

Kuwaiti Audit Bureau Role in Auditing Government Agencies from Employees' Perspectives: An Exploratory Study

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Abstract

This exploratory study investigates the auditing role of the Kuwaiti Audit Bureau (KAB) of government agencies from employees' perspectives, regarding rationalization of public spending, detecting deviations and violations, and taking timely corrective measures to stop any wrongdoing. The study was based on a questionnaire which was administered in the fall 2014 to a random sample of (500) employees of the KAB and audited government agencies. The study shows that employees evaluate highly the effectiveness of its role, and recommends how this role can be enhanced.

Keywords

public administration, public budgeting, bureau of auditing, managing public finance, financial auditing, effectiveness

1. Introduction

Auditing and control are cornerstones of good management of public resources and of prime importance in providing oversight, insights, and foresight as they address whether government agencies are doing what they are supposed to do, and serve to detect and deter public corruption, assist decision-makers in providing an independent assessment of government programs, policies, operations, and results, and identify and detects violations or problems. Auditing is broadly defined as a process designed to provide reasonable assurance regarding effectiveness and efficiency of operations, reliability of reporting and compliance with applicable laws and regulations. Auditing "is the accumulation and evaluation of evidence about information to determine and report on the degree of correspondence between information and established criteria and should be done by competent, independent person" (Elder et al., 2010, p. 4). According to European Commission, public internal financial management combines two concepts: financial management and control systems and internal auditing (Alain-Gerard Cohen, 2007; Internal Auditor, p. 103). Financial control plays an essential role in making sure those laws and regulations are respected, proper use of public resources allocated in the

budget is the norm, prevention of waste of resources, and detecting any possible wrong doings and taking corrective actions in time. Auditing objectives include reliability and integrity of information, compliance with the applicable legal framework, safeguarding of assets, efficient and legal collection of state resources, economical, efficient and effective use of public resources. (Klingenstierna, 2009, p. 2). Auditing and financial control include strategic and traditional/technical objectives. The first includes saving public resources, enhancing efficiency and effectiveness, suggesting better ways to achieve objectives of plans and policies, and verify good implementation of budget law. The second includes ensuring implementation of rules and regulations governing public finance and ensuring proper use of appropriations and collecting public revenue as specified, efficient and effective public expenditures, providing and following up professional impartial professional reports about financial conditions and work of the audited agencies, and motivating employees to improve performance and compliance with laws and regulations (Al-Fadli, 2007). Article 151 of Kuwaiti constitution established a state body to be supervised by the Parliament to assist in collection of public revenues and public expenditures within budget limitations. According to this constitutional provision, Act No. 30 of 1964 created KAB as an independent body of financial control which reports to the Parliament. KAB in Kuwait audits all ministries and government agencies, municipalities and other local entities, bodies, institutions and public enterprises, state or municipal, companies and institutions in which government ownership is not less than 50%, companies and institutions that guarantee the state a minimum profit, licensed companies for managing public utilities, companies which authorized to exploit natural resources (Audit Bureau Law, 30 of 1964). KAB pre audits all tenders and agreements worth a hundred thousand Kuwaiti dinars or more, and post audits all government agencies' decisions. Many auditing standards issued by the American Accountants Association combine general criteria relating to qualifications and personal characteristics which relate to professional reporting standards. (Thomas William Emerson, 1989, p. 52); (GAO, 1994, p. 124; Al-Sati, 2003).

2. Literature Review and Hypothesis Development

Many research studies relating to the research problem have been conducted which focus on different public sector auditing aspects such as public sector accounting reforms, public sector problems, and country studies. Some of these studies are briefly mentioned.

2.1 Public Sector Accounting Reforms

Harun, Van Peurse and Eggleton (2015) studied Indonesian public sector accounting reforms and provided an understanding of the role that accounting reform can play in nurturing, or failing to nurture, a more dialogic form of accounting in a local Indonesian municipality. The study shows that Indonesia has achieved significant intended economic and political reforms for fostering democracy, strengthening accountability, and creating transparency and demonstrates the limitations of legislation and regulation in countering patterns, and that centralizing forces remain to serve vested interests due to traditions of central control.

2.2 Public Sector Accounting Problems

Yang Xiao and Pendlebury (2008) examined problems and reforms efforts in government auditing in China and evaluated current government auditing system and proposed to move it from the executive branch to the legislature. The proposed system aimed to smooth the reform as the responsibility for auditing the use and control of fiscal budgets by the central and regional governments would be under the control of the legislature, while other audit functions would remain under the control of the government as a politically acceptable compromise. The researchers argued that this reform would strengthen audit independence where it is most needed but also enable the government to maintain strong economic control.

