



RESEARCH HIGHLIGHTS

Citizen Engagement in the Performance Audit Process

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Introduction

Civic participation is the cornerstone of democracy. From voting in elections to participating in public debates, citizens have various means of influencing and engaging in public decision-making processes.

While voting rates have declined in many countries in recent years, this trend has been counterbalanced by the various communication technologies that have enabled governments to create new citizen engagement platforms. Using these platforms, many governments have facilitated citizen engagement by making more information available to citizens—such as Canada's federal [Open Government](#) initiative—and by seeking more feedback from citizens.

These same communication technologies have also helped create social movements (such as #metoo and the Arab Spring) that allow citizens with similar interests to join forces and advocate for their chosen cause with a common voice.

Today's legislative auditors therefore work in an age of greater transparency and increased opportunities for citizens and civil society organizations (CSOs) to engage in public policy discussions and processes. But do those trends affect the way they conduct their audits? If so, in what way?

This article explores the question of citizen engagement in the performance audit process and highlights CAAF research findings on this topic of growing interest in the audit community.

Citizens as valuable stakeholders in the performance audit process

Citizens are generally recognized as stakeholders by legislative audit institutions, but traditionally these institutions have had limited interactions with citizens and CSOs. This is reflected by the fact that the accountability cycle commonly includes the legislature, the government, and the independent audit institution, but does not explicitly include citizens (who are implicitly represented by elected officials).

Not long ago, the Auditor General of Canada, the late Michael Ferguson, pointed out that the federal government did not understand the results of its programs from the citizen's perspective (Hall, 2017). But to what extent should audit institutions themselves consider and understand the citizen's perspective? And, looking forward, are there opportunities for auditors to engage citizens in their work more than in the past?

This question has been of much interest to the international audit community over the last decade. For example, citizens and CSOs were central themes at both the 2011 and 2013 United Nations/International Organization of Supreme Audit Institutions (INTOSAI) symposia:

- 21st UN/INTOSAI Symposium (2011) – Effective Practices of Cooperation between Supreme Audit Institutions and Citizens to Enhance Public Accountability. This symposium resulted in the publication of a compendium of good practices: [Citizen Engagement Practices by Supreme Audit Institutions](#) (2013).
- 22nd UN/INTOSAI Symposium (2013) – Audit and Advisory by SAIs: Risks and Opportunities, as Well as Possibilities for Engaging Citizens. A [report](#) compiling the deliberations, conclusions and recommendations of the symposium was published in 2013.

Also, in 2015, the World Bank Group released its web-based [E-guide on Engaging Citizens in the Audit Process](#). And, in 2017, the INTOSAI Development Initiative (IDI) published [Guidance on Supreme Audit Institutions' Engagement with Stakeholders](#), which discusses citizens and CSOs along with other important stakeholder groups.

The message that has emerged from the international audit community in recent years is that there are indeed ways in which audit institutions can engage citizens and CSOs in their work and that doing so can benefit both SAIs and citizens.

Research published by INTOSAI and by academics suggests that engaging citizens and CSOs in audit processes can benefit audit institutions because this may allow them to:

- analyze complaints and allegations of fraud, corruption, and mismanagement submitted by the public and identify high-risk areas for audit;
- consider additional information and make more informed decisions about the scope of their planned audit;
- access information and expertise they may not have had otherwise (i.e., citizens can attest to whether government programs are conducted properly, and services are delivered as intended) and reach more appropriate audit conclusions as a result; and

- better identify root causes for observed deficiencies, which may result in making better recommendations for improvement.

Furthermore, by increasing the awareness of citizens and CSOs about performance auditing, SAls may be able to disseminate their audit conclusions to a wider audience. And, finally, greater engagement of citizens and CSOs may result in additional pressure on government to implement performance audit recommendations.

Engaging citizens in the audit process

Citizens and CSOs can be engaged in the performance audit process through various means, which differ according to the nature and the extent of the communications between auditors and citizens. Table 1 summarizes the maturity model that the IDI adopted in its 2017 guidance document.

