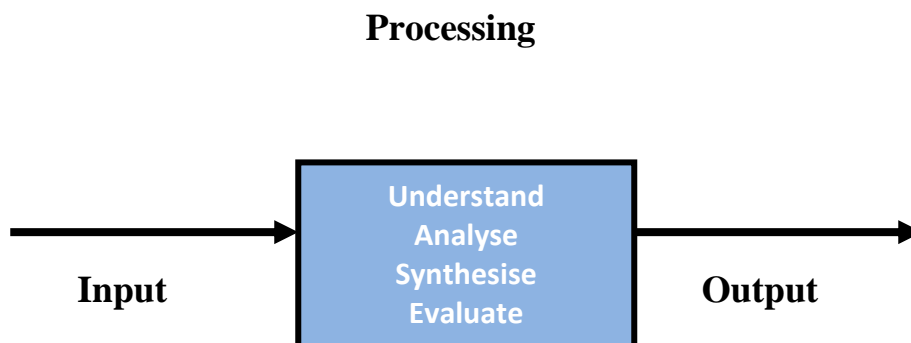
- Proficiency in the language in which the documents are written.
- Ability to assimilate a large volume of information.
- Speed reading skills would be an advantage.
- Structured and systematic approach towards projects.
- Excellent analysis, evaluation and synthesis abilities.
- Knowledge of the subject under review. For example, review of the SAI's Information Systems Audit Manual will require a person that is knowledgeable in this area.
- Good writing skills for documenting findings.

4- When should a document review be conducted?

Document review is a continuous process that is only finally concluded towards the end of the Capacity Building Needs Assessment (CBNA). However, the initial document review should preferably be conducted at the very start of the planning phase, since it is expected to provide valuable inputs to the action plan that the team will develop for conducting the NA. It will enable the assessment team to plan and structure the rest of the CBNA visit much better, based on the insight gained from the document review. If the NA team is external to the SAI, it is recommended that it undertakes document review well in advance of the assessment visit to the SAI. Secondly, document review will enable the NA team to form a good understanding of the SAI's current internal situation as well as the external environment within which it operates. Thirdly, it will allow for time to request additional information from the SAI, if needed. The document review process will continue during the whole NA process as and when the need and opportunity arises to review more relevant documents.

5- How to conduct a document review?

A document review is a process that may be conceptualised as consisting of three stages:



Input: This is the stage of identifying and acquiring those documents that are likely to provide meaningful information on the various domains and elements of the CBNA framework and issues in the SAI's environment that impact, or may impact, its performance. What documents are relevant would be defined by the information need of the NA team. The information need can be assessed by referring to the domains and elements of the CBNA framework. Therefore, it is suggested that the NA team identify documents required for understanding each of the domains and the elements therein. Annexe 5-2 provides a guiding list of documents for each domain. In addition to preparing the list of documents required, the NA team should also consider the following administrative matters at this stage:

- Identify the location of the documents and the SAI staff responsible for their custody.
- Agree on dates with the concerned staff by which the documents should be available.
- Once the documents are received, establish if it correlate to the documents requested.
- Organise the material in such a way that it is accessible to the document review team.

Processing: At this stage the NA systematically reads, interprets, synthesises and evaluates the contents of the documents reviewed. The following are some guidelines for this stage of the document review process:

- If more than one person will conduct the document review, the team members should agree on how they will approach the review, plan the activities, and agree on time frame for completing the assignment.

- Start by reading the documents with a view to getting an overall impression of the institution and to increase the reviewer's knowledge of the SAI.
- Once a general impression is created, classify information in terms of the domains and elements of capacity building framework.
- Analyse the clusters of information that was created by the classification process.
- Identify and review additional documents, if necessary.
- Synthesise and evaluate the information to the extent that the reviewer (a) obtains a reasonable understanding on the SAI in terms of the various domains and elements of the capacity building needs assessment (CBNA) framework, and (b) identifies additional information that may be necessary to gather using other data gathering tools in order to be able to prepare an adequate CBNA report.

Output: At this stage the NA team records the key information acquired from the documents. This involves:

- Recording the key information gathered for the various domains and elements of the CBNA framework.
- Recording preliminary analysis of gaps and likely causes.
- Recording the additional information that needs to be gathered, the potential sources of that information, and the suggested data gathering tool(s) to be used.

The template found at Annexe 5-1 can be used for formally recording the results of document review.

6- What are the strengths and limitations of a document review?

Some strengths:

- It provides the assessment team with a broad overview of the SAI, its activities and the environment in which it operates.
- It allows the NA team to reduce a huge volume of information to specific areas to be further probed.
- Documents can often be a credible source of information.

Some limitations:

- Document review can be a very time consuming exercise if a large volume of material needs to be reviewed.
- It might be difficult to find a suitable person with the adequate skills to conduct the document review.
- The availability of relevant written material could be a constraint; or the NA team may be flooded with too many documents.
- What is captured in the documentation may not be the actual operational situation of the SAI.

5.2 SURVEY QUESTIONNAIRE

1- What is a survey?

A survey is a systematic process that uses a standardised set of questionnaires to obtain information from a large number of respondents with the intention of drawing conclusions about the matters surveyed.

2- What is the purpose of a survey?

A survey can be undertaken for a number of reasons. In this context, an SAI can administer a survey to obtain preliminary feedback on their environment (internal as well as external); to gather information about their organisation's structures, operational frameworks, and employees in order to assess what needs to be done to improve efficiency and performance.

3- Who should conduct the survey?

To ensure quality information is collected and analysed, the survey team should have the following skills:

- Ability to formulate questions
- Analytical skills
- Ability to synthesis
- Data analysis skills
- Knowledge of the subject matter to be addressed by the survey

4- Who are the target audience?

The selection of a target audience will depend on the focus area(s) that the SAI desires to assess. For example, if Human Resources is the focus area, then the survey may be issued to a wide cross section of SAI's employees at all levels. In another situation, if External Stakeholder Relations is the focus area, then the primary target population would be external stakeholders. In the Audit Methodology and Standards domain, the primary target may be all field auditors in the organisation, but a secondary target group may be senior and middle management.

5- When should surveys be conducted?

A survey may be used at the beginning of a CBNA to gain an overall understanding of the SAI's operations. On the other hand, it can be used at a later stage to focus on specific areas; e.g., the CBNA team may wish to obtain further information as to why audit staff is not using existing manuals.

A SAI can also use the survey where information is required from a wide range of employees, some of whom may be geographically dispersed.

Another reason to use a survey may be to increase response rate by allowing anonymous responses to the questionnaire.

Surveys are most useful and efficient when the intention is to arrive at aggregated quantified information, rather than the views of individual respondents. For example, to determine the percentage of SAI staff that is satisfied with the performance audit manual.

6- What are the steps in a survey?

Step 1: Developing a survey

- Define your information need.
- Select the members of the assessment team.
- Ensure that the team members are briefed on the information need and survey design framework.
- Ensure that team members become familiar with the IDI's CBNA Framework and the desired condition suggested for each of the seven domains.

- Decide whether the sample of questions (found at Annexe 5-3) needs to be modified. Such modifications should be aligned with the IDI's CBNA Framework and the desired condition suggested for each of the seven domains.
- Decide at what stage input from the IT department will be required.
- Establish how the survey will be aligned with other data collection tools (focus groups, one-to-one interviews, physical observation, and document review).
- Establish how the data will be captured, i.e., the format that will be used.
- Establish how the data will be analysed and collated with other CBNA data to assess gaps.
- Include questions that are simple and easy to understand.
- Avoid using ambiguous words that can lead to varying interpretations.
- Avoid using too many open-ended questions.
- Avoid asking compound questions.
- Ensure that the question order establishes both the survey logic and the survey flow.
- Cluster the questions according to the seven domains already outlined.
- Use questions that allow the needs assessment team to assess the gaps for each of the domain's desired condition.
- Clearly indicate who in the SAI is responsible for answering the questions under each domain.

Step 2: Implementing a survey

- Prepare an Action Plan.
- Assign team members with specific responsibilities (for example, responsibility for dispatching and receipt of questionnaires, reviewing questionnaires for completeness, non-response etc).
- Establish a suitable time for distribution of the survey and receipt of the responses, and set deadlines. For example, avoid distributing the survey to respondents during periods with a known heavy workload.
- Decide how the data will be administered – posting on intranet, paper distribution etc.
- Clearly communicate to the recipient(s) of the survey the need for completing the survey and the date by which responses are to be submitted.
- Specify times for follow-up activities.
- Send reminders to the person(s) in the SAI who is responsible for responding to the survey prior to the deadline.

Step 3: Data entry

- Decide who is responsible for data entry.
- Decide who is responsible for data validation.

Step 4: Data analysis

The answers of the survey questionnaire should be analysed to get an overview of the SAI. See Chapter VI for further details on analysing data. The analysis of information and data gathered should provide the following:

- Overall strengths and weaknesses of each domain and its elements.
- Awareness that the data is often semi-subjective, and therefore it has to be validated with another tool(s).
- Gaps or patterns emerging from each domain.

Step 5: Recording preliminary analysis results

- The responses received should be recorded using the Preliminary Analysis Recording Form as included at Annexe 5-1

7- What are the strengths and limitations of a survey?

Some strengths:

- Information can be obtained from a large number of respondents.
- A wide range of information can be collected at one time.
- Standardised questions allow for consistency in the types of data requested from all respondents.
- Generally, easy to administer.
- Cost effective.

Some limitations:

- The instrument depends on respondents' motivation, memory and ability to respond effectively.
- The respondent may not be motivated to give accurate answers, but to give answers that present themselves in a favourable light.
- Surveys do not facilitate in-depth examination of causes for given conditions or events.

- Errors due to non response may exist. That is, the type of people who choose to respond on the survey may be different from those who do not respond, thus biasing the results.
- Even apparently objective questions could have subjective responses. This often happens with questions relating to "strength of choice". For instance, the choices "completely", "to a large extent" or "to a little extent" used in a survey may mean different things to different respondents.
- A survey can be a rather time consuming exercise.
- Surveys do not allow the probing of respondents for more detailed information.

5.3 INTERVIEW

1- What is an interview?

An interview is a data and information collection procedure in the form of a carefully planned set of questions that is asked through a conversation to obtain in-depth ideas and perceptions on a topic of interest. The person who leads the questioning and facilitates the process is called the *interviewer*, while the person who responds to the interviewer is called the *interviewee*. Depending on the situation, there may be more than one interviewer and, in some cases, even more than one interviewee.

2- What is the purpose of interviews?

The overall purpose of an interview during needs assessment is to obtain the views and opinions of the interviewee on development needs of the SAI, such as key result areas, challenges to be addressed, capacity building strategies and support

required, if any. Interviews provide an opportunity to gather rich, qualitative descriptions in a dynamic iterative way, which can be further qualified during the process in order to answer key questions relating to the capacity building needs of SAIs.

3- Who should conduct interviews?

Interviews should be conducted by members of the needs assessment team who possess skills necessary for effective interviewing. The interviewer should possess:

- Fluency in the language to be used for conducting the interview.
- Effective listening skills.
- Good observation skills.
- Effective discussion leading skills.
- Time management skills.
- Ability to remain neutral even if he or she is tempted to take a position in response to any comment of the interviewee.
- Good writing skills. Ability to take notes quickly without straying from the flow of the conversation.
- Analytical and synthesising skills.
- Knowledge and experience on the subject.

4- Who is the target audience?

The interviewees may be selected from within the target SAI as well as from among external stakeholders. Within the SAI, interviews may be conducted with selected persons from different levels, ranging from top management down to non supervisory staff. Selection of the level of the interviewee would depend on the

purpose of the interview. For example, if the purpose of an interview is to obtain views on strategic capacity building concerns of the SAI, then it is recommended to interview representatives of the SAI's top and senior management. On the other hand, if the purpose is to obtain information on highly specialised functions within the SAI, it might be more useful if the interviewee is an expert in that functional area. If the interview aims to gather data and information at a more operational level, then it might be more effective to select interviewees from middle and junior management level and experienced non-supervisory staff. If time permits, it is recommended to interview persons from different levels of the SAI's organisational structure. This will enable the interviewer to elicit information from different perspectives and thereby provide a more holistic picture. Depending on the capacity building domain being focused, it would be useful to interview representatives of external stakeholders of the SAI, for example, from some of the audited entities, or the ministry of finance, or public accounts committee.

5- When should interviews be conducted?

Interviews can be conducted at different stages of a needs assessment process. However, it is recommended that interviews are conducted after obtaining a reasonably good understanding of the target SAI. That will enable the needs assessment team to conduct more effective interviews.

To ensure comprehensiveness of a needs assessment, interviews should be preceded and complemented by the use of other data and information gathering tools. As such, it might be better to conduct interviews after obtaining responses to a detailed survey and, to the extent possible, after some review of documents pertaining, at least, to the process, structure and functions of the target SAI.

6- What are the steps in an interview?

Using the interview technique involves three main stages: Planning the interview, conducting the interview, and concluding and documenting the responses.

Planning the interview

The effectiveness of conducting an interview is directly related to the quality of planning that precedes it. The interviewer should plan meticulously before conducting an interview. The following are some suggested steps for effective planning of an interview:

- Select the interviewer(s) possessing the interviewing skills. Sometimes, a panel of interviewers may be used, with a mix of expertise. In the latter case, bear in mind the risk that an interviewee may feel uncomfortable facing more than one interviewer at the same time.
- Research the target SAI. Study all available back ground information on the target SAI. If the survey responses have been received, this would be right time to go through it.
- Determine the position from which the interviewee will be drawn. If it is one among several similar positions, then you may even identify the specific person to be interviewed.
- Research the position. Develop an understanding of the position to which the interviewee belongs. Where is it located in the organisational structure, how many people report to that position, what are the primary responsibilities of the position, etc?

- Identify a few key questions. Annexe 5-4 and 5-5 provides some sample questions, depending on the level to which the interviewee belongs. These few questions may form the basis of the interview discussions.
- Organise the questions in logical sequence. It might be helpful to start with a few simple closed questions before moving on to more challenging open questions in order to help the interviewee to relax and feel at ease.
- Plan your opening remarks required to establish a rapport with the interviewee.
- Agree with the interviewee on the time and location of interview.
- Ensure availability of all materials and equipment necessary while conducting the interview. This may include the results of a survey conducted prior to the interview, any references that may be necessary during the interview, and recording equipment.
- Inform the interviewee in advance of the key interview questions and the capacity building needs assessment framework. The former will enable the interviewee to reflect on possible responses and thereby facilitate richer discussions during the interview.
- Familiarity with the capacity building needs assessment framework will facilitate easier linkage between the interview discussions and the domains and elements of the framework.

The actual questions asked are clearly important in the interview; as such, the following principles should be considered for formulating interview questions:

- Keep in mind the kind of information you are looking for when formulating questions. This will help to avoid asking irrelevant questions.

- Allow for open questions. While the nature of questions will be influenced by the primary purpose of an interview, allowing some open questions will enable the interviewee to choose their own terms when answering questions.
- Questions should be as neutral as possible. Avoid wording that might influence answers, e.g., evocative, judgmental wording.
- Ensure questions are short rather than long, so that they are easy to follow and minimise misinterpretation.
- Avoid negatively worded questions. For example, ask *‘What are the key domains of your SAI that need more attention?’* instead of asking, *‘What are the problems facing your SAI?’*
- Questions should be asked one at a time. Avoid compound questions.
- Questions should be worded clearly. This includes knowing any terms particular to the SAI or the interviewee’s culture.
- Provide for a closing question that allows the interviewee to respond to any issue that was not covered but might be considered important by him or her.

Conducting the interview

Beginning the interview:

- Acquaint yourself with the interview guide and questions before arriving at the venue.
- If it is a long questionnaire, identify priority questions, bearing in mind the other tools already used or to be used, the position of the interviewee in the organisational hierarchy, and time available for the interview.

- Introduce yourself clearly and your team members, if any.
- Establish rapport with the interviewee. This may include thanking him or her for providing the opportunity for the interview.
- Explain the purpose of the interview.
- Indicate how much time the interview is likely to take.
- Address terms of confidentiality. Explain briefly who will get access to their answers and how their answers will be analysed. If their comments are to be used as quotes, get their written permission to do so at that time.
- One of the challenges is to capture the interviewee's responses even while paying attention to his or her responses and the process. One way is to take along a colleague to take notes. Another option is to obtain recording equipment. In such cases, obtain interviewee's consent and reiterate the confidentiality agreement mentioned above, so that the interviewee does not feel uncomfortable observing all his or her comments being meticulously recorded.

Discussing the topic:

- Adopt appropriate non-verbal communication, e.g. facing the interviewee directly, direct eye contact with interviewee, leaning slightly towards him or her, open posture, and nodding periodically to demonstrate attention to the flow of the interviewee's comments.
- Start with factual questions. Questions requiring opinions and judgments should follow. In general, begin with the present and move to questions about the past or future.
- Listen carefully and demonstrate through verbal and non verbal means that you are attentive to what the interviewee is saying.

- Use probing techniques. Encourage interviewees to detail the basis for their conclusions and recommendations. For example, a comment, such as *“The SAI’s mandate should be expanded?”* should be probed for more details, such as *“What specific changes in the mandate would you recommend?”*
- Maintain a neutral attitude. Interviewers should be sympathetic listeners and avoid giving the impression of having strong views on the subject under discussion. That may create an atmosphere of conflict if the interviewer is perceived by the interviewee as taking an opposing viewpoint. Neutrality is essential also because some informants, trying to be polite, will tend to say what they think the interviewer wants to hear.
- Control the discussion, but do so skilfully. The discussion should be directed towards obtaining the facts or other information pertinent to the purpose of the interview, and towards conserving time. A skilled interviewer will guard against the interviewee’s discussing irrelevant matters to avoid answering questions or providing information on painful or topics that may be considered to be negative issues.
- Provide clear transition between major topics, e.g., *‘We’ve been talking about critical issues facing human resource management in your SAI. Now I’d like to move on to strategies that could be used to address these issues.’*
- Get all the information needed during one interview; avoid if at all possible the necessity of a second interview, particularly if the interviewee is unlikely to be available for a second round of interview.
- Ask a closing question that allows the interviewee to respond to any issue that was not covered but might be considered important by him/her, e.g., *‘Are there any other issues you would like to discuss?’*

Concluding and documenting

- Briefly summarise the key information obtained at the conclusion of the interview.
- Do not extend the interview beyond *a reasonable period of time, which should closely approximate the time* agreed upon when the appointment was made.
- Thank the interviewee before closing the interview.
- Prepare a memorandum of the interview discussions as soon as possible after the interview. The memorandum should state the name of the SAI, the name and position of the interviewee, the name of the interviewer, venue of interview, and date and time of interview. It should record the key data and information resulting from each key question. Please refer to Annexe 5-6 for a suggested memorandum format. If possible, get the formal or informal agreement of the interviewee on the contents of the interview memorandum.

After conducting the various interviews, conduct a *qualitative analysis* of the data and information gathered and prepare an information record. The analysis should link the data and information gathered from the interviews to the *domains* and *elements* of the capacity building needs assessment framework discussed in the IDI's Capacity Building Needs Assessment Guidance. Please refer to the Chapter VI for guidance on *qualitative analysis data*. The information record should outline the gaps, causes, challenges, and other information gathering tools that could be necessary, as identified through the interviews. Please see Annexe 5-1 for a suggested information record format.

Interviews can be used in conjunction with other information gathering tools or as a self standing tool. However, more in-depth information is likely to be gathered if it

is used in combination with other tools such as surveys, focus groups, document review, and physical observations.

7- Strengths and limitations of interviews

Some strengths:

- They provide flexibility to explore new ideas and issues not anticipated during planning.
- Facilitate expression of diverse opinions and ideas.
- Allows the respondent to elaborate on his or her responses.
- Allows the interviewer to probe for deeper understanding and clarity about the respondent's answers.
- Facilitate arriving at a common understanding between interviewers and interviewee.
- Provide an opportunity to obtain sensitive and confidential information that the interviewee may not be willing to provide in public.
- In the case of face-to-face interviews, they provide the opportunity to obtain useful information from the non-verbal communication of the interviewee.