Abu Haddaf (2006) aimed to identify strengths and weaknesses of practices of the Office of Financial Supervision and Administrative agencies of the Palestinian Authority in Gaza, and submitted recommendations to improve performance levels.

2.3 Country Studies

Hossain (2015) examined accountability and levels in three unions in local government bodies in Bangladesh. The study findings show that local institutions are very weak in providing public basic services and in promoting good governance because of many obstacles such as lacking revenues, a low level of human capital, the absence of participative decision-making in the budgeting process, lack accountability and transparency, and weak monitoring mechanism. The study recommends many measures to deal with these problems.

Al-Farah1, Abbadi and AL Shaar (2015) traced the historical development of accounting the auditing profession in Jordan and examined social, economic, and political factors which have affected this profession. The findings indicate that Jordan is committed to financial reporting and international auditing standards.

Goddard et al. (2015) provided summaries of various research projects examining accounting practices in the public sector in Tanzania where gaming and corruption were evident in central government, associated more with the civic public in the central as well as in local government, while accountability and moral responsibility appeared to be stronger in NGOs.

Chang (2015) analyzed a dataset of audit proposals to investigate auditors' impression management strategies and audit procurement quality in the public sector. Text based analytic methods were employed to examine the content of audit proposals, which were submitted for government audit engagements in fifteen states. Moreover, he examined the association between auditor selection and perceived audit service qualities in audit proposals. Study's findings indicate that government clients tend to select an auditor who emphasizes competence, is a predecessor auditor, and, is less expensive and provide insights into governmental audit procurement practices and the determinants of auditor selection decisions in the public sector.

Khasawneh (2010) identified procedures of Audit Bureau in Jordan after adopting e-Government, regarding actions and proposed steps to government controls, which include planning procedures for the

regulatory process, design a model for implementation of state control, process and procedures for determining areas of government control, and procedures for implementing state control in the field of electronic systems. The study found that the Bureau does not have adequate control procedures in these areas.

Al Mazrouei (2009) examined the impact of KAB reports on improving performance of government ministries and departments in the State of Kuwait to determine effectiveness of internal control systems in improving their performance and cooperation with auditors, and its impact on improving their performance, and the impact of activation of KAB reports and recommendations. Study results show low commitment of some ministries and government departments to developing and maintaining internal control systems, and poor cooperation with auditing employees with regard to providing them with required documents and data.

Hammad (2003) evaluated financial control in the public sector. The study results found low efficiency of accounting system in the institutions of the Palestinian National Authority, lack of senior management in institutions, absence of job descriptions, and centralization of authority, lack of objectivity and transparency in the selection of accountants, and weak disciplinary sanctions against violators of the law.

Al-Saadah and Al-Kharabsheh (2003) analyzed the impact of administrative development program adopted by KAB in Jordan on its performance. The study found a positive impact of the administrative development program, which reinforces the importance of this trend and encourages its application in other government agencies.

Nida (2002) discussed the development of the accounting system in Egypt in line with the program budgeting and performance system. Study results showed that the cash based government accounting system is not effective in measuring total real costs, unable to provide information necessary to evaluate performance of governmental units, and take appropriate decisions to improve performance in the future. The study concluded that accountants in government are competent, qualified and experienced and are capable to apply accrual basis as an alternative to cash basis, and may need training to cope with problems that may be encountered in this regard.

Al- Mulla (2001) discussed the auditing role of KAB in Kuwait and its outcome in previous years, and identified strengths and weaknesses in its performance, including controlling the most significant irregularities found in the annual reports.

Al-Rashed (1999) highlighted the role of Audit Bureau in Kuwait as a watchdog to protect public resources, compared with audit systems in the developed world and seek views of stakeholders on its functions. The study found that the Bureau's performance is at a moderate level which requires more attention to improve its performance.

The surveyed literature indicates that it is important that auditing bureaus must enjoy main characteristics in order to be able to perform their functions efficiently and effectively before, during, and after implementation of the budget. These characteristics include:

- 1) Appropriate degree of autonomy. This can be greatly enhanced by how a chief audit executive is

appointed and terminated, and he should be free to staff KAB without interference or undue political influence from public officials.