Table 1 – Citizen Engagement Maturity Model

Stages	Engagement Spectrum
Stage 1	Strictly meeting legal requirements (e.g., tabling reports in Parliament as required by legislation).
Stage 2	One-way communication to increase report visibility (e.g., using social media and other communication methods to inform citizens of audit conclusions).
Stage 3	Two-way communication to seek input from citizens and civil society organizations (e.g., asking for audit topic suggestions and for information relevant to ongoing audits).
Stage 4	Collaboration to involve citizens in the conduct of audits (e.g., planning and/or conducting audits with the direct collaboration of citizens or civil society organizations).

Source: modified from INTOSAI Development Initiative, [Guidance on Supreme Audit Institutions' Engagement with Stakeholders](#) (2017).

There are currently many examples of audit offices in Canada and abroad that have adopted engagement practices that would be categorized as Stage 2 or Stage 3. However, there are still very few examples of true collaborative practices (Stage 4), in Canada or elsewhere.

In Canada, the use of social media platforms to inform citizens (a Stage 2 practice) is rapidly becoming more common. The federal Auditor General and a majority of the 10 provincial legislative audit offices now use one or more social media platforms to communicate information to citizens. At the municipal level, several audit institutions have fraud hotlines and official complaint mechanisms (Stage 3 practices). For their part, two provincial offices (the auditors general of Alberta and British Columbia) have started to produce three-year audit plans using a process that seeks input from the public (a Stage 3 practice). Finally, the Office of the Auditor General of Québec started in 2017 to invite input from citizens during the execution of performance audits (a Stage 3 practice). A [web page](#) lists the current audits for which citizens may submit relevant information that might be useful to the audit teams. Audit team directors receive the information and can contact the individuals who submitted it if they judge that it is

relevant and want to know more about it. In the 2017–18 fiscal year, the office received 30 information submissions from citizens in relation to ongoing audits.

The literature on Stage 4 practices includes many discussions of the Philippines' participatory audits, which have directly involved citizens as team members (referred to as "citizen auditors") during the planning, execution, and reporting phases of performance audits. In these audits, which started in 2012, citizen auditors have helped to design audit plans and survey tools adapted to local circumstances. They have been instrumental in providing the Commission on Audit (COA) with information on program implementation that, according to COA auditors, "would have been quite challenging to access and gather given their existing capacities and array of audit tools" (Affiliated Network for Social Accountability in East Asia and the Pacific, 2014). The Philippines' Citizen Participatory Audit program has won international awards and is recognized as an innovative public participation approach. (More information on this program is available [here](#).)

While it is clear that audit institutions can benefit from broadening and improving their engagement with citizens, the research and experience in this area also highlight that doing so may involve significant risks and costs that audit institutions need to consider carefully.

At the very least, audit institutions need to allocate resources for preparing citizen engagement activities and receiving and considering the resulting ideas and suggestions. Even more resources will be required if there is a need to provide some form of training to groups of citizens. Allowing for citizen input may also mean that regular audit processes will take more time than in the past. Finally, additional communications skills may be needed internally to manage the citizen engagement activities.

Audit institutions will also need to pay special attention to risks related to preserving their independence, neutrality, and objectivity. In part, this is because any attempt at public consultation can potentially be abused by a small number of civil society organizations with views that may represent only part of the spectrum of opinions on a given topic. Avoiding this situation and ensuring a more inclusive and representative process may be necessary for a successful engagement strategy. But this comes with its own challenges, because selecting participants may be difficult, with its own sources of bias to manage. Ultimately, audit institutions will want to avoid any perception that they listened to only one side of a debate or that they were unduly influenced by a specific group of citizens.

Conclusion

The international audit community has paid much attention in recent years to the opportunities presented by increasing citizen engagement in performance audit activities. Many audit institutions have developed and adopted new practices to broaden and improve their interactions with citizens, expecting that this will benefit their work in various ways.

However, adopting new citizen engagement practices also involves costs and risks. Weighing these costs and risks against expected benefits will be crucial in determining the extent to which each audit institution decides to engage citizens in its performance audit work.

You can send your questions and comments on this article to the author at research@caaf-fcar.ca.

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