Some limitations:

- They are generally not appropriate if quantitative data are needed.
- There is risk of gathering unreliable information if the interviewees are not carefully selected.
- Information provided by the interviewee may not be representative of the population from which the interviewee is selected.

- They are susceptible to interviewer biases.
- It may be difficult to prove validity of findings.
- Information gathered through interviews is not easily quantified, and analysis can be quite challenging.
- It can be time-consuming.

5.4 FOCUS GROUP

1- What is a focus group?

A focus group can be defined as a group of interacting individuals having some common interest or characteristics, brought together by a facilitator, who uses the group and its interaction as a way to gain information about a specific or focused issue. The facilitator is any credible person whose main task is to lead the process/discussion in order to arrive at the objective of the focus group.

Focus groups, as differentiated from interviews, are more of a discussion method where participants, have more opportunity to interact between themselves and among the groups, led by the facilitator. The discussion centres on the key questions, usually limited in number as opposed to the interviews where the number of questions asked tends to be significantly higher.

2- What is the purpose of a focus group?

The purpose of a focus group is to gain an insight into certain issues through a 'group thinking' process. For example, focus groups can be conducted to:

- Ascertain senior management views on strategic issues.

- Seek auditors' views on the audit methodology and standards used by the SAI.
- Determine external stakeholder expectations and degree of satisfaction with regard to the performance of the SAI.
- Get middle management/ staff views on the SAI's human resource policies and procedures.

3- Who should conduct focus groups?

An effective focus group facilitator should possess a combination of knowledge, skills and attitudes.

Knowledge: A facilitator needs to have a solid understanding of group interaction and dynamics. He should also be familiar with the topics to be covered by the focus group.

Skills: An effective facilitator is able to listen actively and use effective summary. He should know how to ask questions effectively, and to give effective feedback. A facilitator should have the ability to observe behaviour effectively. He should know how to focus group attention and crystallise thoughts and feelings and establish the focus of a discussion without actually dominating it. The facilitator should demonstrate a leadership style that is appropriate for the group. He should know how to stimulate the participant's interest and sustain it throughout the session.

Attitudes: One of the most significant personal attributes of a facilitator is the ability to feel empathy for other people. Another important quality in a facilitator is acceptance – allowing another person to be different, to have a different set of values and goals, to behave differently. A facilitator should be flexible, not dogmatic, opinionated, rigid, or authoritarian. An effective facilitator should be able

to deal with another person at that person's pace. A facilitator should be objective and must not take sides. He freely expresses ideas and opinions. The facilitator should have faith and trust in people and the overall process.

It is not appropriate for supervisors to facilitate groups with subordinates.

4- Who is the target audience of a focus group?

Focus groups are composed of people who are similar to each other and have something in common on some specified criteria of interest. The level of homogeneity of people involved should be determined by the purpose of the focus group. The purpose serves as the basis of invitation of participants.

Participants in a focus group may be, for example:

- Senior management of the SAI or those who participate in and have an influence on the decision-making process in the SAI, if the purpose of the focus group is to discuss the strategic orientation of the SAI.
- Auditors, if the goal is to discuss audit methodology and practices.
- Human resource section staff, if the aim is to identify needs relating to human resource management.
- Representatives of audited entities, if the objective is to identify ways for effective cooperation between auditors and audited entity.
- Parliamentarians, if the intention is to understand their expectations with regard to the SAI's performance.

Annexe 5-7 contains some examples of focus groups with various topics and various target audiences. The annexe also suggests the questions to be asked in each example.

The number of participants in a focus group can be as many as 30 in the event that focus group questions are discussed in sub-groups and then in plenary, but not more than about 12 participants if all discussions are conducted in plenary only.

5- When to conduct focus groups?

Focus groups can be used at any stage of the NA process, for example:

1. Focus Groups can be used before other tools, or in preparation for other tools, such as to assist in the development of surveys by identifying issues most relevant to potential respondents.
2. Focus Groups may be held after having gathered data and information using other tools, in order to optimise the results of the administered tools.

6- What are the steps in a focus group discussion?

Before the Actual Conduct of the Focus Group

1. The purpose of the focus group should be clearly defined: is it for identifying gaps in a specific domain, or in several domains at the same time? Is it for determining capacity building interventions for facing proven causes of needs?
2. Qualifications of participants should be specified as to level and experience: senior management, experienced auditors, and/or support staff?
3. Questions should be developed. Writing good questions is crucial. The facilitator should revise them until they are clear and succinct. He or she should use the following guidelines:

- Ask questions that encourage description and depth.
 - Use simple, clear language. Use language participants understand. Avoid asking questions that have several possible meanings or questions that are so long they are difficult to follow.
 - Avoid biased questions or questions that lead participants to answer in a particular way.
 - One concept per question. Questions addressing more than one concept may confuse participants, leading them to answer only one part of the question, or to answer neither part. The solution is to separate two ideas into two questions.
 - Consider level and capability of target participants.
 - List areas to probe to ensure a wide coverage of the topic.
4. Check up on the setting. The facilitator should insure that the setting is convenient, comfortable, and relaxing. Use of microphones may make participants feel like they are performing, so the setting should be kept informal, because people are more likely to open up if they feel at relaxed and at ease.

During the Actual Conduct of the Focus Group

Setting the environment

A key factor to successful group discussion is the creation of a feeling of trust and openness. This will provide the necessary security which is essential if participants are to contribute and discuss freely. The goal of the entire discussion group should be to create an environment in which all members feel they have a real opportunity to express their views freely.

The facilitator has much to do with creating the initial environment, but a mature group will quickly take on this responsibility itself.

The facilitator should begin the focus group session by welcoming the participants and then introducing him or herself. The focus group members should then be asked to introduce themselves or an icebreaking exercise should be used to get them involved. Topics that emphasise differences in status and that might threaten cohesion should clearly be avoided.

Setting expectations

Adults feel more comfortable when the process and the expected results of the meeting are clear to them from the beginning. Therefore, after setting the environment, the facilitator needs to:

- Convey to the participants the expectations in terms of what the Focus Group should produce.
- Discuss with the participants the purpose of the Focus Group.
- Agree with the participants on the agenda or process map of what will be covered.

Asking questions and getting responses

The major goal of the facilitation is to collect useful information to meet the goal or purpose of the Focus Group.

The facilitator should carefully word each question to be asked. He may use a video projector to show the question or write it on the flipchart.

He should allow sufficient time for reflection. The reflection could be done individually or in subgroups.

When the reflection time is over, the facilitator leads a discussion around the answers. If the participants worked on the answers in subgroups, each subgroup should appoint a representative to brief the rest of the group on the results of the subgroup discussion.

After each question is answered, the facilitator should carefully reflect back a summary of what has been said, ensuring this reflects the reality.

Encouraging full participation

All members of the group should be encouraged to express their ideas. Disagreements can provide a meaningful way of exploring issues.

Participants can be encouraged by the facilitator in a number of ways:

- by clearly asking for opinions, ideas and experiences;
- by outlining the topic, then leaving it with the group to resolve;
- by reflecting questions or comments back to other group members;
- by welcoming every contribution; and/or
- by using questions to seek opinion from uninvolved persons.

The facilitator should treat each person as an individual. He should allow participants to get into the discussion at their own speed and acknowledge participation, no matter how insignificant.

It is important that the facilitator also ensures that each contribution during the discussion is treated fairly. The facilitator might paraphrase a contribution in order to point out its importance and/or clarify its meaning to the group. Sometimes a comment might seem irrelevant or "off the subject," while the contributor sees it as important. The facilitator should ask the contributor to repeat the statement or to rephrase it to make sure its meaning is clear. He must not let ideas "flop" or be ignored. The facilitator might have to "rescue" comments that were made earlier but lost in the rapid flow of discussion. He should ensure that group members only speak one at a time.

If one or two participants are dominating the discussion, he should attempt to call on others. He may consider a round-table approach, including going in one direction around the table, giving each person a minute to answer the question. In most cases, the Facilitator should be able to "read and feel" the group pulse.

He should summarise at appropriate points during the discussion by reviewing with the Group what has been agreed upon and/or covered.

Keeping the group on track

A discussion can sometimes get side-tracked and the facilitator must constantly remind the group of this fact. In addition, one member can easily monopolise a discussion, while other group members lose interest and "drift off." The facilitator must be sensitive to all participants, and be careful to move slowly, keep on track, and give everyone an opportunity to get involved.

Closing the session

When all questions have been covered, the facilitator summarises the findings. He then closes off the focus group and thanks the participants.

Annexe 5-8 provides an example of detailed instructions to a facilitator on how to deliver an effective focus group for SAI management on strategic issues.

Immediately after the Conduct of the Focus Group

Focus groups generate large quantities of data. After the conduct of the focus group, conclusions should be made and a brief summary and analysis, highlighting major findings should be written. Annexe 5-1 can be used for that purpose.

The results should be disseminated and shared with the participants.

7- What are the strengths and limitations of a Focus Group?

Focus groups provide several advantages and limitations over other approaches used to assess needs.

Some strengths:

- The group thinking process in a focus group can enrich the ideas of individual participants and thereby substantially enrich the quality of discussions.
- Facilitators can interact directly with participants (allow clarification, follow-up questions, probing), and can gain information from non-verbal responses to supplement (or even contradict) verbal responses.

- Very flexible; can be used with wide range of topics, individuals, and settings.

Some limitations:

- It is often difficult to find time to bring everyone together.
- It may be resource intensive and requires financial and material resources (meeting room, ...)
- Small numbers and convenience sampling limit ability to generalise to larger populations.
- Facilitator may knowingly or unknowingly bias results by providing cues about what types of responses are desirable.
- Results may be biased by the presence of a very dominant or opinionated member; more reserved members may be hesitant to talk.
- Data analysis is often complex and time-consuming, since focus groups tend to provide large amounts of qualitative data.

5.5 PHYSICAL OBSERVATION

1- What is physical observation?

Physical observation is a site visit made by a team of observers who record what they see and hear on site, using a checklist sheet. Observation may be on physical surroundings or of ongoing activities, processes or discussions.

2- What is the purpose of a physical observation?

Physical observation is used to verify the existence and appraise sufficiency, adequacy and convenience of the SAI's infrastructure, technology and support services. It

may give an insight of the behaviour of the SAI's personnel for the particular processes or activities offered at that time and whether these are in compliance with official requirements. It may also provide an overview of the SAI's relationship with its stakeholders (Audited entities, Parliament, Executive ...)

Physical observation is a means to check document's existence, but not their quality.

Physical observation may be a validating method in order to have more confidence, accuracy, reliability and validity of the results of prior needs assessment tools used. Besides, it can raise other issues that should be fully probed through the use of other appropriate need assessment tools. Given its limitations, it is not recommended to use *physical observation* as a standalone tool for needs assessment.

3- Who should conduct physical observation?

It is advisable that *physical observation* be conducted by:

- At least two observers in order to maximise objectivity
- Observers who are not working at the observed site in order to allow an impartial/ external view point
- Observers who are relatively experienced on the observed subject. This would enhance their appraisals and make them more credible.

4- What can be observed?

Besides observing physical infrastructure such as premises, offices, facilities and utilities which permits an appraisal of work site conditions, people working on site may also be observed as means of assessing their interaction, interpersonal relationship and work climate as well as stakeholders relationship (audited entities,

parliament). Observers may observe either tangible infrastructure or interactions among audit team members, or even between auditors and stakeholders.

As such, it is recommendable that physical observation be conducted when the SAI's personnel are:

- Working within their own offices.
- In action in audited premises.
- Working with their stakeholders (the Parliament, for example).

5- When should a physical observation be conducted?

A *physical observation* can take place as a preliminary task before interviews and document reviews or as a validating tool in order to confirm the results of prior needs assessment tools.

6- What are the steps in a physical observation?

Physical observation involves three stages: planning, conducting, and concluding and documenting.

Planning a physical observation

Planning a *physical observation* must determine when, where, how will it be done, who is going to take part, and what financial and materials resources are required. The following are some suggested steps for effective planning of a physical observation:

- 1- To review the SAI's politics, standards and regulations about the physical surroundings or of ongoing activities, processes or discussions that are to be observed.

- 2- To select the observer(s), who are relatively experienced on the subject, but are not working at the observed site.
- 3- The observer(s) should prepare a checklist with regard to what they wish to observe. An example of a checklist of infrastructure for physical observation is provided in Annexe 5-9.
- 4- Before going on site, the observe(s) should inform the SAI and make an appointment

Conducting a physical observation

While conducting *physical observation*, observers should consider the main principles stated below:

- *Physical observation* should be conducted as informally as possible so as to avoid possible bias due to influenced behaviours.
- The observer should avoid drawing attention to him or herself by systematically taking notes or immediately reacting to abnormal situations and behaviours.
- The observation process should be as brief as possible in order to avoid any disturbance.

Concluding and documenting the physical observation

After observation, observers should individually complete the established checklist. Then the individual results must be compared and analysed. The observers may recommend the use of a supplementary need assessment tool to thoroughly appraise the weakest results and enquire about the necessity and the way to address them.

Their conclusions must be outlined in a suggested structure of the recording information (please refer to Annexe 5.1).

7- What are the strengths and limitations of a physical observation?

Some strengths:

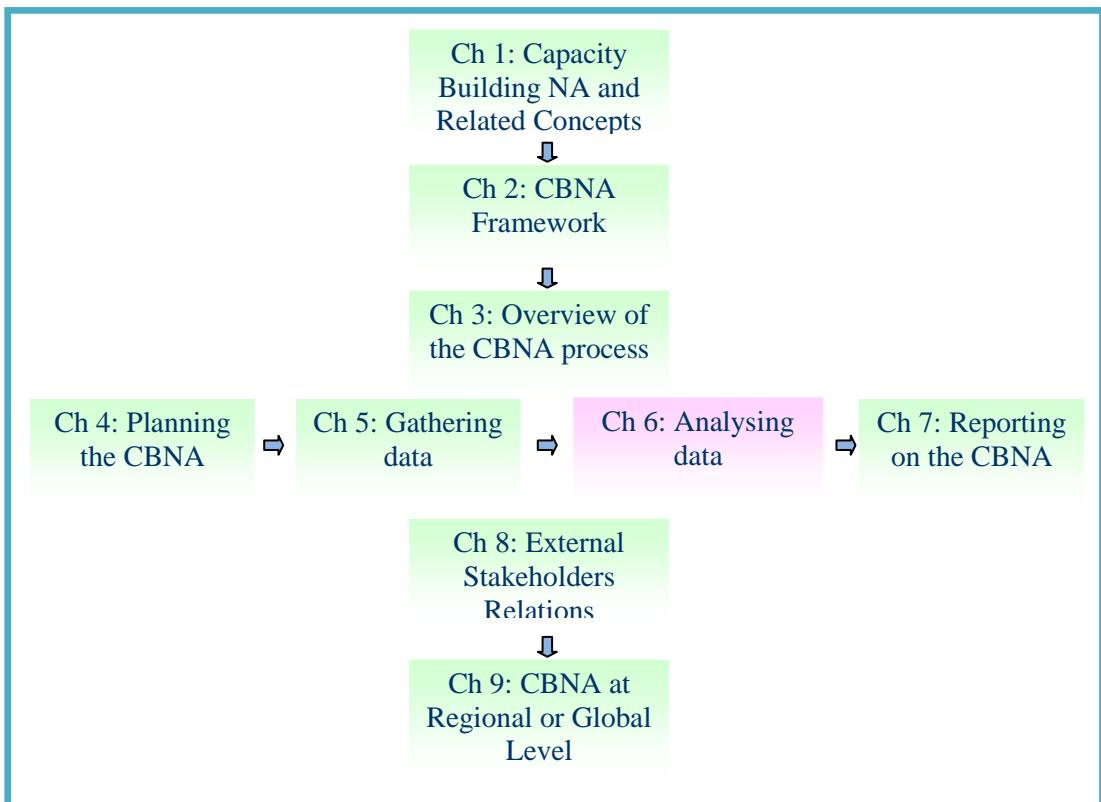
- it reveals real conditions of natural settings;
- it is a time saving tool that provides quick appraisal of the conditions/ things or people being observed; and
- it requires no technical and statistical expertise when analysing the results.

Some limitations:

- the use of the tool is not relevant for generalisation for a whole population;
- susceptible to observer bias; and
- the act of observing may affect behaviours and reduce the reliability of the results of the observation.

CHAPTER 6

ANALYSING DATA



INTRODUCTION

As mentioned earlier, conducting needs assessments involves two key types of activities – data gathering and data analysis. While the previous chapter dealt with various data gathering tools, this chapter considers different types of tools for analysing quantitative and qualitative data.

Data gathering and analysis are iterative processes that the CBNA team will use throughout the phase of conducting the CBNA. This phase comes to an end when the CBNA team has gathered sufficient information and conducted adequate analysis to be able to substantially identify the gaps (if any) in each domain, and their causes. While identifying causes, the CBNA team should be aware of the following issues:

Analysis should begin well before all information has been gathered

It is necessary to gather certain information before the analysis can commence. However, it is important that the NA team does not start analysis only after it has gathered all the information it had planned for. On the other hand, information gathering and analysis must keep alternating, so that after each round of information gathering, the team can assess what additional information needs to be gathered and what tool or tools should be used to gather it. This implies that the NA team has to periodically review the original action plan completed by the end of the planning phase, and make necessary changes. For example, the action plan may have provided for an interview with the head of the SAI's audit methodology division after the initial round of document review.

From review of audit manuals and audit files, the NA team may find that audit working papers did not clearly demonstrate compliance with audit procedures stated

in the audit manuals. At this stage, the NA team may decide to change its action plan and hold a focus group discussion with a small group of auditors before meeting the head of the audit methodology division. Such a focus group may help the NA team to understand the reasons why the auditors were not complying with the audit manuals. Such an understanding could enable a more effective discussion with the head of the methodology division.

Using the form at Annexe 5-1 will help the NA team to address the above issue. The form not only provides for recording summary information gathered using any particular data gathering tool, but also provides preliminary analysis of potential gaps and causes in each domain covered by the data gathering tool. This, in turn, leads to the last two columns of the form which is for recording additional information requirements and tools most appropriate for gathering the additional information.

Capacity building recommendations must be based on causal analysis

Information gathered must assist the NA team to determine gaps, if any, in each domain of the CBNA framework between desired conditions and actual conditions. Whenever the team identifies such gaps, it should look for the likely causes. Identifying the causal factors is critical, since capacity building recommendations of the NA team must be based on the identified causes.

If the recommendations are not based on the causal factors, then it is unlikely that the gaps will be addressed by the recommendations. For example, if a gap in the domain, 'Audit methodology and standards' is non compliant with international good practices in financial auditing, it is meaningless to recommend that the SAI should comply with such good practices. Rather the NA team should identify the cause(s) for the non compliance and base its recommendations on the cause(s). For

example, the cause could be non existence of adequate guidance materials for audit teams to apply good practices in financial auditing. In that case, it would be meaningful to recommend that the SAI take steps to develop guidance materials in financial auditing that are aligned to international good practices, and train the financial audit staff on how to use the guidance materials.

Causal factors may relate to inputs, processes or outputs of a domain

Gaps in a domain between desired and actual condition may arise due to inadequacies in *inputs, processes or outputs* that the domain requires to achieve the desired conditions. While assessing the causes for gaps, the NA team should, therefore, determine whether the causal factors relate to inadequacies in inputs or processes or outputs or a combination of those. For example, in respect of the domain ‘Audit methodology and standards’, a gap is determined to be that the SAI’s audit processes are not aligned with international good practices. The causes for this gap could be (a) the SAI does not have adequate number of competent auditors (an input issue), or (b) insufficient supervision of audit teams (process issue), or (c) audit manuals and guidance materials not aligned with good practices (output issue), or a combination of these.

Cause for gaps in a domain may lie in another domain

Some causes of a gap in a domain may lie in another domain. In the example cited above, while causal factor (c) lies in the domain itself, if the cause was (a), then it lies in the domain ‘Leadership and internal governance’, and if (b) then it lies in the domain ‘External stakeholder relations’.