- 2) A formal mandate. This can be done by having audit activity's powers and duties established by the statutory legislation, which would address procedures and requirements of reporting, and the obligation of the audited entity to collaborate with auditors.
- 3) Full access. This means that auditing should be conducted with complete and unrestricted access to employees, property, and records as appropriate for the performance of audit activities.
- 4) Competent and professional staff. Effective auditing needs a professional staff that has the necessary qualifications and competence to conduct the full range of audits required by its mandate.
- 5) Professional audit standards. The aim is to promote systematic auditing based on evidence.

3. Research Problem and Its Importance

The present study aims at examining how Kuwaiti government employees evaluate the effectiveness of KAB in achieving in auditing management of public funds with regard to auditing procedures, qualifications of auditing employees, human resources management, administrative autonomy, control methods, and to recommend ways of how to enhance this role in improving managing public resources. Effectiveness in this sense refers to degree to which objectives are achieved, and the extent to which targeted problems are solved. This is very important goal as KAB, as all government organizations aim at maximizing public interest. An effective role of auditing and control entails prerequisites which the present study examines. The study is very important because the effective control of KAB can result in saving public resources which is very important in Kuwait because government spending is a cornerstone of all economic and social development programs, as it constitutes more than 75% of the GDP, which makes financial control over collection and disbursement of public funds extremely important (Al-Mulla, 2001). This goal is of special importance in view of the huge budgets in the State of Kuwait, which reached 21240 million Kuwaiti Dinar in 2012/2013 fiscal year, in addition to 37500 million Kuwaiti Dinar allocated in Development Plan 2009/2010-2013/2014, which raises annual budgets to approximate 120000 million US dollars. Kuwait Ministry of Finance, the Minister of Finance on Economic and Financial Conditions Monetary and the Draft Budget for Fiscal Year 2012/2013 (p. 109), Kuwait. The Higher Council for Planning. The Development Plan 2009/2010-2013/2014. These huge budgets indicate how much money can be saved if irregularities are disciplined and if waste of public resources in various forms of corruption and malpractices are detected in time. Effective control and audit measures of KAB can make a difference in this regard.

4. Research Questions and Hypotheses

The research questions of the study are as follows:

- 1) How do government employees evaluate the auditing role of KAB?
- 2) How do government employees evaluate the administrative autonomy of KAB?

- 3) How do government employees evaluate KAB auditing measures?
- 4) Are there significant differences between demographic factors and evaluation of KAB role?
- 5) What can be recommended to enhance the auditing role of KAB?

With regard to the hypotheses, the study aims at testing the following hypotheses which are based on the expectation that effective auditing assume necessitate positive relationships between abiding with auditing standards and achieving intended objectives from auditing government agencies. This fact explains why hypotheses are presented in positive terms.

- H1. Auditing procedures followed by KAB are effective for achieving its intended objectives.
- H2. KAB employees have necessary competencies needed to achieve auditing objectives.
- H3. KAB employees enjoy necessary administrative autonomy to achieve intended objectives of auditing.
- H4. KAB auditing practices are objective and professional.
- H5. KAB management of human resources does enhance its role in achieving its objectives.
- H6. Pre and post auditing methods of KAB are sufficient to achieve its objectives.
- H7. The overall impact of KAB auditing efforts is effective in achieving intended objectives.
- H8. There are no differences in government employees' evaluations of the effective role of KAB, attributed to demographic characteristics (agency, experience, job, education, specialization).

5. Research Methodology

The present researcher adopted descriptive analytical approach in conducting this study. Secondary data and primary data collection were engaged. Secondary data was collected based on the findings of prior studies, papers, articles, books, field studies, academic theses, laws, and regulations in order to define concepts which relate to the study variables, and to develop hypotheses. Primary data collection was carried out using a self-designed questionnaire which was developed by the researcher to examine important aspects of auditing in the State of Kuwait, identify auditing and controlling measures and their strengths and weaknesses, and ways to bridge gaps in these areas. The face validity of the questionnaire was ensured through a pilot study by presenting the questionnaire to 10 specialized faculty members, the format of the questionnaire was modified according to their comments and suggestions. A pilot study of 30 employees has been conducted at the outset to ensure clarity of questionnaire's questions. Cranach Alpha coefficient was calculated to verify authenticity of the questionnaire, internal consistency and the affiliation of the paragraphs for each dimension of the study which was .95 which indicates a high degree of reliability and internal consistency (Sekran, 2003). Answers to each item in the questionnaire range from 1-5 points on Likert five-point scale. The items of the questionnaire were measured with 5-points Likert scale. Calculated weights of respondents answers on a five points Likert's scale were interpreted as follows: less than 3 points means low level evaluation, 3-3.5 points means good level evaluation, 3.51-3.99 points means very good level evaluation, 4 points or more means excellent level evaluation. Descriptive statistics methods such as mean, standard deviation, variance, percentage

calculation, and inferential statistics T-test have been applied to analyze the data, and SPSS software version 22 was used for statistical calculation. The questionnaire was administered in Fall 2014 on a random sample of government employees from KAB and audited government agencies.

