



The effect of performance audit economy, efficiency and effectiveness criteria on the accountability level of Ardebil province executive agencies' managers referred to in Article (5) of the Civil Service Management

Manochehr Heydari¹ and Heydar Mohammadzadeh Salteh²

1Department of Accounting, Electronic Branch, Islamic Azad University, Tehran, Iran

2Department of Accounting, Marand Branch, Islamic Azad University, Marand, Iran

**Correspondence to: Heydar Mohammadzadeh Salteh*

ABSTRACT

The present study is an attempt to investigate the effect of performance audit criteria on accountability of managers in executive agencies of Ardebil province referred to in Article 5 of the Civil Service Management. This study is applied in terms of objectives and descriptive in terms of nature and hypothesis testing. Data collection is carried out through library and field studies. The population of this study consists of 206 executive managers in Ardebil province referred to in Article (5) of the Civil Service Management. Due to specific size of the population, samples of 134 managers were selected through the Cochran formula. The disproportionate stratified random sampling method was used for sampling in this study. The data were analyzed by The SPSS software. After making sure about the normal distribution of data, single-sample T-test was used to test and analyze the hypotheses of the study. Finally, the Friedman test was used to rank the variables of the study. The results obtained from all the hypotheses showed a significant difference between the average of samples and the average of the population, thus, we can say that the performance audit in the executive agencies, based on economy, efficiency and effectiveness criteria can affect the accountability level of managers

Original Article:

Received 22 Aug. 2015

Accepted 12 Sep. 2015

Published 08 Nov. 2015

Keywords: economy, efficiency, effectiveness, accountability levels, performance audit criteria

INTRODUCTION

Executives of large public sector institutions are held accountable for the use and deployment of financial resources in the aforementioned aspects. Therefore, they are obliged to provide reports in accordance with the type and levels of accountability for entry into the accountability process and submit them to the selected auditors to be addressed, assessed and commented on. The accountability levels defined by Stewart, known as the accountability ladder, is evaluated, addressed and judged through a comprehensive accounting system, including the subsystems of financial audit, compliance audit and performance audit. Accountability for performance and plans is addressed and evaluated through performance audit system. Therefore, this audit micro-system should be analyzed within the framework of responsibility system in the executive agencies. Because development of accountability level over public resources, from purely financial aspects to both financial and operational aspects, has led to the transformation of audit procedures in developed countries. With the establishment of new public management system that enjoyed important features such as focus on outputs, results and effectiveness of the programs rather than the inputs, Financial and compliance audit were not able to carry out their mission anymore and modern audit methods were required. In such conditions, performance audit together with New public management, financial audit and

compliance audit, developed a comprehensive audit system in the public sector known as comprehensive auditing.

Stewart believes that two specific elements are considered in the accountability process:

A) Reporting: including the information needed to provide a basis for formulation of judgments, this element is known as the report element.

B) Addressing: assessment and expression of views that provide a basis for judgment and action. This element is known.

Therefore, for completion of the accountability process, and promotion of its levels, the claims made by the accountors should be evaluated, addressed and audited.

Stewart, assimilate the first and second channels (which focus on reporting and addressing respectively) to a string whose filaments are twisted together and both the accountant and the accountee contact through these two channels. Stewart believes that the relationship between the accountant and the accountee is a power-based relationship. Those who have the right to receive reports, have the power to address, judge and express their opinions about them. He refers to this relationship as the bond of accountability. (Babajani et al. 1: 186, 1388).

Thus, according to the above information, investigation and evaluation are effective in promotion of accountability levels and are integral components of the accountability bond. Thus, a significant relationship can be established between the performance audits and proportion of accountability levels.