Some causes for gaps may be similar across domains

For example, shortage of skilled staff may be the cause of gaps in more than one domain. Similarly, inadequate leadership skills of top and senior management of SAI may be a cause for gaps in several domains. As such, though the NA team will make its preliminary causal analysis at the level of each domain, at a later stage it should list all the causes across domain and cluster similar causes. It is that shorter list of causes that should then be used for formulating capacity building recommendations.

The rest of this chapter provides guidance on tools for analysing quantitative and qualitative data.

6.1 QUANTITATIVE DATA ANALYSIS

1- What is quantitative data analysis?

Quantitative data analysis is the process of organising, summarising and interpreting numerical data in order to reach conclusions. Quantitative data may be summarised and presented using various kinds of tables, charts, and graphs.

2- When is quantitative data analysis relevant?

It is a key tool for analysing information gathered, particularly through surveys. It can also be used for analysing quantitative information obtained through interviews and physical observation or any other tools that provide quantitative findings from qualitative information.

3- What are the steps in quantitative data analysis?

The following steps are recommended for analysis of quantitative data:

Step 1: Read

Go through all the categories of quantitative information gathered to create the spreadsheets to begin quantitative analysis.

Step 2 : Create a spreadsheet

Include in the spreadsheet all the items for which such data were gathered. The items could generally correspond to the questions in a survey or quantitative data gathered through other tools.

Step 3: Enter data gathered in the spreadsheet and calculate statistical measures

The data gathered must be summarised and included in the spreadsheet. In this step, the NA team must analyse the data using statistical measures. Some examples of common measures are discussed below. Figure 6.1 shows an example of such a tally sheet for analysing the quantitative data obtained from a survey questionnaire. Of course the NA team could create a similar tally sheet for quantitative data obtained through other data gathering tools like interviews and physical observation. The example shows the response choices for the item (such as completely, to a large extent, to a little extent, and not at all), the value of each response choice (for instance, 4 for completely), the frequency of each response (obtained by counting the actual responses), and the percentage of individuals who selected each response. This example is included below to demonstrate how to calculate frequencies and percentages.

Figure 6.1 *Examples of Frequency and Percentage Calculation for a Quantitative Question Showing All Responses*

Item	Response	Frequency	Percentage
Does the SAI follow audit standards?	4 Completely	10	9
	3 To a large extent	37	34
	2 To a little extent	48	44
	1 Not at all	15	13
Total		110	100

Frequency: This measure counts the number of times each response choice was selected. The frequency column in Figure 6.1 shows that the greatest number of persons (48) thought the SAI followed audit standards to a little extent, but only 10 persons thought the SAI followed the audit standards completely.

Percentages: The percentage is useful for comparing the categories of responses. To calculate the percentage for a response, one should divide its frequency by the total frequency. For example, the percentage for the response completely was calculated by dividing its frequency (10) by the total (110) and then rounding the number (9 percent).

In addition to reporting the frequencies and percentages for each category, it can also report a single value that provides information about what is typical for a question. This value is called a “measure of central tendency”. There are three different measures of central tendency: the mode, the median and the mean or average.

The mode: It is simply the most frequent response. In the example presented, the mode is “2 To a little extent”.

The median: This represents the point that divides the distribution into the top 50 percent and the bottom 50 percent. If again we take the example in figure 6.1 above and add the percentages from the bottom of the scale (44+13), we see that 50 percent would fall into the category of “To a little extent”. This is then the median.

The mean: It is the average for the question. The steps for calculating it are as follows:

1. For each response, one should multiply the response value by the number of respondents. The calculations for the responses in Figure 6.1 are as follows:

Completely	$10 \times 4 = 40$
To a large extent	$37 \times 3 = 111$
To a little extent	$48 \times 2 = 96$
Not at all	$15 \times 1 = 15$
Total	262

2. Add the product’s values (in this case $40 + 111 + 96 + 15 = 262$) and divide this total by the number of respondents (that is, $262/110 = 2.3818$). In the example in Figure 6.1, the mean or average is thus 2.38.

Likewise, it can indicate the degree of spread, or variation, in the data. These values are called a measure of variability. There are three different measures of variability: the range, the inter-quartile range and the standard deviation.

The standard deviation is the most representative, and could well be the most useful of the three for capacity building needs assessment.

The standard deviation measures how much an individual value varies from the mean. A low standard deviation means that the responses vary little from the mean; a high standard deviation means that the responses vary greatly from the mean. Software such as Microsoft Excel can be used to compute standard deviation.

Step 4: Interpret the data analysis results

Following up on the above example, the median, which measures the central tendency, indicates that the SAI was most likely not complying with audit standards because 50 percent of the respondents stated that the standards were followed either to a little extent or not at all.

Step 5: Document the preliminary conclusions from the data analysis and identify further data requirements.

6.2 QUALITATIVE DATA ANALYSIS

1- What is qualitative data analysis?

Qualitative data usually take the form of a statement in which respondents are asked to provide input in their own words; this type of data generally contains more in-depth information regarding respondents' reactions or feelings toward a particular subject and is very useful for obtaining feedback that is broader and has a greater degree of depth.

Qualitative data analysis is the process of organising and summarising large volumes of qualitative information in order to reach conclusions. Qualitative data analysis can also help in providing quantitative findings from qualitative information.

This chapter provides guidance for the analysis of qualitative information gathered by needs assessment teams using different information gathering tools.

2- When is qualitative data analysis relevant?

Qualitative information can add an extra dimension to quantitative data. Numbers alone often do not give the sufficient level of detail that is sometimes necessary for making value-based decisions or judgments. Most needs assessment professionals recommended a combination of both quantitative and qualitative data analysis, because of the advantages each possesses.

Qualitative data analysis is a key tool for analysing information gathered through interviews and focus groups. It can be also used for analysing qualitative information obtained through surveys or any other tools.

Analysis of qualitative data is essential in the preparation of an in-depth CBNA report.

3-What are the steps of qualitative data analysis?

The following steps are recommended for analysis of qualitative data:

Step 1: Read

Go through all the qualitative information gathered.

Step 2: Categorise

From the nature of the various items of information, identify broad categories or issues under which the different items of information can be allocated. With regard to capacity building needs assessment, the information may be categorised under the following issues:

- Actual situation relating to each domain
- Desired situation for each domain
- Potential causes for the gap between actual and desired situations
- Suggested strategies for addressing the gaps and its potential causes
- Likely challenges in implementing the strategies

Step 3: Combine

If two or more items of information under an element or domain convey more or less the same idea, you should combine them using appropriate wording. For example, suppose an interviewee suggested *‘Document the audit processes used by expert performance auditors’* as a strategy for improving performance audit processes in the SAI, another suggested *‘Prepare operational guidance on how to conduct performance audits’* while a third interviewee suggested *‘Formulate performance audit guidelines based on the INTOSAI’s performance audit implementation guidelines’*. These three suggestions can be combined as one strategy, *‘Develop a performance audit manual based on best practices’*.

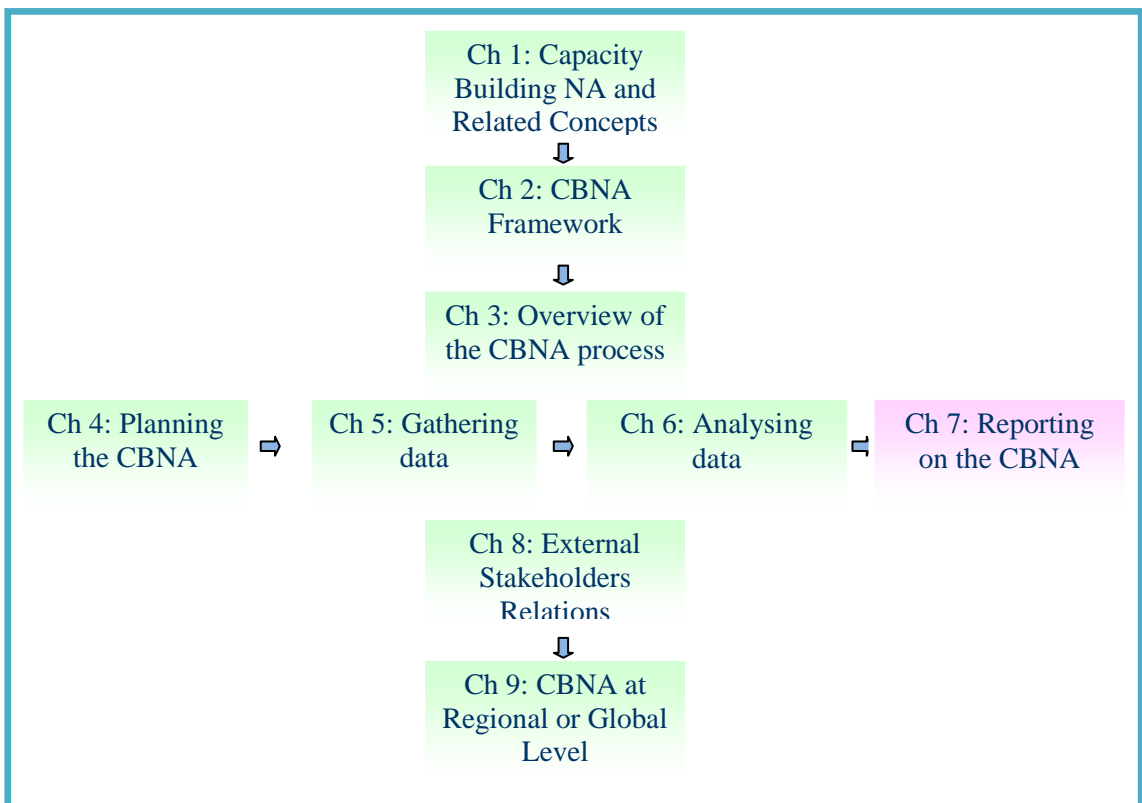
Step 4: Quantify

If the qualitative information you are analysing has been obtained from more than one person, determine the number of persons who provided each item. If appropriate, you may then calculate the percentage of the total number interviewed who offered that item of information. For example, suppose after combining similar items, you find that seven of ten interviewees suggested ‘*Development of performance audit manuals*’ as a strategy to address inadequacies in the ‘*Manuals and Guidance*’ element of the ‘*Audit Methodology and Standards*’ domain. Here, ‘seven’ is quantification and so is ‘seven of ten’. Then we can also say that 70% of the interviewees suggested this strategy. While quantifying, you may consider different weighting being given to information from different interviewees, depending, for example, on their experience and expertise in the subject of discussion.

Step 5-Document the findings and identify further course of action.

CHAPTER 7

REPORTING ON THE CAPACITY BUILDING NEEDS ASSESSMENT



INTRODUCTION

The CBNA report is the final stage of the capacity building needs assessment process. By the time the needs assessment team reaches this stage in the process it would have collected data on all the different domains in the SAI. The team would have analysed the data to articulate the actual situation on each domain, determine gaps between the actual situation and the desired state and identify causes for the gap. Based on all this information, the team would now be ready to write its report. The reporting stage involves the following steps

- Develop recommendations
- Write CBNA Report
- Obtain SAI approval and confirm way forward

7.1 DEVELOP RECOMMENDATIONS

At the analysis stage, the team would have identified gaps at the domain level and causes for these gaps. In this step, the team should look at the causes for gaps across domains for the entire SAI, and recommend strategies for reducing the gaps by addressing the causes. The following steps can be used to develop recommendations.

Step 1 – Consider the causes for gaps in each domain of the CBNA framework: In this step, simply list all the causes that have been identified across the domains.

Step 2 – Cluster causes for gaps across domains for the entire SAI: When the causes for all domains are listed, it will be seen that there are some recurring causes across domains. Also, it will be noted that some causes have greater strategic implications than others. Clustering causes across domains involve identifying major causes that have a strategic impact on the SAI. For example, causes such as lack of

freedom to recruit, transfer of employees, and inability to determine remuneration can all be clustered under one umbrella of lack of financial and organisational independence. It will also be noticed that causes can be broadly divided into two categories:

- Causes that are in the sphere of influence – This means that the SAI can only exercise influence in trying to address these causes. The solution is not under the control of the SAI. For example, lack of financial and organisational independence. The SAI can lobby for such independence and work towards it, but whether it achieves it or not is not in the complete control of the SAI.
- Causes that are in the sphere of control – These refer to causes that the SAI can directly address and that the SAI has more control over. For example, lack of training in certain areas is an issue that the SAI can take up and address directly.

All causes will have a bit of both influence and control – categorisation is a matter of which aspect is more dominant in cause. This categorisation also seeks to bring home the point that an SAI can always do something about its situation; there are no causes that the SAI can do nothing about. It may of course be more difficult to address certain causes – but they are still within the sphere of influence of the SAI and the SAI can do something about it.

Step 3 – Develop recommendations: After the CBNA team has identified causes that impact the SAI at a strategic level, it is time to develop recommendations. Such recommendations would seek to address the identified causes so as to close the gap between the desired state and the actual situation. In making recommendations, the

assessor needs to consider whether the causes are in the sphere of influence or control. Besides the nature of causes, the assessor can also consider the actual situation to look at opportunities and strengths that can be leveraged to address the causes for the gaps. For example, an assessor may find that the SAI lacks a QA system because it is too small to have an in-house QA function. The actual situation may reveal that the regional body has a QA mechanism. In such case, the assessor may recommend that the SAI take advantage of the regional mechanism to have a QA function.

In giving recommendations, the CBNA team must ensure that the recommendations made are realistic and feasible for the SAI to implement. Recommendations can also include a few quick wins that will boost the confidence of the SAI. The recommendations can be at a broad strategic level based on which the SAI management can draw up a detailed strategy.

7.2 WRITE CBNA REPORT

Most of the content of the CBNA report would be available with the team at this stage of the CBNA process. The process of writing a CBNA report involves putting together the contents developed in the previous stages in a structure and format agreed to by the team during the planning stage. A suggested structure for the CBNA report is shown in the box below.

- A list of acronyms (generally included at the end of such a report) is very useful, especially if the report contains a number of them.
- The executive summary contains the main highlights of the report. It should be possible to look at the executive summary and get a brief snapshot of the contents of the report.

- The introduction briefly describes why the needs assessment was taken up, who the people were who conducted the needs assessment, and what are the future plans with the results of the needs assessment.
- The chapter on the SAI profile explains the history, the current structure and position of the SAI in the larger accountability mechanism.
- The approach and methodology chapter explains the approach that the team has taken to conducting the needs assessment, the framework that the team has chosen, and the methodology that the team has adopted to gather information and to analyse information.
- The chapter on domain-wise gaps and factors contributing to gaps is structured as follows:

- List of Acronyms
- Executive Summary
- Introduction
- SAI profile
- Approach and Methodology
- Domainwise Gaps and Causes
- Capacity Building Recommendations
- Annexes

Domain 1

- Desired state for Domain 1
- Actual Situation on Domain 1
- Gaps in Domain 1
- Causes for gaps in Domain 1

The same structure will be followed for the other six domains of the capacity building needs assessment framework. The desired state on each domain is the desired outcome of that domain. Please refer to Annexe 2-1 of this guidance to see the desired state for each domain. The actual situation should be recorded *vis a vis* the desired state. That is to say, the

actual situation must give information on the reality at the output and outcome level and not at the input or process level in that domain. The gap on the domain would then be the gap between the actual situation and the desired state. The causes for the gap would explain why the gap exists. The needs assessor would have done this analysis at the previous stage of the CBNA process. The assessor just needs to place the outputs from the data analysis stage in the given format of this chapter.

- In the previous step of the reporting phase, the SAI would have clustered the causes for gaps across domains and arrived at SAI wide causes for the gaps. The team would have developed recommendations based on the SAI wide causes for the gaps. The clustered causes of gaps and the recommendations developed should be suitably incorporated in this chapter.
- Generally, some of the working papers and supporting documents from the needs assessment are put in as annexes to the CBNA report. These annexes should provide detail and substantiate the contents of the report. They must give the reader some assurance that the findings in the report are based on validated data collected after following due process. For example, results of survey, record of interviews and focus group, list of documents reviewed, organisational structure of the SAI etc can be put in the annexe to the report.

The CBNA report needs to be written with the readers in mind. Using simple easily understandable language and avoiding jargon is clearly a good idea. The report should provide readers sufficient information about the needs of the SAI, and at the same time too much detail should be avoided. If the needs assessment team finds

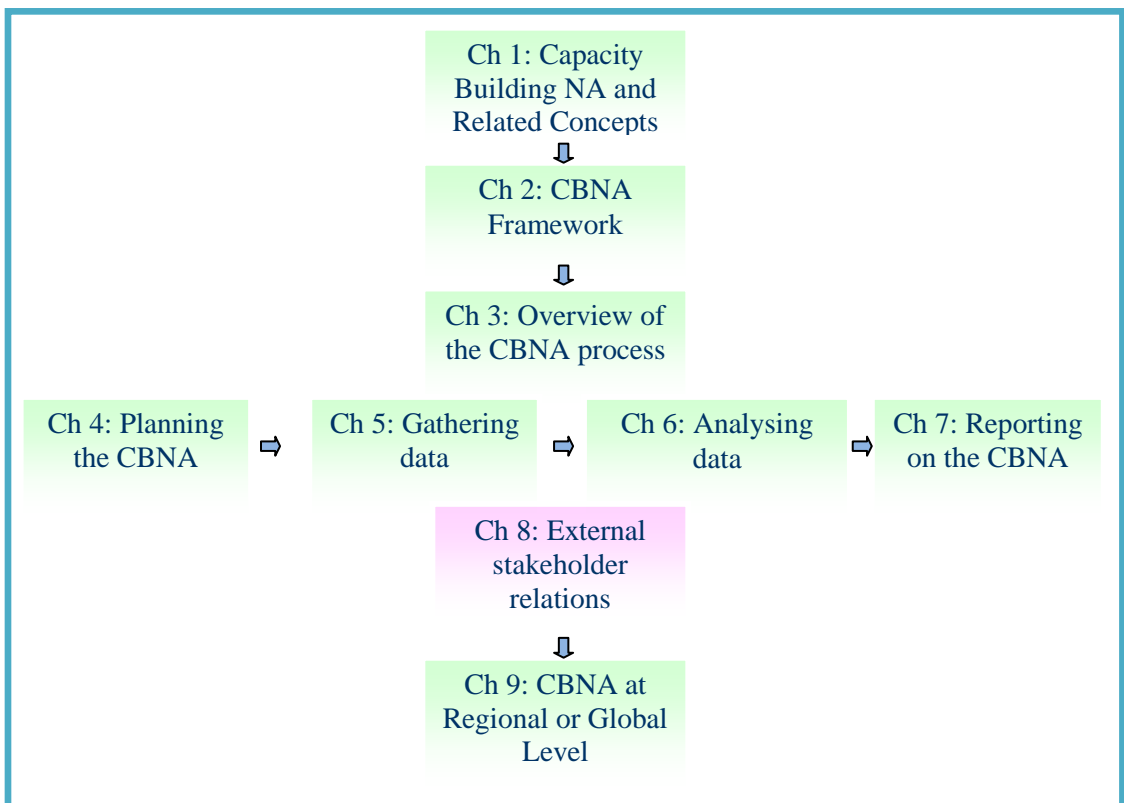
that it does not have the necessary writing skills within the team, it can consider asking for someone else within the SAI or an external person to help with writing the report. When the draft report is ready, it should also be proofread.

7.3 OBTAIN SAI APPROVAL AND WAY FORWARD

When the team has finalised the CBNA report they should discuss the report with the Head of the SAI and SAI management. This is useful in giving the management a complete understanding of the contents of the report and the recommendations made by the team. The Head of the SAI then needs to formally approve the report and decide on the way forward in terms of circulation of the report and action to be taken on the recommendations given in the report. It is recommended that the CBNA report be widely circulated in the SAI, especially to the heads of the operating units. As needs assessment is only the first step in building capacity, the SAI management needs to outline a way forward in terms of taking the other steps to develop SAI capacity.