6. Population and Sample

The study population includes employees of KAB and government agencies in Kuwait which are subjected to auditing. The study sample was a random sample which consists of 500 employees from KAB and other audited government agencies. The returned completed questionnaires processed and analyzed were 436 questionnaires which accounts for 87% response rate. With regard to distribution of the sample, Table 1 shows that KAB employees constitute 20.6%, employees of other audited government agencies 79.4%. Regarding years of experience 32.1% have less than 5 years, 24.3% from 6-10 years, 18.3% 21 years and over, and 16.5%, 11-15 years, and 8.7%, 16-20 years. With respect to job title, accountants constitute 41.7%; auditors 17.9%, other 17%, section heads 11%; monitors 8.3%, directors 3.7%. Regarding qualifications, holders of B. Sacs. degrees constitute 75.7%, secondary education or less 13.8%, master degree 8.7%, and Ph. Ds. 1.8%. With regard to specialization, accounting was the majority 67.9%, other degrees 12%, law 10.6%, and management 9.6%.

Table 1. Profile of the Study Sample

Variable	Frequency	Percentage
1. Agency		
Audit Bureau Employees	090	20.6
Other Government Agencies' Employees	346	79.4
2. Years of Experience		
1-5	140	32.1
6-10	106	24.3
11-15	072	16.3
16-20	038	08.7
21 and above	080	18.3
3. Job Title		
Auditor	018	17.9
Accountant	182	41.7
Section Head	048	11.0
Monitor	038	08.7
Director	016	03.7
Other	074	17.0
4. Education Level		

B.Sc.	330	75.7
Master degree	038	08.7
Ph. D	008	01.8
Secondary education or less	060	13.8
5. Specialization		
Accounting	296	67.9
Management	042	09.6
Law	046	10.6
Other	052	12.0
Total	436	100

7. Data Analyses

This part of the study presents findings and discusses implications. It was based on the questionnaire which was designed for collecting data which consists of three main parts. Part one consists of demographic data. The second part consists of 22 items cover independent variable dimensions which are: auditing procedures, performance of auditing employees, administrative autonomy, objectivity and professionalism in auditing practices, selection methods and training of auditing employees, and auditing methods. The third part discusses the dependent variable which is effectiveness in achieving auditing objectives.

8. Study Hypotheses

H1. Auditing procedures followed by KAB are effective for achieving its intended objectives.

Study results as shown in Table 2 show that mean scores of auditing procedures used by KAB employee range from 3.91-4.17 on Likert's five points scale. This evaluation demonstrate that respondents evaluate objectives of the auditing as excellent 4.17, followed by specified auditing steps 4.10, and regular visits of auditing employees to audited agencies 4.05, and auditing procedures of audited agencies 3.91. In short, responses indicate that auditing procedures of KAB suit its intended objectives which support the hypothesis.

Table 2. Means and Standard Deviations of Evaluations of Auditing Procedures

Items	Mean	Standard Deviations
Audit Bureau employees have clear cut objectives	4.17	.759
Audit Bureau employees specify auditing steps	4.10	.780
Auditing employees visit audited agencies on regular basis	4.05	.959
Auditing procedures do not obstruct work of audited agencies.	3.91	.866

H2. KAB employees have necessary competencies needed to achieve auditing objectives.

Study results as shown in Table 3 indicate that mean scores of respondents' evaluations for competency of auditing employees range from 3.85-4.10 points on Likert's five points scale. They were 4.10 for abiding by laws, 3.91 for cooperative and responsible relations between them and their counterparts in the audited agencies, 3.87 for knowledge in auditing and controlling procedures and methods, 3.85 for experience and ability to carry out their duties. This result means that respondents evaluate auditing employees experience and competence as very good which invalidate the hypothesis.

