

The Royal Audit Authority of Bhutan – forward-looking decisions in applying SAI PMF leading to organisational transformation

In a constantly changing world, any organisation needs to continuously think about how to strengthen its capacities, processes, and products to ensure it provides value for its key stakeholders. How did the Royal Audit Authority of Bhutan (RAA) ensure continuous strengthening of its office over a period spanning the past eight years?

The former Auditor General, Dasho Ugen Chewang, made a forward-looking decision in 2014 to be one of the first SAIs to conduct a SAI PMF assessment, applying the SAI Performance Measurement Framework. This was one of the sparks leading to a positive upward spiral in the years to come. The purpose was to:

- assess RAA's current strengths and weaknesses and thereby opportunities to strengthen performance.
- establish a baseline against which future progress could be measured.
- develop a communication tool to mobilise additional funds.



Royal Audit Authority of Bhutan

Committed leadership and staff tackled the results of the assessment head-on, appreciating the strong performance areas identified while accepting the weaknesses. The RAA used this insightful knowledge constructively to develop the SAI Strategic Plan (2015-2020) and as a tool to facilitate communication with donors. By demonstrating its dedication to improve, the RAA received further donor support from the World Bank and the Austrian Development Agency where the SAI PMF results ensured support was targeted towards the real needs of the SAI. The funds were used to address gaps in the audit methodologies to further strengthen the implementation of the ISSAIs.

The assessment was conducted by a team from the INTOSAI Donor Secretariat within the INTOSAI Development Initiative (IDI) and the Office of the Auditor General, Norway (OAGN). Mechanisms were built into this approach to ensure internal capacity building. An internal team was established to shadow the peer assessment team, with the objective of achieving a better understanding of the SAI PMF methodology.

Importantly, the assessment provided input to the further improvement of the SAI PMF framework to the benefit of the INTOSAI community.



Bhutan SAI PMF assessment team

“Based on the recommendations of the SAI PMF assessment conducted by OAGN in collaboration with IDI in 2014, the RAA prioritized ISSAI implementation as a part of its strategy for 2015-20. The report indicated the need to further strengthen the audit processes and documentation of audit work performed.”

Former Auditor General, Dasho Tshering Kezang

Towards the end of the strategic planning period, the Leadership of RAA acknowledged that there was still a need for further capacity building in strategic management, hence the decision in 2019 to enrol in the IDI Initiative on Strategy, Performance Measurement and Reporting (SPMR). The initiative has been implemented in collaboration with the ASOSAI Capacity Development Administrator (SAI Japan) and co-funded by the Swiss State Secretariat for Economic Affairs (SECO).

An important first step in the initiative was to conduct another SAI PMF assessment, making RAA one of the first SAIs to conduct a repeat assessment. The purpose was two-fold: firstly, to develop the new SAI Strategic Plan (2020-2025) and secondly, to monitor performance change over the previous strategic planning period by comparing the results with the baseline results from the 2015 assessment. This comparison and analysis enabled the SAI to demonstrate performance improvement in several key areas as well as the current capacity gaps.

“The repeat SAI PMF assessment reassured us that the targeted efforts to strengthen our office have had positive effects. We could clearly see performance improvements in key areas. Importantly the results have provided us with a direction on capacity gaps that still needs to be addressed moving forward.”

Internal assessment team from RAA



Leaning on the specialist capacity built within its office over the past years, the RAA was able to conduct the SAI PMF as a self-assessment, using a team of internal staff with support from IDI.

The RAA has put words into action and has published its SAI PMF assessment reports with its first in 2015. Dasho Tashi, who was appointed the new Auditor General under the Constitution of the Kingdom of Bhutan on 14th October 2020, followed suit by deciding to publish the repeat assessment report. This demonstrates a continuous and admirable dedication to being a model organisation and promoting accountability and transparency by sharing both strengths and weaknesses, for the benefit of the office, key stakeholders and as an inspiration for the INTOSAI community.

Although you can't fully predict the future, you can strive to have strong governance processes in place to ensure regular review of the situation and a change of course where needed.

“The journey of the RAA over the past 8 years demonstrates how a baseline SAI PMF assessment and a repeat assessment with a clear purpose are powerful tools. It has provided the RAA with the necessary information to analyse the situation, address capacity gaps, monitor performance change, and revise its strategic direction to ensure value is provided to its stakeholders.”

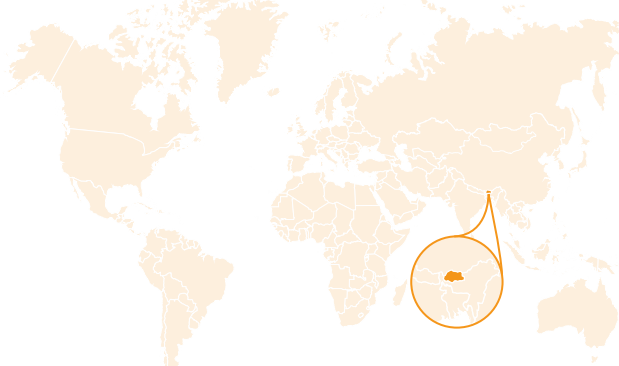
Irina Sprenglewski Manager SAI Governance Department in IDI

The journey further demonstrates how the process is strengthened with dedication from SAI Leadership and staff and support from key stakeholders. All these factors united, leading to organisational change and even enabling the RAA to provide invaluable support to its peer SAIs by dedicating a resource person to the implementation of the SPMR Initiative in the ASOSAI region.



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