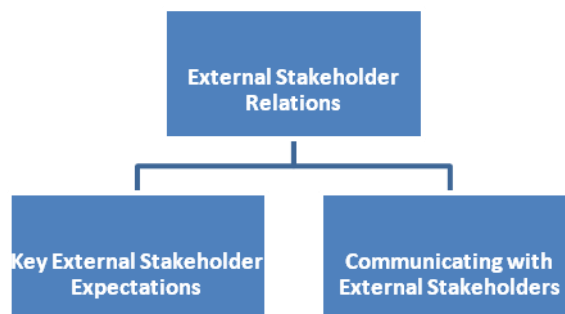
CHAPTER 8

EXTERNAL STAKEHOLDER RELATIONS



INTRODUCTION

The SAI should sustain effective working relationships and communication with external stakeholders to ensure sufficient impact of its audit reports and other products and services. It also needs inputs from external stakeholders regarding improving the quality of its work processes and products. The overall effectiveness of the SAI in promoting greater accountability, economy, efficiency and effectiveness in the functioning of public sector entities depends critically on the relationships the SAI establishes and maintains with external stakeholders. As mentioned in chapter 2, the following two aspects of external stakeholder relations should be considered during the needs assessment:



8.1 WHO ARE THE SAI'S KEY EXTERNAL STAKEHOLDERS?

SAI's stakeholders may be divided into two categories: (i) those that primarily provide inputs for improving the quality of the SAI's work processes and products, and (ii) those that primarily use the SAI's products and services. The first category includes donors and peers (including other SAIs), while the second includes legislative bodies, audited entities, media and academic institutions, among others. In order to effectively manage its stakeholder relations, an SAI needs to first

identify (i) what expectations it has from its key stakeholders, and (ii) what expectations the stakeholders have from the SAI. The SAI's expectation from those stakeholders that primarily provide inputs would be different from the expectations it has from those stakeholders that primarily use the SAI's products and services. Based on such understanding, the SAI should implement strategies for managing the expectations.

8.2 WHY SHOULD INFORMATION BE OBTAINED FROM THE EXTERNAL STAKEHOLDERS?

By gathering information directly from the stakeholders, the needs assessment team will get an opportunity to:

- a) identify the external stakeholders' expectations from the SAI, and the extent to which those have been met;
- b) identify the SAI's expectations from its stakeholders, and to what degree those have been fulfilled;
- c) assess the perception of those stakeholders regarding the SAIs' effectiveness; and
- d) determine whether the communication between the SAI and those stakeholders is helping to strengthen the SAI's relationship in a way that enhances the quality and impact of the SAIs' work.

Information on the above issues will, in turn, enable the needs assessment team to determine gaps, if any, in the SAI's relationship with its key external stakeholders, causes for the gaps and possible initiatives to address the causal factors.

8.3 WHAT INFORMATION IS REQUIRED FROM THE STAKEHOLDERS?

The following kinds of information from external stakeholders would be useful to the needs assessment team:

- What are the expectations of each external stakeholder from the SAI? To what extent have their expectations been met by the SAI?
- What are the SAI's expectations from each of the key external stakeholders? To what extent has its expectations been met by the stakeholders?
- What could be the reasons why some expectations have not been adequately met?
- What could be done to enable the SAI to better manage expectations?
- What is the perception of the external stakeholders regarding the effectiveness of the SAI?
- What are the reasons for their perception?
- What are the channels of communications the SAI uses to communicate with its external stakeholders? (The external stakeholders may mention channels different from that which the SAI informed the needs assessment team)
- What are the views of the stakeholders regarding the effectiveness of those channels of communication?
- What would they like to suggest for further strengthening the communications with the SAI?

8.4 WHO SHOULD OBTAIN THE INFORMATION?

The skills required to obtain information from external stakeholders are not any different from the skills required for obtaining information from internal stakeholders. These would include the following:

- Interpersonal skills
- Communication skills
- Meeting facilitation skills
- Ability to remain neutral even if tempted to take a position in response to any comment of the interviewee
- Analytical and synthesising skills
- A good understanding of the role of the SAI in the broader political context.

If a combination of tools is used to gather information from these stakeholders, it is recommended that for each tool, the lead is taken by a member of the needs assessment team who is relatively more skilled in the use of that tool. The position of at least the CBNA team leader should be appropriate for the level of the external stakeholder from whom information will be gathered. For example, if the team plans to meet the Minister of Finance of the country, it may be appropriate if the SAI representative is the Auditor General or a Deputy Auditor General. On the other hand, if the external stakeholder representative is an operational line manager, then it may be more appropriate if his/her operational counterpart in the SAI is included in the needs assessment team. These decisions would also be influenced by the formal protocols and culture in the particular country. It may, therefore, be best to follow the advice of the top management of the SAI.

8.5 WHEN SHOULD THE INFORMATION BE OBTAINED?

It is advisable to meet the external stakeholders after obtaining a good understanding of the SAI and its perspectives on its relations with the external stakeholders. Moreover, it is important that decisions regarding meeting with the SAI's external stakeholders, which of the stakeholders to meet, the timing of the meeting, and the information gathering tools to be used are taken after close consultations with the Head of the SAI, and after having obtained his or her consent.

8.6 HOW SHOULD THE INFORMATION BE OBTAINED?

Some of the approaches that could be adopted to gather such information include the following:

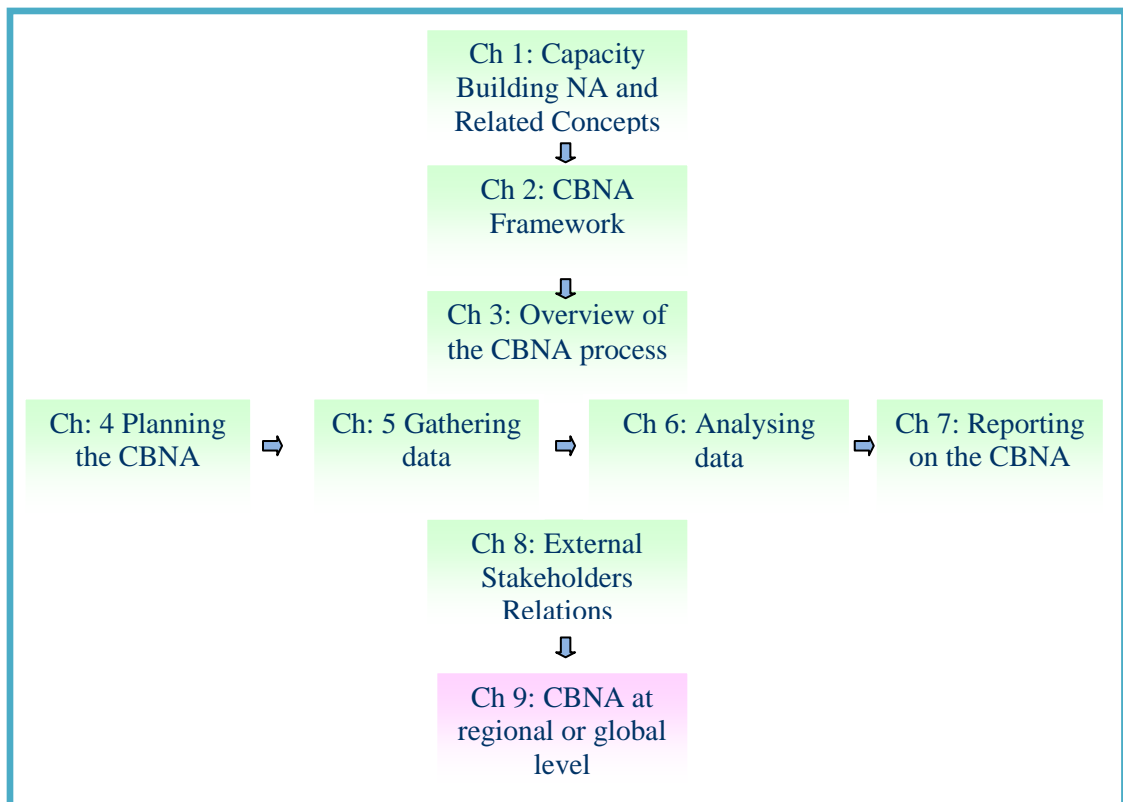
- Meet representatives of each external stakeholder separately
- Meet representatives of different external stakeholders together, for instance, in a focus group
- Invite them to join focus groups involving internal stakeholders of the SAI
- Survey the external stakeholders without meeting them face-to-face
- Review relevant documents belonging to the external stakeholders that are related to the work of the SAI
- Physically observe interaction of SAI representatives with external stakeholders in different situations, e.g., during audits when audit teams interact with auditees, meetings of Public Accounts Committee to discuss SAI's reports.

As evident from above, all the tools relevant for gathering information from the internal stakeholders of the SAI can be used for getting information from the external stakeholders. The criteria for selection of tools would be the same as for selecting tools for gathering information from internal stakeholders, such as nature of information to be gathered (e.g., qualitative or quantitative, confidential or unclassified, specialist or general), availability of the identified external stakeholder representatives, time and other resources of the needs assessment team.

The head of the SAI should be updated regularly on the meetings with the stakeholders and information gathered from them, to ensure that he or she is not taken by surprise at any point. It is recommended that the needs assessment team leader reaches an agreement with the head of the SAI on the process that should be followed in this regard.

CHAPTER 9

CAPACITY BUILDING NEEDS ASSESSMENT AT REGIONAL OR GLOBAL LEVEL



As well as individual SAIs in the INTOSAI community, the INTOSAI regions and other INTOSAI bodies such as the IDI, INTOSAI Capacity Building Committee (CBC) and INTOSAI working groups may also take up capacity building needs assessment. The question then is – will the process and practices recommended in this guidance be relevant for needs assessment conducted by these bodies?

Although written mainly for SAIs, this CBNA guidance is also relevant for INTOSAI bodies working at the regional and global level. The CBNA process of planning, conducting and reporting apply equally at the regional and the global level. What would be slightly different is the purpose of the CBNA and consequently some of the steps followed in the three stages of the CBNA process. Some of the tools and their usage would also have to be adapted for use at regional and global level.

The purpose of conducting CBNA at regional level or global level could be to determine capacity building needs interventions to be delivered in the region, to develop a regional strategic plan, to cluster SAIs as per needs, or all these reasons. For example, the IDI conducted a needs assessment in collaboration with CAROSAI to determine areas of capacity building interventions and cluster SAIs as per their needs.

While conducting CBNA at regional level, it would not be sufficient to focus on the needs of the member SAIs alone. One also needs to consider the needs of the region as a whole. For example, in some INTOSAI regions the secretariat may have a need to be strengthened in terms of resources, structure and processes to be able to deliver capacity building interventions to the SAIs in the region. The regional body may need to engage in suitable advocacy related activities to raise the profile

of the SAIs in the region. There may be gaps in the knowledge sharing mechanism at the regional level. At the regional and global level it would also be necessary to ascertain the support that the member SAIs may be receiving from other donors and institutions. These are some of the additional considerations to be considered while conducting CBNA at regional or global level.

The regional and global assessments can practically be done by people from the regional and global bodies. However, it would add considerable value if the assessments can be conducted by pulling together a team from SAIs in the regions. This would enhance the capacity of the regional representatives to conduct needs assessments and ensure greater ownership in the process.

While it would be relatively easy to use different tools such as interviews, document review, focus group, observation etc at the SAI level – using these tools at a regional level has tremendous cost implications. It may not be feasible for CBNA teams to carry out onsite assessments in the SAIs. As such, more often than not one would find that surveys are the main tool used to collect information from different countries in the region. Depending on resources in some regions, this tool can be supplemented by a regional focus group. Regional needs assessors may consider using regional meetings like annual meetings, governing board meetings, and workshops to collect information from different SAIs in the region. Conducting telephone interviews or video conferencing is also an option that could be explored.

In conducting needs assessment at regional or global level, it is important to get the SAIs to nominate a contact person with whom the needs assessment team can liaise. This is very useful in getting timely responses from the SAIs. It would be a good idea to also cover external stakeholders of the region including donors and

other institutions working in the region. For example, in the needs assessment focus group conducted by IDI-CAROSAI, representatives from World Bank, CCAF and CIDA were also invited.

In analysing data collected from different SAIs, the needs assessor at the regional level would focus on clustering SAIs as per their needs. Forming sub regional clusters based on needs would enable the regional body to focus on specific needs of more than one SAI in the region. It would rarely be the case that an SAI in a region has needs that do not match the needs of any other SAI in the region.

As there may be some degree of sensitivity related to making SAI information available, it is a good idea for the regional secretariat to consult with the member SAIs before making the needs assessment report available to external bodies. If the assessment is being conducted by an INTOSAI body, it would be a good idea to consult with the regional secretariats which can then consult with their membership.

CONCLUSION

The expected output of a CBNA is a report that identifies areas of capacity building in an SAI and perhaps makes some recommendations on how the SAI can address its capacity building needs. However, publishing a report is not, by itself, an adequate measure of success of a CBNA process. Unless the report leads to positive changes in the capacity of an SAI, it will not be worth much more than the paper it is printed on. While the CBNA team cannot be held responsible for the translation of its findings and recommendations into longer term results for the respective SAI, it can contribute to the process by considering the following critical success factors.

Obtain top management support: The CBNA team should go ahead with a CBNA only after it has obtained support of the SAI's top management. Once the top management is on board, the team should keep them periodically updated on progress. If necessary, the CBNA team should consider engaging an influential sponsor to be a bridge between the CBNA team leader the SAI top management.

Ensure broad-based engagement: The CBNA team should gather the views and opinions from different levels of staff across the SAI. Besides enhancing its credibility, this strategy will also inspire greater ownership of the report by those who will ultimately be responsible for implementing measures for addressing the gaps highlighted in the CBNA report.

Prioritise recommendations: Instead of making numerous recommendations, it might be more effective to prioritise them and focus on those that are likely to have the maximum impact.

Link CBNA report to strategic plan: Ideally, the output of a CBNA process should become the input into the SAI's strategic plan. The strategic plan will, then, become

the driver for addressing the issues raised in the CBNA report. If a strategic plan already exists at the time of publishing the CBNA report, then the CBNA team may recommend that the strategic plan be reviewed in the light of its findings and recommendations. In such a case, the revised strategic plan will become the springboard for action on the CBNA report. More details on the link between needs assessment and strategic planning can be found in the IDI's handbook on strategic planning for SAIs published in 2009.

This guide in its previous draft version was used by CBNA teams in various SAIs across INTOSAI regions. This version incorporates the valuable lessons learned in those pilot engagements and will, therefore, hopefully be even more useful for future CBNA efforts. However, the learning process will not end with this version. As with any other guidance document, this is a living document that will grow through lessons learned in future.

ANNEXES

ANNEXE 2-1

DESIRED CONDITIONS AND PERFORMANCE INDICATOR QUESTIONS

Element of Framework	Desired Condition	Performance indicator questions
Independence and Legal Framework	The SAI is governed by a legal framework that guarantees its independence and mandate as laid down in the ISSAI 1 ‘INTOSAI’s Lima Declaration on Auditing Precepts’, ISSAI 10 ‘Mexico Declaration on SAI Independence’ and ISSAI 11 ‘INTOSAI Guidance and Good Practices Related to SAI Independence’.	To what extent does the SAI’s independence and mandate reflect the eight principles outlined in ISSAI 11 ‘Mexico Declaration on SAI independence’?
Human Resources	The SAI should have an adequate number of competent and motivated staff to discharge its functions effectively (ISSAI 200 Paragraph 1.3 and 1.5).	Does the SAI have adequate staff? Does the staff possess the required competence? Is the staff motivated to work for the SAI?
Audit Methodology and Standards	The SAI’s audit processes should be based on the INTOSAI Auditing Standards and other international good practices (e.g. International Standards on Auditing) to the extent applicable to the national rules and regulations (ISSAI 100 Paragraph 6(a), ISSAI 200 Paragraph 1.13).	Has the SAI adopted auditing standards? Are the standards aligned to good practice? Are the SAI’s audit processes guided by audit manuals? Are the audit manuals aligned with approved auditing standards?
Leadership and Internal Governance	The top management of the SAI should ensure that the SAI’s decision making and control mechanism functions economically, efficiently, and effectively, and thereby serves as a model organisation in promoting good governance (ISSAI 100 Paragraph 6(c)).	Does the SAI function effectively? Does it function efficiently? Does it function economically?
Administrative Support	The SAI should optimally manage its financial resources to ensure delivery of required support services, assets, and technology that sustain key processes.	Are the SAI’s auditing departments getting adequate administrative support to carry out their functions effectively?

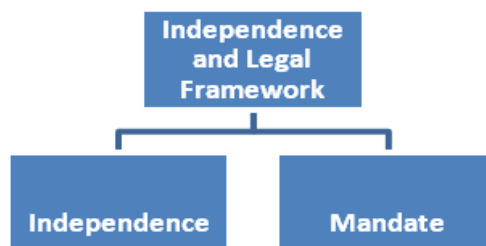
Element of Framework	Desired Condition	Performance indicator questions
External Stakeholder Relations	The SAI should establish and sustain effective working relationships and communication with key external stakeholders to ensure higher impact of the SAI's audit reports and services.	Are the SAI's relations with external stakeholders enabling it to generate the desired impact?
Results	The SAI should deliver audit reports and services as per its mandate and in a timely manner that promote accountability and transparency in the public sector and better management of public resources.	Is the SAI delivering the products and services required as per its legal mandate? Are the SAI's products and services generating the desired impact on public sector accountability and transparency?

ANNEXE 2-2

DETAILED DESCRIPTION OF THE ELEMENTS UNDER EACH DOMAIN

Domain: Independence and Legal Framework

This domain has two elements as shown below.



Independence

A fundamental principle of auditing is to provide an independent opinion on the performance of the audited entities and its compliance to laws, rules and regulations. Consequently, the first International Standard for Supreme Audit Institution (ISSAI 1) issued by INTOSAI, namely, '*Lima Declaration on Auditing Precepts*' underscores that Supreme Audit Institutions can accomplish their tasks objectively and effectively only if they are independent of the audited entity, and are protected against outside influence. The issue of SAI independence was subsequently further elaborated in ISSAI 10 '*Mexico Declaration on SAI Independence*' and ISSAI 11 '*Guidance on Good Practices related to SAI Independence*'. These standards highlight the following dimension of independence and mandate of SAIs that need to be in place:

Independence of Supreme Audit Institutions: Although state institutions cannot be absolutely independent because they are part of the state as a whole, SAIs should have both the functional and organisational independence required to accomplish their tasks. The SAI should be free to determine the nature of its organisational structure and functional processes without outside interference. Ideally, the establishment of SAIs and the necessary degree of their independence should be laid down in the relevant Constitution. The details, however, may be set out in legislation such as in a separate Audit Law. The Lima Declaration recommends that adequate legal protection by a supreme court against any interference with an SAI's independence and audit mandate should be guaranteed.

Independence of the Head of the SAI and officials of Supreme Audit Institutions: The independence of Supreme Audit Institutions is inseparably linked to the independence of its head and the staff working within it. The Lima Declaration recommends that the independence of the head should be guaranteed by the Constitution. In particular, the procedures for the removal of a head of an SAI from office should be embodied in the Constitution in a manner that may not impair the independence of the head of the SAI. In their professional careers, audit staff of Supreme Audit Institutions must not be influenced by the audited organisations, and must not be dependent on such organisations.

Financial independence of Supreme Audit Institutions: SAIs should be provided with the financial means to enable them to accomplish their tasks effectively. If required, SAIs should be entitled to apply directly for the necessary financial means to the public body deciding on the national budget, for example, the Parliament, instead of depending on the ministry of finance that is one of the audited entities of an SAI. In addition, SAIs should be entitled to use and re-allocate the funds allotted to them under a separate budget heading in ways that they consider to be appropriate.