Table 3. Means and Standard Deviations of Evaluations of Competent Performance of Auditing Employees

Items	Mean	Standard Deviations
Kuwait Audit Bureau Employees of have good experience and ability to carry out their duties	3.85	.85232
Kuwait Audit Bureau Employees are knowledgeable in auditing and controlling procedures and methods	3.87	.85138
Relations between Kuwait Audit Bureau employees and their counterparts in the audited agencies are cooperative and responsible	3.91	.88238
Auditing employees abide by laws and regulations govern their tasks	4.10	.76046

H3. KAB employees enjoy necessary administrative autonomy to achieve intended objectives of auditing. Study results as shown in Table 4, show that that mean scores of respondents' evaluations of administrative autonomy enjoyed by KAB employees range from 3.86-4.00 points on Likert's five points scale. The means were 4.0 with regard to necessary administrative and financial autonomy, 3.96 to objectivity and professionalism in performing their duties, 3.86 to auditing employees' dependence on information in performing their functions. These results support the hypothesis.

Table 4. Means and Standard Deviations of Evaluations of Necessary Administrative Autonomy to Achieve Auditing Objectives

Items	Mean	Standard Deviations
Employees of KAB have necessary administrative and financial autonomy to perform their functions	4.00	.90460
Employees of KAB are objective and professional in performing their duties	3.96	.96078
Employees of KAB perform their duties depending on sound information and methodology	3.86	1.01454

H4. KAB auditing practices are objective and professional.

Study results as shown in Table 5 that the mean scores for respondents' evaluation of objectivity and professionalism of auditing employees and their adoption of international auditing standards range from 3.67-3.85 points on Likert's five points scale. The means were 3.71 for employees' knowledge of international auditing standards, 3.67 for auditing procedures application of international standards and 3.85 for auditing employees' compliance with international auditing standards on Likert five point's scale. These results support the hypothesis.

Table 5. Means and Standard Deviations of Evaluation of Objectivity and Professionalism and Applying International Standards in Auditing Methods

Items	Mean	Standard Deviations
Employees of KAB understand international auditing standards	3.71	.81592
Auditing procedures followed by KAB are up to international standards	3.67	.83011
Employees of KAB comply with international auditing standards	3.85	.79247

H5. KAB management of human resources does enhance its role in achieving its objectives.

Study results as shown in Table 6 show that the mean scores of respondents' evaluation of selection and training methods of auditing employees range form 3.55-3.82 points on Likert's five points scale. Specifically the means were 3.55 for selection methods on merit basis, 3.82 for training and development of employees, 3.69 for adoption of technological methods in their work, and 3.77 for using computer software in their work. These results support the hypothesis.

Table 6. Means and Standard Deviations of Evaluations of Selection Methods and Training of Staff, and Adopted Auditing Methods

Items	Mean	Standard Deviations
Selection of employees in KAB are based on merit	3.55	1.08031
Employees of KAB are given good training and development opportunities	3.82	.85602
Employees of KAB are using technological methods in their work	3.69	.90976
Employees of KAB use computer software in their work	3.77	.95409

H6. Pre and post auditing methods of KAB are sufficient to achieve its objectives.

Study results as Table 7 shows that the mean scores of respondents' evaluation of pre and post auditing methods range from 3.89-3.85 points on Likert's five points scale. The means were 3.85 for pre auditing role in achieving the intended objectives, 3.80 for auditing the ongoing activities effectiveness in detecting and correcting deviations in time, 3.88 for post auditing effectiveness in making sure that recommendations of auditing reports are implemented, 3.83 for audited agencies KAB employees access

to their activities which enable them in achieving its objectives 3.83. These results support the hypothesis.

Table 7. Means and Standard Deviations of Evaluations of Effectiveness of Adopted Auditing Methods

Items	Mean	Standard Deviations
Pre auditing role of KAB achieves its intended role	3.85	.85043
Auditing the ongoing activities are effective in detecting and correcting deviations in time	3.80	.89576
Post auditing are effective in making sure that recommendations of KAB are implemented	3.88	.87193
Audited agencies allow employees of KAB access to their activities which helps in achieving its objectives	3.83	.94457

H7. The overall impact of KAB auditing efforts is effective in achieving intended objectives.

Study results show that the mean scores of respondents evaluation of the effectiveness of the auditing role of intended objectives of KAB as shown in Table 8 range from 3.86-4.10 points on Likert's five points scale. The means were 4.10 for better utilization of public resources, 4.07 for preventing financial violations in audited agencies, 4.06 making sure that laws and regulations are respected, 3.99 making sure that laws and regulations are properly applied, 3.97 contributing to developing work, 3.97 enhancing efficiency in managing public funds and minimizes waste, 3.96 preventing abuse of authority and detecting deviations, enhancing transparency, integrity, and confidence in government administration, 3.95 encouraging audited agencies to apply recommendations in auditing reports, 3.88 helping audited agencies to define clear and implementable objectives, 3.86 improving performance of audited agencies' employees. These results reflect very good evaluation which gives support the hypothesis. These results are different from Al-Rashid's study findings that auditing role of the Bureau role is medium level, while the findings of the present study show that this role have improved and reached a very good level. These results demonstrate the effectiveness of KAB' srole and ability to achieve its intended goals.

Table 8. Means and Standard Deviations of Overall Impact of Auditing Efforts of the Audit Bureau in Achieving Auditing Objectives

Items	Mean	Standard Deviations
Audit Bureau auditing role helps in better utilization of public resources	4.10	.7982
Audit Bureau auditing efficiency in managing public funds and minimizes waste	3.97	.85725
Audit Bureau auditing prevent abuse of authority and detects deviations	3.96	.85440
Audit Bureau auditing make sure that laws and regulations are respected	4.06	.84988
Audit Bureau auditing enhances transparency, integrity, and confidence in government administration	3.96	.81021
Audit Bureau auditing make sure that laws and regulations are properly applied	3.99	.81362
Audit Bureau auditing encourages audited agencies to apply recommendations in auditing reports	3.95	.84861
Audit Bureau auditing contributes to developing work Methods in the audited agencies	3.97	.78443
Audit Bureau auditing helps audited agencies to define clear and implementable objectives	3.88	.77714
Audit Bureau auditing helps improve performance of audited agencies' employees	3.86	.89922
Audit Bureau auditing prevents financial violations in audited agencies	4.07	.84056

9. Testing Study Hypotheses

In order to test the hypotheses, correlation coefficients were calculated between different aspects of independent variable auditing aspects, and the dependent variable achieving KAB objectives. The results as shown in Table 9 indicate strong positive correlations .486, .644, .508, .605, .766 at .01 statistically significant levels which indicate that KAB is achieving its objectives. This result does support the hypothesis.

Table 9. Pearson's Correlations between Evaluations of Auditing Dimensions of KAB and Achieving Auditing Objectives

Auditing Dimensions		Effectiveness of Auditing in Achieving Intended Objectives
Auditing Procedures	Pearson Correlation	.486**
	Sig. (2-tailed)	.000
	N	436
Competency of Auditing Employees	Pearson Correlation	.644**
	Sig. (2-tailed)	.000
	N	436
Administrative Autonomy	Pearson Correlation	.508**
	Sig. (2-tailed)	.000
	N	436
Objectivity and Professionalism	Pearson Correlation	.515**
	Sig. (2-tailed)	.000
	N	436
Training and Developing Employees	Pearson Correlation	.605**
	Sig. (2-tailed)	.000
	N	436
Auditing Methods	Pearson Correlation	.766**
	Sig. (2-tailed)	.000
	N	436

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

H8. There is no differences in government employees' evaluations of the effective role of KAB, attributed to demographic characteristics (agency, experience, job, education, specialization).

In order to test the hypothesis, One way ANOVA analysis was conducted. Study results as shown in Table 10 that respondents evaluation of the controlling role of KAB do not vary according to type of agency, job title, or years of experience. Respondents evaluate this role the similarly regardless of government agency they work for, or job title, or years of experience. But study findings show that respondents' evaluation varies at 0.01 statistically significant level according to their educational qualifications and specialization. These results can be understood as people who have more education, and those with specialization in management and accounting may be more critical and have more expectations than those with less educational qualifications. Likewise employees who are specialized in law and other specialization are concerned more with compliance with legislations and applying rules rather than with better performance and cost benefit analysis. These results do not total support to the hypothesis

Table 10. ANOVA between Evaluation of KAB Effectiveness & Demographic Variables

		Sum	of	Freedom	Mean	of	F	Significance
		Squares		Degrees	Squares			
Government Agency	Between	.960	3		.320		.748	.524
	Within Groups	184.870	432		.428			
	Total	185.830	435					
Years of Experience	Between	2.866	4		.716		1.688	.152
	Within Groups	182.964	431		.425			
	Total	185.830	435					
Job title	Between	4.013	5		.803		1.898	.093
	Within Groups	181.818	430		.423			
	Total	185.830	435					
Education	Between	5.512	4		1.378		3.294	.011**
	Within Groups	180.318	431		.418			
	Total	185.830	435					
Specialization	Between	10.437	4		2.609		6.412	.000**
	Within Groups	175.393	431		.407			
	Total	185.830	435					

** Significant at the 0.01 level.

* Significant at the 0.05 level (2-tailed).