Mandate

The mandate of the SAI should be clearly defined in the constitution and/or in separate audit legislation. The mandate of an SAI should ideally meet the following requirements recommended in the Mexico Declaration on SAI Independence:

A sufficiently broad mandate: SAIs should be empowered to audit the use of public monies, collection of public revenues, legality and regularity of account of public entities, quality of financial management and reporting, and the economy, efficiency and effectiveness of the operations of government and other public entities. SAIs should be free from interference from the Legislature and Executive in the selection of audit issues, planning, conducting, reporting and follow up of their audits, and organisation and management of their office.

Unrestricted access to information: SAIs should have powers to obtain timely and free access to all the documents and information necessary for the proper discharge of their functions.

Right and obligation to report on their work: SAIs should not be restricted from reporting the results of their audit work, and should be required by law to report such results at least once a year.

The freedom to decide on the contents and timing of audit reports, and the freedom to disseminate such reports once they have been tabled, or delivered to the appropriate authority.

Effective mechanisms should exist for the follow up on SAI recommendations.

Domain: Human Resource

The various element of this domain are shown in the following diagram:



The above structure is explained below:

Recruitment

The INTOSAI Auditing Standards relating to recruitment state that:

The SAIs should adopt policies and procedures to recruit personnel with suitable qualifications. SAI personnel should possess relevant academic qualifications and be equipped with appropriate training and experience. The SAI should establish, and regularly review, minimum educational requirements for the appointment of auditors (ISSAI 200 Paragraphs 1.3 and 1.4).

The following factors should be considered by the SAI to determine standards of qualification and competence of the staff members:

- Develop competency requirements for different functions and levels.
- Recruit multidisciplinary personnel with suitable qualifications and experience that match competency requirements.
- Supplement internal human resource and skills by seeking outside expertise from qualified specialists, consultants and technical experts, professional associations and other organisations as needed.

- SAIs should ensure that the specialists and experts employed are qualified and have competence in their areas of specialisation and should document such assurance.
- Outsourcing: Audits may also be contracted out to private firms, to undertake audits on behalf of the SAI or to participate in joint audits with the SAI's staff. However, the SAI remains responsible for the quality of the products and should, therefore, ensure strict quality control over the outputs delivered by such external parties.

Retention

Salaries and allowances, personnel welfare and benefits for SAI employees are often covered under the public service regulations in many countries, and so it may not always be possible for SAIs to provide attractive salaries to retain qualified staff. Therefore, it becomes even more important that SAI management ensures that the working conditions are sufficiently attractive to retain the services of experienced personnel. At the same time, to the extent possible, SAIs may work towards a separate salary structure for its personnel. In cases where the SAI requires expert staff who cannot be recruited on the basis of conditions within the civil service, special arrangements should be concluded with them, placing them outside the regular wage scales.

Staff Development

The term 'staff' here includes people at all levels within an SAI from the members of the SAI top management to those at the lower levels of the organisational hierarchy. Staff development is a concept which goes beyond just training of individuals. It is the process of managing the professional life, learning and work

over the lifespan of an individual. Staff development incorporates providing for career development priorities of the employees. To ensure proper career development the SAIs should specifically:

- manage the careers of their staff within and between SAIs;
- structure the career progress of their staff; and
- manage succession planning, particularly with higher decision-making positions.

Staff development also needs to identify staff learning needs and provide for appropriate learning opportunities through which employees acquire knowledge and skills needed to accomplish their assigned tasks. INTOSAI auditing standards (ISSAI 200 Paragraph 1.5) state, *“The SAI should adopt policies and procedures to develop and train SAI employees to enable them to perform their task effectively and to define the basis for the advancement of auditors and other staff. The SAI should take adequate steps to provide for continuing professional development of its personnel, including, as appropriate, provision of in-house training and encouragement of attendance at external courses. The SAI should maintain an inventory of skills of personnel to assist in the planning of audits as well as to identify professional development needs. The SAI should establish and regularly review criteria, including educational requirements, for the advancement of auditors and other staff of the SAI. The SAI should also establish and maintain policies and procedures for the professional development of audit staff regarding the audit techniques and methodologies applicable to the range of audits it undertakes.”*

Welfare

The SAI should take effective steps to create a motivating working environment that takes care of the psychological and physical welfare of its staff. Measures should include health care programmes, social, recreational and sporting facilities,

fitness programmes, housing and counselling services. Some welfare measures could be gender-specific, such as flexible work timing for female staff who are nursing mothers, or who have children to look after.

Performance Management

A performance management system should be developed to provide timely and constructive feedback to employees on their performance. The objective of performance management is to maximise the individual potential of the staff members and thereby, promote organisational performance. Two key aspects of the competency-based performance system are performance feedback and appraisal. While appraisals also include performance feedback, it is generally a more formal process conducted once or twice a year. Performance feedback on the other hand is a more informal, day-to-day process of the supervisor or manager offering relevant feedback to the staff members on their day-to-day performance.

Appraisal is an assessment of individual staff performance. The SAI should establish and publish performance standards for each core competency. Periodically, supervisors and managers should prepare and deliver performance appraisals by honestly, accurately and consistently applying the competency-based standards.

The senior management of the SAI should set the overall policy on performance management and monitor its implementation *vis a vis* the appraisal standards and policies. The system should provide the SAI management with the information to recognise and reward high performers, as well as information needed to deal with inadequate performance.

The performance management system should also enable SAI employees to discuss performance requirements with their supervisors, to become familiar with the critical elements and performance standards that apply to them, prepare self-assessments and seek feedback from the supervisors, when appropriate.

Domain: Audit Methodology and Standards

The elements of this domain are shown below.



Standards

Auditing standards constitute the criteria or yardstick against which the quality of audit results is to be evaluated. The auditing standards governing the conduct of an audit determine what the auditor should do. The fact that an audit has been conducted in accordance with certain standards gives necessary reassurance to people making use of the accounts. The objectives of the particular type of work or the particular assignment should dictate the specific standards that are followed. Each SAI should develop or adopt appropriate standards, which are preferably in compliance with national and INTOSAI standards. ISSAI 100, paragraph 6(a) states, “*The SAI should consider compliance with the INTOSAI auditing standards in all matters that are deemed material. Certain standards may not be applicable to some of the work done by SAIs, including those organised as Courts of Account, nor to the non-audit work*”

conducted by the SAI. The SAI should determine the applicable standards for such work to ensure that it is of consistently high quality”

The SAI’s policy should require all staff to comply with those standards relevant to the specific nature of their responsibilities. INTOSAI Auditing Standards (ISSAI 200 Paragraph 1.35) states that: *“The SAI should ensure that applicable standards are followed on both pre-audits and post-audits and that deviation from the standards which are determined to be appropriate are documented.”*

In addition to auditing standards, SAIs are also expected to comply with standards of ethics that determine the conduct of its staff. This is discussed separately later in this chapter under the section ‘Internal governance’.

Manuals and other guidance

INTOSAI standard ISSAI 200, paragraph 1.2(c) states that SAIs should *“prepare manuals and other written guidance and instructions concerning the conduct of audits”*. The audit methodology should be supported by work processes documented in manuals and other guidance that assist the staff to effectively perform their duties. These manuals and guidance should, of course, be aligned to the auditing standards adopted by the SAI. SAIs should have in place detailed manuals and guidelines for two clear streams of audit –performance audit and regularity audit (financial and compliance) – to help guide the audit teams in carrying out audits.

Tools

Tools provide step-by-step instructions for performing different tasks. Examples include risk assessment forms, audit sample size calculations tables, and IT applications for electronic documentation of audit working papers. In situations

where audited entities' records are computerised, audit staff may have to use computer assisted auditing tools (CAATs), or the embedded audit modules in the audit entity's IT systems, for gathering and analysing evidence.

It is not enough that the above guidance and tools exists in the SAI. It is critical that the staff members are aware of, and have access to them, and have the capacity to use them as intended. Therefore, the SAI management should implement knowledge sharing practices to facilitate not only greater awareness of the available guidance but also how to make the best use of them. In addition, the SAI should have systems in place to ensure that the manuals and tools are being complied with (e.g., through internal audits or quality assurance systems).

Quality Assurance

While the SAI management should put in place system of quality controls, it is important to arrange for independent assurance that the quality controls are in fact being complied with. This is where quality assurance comes in. It is the responsibility of the quality assurance function to provide an independent, objective report to SAI top management on the adequacy of quality controls in different functions of the organisation, the extent of compliance to the controls, and recommendations for improvements. This should be done at regular intervals to be decided by the SAI top management. It can also be useful to conduct SAI level quality assurance reviews at the beginning of each strategic planning cycle of the SAI. That could provide information on gaps in the SAI's performance which, in turn, could be useful input to the development of the SAI's strategic plan.

Leadership and Internal Governance

The different elements of this domain are shown in the following diagram.

Figure 4: Leadership and Internal Governance:



Strategic Planning

Organisations that consistently perform at high levels are generally those that are result-oriented and that demonstrate a clear idea of their long-term intent. This is where strategic planning can play a pivotal role in ensuring consistent high quality performance by SAIs.

Strategic Planning in the context of SAIs is the process of identifying the long-term goals of the audit organisation and the best possible approach to be adopted for attaining these goals. The plan should outline the goals and objectives that need to be pursued to realise the SAI's vision and mission, identify strategies to attain them and develop performance measures to assess achievement of the intended goals and objectives. The plan should also identify the supervisors and managers for each goal to ensure accountability. *The IDI Strategic Planning Handbook, 2009* provided detailed guidance on developing and implementing strategic plans and is available to an SAI on request.

Operational planning

A strategic plan is only as good as its implementation. To facilitate implementation, the functional wings/units in the SAIs should draw up and implement annual operational plans to reflect the requirements of the strategic plan. Resource commitments, specific activities and targets will have to be incorporated in these plans. Every target should be assigned to an organisational unit with specific individual responsibility for achieving the target in question. The officials responsible should have sufficient authority to be able to overcome any difficulties that may arise. The SAI should have proper dissemination of the organisational strategy and the progress reports so that the staff are genuinely involved in its delivery and contribute to the planning efforts.

Senior management should receive regular, timely and useful information for effective remedial action to be taken. The strategic plan should be reviewed annually for it to remain valid, relevant and useful.

Internal communications

The purpose of communication within an SAI is to share knowledge, disseminate information, strengthen understanding between management and staff, facilitate decision making and support the achievement of the SAI's strategic vision and mission. Effective internal communications require the active commitment and endorsement of top management. The SAI leadership should, therefore, put in place structures and processes for internal communications and periodically monitor whether their key internal messages are being received as intended and inspiring the staff to take the desired actions. At the same time, effective internal communications is two-way; therefore, the SAI's leadership has to provide for mechanisms that allow them to receive critical feedback from the staff and follow up on them.

Accountability

While promoting accountability in the public sector, the SAI must remain accountable for its performance. In some countries, the legal framework requires the SAI performance to be independently evaluated by an external agency or at least provides for financial accountability through independent, external attestation of its financial statements. Even where this is not a legal requirement, SAIs may consider periodic evaluation of its performance by external agencies (including peer SAIs) and/or independent attestation of its financial statements. In addition, the quality assurance function of the SAI should periodically conduct SAI level quality assurance reviews and report to the top management on the SAI's performance along with recommendations for improvements. Accountability will also be promoted if the SAI implements a system of performance measurement and reporting on its performance to external stakeholders.

Code of ethics and conduct

The SAI as an organisation as well as auditors have a duty to adhere to high standards of behaviour in the course of their work and their relationships with the staff of the audited entities. Therefore, the SAI should adopt a code of ethics and establish policies and procedures designed to provide it with reasonable assurance that the SAI and its personnel comply with the ethical requirements.

A code of ethics identifies the ethical values of the SAI. The INTOSAI Code of Ethics highlights some of the major aspects of ethical conduct, namely, trust, confidentiality, credibility, integrity, independence, objectivity, impartiality, political neutrality, conflicts of interest, professional secrecy, competence, and professional development.

A SAI's code of conduct, on the other hand, provides detailed instructions of how SAI employees should behave in day-to-day work in order to demonstrate compliance with ethical requirements. The code of conduct, along with a system of monitoring compliance, provides the means for implementing ethical requirements.

Internal controls

SAI top management should ensure the existence and implementation of appropriate structures, rules, regulations and procedures that ensure achievement of desired objectives. These structures, rules, regulations and procedures in their entirety are what constitute the internal control system of an SAI. As in any other organisation, the quality of the SAI's products and services are ensured by the adequacy and correct implementation of the internal controls.

The Committee of Sponsoring Organisations of the Treadway Commission (COSO), a US private-sector initiative established a common definition of internal controls, standards, and criteria against which companies and organisations can assess their internal control systems. The COSO framework defines internal control as a process designed and affected by those charged with governance, management, and other personnel to provide reasonable assurance about the achievement of the entity's objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. It follows that internal control is designed and implemented to address identified business risks that threaten the achievement of any of these objectives.

It is the responsibility of each line functionary to ensure compliance with the internal controls relevant to the work of that functionary.

Continuous improvement

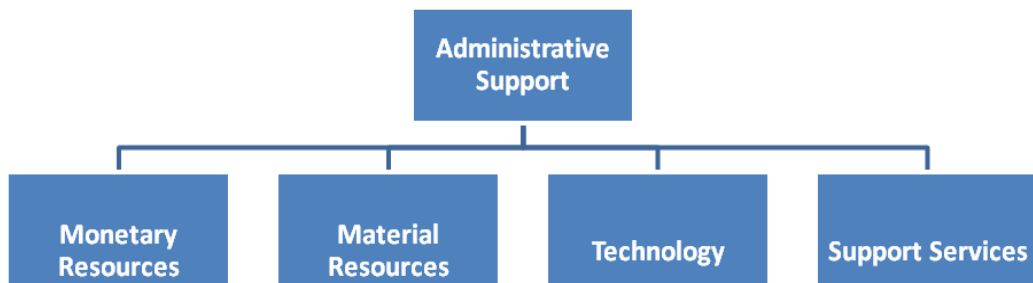
The SAI should be in a constant state of readiness to address current issues more effectively, deal satisfactorily with emerging issues, and take advantage of new opportunities. To achieve that state of readiness, the SAI should continuously upgrade its organisational capacity and competence of its personnel to remain abreast of developments in the field of auditing and be able to address emerging issues in the rapidly changing audit environment. SAIs should update their strategic plans at periodic intervals to ensure that their efforts are aligned to the major auditable issues facing the particular country.

To ensure a system of continuous improvement, SAIs need to develop and implement strategies for research and development and organisational development. Organisational development may involve changes in work processes as well as structures of reporting and accountability within the SAI.

Improvement implies change. Often good intentions fail to become reality because SAIs do not have a well-developed change management strategy. Change management actions should be integrated with any action plan for initiating new approaches. Change management is also integral to the strategic planning process since strategic planning and implementation is all about change.

Domain: Administrative Support

The following are some of the key elements of such support.



Monetary resources

There are two dimensions to this element that need consideration. One is the availability of adequate budget for the SAI as a whole. This was discussed earlier in this handbook under the section ‘Independence and legal framework’. The other dimension is the optimal utilisation of the budget to procure and provide the required infrastructure and material support to the various functions. It is largely the responsibility of the administrative support function.

Material resources

The SAI should have sufficient material resources, including physical infrastructure, to enable its staff to perform their duties satisfactorily. Material resources includes

office buildings, working space for each employee, furniture and fittings, electric and water supply, training facilities, library, document storage facilities, transportation, etc. There could also be need for gender specific infrastructure such as separate rest rooms for female and male staff, depending on the cultural environment of the SAI.

Technology

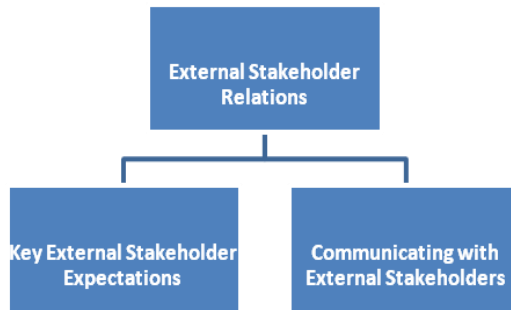
Technology is an element of material resources. However, in this age of information and knowledge, technology has become a driver of revolutionary change in work processes. Therefore, SAIs need to leverage on technology to function efficiently and effectively. Technology includes telecommunications, information technology systems, internet and intranet, general office support software, information and decision-making systems, software for audit planning, documentation and reporting, among others.

Support services

Support services include such items as secretarial assistance, security, transportation and event management. Depending on circumstances, it might be cost-effective to outsource some of the support services.

Domain: External stakeholder relations

The following elements of this domain should be considered during the needs assessment:



Key external stakeholder expectations

SAI's stakeholders may be divided into two categories: (i) those that primarily provide inputs for improving the quality of its work processes and products, and (ii) those that primarily use the SAI's products and services. The first category includes donors and peers (including other SAIs), while the second include audited entities, legislative bodies, media and academic institutions, among others. In order to effectively manage its stakeholder relations, an SAI needs to first identify (i) what expectations it has from its key stakeholders, and (ii) what expectations the stakeholders have from the SAI. The SAI's expectation from those stakeholders that primarily provide inputs would be different from the expectations it has from those stakeholders that primarily use the SAI's products and services. Based on such understanding, the SAI should implement strategies for managing these expectations.

Communicating with external stakeholders

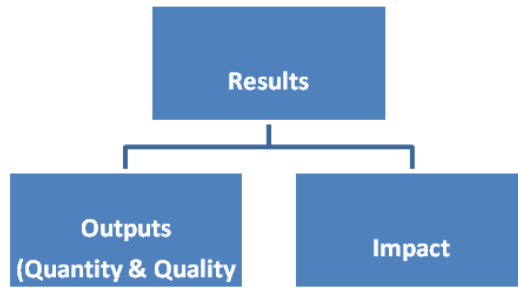
Communication is the primary tool for establishing and maintaining effective relations with external stakeholders. Developing and maintaining relationships appropriate to each category of stakeholder is likely to entail considerable effort by the SAI. Therefore, the SAI would benefit from implementing deliberate strategies

for communicating with external stakeholders. Different levels of SAI management and staff communicate with different levels of external stakeholders. It is important to ensure that communications from different levels of SAI management and staff are consistent with, and complement each other in strengthening relations with external stakeholders. The SAI may consider developing and disseminating internally a standard document on external stakeholder communications protocols to sustain effective working relationships with them. The purpose of this document would be to provide a clearly defined, consistently applied and transparent policy and practices on how the SAI will work with the stakeholders. It may identify what the external stakeholders can expect from the SAI and what the SAI expects from them. The SAI may also consider disseminating a separate document to key external stakeholders which sets out clearly the SAI's mandate, its mission and vision, as well as its expectations from the different external stakeholders to help the SAI achieve its mandate.

Domain: Results

The SAI is required to deliver quality audit reports and other services that promote accountability, transparency, and value for money in the use of public resources and contribute towards good governance. Towards this end, SAIs should implement mechanisms for measuring the

- quality of its outputs (that is, the SAI's audit reports and services); and
- longer term impact of its products and services.



This issue of performance measurement was also highlighted earlier in the section ‘internal governance’. In order to implement a performance measurement system, the first step for an SAI is to develop performance measures for its various functions. The next step is to develop and implement a system for regularly assessing SAI performance against each of the performance measures.

With regard to audit reports and management letters, performance measures could include:

Significance: How important is the matter that was examined in the audit? This, in turn, can be assessed in several dimensions, such as the financial outlay of the audited entity and the effects of the audited entity’s performance on the public at large or on major national policy issues.

Reliability: Are all opinions and observations in the audit reports and management letters fully supported by valid and sufficient evidence?

Objectivity: Did the SAI duly consider the audited entity’s responses to preliminary audit observations? Did the working papers demonstrate an impartial consideration and analysis of all evidence gathered?

Clarity: Are the audit reports and other products clear and concise in presenting the results of the audit? This typically involves being sure that the scope, findings and any recommendations can be easily understood by users of the audit report who

may not be experts in the matters that are addressed, but that they may need to act in response to the report.

Timeliness: Were the audit reports, management letters and services delivered at an appropriate time? This may involve meeting a statutory deadline, or delivering audit results when they are needed for a policy decision, or when they will be most useful in correcting management weaknesses.

Impact measures could include:

- progress that management has made in reduction in the number of unresolved errors and irregularities identified during audits;
- percentage of audit recommendations accepted by audited entities;
- percentage of audit recommendations implemented by audited entities;
- percentage of Public Accounts Committee (PAC) directives to audited entities that are based on audit observations; and
- the extent of satisfaction of PAC and audited entities with SAP's products and services.

ANNEXE 2- 3

ENVIRONMENT ANALYSIS

Every SAI operates in a socio-cultural, economic and political environment. This environment affects the functioning of the SAI and its ability to deliver on its mandate. As such, while assessing the needs of an SAI it is not enough to look only within the organisation. It is also necessary to look at the environment and assess the positive or negative impact that it has or could have on the functioning of the SAI. This can be done with the help of environment analysis.

Environment analysis involves collecting information on the following aspects of the SAI environment:

1. **Socio-Cultural**

factors affecting the

SAI - While taking up needs assessment it is important to ask – What are the social norms that affect the SAI? What are the cultural

considerations that affect the working in an SAI? For example, some SAIs may operate in a society that is very stratified and class-based. This social structure may reflect itself in the manner in which the SAI is organised. It may be a more hierarchical organisation. This structure may have an impact on the work processes in the SAI. Certain societies may be quite small and the communities very close knit. In this situation, the SAI personnel may find it difficult to raise audit observations against members of the executive.



Some cultures may be very structured and task-oriented in their approach to work, while some may be more focused on maintaining relationships. The educational level in the country will also affect the availability of qualified personnel for the SAI.

2. **Economic factors affecting the SAI** - The economic developments in the country and globally will also affect the SAI. The assessor can find out – What are the economic factors in the SAI environment that may have an impact on the functioning of the SAI? For example, due to the global economic crisis the SAI budget may be cut, donors and other institutions may also cut support due to recession. There may be countries where the private sector is very well developed and pays well, as compared to the public sector. In such situations, the SAI people may find more opportunities in the private sector and leave the SAI. If the country is in the middle of recession, for example, the SAI may be requested to conduct studies on the topic. A country which was doing very well economically may go into an economic crisis due to political turmoil. This would definitely affect the functioning of the SAI. Other factors such as level of corruption, and degree of development in the country will also affect the SAI.
3. **Political factors affecting the SAI** - As with most public institutions, an SAI is affected by the political structure and system in the country. The assessor can ask the following questions
 - a. Have any changes taken place or are likely to take place in the political environment?
 - b. To what extent are these changes likely to affect the SAI?SAIs operating in stable democracies would have different provisions governing them from SAIs operating in other political systems. Changes in the political system in a country would also affect the position of the SAI.

For example, the SAI of Bhutan's position has considerably changed after the country moved from a monarchy to a constitutional democracy. Some countries may be in a war situation, while some countries may be coming out of a conflict situation. These situations would also affect the SAI in the respective country.

Besides the above mentioned factors, certain global issues such as environmental issues, developments in information technology will also affect the way the SAI operates. For example, climate change has become an issue of global concern. The internet has revolutionised the way in which the world communicates, accesses, and shares information.

A needs assessor can gather information about the above-mentioned factors by collecting information through newspapers, television and the internet. The assessor can also include these questions as part of focus group discussions and interviews with internal and external stakeholders. Many of the internal problems in an SAI originate in external factors and the overall operating environment of the SAI. As such, the assessor can use the data gathered on SAI environment at the data analysis stage to arrive at the causes for some of the perceived gaps in the SAI.

AN ILLUSTRATION OF A CBNA ACTION PLAN

Activity	Method/ Output	Timeline	Responsible	Resources	Status	Domain Reference
Develop detailed formats and questions for each tool to be used	Research and team meeting	April 2009	Team leader	Meeting room, resource material for developing tool material, internet access	Done	All domains
Interviews with Head of SAI, senior management and chairman of PAC	Record of interview proceedings	April 2009	Team leader	All team members, a recording machine	Partially completed Interview with DAG, Audit pending	All domains External stakeholder relations
Focus Group of middle management	Record of focus group outputs	April 2009	Team Member 1	Conference room, meeting equipment, focus group facilitator USD 1000	Yet to start	All domains
Data analysis of gathered information	Causal analysis. CBNA team meeting for discussion. Gaps and causes identified	May 2009	All members	Analysis tools and formats, meeting room	Yet to start	All domains

Tools Selected: Document Review, Interview, Observation, Focus Group

Risks identified: Availability of important internal and external stakeholders, budgetary constraints, lack of facilitation skills, other pressing engagements for the CBNA team members



ANNEXE 5- 1:

PRELIMINARY ANALYSIS RECORDING FORM

TOOL USED: (document review/survey/interview/focus group/physical observation)
NAME OF TEAM MEMBERS:
TARGET AUDIENCE:

Domain Name (a)	Desired Condition of Domain (b)	Actual Situation including initiatives taken by SAI (c)	Potential Gap in Domain (d)	Potential Causes of Gaps (e)	Additional information Required (f)	Tools for gathering the additional information (g)

- a. Write the explored domain
- b. Write desired condition of explored domain
- c. Describe actual situation of the domain including SAI's initiatives for attending the gaps
- d. Describe the potential gaps
- e. Describe potential causes of gaps
- f. Indicate necessary additional information that can not be found with the used tool
- g. Indicate the tools that could be used for finding necessary additional information

ANNEXE 5-2:

GUIDING LIST OF DOCUMENTS TO BE USED DURING DOCUMENT REVIEW

Independence and legal framework

- Constitution of the country with reference to articles referring to the external audit function
- Specific audit legislation
- Bylaws and regulations
- Public financial management legislation
- Any other documents that could clarify the mandate and legal basis of the Supreme Audit Institution (SAI).

Human resources

- Human resource management policy documents
- Conditions of service of SAI staff
- Minimum qualification framework for new appointments
- Performance appraisal manual
- Recruitment and selection procedures
- Succession planning manual
- Promotion policy, rules and regulations; Training plan of the SAI
- Training manuals
- Training courses (some samples)
- Annual training reports
- Professional staff development policy
- Sample performance assessment results of the past three years per job level
- Copy of the organisational structure of the SAI
- Staff retention policy
- Promotion policy
- List of qualifications of staff
- Assessment results of staff for the last three years
- Staff welfare policy.

Audit methodology and standards

- Auditing standards of the SAI (all types of audits conducted)
- Audit manuals and guides of the SAI
- Audit files (samples) of different types of the audit
- Audit reports (sample) of different types of the audit
- Documents relevant to audit tools used by the SAI
- List of research projects the SAI has approved for the next year of few years
- Quality assurance reports, if any.

Leadership and internal governance

- Strategic plan
- Operational plans
- Annual reports
- Delegations and management framework
- Code of conduct of the SAI
- Quality assurance manual
- Internal audit reports
- Reports of external auditors of the SAI, if any
- Reports on SAI's report, if any
- Peer review reports, if any
- SAI self-assessment reports, if any.

Administrative support

- Budget
- Procedure manual for preparing a budget for the SAI
- Information Communication and Technology (ICT) strategic plan
- Asset register
- IT inventory
- Management Information System (MIS) manual
- MIS reports (sample).

External stakeholder relations

- Communication strategy

- Press release (sample)
- Public Accounts Committee (PAC) (or similar body) reports and resolutions
- Previous assessment reports conducted by donors/peers/self assessment
- Stakeholder survey results
- Media clips
- Cooperation agreements with professional associations
- Website of the SAI.

Results

- Performance report of the SAI
- Annual activity report of the SAI
- Individual audit reports
- Follow-up audit reports
- Benchmarks in the SAI
- Constitutional review reports
- Public Accounts Committee (PAC) reports pertaining to SAI's audit reports
- Peer review reports (if any)
- Financial management and public accountability reports of government and/or multilateral developmental agencies working in the country.

ANNEXE 5-3

SAMPLE SURVEY QUESTIONNAIRE

SURVEY QUESTIONNAIRE

INTRODUCTION

This survey is being implemented to help the (name of SAI/Department) identify the current gaps in the seven domains that would potentially impact on the ability of the SAI as a whole to deliver high quality products and services.

General Instructions:

We are interested in Please take a few minutes to complete this survey. In general, please put an X over the option that best corresponds to your answer. You can tick as many of the options as appropriate if directed to do so.

Upon completion of the survey, please place your responses in the self addressed envelopes and place in the drop off box located at.....

The last date for the submission of the survey is....

In case you need clarification, please contact at -----

We look forward to your response.

Thank you for your cooperation.

BASIC INFORMATION

Name of SAI _____

Job Function/Position in the SAI _____

Date of completing this survey _____

Domain: Independence and Legal Framework

This Domain is best completed by the individuals/(s) who have been assigned the responsibility for legal matters of the SAI. Secondary target: employees who perform the audit function.

<i>a. Mandate</i>	
1)	Is the establishment of the Supreme Audit Institutions laid down in the Constitution? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other (Please specify)-----
2)	Is there a constitutional provision regarding the appointment of the Head of the SAI? <input type="checkbox"/> Yes <input type="checkbox"/> No
3)	Is the mandate of the SAI prescribed by the constitution? <input type="checkbox"/> Constitution <input type="checkbox"/> Constitution and/or other legislation <input type="checkbox"/> Special law other than the constitution <input type="checkbox"/> Other (please specify)-----
4)	Does the SAI have the legislative mandate to carry audit the following? <i>(Tick as many boxes as appropriate.)</i> <input type="checkbox"/> Use of public monies, resources, or assets, by a recipient or beneficiary regardless of its legal nature <input type="checkbox"/> Collection of revenues owed to the government or public entities <input type="checkbox"/> Legality and regularity of public accounts and entities. <input type="checkbox"/> Quality of financial management and reporting <input type="checkbox"/> Economy, efficiency, and effectiveness of government or public entities operations <input type="checkbox"/> Other (Please Specify) -----
<i>b. Independence</i>	
1)	Does the legislation that governs the SAI specify the conditions for appointments, employment, removal and retirement, of the head of SAI and members of collegial institutions? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> If no (please specify)-----

<p>2) Does the mandate specify the SAI's independence from other branches of government in terms of its human, monetary and material resources?</p> <p style="margin-left: 40px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> If no (please specify)----- </p>
<p>3) Does the legislature provide the SAI with the exclusive authority to define the scope of its audits and examinations, contents and timing of the audit reports?</p> <p style="margin-left: 40px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> If no (please specify)----- </p>
<p>4) Does the legislature provide the SAI with the exclusive authority to define the contents and timing of its audit reports?</p> <p style="margin-left: 40px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> If no (please specify)----- </p>
<p>5) Does the legislature provide for unrestricted access to the information?</p> <p style="margin-left: 40px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not at all (completely restricted) </p>
<p>6) Are audit reports submitted directly to Parliament without interference by the executives?</p> <p style="margin-left: 40px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Sometimes </p>

Domain: Human Resource

This Domain is best completed by the individual/(s) who are assigned the responsibility for Human Resource Management or Professional Development or Personnel of the SAI. Secondary target: employees from a cross section of the organisation. A sample can be selected.

<i>a. General</i>
<p>1) How many employees in the SAI?</p> <p style="text-align: center; margin-top: 20px;">Staff Composition: Audit Support..... Accounts</p>

<p>2) Are there Human Resource Management policies in the following areas? (Please tick as many of the boxes as appropriate)</p> <p><input type="checkbox"/> Recruitment</p> <p><input type="checkbox"/> Retention</p> <p><input type="checkbox"/> Performance Appraisal</p> <p><input type="checkbox"/> Staff Development</p> <p><input type="checkbox"/> Rewarding and Remuneration</p>
<p>3) Are job descriptions for each of the positions on the organisational chart kept up-to-date?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p><i>b. Recruitment</i></p>
<p>1) In recruiting personnel, are minimum qualifications as per job description specified?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>2) Have minimum qualification requirements for the different levels of staff and management been adopted?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>3) Is a system in place to assess whether there are adequate competencies and skills available at all levels for the execution of your SAI's mandate?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p><i>c. Retention</i></p>
<p>1) Do the current personnel fulfil your SAI's quantitative needs?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>2) Do the current personnel fulfil your SAI's qualitative needs?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>3) Is retaining qualified staff a problem?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>4) Which of the following promotional opportunities are provided for the staff?</p> <p><input type="checkbox"/> Merit-based promotions</p> <p><input type="checkbox"/> Time-based promotions</p> <p><input type="checkbox"/> Others (please specify)-----</p>
<p>5) Is a reward mechanism in place that provides incentives to staff members?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please specify-----</p>

<i>d. Staff Development</i>	
1) Is a mechanism in place that takes care of career planning and career development opportunities for all staff?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2) Is a system in place that provides for succession planning?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3) Which of the following career planning and development opportunities is provided for staff members? (Tick as many boxes as appropriate.)	<input type="checkbox"/> Relevant workshops or seminars <input type="checkbox"/> Professional university courses <input type="checkbox"/> Specialisation <input type="checkbox"/> Performance feedback and coaching <input type="checkbox"/> Planned job rotation <input type="checkbox"/> Continuing professional education <input type="checkbox"/> Phased retirement <input type="checkbox"/> Career counselling about challenging assignments and possibilities for more exposure and demonstration of skills <input type="checkbox"/> Assessment techniques and programmes to help staff members assess their interests, aptitudes and capabilities and linking the information derived to possible careers and jobs <input type="checkbox"/> Self-directed and self-development materials <input type="checkbox"/> Pre-retirement and post-retirement counselling <input type="checkbox"/> Other (please specify)----- <hr/>
4) Is a system in place for conducting learning needs assessment on regular basis?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not at all
5) Is a mechanism in place for evaluating the impact of learning/training opportunities?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6) Are the results of the evaluation used to inform future training plans?	

<i>e. Welfare</i>	
1) Which of the following programmes and/or activities are in place. (Select as many boxes as appropriate)	
<input type="checkbox"/>	Health care programme
<input type="checkbox"/>	Social activities
<input type="checkbox"/>	Entertainment facilities
<input type="checkbox"/>	Fitness Club
<input type="checkbox"/>	Housing
<input type="checkbox"/>	Conducive environment
<input type="checkbox"/>	Other (please specify)
<i>f. Performance Management</i>	
1) Is a formal performance appraisal system in place?	
<input type="checkbox"/>	Yes
<input type="checkbox"/>	No
2) Are annual performance appraisals done for all employees?	
<input type="checkbox"/>	Yes
<input type="checkbox"/>	No
3) Is feedback on job-performance obligatory for all levels of staff?	
<input type="checkbox"/>	Yes
<input type="checkbox"/>	No
4) Is remuneration linked to performance?	

Domain: Audit Methodology and Standards

This Domain is best completed by the individual/(s) who performs an audit function.
Secondary target: Auditor General and Senior managers

<i>a. Standards</i>	
1) Is a system in place to keep up to date with international standards such as (IFAC, INTOSAI, Country specific or Regional standards)?	
<input type="checkbox"/>	Completely
<input type="checkbox"/>	Partially
<input type="checkbox"/>	Not at all
2) Have audit standards been formally adopted by the SAI?	
<input type="checkbox"/>	Yes
<input type="checkbox"/>	No
3) Are audit standards adopted by the SAI aligned to international standards such as (IFAC, INTOSAI, Country specific or Regional standards)?	
<input type="checkbox"/>	Yes
<input type="checkbox"/>	No
<input type="checkbox"/>	Other (Please specify)

<p>4) Is a system in place to ensure that audit staff is aware of standards adopted by the SAI?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>5) Is a system in place to ensure that audits have complied with the standards adopted by the SAI?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p><i>b. Manuals and Guidance</i></p>
<p>1) Do guidance manuals exist for the following audits?</p> <p><input type="checkbox"/> Financial <input type="checkbox"/> Compliance <input type="checkbox"/> Performance <input type="checkbox"/> IT <input type="checkbox"/> Others (Please specify)</p>
<p>2) Are guidance manuals aligned to the standards adopted by the SAI?</p> <p><input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all</p>
<p>3) Are guidance manuals accessible to audit staff and management?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>4) Is a system in place to ensure that audit processes have been carried out in accordance with the requirements of the guidance manuals?</p> <p><input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all</p>
<p>5) Are the manuals updated at regular intervals?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p><i>c. Tools</i></p>
<p>1) Are the following audit tools used during the conduct of audits? (Tick as many boxes as appropriate)</p> <p><input type="checkbox"/> CAATS <input type="checkbox"/> Checklists <input type="checkbox"/> Audit Automation Software <input type="checkbox"/> None at all <input type="checkbox"/> Other (please specify)----</p>

Domain: Leadership and Internal Governance

This Domain is best completed by the Head of the SAI or Deputy Head of the SAI, senior management and middle management.

<i>a. Strategic Planning and Implementation</i>	
1) Does the SAI have a strategic plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2) How was the strategic plan developed?	<input type="checkbox"/> Through a consultative process <input type="checkbox"/> Through a participatory approach <input type="checkbox"/> By Management <input type="checkbox"/> By a Consultant/(s) <input type="checkbox"/> Other please specify-----
3) Is access to the SAI's strategic plan available to all staff	<input type="checkbox"/> Yes <input type="checkbox"/> No
4) Have roles and responsibilities for implementing the Strategic Plan been designated to an individual and or a group?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5) Has the SAI developed a change management plan for implementing the Strategic Plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6) Have sufficient resources been allocated carry out the change management process?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If no please specify-----	
7) Does your SAI have an annual operational plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8) Is the annual operational plan aligned to the strategic plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9) Are there mechanisms in place to monitor the progress of the activities in the SAI's annual operational plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10) Are there mechanisms to evaluate the outcomes of the strategic plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>b. Internal Communication</i>	
1) Does the SAI have agreed procedures for communicating decisions made by management?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2) Does the SAI have agreed procedures for communicating policy decisions?	<input type="checkbox"/> Yes <input type="checkbox"/> No

3) Are policy documents accessible to all levels of staff? <input type="checkbox"/> Yes <input type="checkbox"/> No
4) Does the SAI have mechanisms for disseminating information to staff? <input type="checkbox"/> Yes <input type="checkbox"/> No
<i>c. Accountability</i>
1) Is your SAI required to report to an oversight body on its achievement of its mandatory obligations? <input type="checkbox"/> Yes <input type="checkbox"/> No
2) Is this reporting requirement set down in law? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other (please specify)-----
3) Are mechanisms in place to assess if the SAI has achieved its mandatory obligations? <input type="checkbox"/> Yes <input type="checkbox"/> No
4) Are the accounts of your SAI audited by the following auditors? <input type="checkbox"/> Private external auditors <input type="checkbox"/> Central government auditors <input type="checkbox"/> Not audited <input type="checkbox"/> Other (please specify)-----
5) Is the report on the accounts of your SAI made public? <input type="checkbox"/> Yes <input type="checkbox"/> No
<i>d. Code of Conduct</i>
1) Has the SAI formally adopted a code of conduct? <input type="checkbox"/> Yes <input type="checkbox"/> No
2) Is the SAI's code of conduct aligned to the INTOSAI code of ethics? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Do not know
3) Does the SAI have procedures in place to address non-compliance with the code of conduct? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Do not know
<i>e. Quality Assurance</i>
1) Does your SAI have Quality Assurance (QA) function? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Do not know

<p>2) Does your SAI produce QA reports?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Do not know</p>
<p>3) Does the SAI use the results of QA audits to improve performance of the SAI?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Do not know</p>
<p><i>f. Internal Controls</i></p>
<p>1) Which of the following internal controls are implemented in your SAI? (Select as many boxes as appropriate)</p> <p><input type="checkbox"/> Segregation of duties <input type="checkbox"/> Supervision <input type="checkbox"/> Delegation <input type="checkbox"/> Internal Audit <input type="checkbox"/> Authorisation <input type="checkbox"/> None of the above</p>
<p>2) Is a person or group of persons assigned the responsibility for the internal audit function?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>3) Does the SAI's internal audit department/unit/person report to the head of the SAI directly?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>4) Does the internal audit department /unit/person have a charter?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>5) Are internal audit personnel trained to perform the internal audit function?</p> <p><input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all</p>
<p><i>g. Continuous Improvements</i></p>
<p>1). Does your SAI have an organisational structure?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