To further investigate differences among respondents' evaluation attributed to education and specialization, as revealed by ANOVA, Post Hoc Tests were applied. Table 11 shows that more educated employees' evaluations were higher than employees of lower education at a .02 statistically significant level. This result emphasizes the importance of high educational qualifications and their positive impact on their auditing performance which requires encouraging employees to gain more skills through various forms of education and sponsoring those who are motivated to pursue their higher education.

Table 11. Means of Auditing Objectives * Eduqualif Means of Auditing Objectives

EDUQUALIF	Mean	N	Std. Deviation
B.Sc.	3.9493	330	.66070
Master	4.1962	38	.47943
Ph.D.	4.3864	8	.52053
Secondary Edu. or less	3.9561	58	.67929
5.00	5.0000	2	.00000
Total	3.9846	436	.65360

(I) EDUQUALIF	(J) EDUQUALIF	Mean Difference (I-J)	Std. Error	Sig.
B.Sc.	Master	-.24686*	.11080	.026
	Ph.D.	-.43705-	.23144	.060
	Secondary Edu. or less	-.00680-	.09209	.941
	5.00	-1.05069*	.45875	.022
Master	B.Sc.	.24686*	.11080	.026
	Ph.D.	-.19019-	.25161	.450
	Secondary Edu. or less	.24006	.13499	.076
	5.00	-.80383-	.46925	.087
Ph.D.	B.Sc.	.43705	.23144	.060
	Master	.19019	.25161	.450
	Secondary Edu. or less	.43025	.24395	.078
	5.00	-.61364-	.51135	.231
Secondary Edu. or less	B.Sc.	.00680	.09209	.941
	Master	-.24006-	.13499	.076
	Ph.D.	-.43025-	.24395	.078
	5.00	-1.04389*	.46519	.025
5.00	B.Sc.	1.05069*	.45875	.022
	Master	.80383	.46925	.087
	Ph.D.	.61364	.51135	.231
	Secondary Edu. or less	1.04389*	.46519	.025

Regarding differences in evaluations attributed to specialization, the results, as shown in Likewise Table 12 indicate that employees specialized in accounting came in the first order, followed by those from law, business, and other fields of specialization. This result emphasizes the importance of providing employees with training opportunities to enhance their capabilities and bridge the gaps.

Table 12. Means of Auditing Objectives* Specialization Means of Auditing Objectives

SPECIALIZATION	Mean	N	Std. Deviation
Accounting	4.0485	296	.58005
Business	3.6061	42	.79524
Law	4.0316	46	.78956
Other	3.8400	50	.67246
5.00	5.0000	2	.00000
Total	3.9846	436	.65360

(I) SPECIALIZATION	(J) SPECIALIZATION	Mean Difference (I-J)	Std. Error	Sig.
Accounting	Business	.44247*	.10519	.000
	Law	.01691	.10110	.867
	Other	.20853*	.09754	.033
	5.00	-.95147*	.45260	.036
Business	Accounting	-.44247*	.10519	.000
	Law	-.42556*	.13615	.002
	Other	-.23394	.13352	.080
	5.00	-1.39394*	.46169	.003
Law	Accounting	-.01691	.10110	.867
	Business	.42556*	.13615	.002
	Other	.19162	.13033	.142
	5.00	-.96838*	.46078	.036
Other	Accounting	-.20853*	.09754	.033
	Business	.23394	.13352	.080
	Law	-.19162	.13033	.142
	5.00	-1.16000*	.46001	.012
5.00	Accounting	.95147*	.45260	.036
	Business	1.39394*	.46169	.003
	Law	.96838*	.46078	.036
	Other	1.16000*	.46001	.012

10. Discussion

Results of the study as shown in Table 13 indicate respondents evaluations of various aspects of auditing aspects exercised by KAB. The general mean score of evaluation is 3.96 on Likert's five points scale, which reflects very good evaluation. The means were 4.06 for auditing procedures, 3.94 for administrative autonomy 3.93 for competency of auditing employees, 3.84 for auditing methods, 3.74 for

objectivity and professionalism, and 3.71 for selection and training employees. These results reflect satisfaction of KAB role at a very good level. This conclusion was substantiated by a mean score 3.98, of the dependent variable which is the average mean of responses to questions regarding effectiveness of KAB in achieving its intended objectives.