<p>2). Does the organisational structure clearly define the current lines of authority and responsibility?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>3) Does senior management of the SAI encourage staff to participate in improving the organisation?</p> <p><input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all</p>
<p>4) Does your SAI have a research and development plan?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>5) Does your SAI frequently do research studies?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> Sometimes <input type="checkbox"/> Not at all</p>

Domain: Administrative Support

This Domain is best completed by the individual/(s) are assigned to the office administration function of the SAI. Secondary target: Senior Management and middle management

<i>a. Monetary Resources</i>	
<p>1) Is a short term financial resource plan prepared?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>2) Is the budgeting process integrated into your annual plan?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>3) Are regular reviews of the budget done?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>4) Does the financial practices led to relatively accurate financial projections?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	

<p>5) Is there a sufficient number of qualified staff for financial management?</p> <p><input type="checkbox"/> Completely</p> <p><input type="checkbox"/> Partially</p> <p><input type="checkbox"/> Not at all</p> <p>If not completely, then how many qualified staff for financial management does the SAI need?</p>
<p>6) Do you keep adequate financial records and accounts?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>7) Are financial reports used for planning and review purposes?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p><i>b. Material Resources</i></p>
<p>1) Does the SAI have standards that define sufficiency of office space?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>2) Are mechanisms in place to ensure that these standards are complied with?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>3) Does the SAI have well-equipped meeting rooms?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>4) Does the SAI have well-equipped training rooms?</p> <p><input type="checkbox"/> Completely</p> <p><input type="checkbox"/> To a large extent</p> <p><input type="checkbox"/> To a little extent</p> <p><input type="checkbox"/> Not at all</p>
<p>5) Does the SAI have photocopying materials and facilities?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p><i>c. Technology</i></p>
<p>1) Are all job functions of the SAI computerised?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>

<p>2) Which of the following functions are computerised in your SAI?</p> <p><input type="checkbox"/> Payroll</p> <p><input type="checkbox"/> Finance</p> <p><input type="checkbox"/> Audit Planning</p> <p><input type="checkbox"/> Asset Management</p> <p><input type="checkbox"/> Archiving system</p> <p><input type="checkbox"/> None of the above</p> <p><input type="checkbox"/> Other (please specify)</p>
<p>3) Does the SAI have software that supports the work functions of the SAI?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>4) Does the SAI have adequate numbers of desktop computers and laptops to support the daily work of all users?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>5) What type of Internet access do you have in your SAI?</p> <p><input type="checkbox"/> Broadband</p> <p><input type="checkbox"/> Dial-up</p> <p><input type="checkbox"/> No internet access</p> <p><input type="checkbox"/> None of the above (please specify)</p>
<p>6) Who has access to the Internet?</p> <p><input type="checkbox"/> Senior management only</p> <p><input type="checkbox"/> Senior and middle management</p> <p><input type="checkbox"/> All staff and management</p>
<p>7) Do you have dedicated internal IT support staff?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>8) Are the IT personnel professionally qualified?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>9) Do you offer internal IT training and development programmes?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

<i>d. Support Services</i>
<p>1) Which of the following support services do you have in your SAI?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Security <input type="checkbox"/> Maintenance <input type="checkbox"/> Transportation <input type="checkbox"/> Secretarial <input type="checkbox"/> Others
<p>2) Are these Support Services provided in timely manner?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No

Domain: External Stakeholder Relations

This Domain is best completed by the individual/(s) that are responsible for external communication and/or public relations in the SAI. Secondary target: Senior management and middle management

<i>a. Key External stakeholders expectations</i>
<p>1) Which of the following are the key external stakeholders that the SAI affiliates or has working relations with? (Please select as many options as appropriate)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Parliament <input type="checkbox"/> Head of the Executive <input type="checkbox"/> Head of State <input type="checkbox"/> Audited Entities <input type="checkbox"/> The media and the public <input type="checkbox"/> Professional associations and private sector auditors <input type="checkbox"/> Peers (SAIs and INTOSAI regions) <input type="checkbox"/> Funding and Capacity Building Agencies <input type="checkbox"/> Others (please specify)
<p>2) Which of the external stakeholders does your SAI work directly with? (Please select as many options as appropriate)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Parliament <input type="checkbox"/> Head of the Executive <input type="checkbox"/> Head of State <input type="checkbox"/> Audited Entities <input type="checkbox"/> The media and the public <input type="checkbox"/> Professional associations and private sector auditors <input type="checkbox"/> Peers (SAIs and INTOSAI regions) <input type="checkbox"/> Funding and Capacity Building Agencies <input type="checkbox"/> Others (Please specify)

<p>3) Does the SAI have a mechanism in place to obtain feedback from its key external stakeholder?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>4) Does the SAI have a formal mechanism to follow up on feedback on its performance received informally or formally from external stakeholders?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>5) Does the SAI have a strategy for establishing and maintaining effective working relations with its key external stakeholders?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>6) Does the SAI have in place a mechanism to assess whether its key stakeholder understand the role of the SAI?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>b. Communicating with external stakeholders</p>
<p>1) Does the SAI have policies in place for communicating with external stakeholders?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>2) Are training programmes in place for staff that addresses communicating effectively with key stakeholders?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>3) Are all audit products made public?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If no, please specify-----</p>
<p>4) Does the SAI have a policy to ensure that its audit reports are accessible to its target audiences?</p> <p><input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all</p>
<p>5) Does the SAI have the right to go to the media with its audit findings?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

6) Does the SAI have a clear policy framework for dealing with the media? <input type="checkbox"/> Completely <input type="checkbox"/> To a large extent <input type="checkbox"/> To a little extent <input type="checkbox"/> Not at all
--

Domain: Results

This Domain is best completed by the Head of the SAI or Deputy Head of the SAI, senior management and middle management. The secondary target is all staff who undertakes audits.

<i>a. General</i>	
1) Does the SAI have a system to objectively measure its results? <input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all	
2) Is there a system to assure that performance measures are of acceptable quality? <input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all	
3) Is performance measurement conducted by staff independent of those responsible for delivering the audit reports (and other products, if any)? <input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all	
4) Does the SAI follow up on its performance measurement results? <input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all	
<i>b. Outputs</i>	
1) Are the products delivered by the SAI in accordance with its audit mandate? <input type="checkbox"/> Completely <input type="checkbox"/> Partially <input type="checkbox"/> Not at all	
2) Does the SAI set targets with regard to the number of products for each type of audit? <input type="checkbox"/> Yes <input type="checkbox"/> No	
3) Does the SAI measure performance against these targets? <input type="checkbox"/> Yes <input type="checkbox"/> No	

<p>4) Does the SAI have performance measures to assess the quality of the products?</p> <p><input type="checkbox"/> Completely</p> <p><input type="checkbox"/> Partially</p> <p><input type="checkbox"/> Not at all</p>
<p>5) Does the SAI assess product quality against the performance measures?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>6) Does the SAI set deadlines for submission of its products?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>7) Does the SAI meet its deadlines for delivering its products?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If no, please specify-----</p>
<p>8) To what extent is your SAI is able to meet its targeted outputs?</p> <p><input type="checkbox"/> Completely</p> <p><input type="checkbox"/> Partially</p> <p><input type="checkbox"/> Not at all</p>
<p><i>c. Impact</i></p>
<p>1) Does the SAI have performance measure to assess the impact of its products?</p> <p><input type="checkbox"/> Completely</p> <p><input type="checkbox"/> Partially</p> <p><input type="checkbox"/> Not at all</p>
<p>2) Does the SAI regularly assess impact against these performance measures?</p> <p><input type="checkbox"/> Completely</p> <p><input type="checkbox"/> Partially</p> <p><input type="checkbox"/> Not at all</p>
<p>3) Does the SAI have a system in place to assess the extent of implementation of audit recommendations by the audited entity?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>4) Does the SAI seek feedback from audited bodies on the quality of its work, staff and systems?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

ANNEXE 5-4

Interview Questions for Senior and Top Management

Name of SAI _____

Name of country _____

Name of Interviewee _____

Position (Rank) of interviewee in the SAI: _____

Name(s) of Interviewer(s) _____

Venue: _____

Date _____ Time _____

Notes for the Interviewer

Since only high level strategic questions would be appropriate when interviewing top/senior management, and the time per interview is likely to be very limited (perhaps about 30 minutes), the following generic questioning approach may be followed in which ever domain is taken up for discussion:

Opening remarks: Greet the Interviewee; introduce yourself (and your team members, if any). Thank the interviewee for agreeing to the interview.

Briefly state the reason for the interview: To obtain his or her views on developmental needs of the SAI.

Mention that you plan to structure the discussion around key result areas pertaining to the SAI.

Note: It would be best if the key interview questions are sent to the interviewee in advance so that he or she has the opportunity to reflect on his or her responses. That is likely to enhance the richness of the discussions during the interview.

Ask the first key question, *‘What are the most important **problems and opportunities** facing your SAI which require to be addressed through capacity building efforts?’*

Listen carefully and write down the main points.

Ask appropriate questions to clarify any interviewee comment, if necessary.

After completing discussion of the first question, **ask** the following three related questions in sequence, allowing time for adequate exploration of interviewee’s response to each:

- What **strategies** would you suggest to address those opportunities and problems?
- What **challenges** do you foresee in implementing the strategies suggested by you?
- What kinds of **resources** and support would you require to implement these strategies and deal with the anticipated challenges?

After each question, listen carefully and take quick notes.

Ask supplementary questions, **if necessary**, to clarify the Interviewee’s response and/or probe further on the same issue.

Closing question: Are there any other issues you would like to share with regard to further increasing the effectiveness of your SAI

Conclude the interview by briefly summarising the main points that came up during the discussion and check whether Interviewee agrees. Note any modifications that he or she may suggest.

Thank the Interviewee and bring the interview to an end.

Note: At the time of analysing the information gathered with regard to the four key questions above, ensure to relate them to the *domains* and *elements* of the capacity building needs assessment framework. Refer to the Interview Guidance document and to the Chapter 5.2b Quality Data Analysis for further guidance in this regard.

ANNEXE 5-5

Interview Questions for Middle Management and Non-Supervisory Staff

Name of SAI _____

Name of country _____

Name of Interviewee _____

Position (Rank) of interviewee in the SAI _____

Name(s) of Interviewer(s) _____

Venue _____

Date _____ Time _____

Notes for the Interviewer

This guide is intended for the interviewer who will conduct the interview for Middle management and Non-supervisory staff. The guide gives necessary actions to be followed in a logical sequence in the process of the interview, and a set of interview questions.

Considering the nature of their functions being more operational rather than strategic, the interview questions should be of a more specific nature for interviewing middle management and non-supervisory staff. Also the time per interview for such levels is likely to be flexible, and so it may be possible to ask more questions. Moreover, the key result area relevant to each interviewee is likely to be specific and limited to their functional responsibility. Therefore, only those key result areas relevant to the specific interviewee should be taken up during the interview.

Those interview questions shown below are prepared based on the *domains* and *elements* of the capacity building needs assessment framework. It would be recommendable that interviewer uses his or her discretion in selecting questions relevant to interviewee. Those questions could be modified by interviewer, if he or she considers that such modification would further assist in gathering in-depth information.

Opening remarks: Greet the interviewee; introduce yourself (and your team members, if any). Thank the interviewee for agreeing to the interview.

Briefly state the reason for the interview: To obtain his or her views on developmental needs of the SAI.

Mention that you plan to structure the discussion around **key result areas** relevant to the job functions of the interviewee.

(It would be preferred if only the key questions best suited to the interviewee and the key result areas specific to the interviewee are sent to the interviewee in advance, so that he or she has the opportunity to reflect on specific responses.)

Start: Interview, indicating specific key result areas relevant to interviewee.

Note: These key result areas should ideally correspond to domains of the capacity building framework. However, it is advisable not to use the term “domain” with the interviewees since they may not be very familiar with the intent of the term.

Tell: I hope that is okay with you.

(If the interviewee suggests a different approach then the interview process should be adapted accordingly).

Get agreement, if you are intending to use recording equipment or planning that interview results will be signed by interviewee.

After each question, listen carefully and take quick notes.

After all the relevant key result areas have been explored, ask a closing question, such as the one below. This will provide the interviewee an opportunity to bring up any other issue considered necessary by him or her:

Closing question: Are there any other issues that you would like to share with regard to further increasing the effectiveness of your SA?

Conclude the interview by briefly summarising the main points that came up during the discussion and check whether Interviewee agrees. Note any modifications that he or she may suggest.

Thank the Interviewee and bring the interview to an end.

Note: At the time of analysing the information gathered with regard to the four key questions above, make sure to relate them to the *domains* and *elements* of the capacity building needs assessment framework. Refer to the Interview Guidance document and to the Chapter 6 Quality Data Analysis for further guidance in this regard.

Note 1: All domains need not to be taken up for interview. Results of surveys and any other information gathered may be used as a basis for identifying priority domains and elements that indicate need for building capacity.

Note2: Questions which do not specifically indicate “For Middle Management” or “For Non-Supervisory Staff” are general and could be used for both levels.

Note 3: Depending on the time available, it may or may not be possible to ask all the questions suggested for any domains below. The interviewer should select from key questions from the interview if time is limited.

Independence and Legal framework

Mandate

Are you satisfied with your SAI's current mandate?

Do you think your SAI's audit mandate needs to be changed?

If yes, what specific changes would you suggest?

If no, what would you suggest for improvement?

Would any change in your current mandate affect your audit practice?

If yes, what would be the challenges you foresee?

Are there any jurisdiction limitations in conducting audit in your SAI?

If yes, would you specify?

Independence

Are there any occasions where the status of your SAI affects your audit process or result?

Are there any occasions where you encountered any problems regarding accessing necessary evidence or other related information?

Are there any occasions where you were pressured by auditees to modify audit findings, conclusions or recommendations?

If yes, would you give some incidents you have faced so far?

Do you have any other specific concerns regarding the extent of independence of your SAI?

Human Resources

For Middle Management

Are you satisfied with the appraisal system in your SAI?

If no, would you specify what area should be improved to address the situation?

Do you discuss the results of performance appraisals with staff?

If no, would you explain why?

Do you have an evaluation mechanism for your training programmes?

If yes, how often?

Do you think that training programmes (internal and external) offered by your SAI are relevant to your SAI's objectives?

If no, would you suggest what kind of training should be added?

Do you fully utilise the individual training record kept in the HR system for future training planning?

Do you have any specific suggestions for more effective staff development?

For Non-Supervisory Staff

Do you think that your SAI offers sufficient career development programmes?

If no, what kind programmes do you think would most benefit your future career development?

Are you satisfied with the current well-being and health policy in your SAI?

If no, would you specify which area should be specifically improved?

Are you satisfied with the appraisal system in your SAI?

If no, would you specify what area should be improved to address the situation?

Do you think that your responsibility is clearly stipulated in the job description?

If no, would you give some examples of the disparity?

Is there anything your SAI can do to make your work environment even more motivating?

Do you think that you receive adequate training to do your job effectively?

Do you have any suggestions in this regard?

Audit Methodology and Standards

Manuals and guidelines

For Middle Management

Do you have a supervisory mechanism to identify whether an audit is conducted in compliance with manual and guidelines?

What actions would you take whenever an audit is not conducted in compliance with approved manuals and guidelines?

In the case of non-compliance, what could be the solution to address the situation?

Do you think that manuals and guidelines are adequately updated?

If yes, would you explain how often?

If no, would you explain why?

Do you have any other specific concerns and suggestions regarding your SAI's audit manuals and guidelines?

For Non-Supervisory Staff

To what extent do you think the manual and guidelines used in your SAI are relevant in implementing audits?

If the answer is negative, what specific suggestions would you make to improve the situation?

Do you have any other specific concerns and suggestions regarding your SAI's audit manuals and guidelines?

Leadership and Internal Governance

Strategic and operational planning

For Middle Management

Do you think strategic and operational planning in your SAI is clearly understood by the staff members of your SAI?

If no, would you explain what could be the reasons?

In your view, what are the main challenges in initiating any change in your SAI's working methods and environment?

What suggestions would you make to address those challenges?

What challenges do you foresee in the change?

What kinds of resources do you require to address those challenges?

Do you think that there are any mechanisms to ensure involvement of all level of staff members in change management?

Internal control

For Middle Management

Would you explain the types of internal control systems built in to your SAI?

Are you satisfied with the situation of internal control in your SAI?

If the answer is negative, are there any specific areas where you need to improve internal control systems in your SAI?

What plans do you have to address this situation?

For Non-Supervisory Staff

Could you give some examples of internal control or checks and balances implemented in your SAI to ensure that work is done as required?

Code of Conduct

For Middle Management

In case of non-compliance of the code of conduct, what kind of action would be appropriate to deal with this case?

Do you have any concerns regarding code of conduct in your SAI?

For Non-Supervisory Staff

Have you been offered any training regarding this?

Continuous Improvement

For Middle Management

Do you think that the organisational structure of your SAI adequately facilitates the achievement of the mission and goals of your SAI?

If no, what development would you suggest?

Internal stakeholders

To what extent do you think your opinions as internal stakeholder are reflected in your SAI's strategies and programmes?

If the answer is negative, would you explain what could be the reasons?

Do you think the internal communication policy properly address the communication constraints in your SAI?

Administrative Support

Financial resources

For Middle Management

To what extent do you think that the budgeting process is integrated into your SAI's annual planning and programmes?

If the answer is negative, what could be the reason for this situation?

What do you think could be the solution?

Are your financial reports reviewed?

If yes, would you give some issues raised in the review process, if any?

For Non-Supervisory Staff

Are there any occasions where you feel any difficulties in complying with the procedures and practices in your SAI?

If yes, what are those problems?

What do you suggest to address the situation?

Infrastructure

Is your infrastructure appropriate to support your job requirements?

If no, would you specify the areas to be improved?

What do you suggest to address the situation?

Do you think that the equipment in the training rooms is sufficient?

If no, would you specify what you need?

Technology

Would you explain your current situation regarding IT in your SAI?

To what extent is the existing IT equipment used?

Is the technology sufficient to carry out your job requirements?

If no, would you specify the area to be improved?

Do you think IT training and development programmes offered by your SAI are sufficient?

If no, would you specify the area you feel you need to learn more?

Do you have manuals and guidelines regarding IT?

Are they updated? If yes, how often are they updated?

External Stakeholder Relations

For Middle Management

In your view, who are the priority external stakeholders of your SAI?

Are those external stakeholders supportive to your SAI?

If no, would you clarify the possible reasons?

What will be the necessary solutions to address the situation?

Are there any mechanisms in place for obtaining regular inputs from external stakeholders?

If no, would you clarify the possible reasons?

What will be the necessary solutions to address the situation?

For Non-Supervisory Staff

In your views, who are the priority stakeholders of your SAI?

How would you assess the quality of SAI's relations with those external stakeholders?

What would you suggest to further improve the quality of your relations with external stakeholders?

Does your SAI offer training on how to communicate effectively with external stakeholders?

Do you have any suggestions with regard to such training?

Results

For Middle Management

Besides audit reports, are there any other products delivered by your SAI?

Do you think the products delivered by your SAI are in accordance with its audit mandate?

If no, would you specify the reason for this situation?

What do you think the possible solution to address this situation?

What do you foresee will be the key challenges to address this situation?

How do you evaluate the quality of the products?

If the answer is negative, would you specify the area to be improved?

Do you have any other specific suggestions/comments regarding the problems of your SAI?

ANNEXE 5-6:
INTERVIEW MEMORANDUM

Name of SAI

Name of Country

Name of Interviewee

Position (Rank)

Interviewer(s)

Venue: _____ **Date:** _____

Time: _____

Question-1:

Key data and information following from the resulting discussion

Question-2

Key data and information following from the resulting discussion[

ANNEXE 5-7

EXAMPLES OF FOCUS GROUPS

Focus group aimed at evaluating the existing audit manuals and identifying ways to improve them:

Participants: auditors having conducted at least three audit engagements

- 1- The facilitator makes a short presentation about the existing audit manuals (the objective of each manual, when and how it was developed, ...)
- 2- Each participant is asked to tell when he used the manuals, for which audit engagement, ...
- 3- Participants discuss in subgroups what they liked in the manuals and what they did not like.
- 4- Presentation of subgroup results.
- 5- Whole group agrees on what should be changed in the manuals.
- 6- Subgroup discussion about how to bring the agreed upon changes (by whom, when, ...)
- 7- Presentation of subgroup results.
- 8- Whole group agrees on how the audit manuals should be changed.

Focus group aimed at getting feedback from audited entities on the audits conducted by the SAI:

Participants: representatives of audited entities

- 1- Participants introduce themselves; tell when the entities they work for were audited by the SAI.

- 2- The facilitator makes a short presentation about the SAI's legal mandate and role.
- 3- Based on their past experiences with the SAI, participants from various entities discuss in subgroups their views on the audits carried out by the SAI in the entities they represent. They point out at both the positive and negative aspects.
- 4- The results of subgroup discussions are chaired in plenary.
- 5- In subgroups, participants suggest ways to increase SAI's impact on audited entities.
- 6- The results of subgroup discussions are chaired in plenary.

Focus group for evaluating human resource policies and procedure

Participants: staff from the human resource section and group of auditors

- 1- Participants introduce themselves.
- 2- Representatives of the human resource section make a presentation about SAI's human resource policies and procedures.
- 3- In subgroups auditors discuss strengths and weaknesses of human resource policies and procedures.
- 4- Subgroup results presented in plenary.
- 5- Representative of human resource section comment on subgroup results.
- 6- Mixed subgroups (auditors and representatives of the human resource section) discuss ways to improve human resource policies and procedures.
- 7- Subgroup results presented and discussed in plenary.

Focus Group aimed at evaluating SAI's overall performance and ways to improve it

Participants: group of parliamentarians and SAI's senior management

- 1- Participants introduce themselves.
- 2- The facilitator makes a short presentation about the SAI's legal role and mandate.
- 3- Subgroup of Parliamentarians and subgroup of SAI's senior management discuss to what extent the SAI is fulfilling its mandate.
- 4- Subgroup results are discussed in plenary.
- 5- SAI's senior management makes a presentation about SAI's audit reports and products.
- 6- Parliamentarians give feedback on SAI's audit reports and products and tell to what extent they meet their expectations.
- 7- Senior management comment on parliamentary feedback.
- 8- Participants and senior management discuss ways to improve SAI's performance.
- 9- Participants discuss threats that may hinder the improvement of SAI's performance.

Participants suggest strategies to overcome threats.

ANNEXE 5-8

FOCUS GROUP FOR SAI MANGEMENT ON STRATEGIC ISSUES

A Facilitation Guide

INTRODUCTION

This guide is intended for facilitators who will conduct Focus Groups for SAI Staff. The guide gives detailed actions in a logical sequence to be followed in the process of delivery. The number of facilitators should be at least two.

While using the guide, facilitators should consider the following:

1. The Guide is meant as an aid to the facilitators in conducting the focus group. The guide is not compulsory as designed. Thus, they can make changes or amendments, if they consider necessary, to allow for some amount of flexibility.
2. Time allocated for the sessions of the Focus Group are not fixed. Depending on the flow and amount of data and information gathered during the discussions, the time allotted for the focus group can be changed.
3. In addition to this guide, facilitators can prepare annexes, allocated time or additional appendixes.
4. The results of the discussions will be recorded.
5. Participants should be divided in four groups

INSTRUCTIONS DETAILS

Introduction (15 minutes)

Show	Slide 1 on title of the Focus Group Workshop
Greet	The participants with a warm hello.
Introduce	Yourself; have co-facilitator introduce his or herself also.

Call/introduce	The other members of delivery team.
Ask	Participants to introduce themselves also, going by tables.
Ask	How do you feel about attending this Focus Group Workshop? What are your expectations from this FGW?
Call	For volunteers to share their feelings.
Ask	How do you think this would be beneficial to you or your SAI?
Tell	Thank you for sharing your opinions. We appreciate very much your taking time out of your very busy schedules to participate in this Workshop. Whatever contributions you will give in this Workshop will be important and will carry weight as far as future capacity-building in your SAIs is concerned.
Tell	The use of focus groups, based on past experiences, is usually very productive because it produces a wide range of ideas and feelings about important topics or issues. We are very hopeful, that we will achieve the objectives of the Focus Group.
Show	Slide 2 on the Workshop Objectives
Read	The objectives from the slide.
	At the end of the Workshop, we will have answers to the following –
	<ol style="list-style-type: none"> 1. What is the desired situation for your SAI? 2. What are the Gaps between the desired situation and the current situation? 3. What are the causes behind the Gaps between the desired

and current situation?

4. What Capacity Building Interventions should be recommended to address these Causes?

Describe

The approach to be taken in this Workshop:

- Plenary discussions
- Small group discussions
- Peer review
- Reporting in the plenary

Session 1 – Desired situation for the SAI (25 minutes)

Tell:

We are in the year 20... Assume there is an INCOSAI Congress scheduled in year 20... (Middle terms 5-10 years). You will be attending that INCOSAI.

Ask

How would you like to describe your SAI when you attend the INCOSAI in year 20....? In other words, what is that desired state in the future you would like to take or lead your SAI to?

Write

Answers on the flipchart

Discuss

Answers with the Group

Session 3 – Gaps between the desired and current situation (110 minutes)

- Tell** You described how you want to see your SAI in the future and described a number of desired conditions for your SAI.
- Tell** As an organisation your SAI's capacity has different aspects and areas.
- Show** **Slide 3** on aspects of SAI's capacity
- Explain** SAI's capacity has three aspects: an institutional aspect, an organisational aspect and a professional aspect. The three aspects together raise the SAI's ability to the level it fulfils its mandate effectively. Any failure in one of the aspects will have an impact on the overall performance of the SAI as shown by Slide 3.
- The institutional aspect involves working within the institutional framework that defines the SAI. The institutional framework may be a formal legislative framework or informal traditions and culture in the SAI. It includes the SAI's legislation in terms of financial independence, administrative independence, wider audit mandate, terms and conditions of appointment of the Head of the SAI etc.
- The Organisational capacity of an SAI includes the processes and structures in a SAI to enable a more effective and efficient achievement of desired objectives. These include systems in the core business area of an SAI – audit – as well as overall governance and support systems e.g. setting up IT audit unit, establishing a human resource management system, developing audit manuals, developing a management

information system.

- The professional aspect of an SAI’s capacity is the ability of the SAI management and staff to function effectively as per their job requirements. It includes the knowledge and skills of SAI employees.

Show	Slide 4 on the question: “What are the gaps between the current and desired situation of the SAI?”
Ask	Taking into consideration all the three aspects of SAI’s capacity, could you please identify the gaps between the current and the desired situation of your SAI?
Tell	For this activity you have 40 minutes. Please, work in groups and write your responses on the flipcharts.
	After 40 minutes
Ask	A group representative to present the gaps identified by his group. After the presentations
Tell	Each group identified the gaps between the current and desired situation of the SAI.
Tell	Now we shall identify common areas for all of groups.
Open	Discussion to lead all groups to agree on a common list of gaps by going through each of the lists of gaps identified by each Group.
Write	Common Gaps agreed up on by all Groups on separate flipcharts.
Show	Slide 5 on the IDI Capacity Building Needs Assessment framework

- Explain** The content of the framework.
- Explain** How each of the identified gaps fit into the IDI framework.
- Ask** If the framework reminds the participants of any gap they would like to add to the list of gaps agreed upon earlier.

Session 3 – Causes (100 minutes)

- Tell** It is important for the SAI to be aware of the gaps between its desired state and its current state, but in order to shrink those gaps what is more important is to be aware of the causes behind the gaps.
- Show** **Slide 6** on the question: “What are the causes behind the gaps between the current and desired situation of the SAI?”
- Regroup** Participants by asking them to count 1,2,3. All the 1s will be Group 1; all the 2s will be Group 2; etc.
- Ask** Participants to join their groups after assigning their own tables.
- Tell** In your new groups, you have 35 minutes to identify the causes behind the gaps. Some gaps may be causes for other gaps. Please, be as specific as possible. Write each cause on a strip of paper. Paste the strips of paper on your flipchart.
- Distribute** Enough pieces of the strips of paper and two markers to each Group.
After 20 minutes or if you see most groups no longer working.
- Emphasise** We are giving you sufficient time to work on identifying these causes because they will be very critical inputs to a later activity that will require you to recommend capacity building

initiatives to overcome these causes.

Prior to the presentations

Explain

The “Peer Review” approach for the presentation:

- After your presentation, you will get feedback from another Group in its capacity as Peer Review Group.
- Take note of these pairings.

<u>Presenter</u>	<u>Peer Review</u>
Group ...	Group ...
Group ...	Group ...
Group ...	Group ...
Group ...	Group ...

Ask

If they have questions about the instructions.

Ask

Representative from each group to present the causes to the other groups.

Request

Peer review team to give their comments.

After the presentations

Tell

You have heard the different causes hindering your SAI’s success. You’ve also heard the comments made by the Peer Review Group. In the next activity, you shall identify what causes are **common** to all the Groups represented here.

Tell

We have a comprehensive list of causes. Some of them are very critical. Now we should identify causes, which are common for all the groups. We shall discuss with you and come to a consensus. To identify common and critical important causes we request you to participate actively in the

following process.

Give

The following set of instructions:

1. Your Group will have the chance to look at the other Groups' outputs.
2. You will receive from the moderators your group's symbol – a cut-out of papers of a particular shape and colour.
3. Your group will go to the other three Groups' flipchart and take note of what are the causes that are **common** to your own Group.
4. For *common causes*, stick opposite that particular challenge the symbol assigned to your Group indicating this particular cause is common to your Group.

You will move clockwise and do the same for each flipchart.

Ask

Are we clear about the instructions?

Tell

You have 10 minutes to look for common causes on the flipchart assigned to you.

Give

The cue for the Groups to move to the next flipchart.

Observe

Whether all the Groups have visited all the other flipcharts.

When they finish

Tell

Look for the causes on your flipcharts that have three symbols.

Tell

That means that other Groups have considered these as their causes, too.

Post

flipchart for common Causes

Write

Common causes on the flipchart for common causes.

- Tell** On this flipchart, you have common causes to your Groups. You said that these causes refer to circumstances and situations that may affect the achievements of your SAI.
- Tell** What you are going to do next is to **rank** these Causes based on how critical these are. Each Group will do its own ranking.
- You have 15 minutes to discuss the rankings in your groups. *(Note: If there are less than five common Causes identified, there may be no need for prioritisation. In that case you may proceed to ask Groups to work on identifying capacity building interventions for these Causes.)*
- Post** The flipchart having columns for “Causes” and the names of the Groups.
- After 15 minutes**
- Ask** Group representatives to write ranking on the flipchart. Flipchart should contain the names of Common Causes in order of priority.
- Get** Top five priorities as a result of rankings made by the Groups and transfer on the board.
- Tell** We have now Common Causes identified by your Groups in order of priority you considered. Before going to further discussion do you have any additional comments or note?
- Session 4 – Recommendation of Capacity building initiatives (60 minutes)**
- (Referring to the flipchart)** We see on this flipchart your common causes arranged as to criticality or seriousness of its impact on achieving your SAI’s vision. To get your vision you should take those causes and

Tell	<p>develop specific capacity building initiatives. For this purpose we have an exercise. We have identified common causes in order of priority. We have four groups. Shall we take allocated Causes among Groups for further exercise? It will help us to save time and develop specific and comprehensive capacity building interventions for each Cause. Please, consider that capacity building interventions should be specific and feasible for each Common Cause.</p>
Allocate	<p>1-3 causes to each Group.</p> <p><i>(Note: If less than five common Causes, ask the participants to write the capacity building recommendations for <u>all the Causes identified</u>.)</i></p> <p>After 25 minutes</p>
Collect	<p>Recommended capacity building initiatives from Groups</p>
Post	<p>On the board all the capacity building initiatives recommended.</p>
Discuss	<p>The recommended capacity building initiatives with participants.</p> <p>Conclusion (10 minutes)</p> <p>When the discussion is over</p>
Tell	<p>We have had a very fruitful discussion looking at the outputs you have produced.</p> <p>Let us review our session objectives to see if we have anything we were not able to deal with or take up.</p>
Show	<p>Slide 2 on the Workshop objectives.</p>

Thank Participants for their cooperation and participation.

NOTES TO THE FACILITATOR:

After running the focus group, prepare a report that should outline the gaps, strategies and causes identified through the focus group workshop.

ANNEXE 5-9: INFRASTRUCTURES' PHYSICAL OBSERVATION CHECKLIST

Name of SAI

Observation by:

Date : _____ (dd/mm/yy)

Instructions:

The checklist questions below refer either to Existence of material and infrastructure or appraisal of situations, things and behaviour.

- When responding to Existence questions, please check yes or no cases (in Existence column)
- When responding to an appraisal question (sufficiency, adequacy, convenience, human behaviours,...) please check cases 1 to 5 in the ranking column.

(Notes: 1 - unacceptable, 2 - poor, 3 - good, 4 - very good, 5 –excellent)

- In case you have any remarks, please post it in the appropriate remark column.

No	Checklist description	Existence		Ranking					Remarks
		Yes	No	1	2	3	4	5	
A	<i>Physical work environment</i>								
	<i>Offices convenience</i>								
	There is sufficient room space.								
	Office rooms are well organised.								
	Work areas are clean								
	Work areas are tidy								
	Work areas are free from excessive noise.								
	Room temperature is adequate.								
	Furniture is efficiently arranged.								
	Lighting condition in work areas is adequate.								
	Storage equipment exists for each staff member.								
	Storage spaces for each staff member are adequate.								

No	Checklist description	Existence		Ranking					Remarks	
		Yes	No	1	2	3	4	5		
<i>Common space and commodities</i>										
	Waiting areas for visitors exist.									
	Waiting areas for visitors are convenient.									
	Drinking water facilities exist.									
	Drinking water facilities are convenient.									
	Toilets exist.									
	Toilets are convenient.									
	Parking facilities exist.									
	Parking facilities are convenient.									
<i>Training room</i>										
	Training rooms exist.									
	Training rooms are well equipped.									

No	Checklist description	Existence		Ranking					Remarks	
		Yes	No	1	2	3	4	5		
<i>Meeting rooms</i>										
	Meeting rooms exist.									
	Meeting rooms are well equipped.									
<i>Security</i>										
	Security checkpoint exists prior to offices access.									
	Fire security exists.									
<i>Location</i>										
	Departments/divisions/sections are efficiently located.									
<i>Library and Archives</i>										
	Space is sufficient.									
	Library is well organised.									
	Access to library is easy.									
	Categories and numbers of books are sufficient.									

No	Checklist description	Existence		Ranking					Remarks
		Yes	No	1	2	3	4	5	
	Library is clean.								
	Permanent files exist.								
	Audit Reports exist.								
	Courseware exists.								
	Borrowed materials are controlled and followed-up.								
	Access to confidential information is controlled.								
<i>B- Stationery, tools and equipments</i>									
<i>Stationeries</i>									
	Stationary for each staff member is sufficient.								
<i>Technology</i>									
	Number of desktop computers and laptops is sufficient.								
	Anti-virus protection exists.								
	Internet access for all the staff exists.								

No	Checklist description	Existence		Ranking					Remarks
		Yes	No	1	2	3	4	5	
	Internet access is easy.								
	Intranet exists.								
	Printers exist.								
	Printers are sufficient.								
	Printers are effective.								
	Photocopying facilities exist.								
	Photocopying facilities are convenient.								
	Relevant software exists.								
	Fax machines exist.								
	Fax machines are effective.								
	Telephone machines for internal communication exist.								
	Telephone machines for internal communication are effective.								
	Telephone machines for external communication exist.								
	Telephone machines for external communication are effective.								
	Control for minimising misuse of computers and other costly								

No	Checklist description	Existence		Ranking					Remarks	
		Yes	No	1	2	3	4	5		
	equipments (Fax, international call, mobile phone, etc.) are effective.									
<i>C- Guidance Document</i>										
	Audit Manuals exist.									
	Audit Manuals are sufficient.									
	Audit Toolkits exist.									
	Audit Toolkits are sufficient.									
	Auditing Standards exist.									
	Audit Laws exist.									
	Office Procedures Manuals exist.									
	Office Procedures Manuals are sufficient.									

ACRONYMS

AFROSAI-E:	The African Organisation of English-speaking Supreme Audit Institutions
ARABOSAI:	The Arab Organisation of Supreme Audit Institutions
ASOSAI:	The Asian Organisation of Supreme Audit Institutions
CAATs:	Computer Assisted Audit Techniques
CAROSAI:	The Caribbean Organisation of Supreme Audit Institutions
CBC:	Capacity Building Committee
CBNA:	Capacity Building Needs Assessment
IDI:	INTOSAI Development Initiative
INTOSAI:	International Organisation of Supreme Audit Institutions
ISSAI:	International Standards for Supreme Audit Institutions
NA:	Needs Assessment
OLACEFS:	The Latin American and Caribbean Organisation of Supreme Audit Institutions
PAC:	Public Accounts Committee
SAI:	Supreme Audit Institution

REFERENCES

- Planning and conducting needs assessments- A practical guide, Belle Ruth Witkin and James W. Altschuld
- IDI Strategic Planning Handbook.
- AFROSAI-E, Institutional Strengthening Framework for SAIs, Level 3, 2008
- ASOSAI, Guidelines on Audit Quality Management System, 2004
- ASOSAI-IDI, Handbook on Quality Assurance in Financial Auditing, 2009
- INTOSAI Capacity Building Committee, Building Capacity in Supreme Audit Institutions, 2007
- INTOSAI, International Standards of Supreme Audit Institutions, www.issai.org
- IDI Needs Assessment Guidance 2007
- IDI- AFROSAI-E Needs Assessment Courseware 2007
- A Systems Approach to Conduct an Effective Literature Review in Support of Information Systems Research, Yair Levy and Timothy J. Ellis, Graduate School of Computer and Information Sciences, Nova Southeastern University, Florida, USA
- Informing Science Journal Volume 9, 2006.
<http://inform.nu/Articles/Vol9/V9p181-212Levy99.pdf>
- Blooms Taxonomy, Website address:
<http://www.eecs.usma.edu/cs383/bloom/default.htm>
- Applying blooms Taxonomy
<http://www.teachers.ash.org.au/researchskills/dalton.htm#knowledge>
- Principles of Good Practice for Assessing Student Learning, American Association for Higher Education's OAPA Handbook PROGRAM-Based Review and Assessment, UMass Amherst
www.aahe.org
- Data culling and strategy,
<http://www.law.com/jsp/legaltechnology/roadmapArticle>

- IDI/ASOSAI capacity building needs assessment focus group 2005
- IDI/ASOSAI Instructional Techniques course- 2009.
- Bernard, Russell H. 2002 Research Methods in Anthropology: Qualitative and Quantitative Methods. Walnut Creek: AltaMira Press.
- Ervin, Alexander M. 2000 Applied Anthropology: Tools and Perspectives for Contemporary Practice. Boston: Allyn and Bacon
- Judith Sharken Simon, How to Conduct A Focus Group
<http://www.tgci.com/publications/99fall/conductfocusgp.html> (primary)
- Carter McNamara, Basics of Conducting Focus Groups
<http://www.mapnp.org/library/evaluatn/focusgrp.htm#anchor911239>
- The Small Schools Project, Conducting Focus Groups
<http://www.smallschoolsproject.org/tools/files/focusgroups.PDF>
- Organisational Needs Assessment; Samuel B. Mc Clelland
- A Practical Guide to Needs Assessment, Second Edition; Kavita Gupta, update and expanded by Catherine M. Sleezer and Darlene F. Russ-Eft