Table 13. Means and Standard Deviations of Dependent and Independent Variables

Items	Mean	Standard Deviations
Independent Variables		
Auditing Procedures	4.06	.6578
Competency of Auditing employees	3.93	.6565
Administrative Autonomy	3.94	.7821
Objectivity and Professionalism	3.74	.7104
Selection and Training Employees	3.71	.7789
Auditing Methods	3.84	.7016
Dependent Variable		
Audit Bureau Effectiveness in Achieving its intended Objectives	3.98	.6536

These findings are different from the findings of Al-Khasawneh's study regarding auditing procedures and methods (after adopting e-Government, regarding actions and proposed steps to government controls) in Jordan Audit Bureau which concluded that the methods were not effective in achieving intended goals. However, after examining the various dimensions of auditing dimensions many conclusions can be drawn.

With regard to auditing procedures, the least evaluation as shown in Table 2 relate to coordination between auditing employees and the audited agencies. This result is consistent with the findings of Al Mazrui's study which disclosed poor cooperation of some audited ministries and government departments with auditing employees in providing them needed documents and data (Al Mazrui, p. 138). Hence forth, it is important to develop better mechanisms for better coordination between both parties through designing and implementing training programs to address such aspects by identifying bottlenecks, in addition to behavioral training programs that focus on developing positive behavioral skills among staff.

With respect to competency of auditing employees, the overall mean for evaluating this dimension as study findings show is at very good level. However, the lowest evaluation in this dimension relates to expertise, knowledge, and capacity of auditing employees which confirms the previous conclusion which emphasizes the need for designing specialized training programs to develop expertise, skills, and knowledge in needed areas as a result of identifying training needs.

Regarding administrative autonomy for auditing employees, it was evaluated by respondents as very

good 3.94. But the lowest evaluation in this dimension relates to more authority needed in collecting data for auditing which necessitate more concern with this aspect.

As far as objectivity and professionalism is concerned the overall mean of respondents' evaluation for this dimension was 3.74. But the highest evaluation was for following international auditing standards 3.85. This result is similar to Al-Mazrouie' study findings that Bureau auditors abide by international auditing standards 3.15 points on Likert's five-points scale and it is improving more since then (Al mazrouei, p. 128). The least evaluation in this dimension relates to operational definition of auditing procedures which translate international auditing standards 3.67. This result indicates paying more attention to this aspect through special training.

With regard to selection, training, and retaining qualified employees, respondents evaluate this dimension as very good 3.71. The least evaluation 3.55 relates to competitive policy of recruiting employees. This emphasizes the need to focus more on following the merit system in recruitment, to enhance KAB capacity to attract qualified applicants which can improve its effectiveness in achieving its objectives. The present study findings in this regard are in tune with Al-Rashed's study findings which stressed importance of providing qualified cadres for KAB (Al-Rashed, p. 96).

With regard to evaluation of auditing methods, they were evaluated by respondents as very good 3.84. The least evaluation relates to on-site auditing 3.80. This refers to problems encountered by auditing employees in their onsite visits to audited government agencies. This requires giving more importance in providing behavioral training in these areas.

11. Managerial Implications

In view of study findings, the present researcher recommends that more attention should be given to applying merit system in recruiting and selecting employees on competitive basis, to ensure selecting best competencies, and providing competitive incentives to retain them, and keep turnover rates at minimum levels. Moreover, adopting training policies and methods to ensure enhancing employees' performance through gaining more knowledge, skills, and inculcate values to ensure increasing efficiency and effectiveness, which can help KAB to achieve its objectives. Likewise, it is of prime importance that the KAB enhances its capacity by attracts specialized talents in specific areas of financial control, and technological methods in auditing, to make their expertise available to KAB employees, and in adopting computer technology as a basis for developing skills. It is also very important to build more integration of internal and external auditing, and providing audited agencies with qualified employees as qualified counterparts of KAB Auditors enhances the national role of KAB in saving public resources. It should be noted to have legislations which govern the changing role of KAB changing from accounting to performance auditing be reviewed and authorize KAB judicial police powers in exercise of its functions, and remove any duplication or conflict to ensure proper functioning and greater efficiency and effectiveness of KAB.

12. Limitations

Although study results are interesting and promising, they need to be taken with caution because of limitations in this research as it took all government audited agencies as one group though they are different categories of government agencies (ministries, public institutions, public authorities, public Companies). Moreover other demographic factors (sex, and age) of the study sample were not included in the questionnaire. Hence, future research result needs to be conducted to compare between audited government agencies and examine differences in how respondents evaluate their performance. Moreover, in future research, a sampling frame that combines different government organizations and other demographic factors could be adopted in order to provide a more comparative perspective to the subject.

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