

Managing Evidence of Public Accountability: An Information Governance Perspective

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The change of political landscape in Malaysia has resulted in a higher expectation for a more accountable and transparent government. Public auditing ensures that government administration and national development are consistent with rules and regulations. Mismanagement, corruption and fraud can be curbed through information governance as it provides a set of processes, roles, policies, standards and measures, which together ensure the efficient use of information and thus, the achievement of an organisation's goals. This research adopts a qualitative method involving public auditors. Its findings proved that a shortage and incomplete records impede effective public auditing as auditors spend considerable time looking for relevant records. The needs for information governance is imperative if public auditing is to be more effective, trusted and respected by members of the public.

Key words: *Accountability, Auditing, Information Governance, Records management, Public sector.*

Introduction

There is an increasing demand for accountability and transparency in the public sector in Malaysia, which has partly resulted due to changes in the political landscape. The public sector is the backbone of effective sustainable development, whilst good governance is a pre-requisite. There must be a check and balance mechanism through public auditing which ensures that national administration and development are consistent with rules and



regulations. To this end, public auditors play a crucial role in verifying the implementation of activities in accordance with standards and legal requirements. Records are byproducts of business transactions that provide evidence of the activities. They are crucial to safeguard or ironically to implicate individuals pertaining to their role in a business transaction. Thus, ensuring the availability of trustworthy and timely records is essential in underpinning an effective public audit. Information governance would be the best answer as it provides a holistic approach to managing records and information from its creation to disposal. Therefore, it is imperative to investigate information governance related problems encountered by public auditors in performing their tasks. The findings of this research will provide an insight into the implementation of information governance in the public sector.

Literature Review

The role of public auditing has become more crucial than ever as the Auditor General's Audit Report is a much-awaited document by members of the public, particularly by political parties. The report will be heavily used by opposition parties and non-government organisations as a source of reliable information that proofs the weaknesses of the machinery of the government. It is worth noting that on a positive perspective, the main purpose of public auditing is to ensure that public money should be properly utilised, safeguarded and recorded for the purpose of development of the nation. This is to say, the National Audit Department (NAD) and public sector auditors play a critical role in ensuring all authorised activities are undertaken economically, effectively and efficiently (NAD, 2017). This is in line with the mandate given to the Auditor General (AG) under the provisions of the Federal Constitution and the Audit Act (1957) Section 6.

Their main focus is monitoring and evaluating government activities, whether the programs or projects have been carried out efficiently and economically in order to achieve the desired objectives and goals. Hence, the role of public sector auditors has constantly evolved due to the exposure and concern for a better governance and greater accountability in managing public funds. There are four types of audits that are usually conducted which are compliance audits, financial audits, special audits and performance audits and they cover the areas of construction, law enforcement, asset management, socio-economic programs, ICT, service procurement, and privatisation. One of the most crucial audits is the financial audit which ensures the quality of financial management.

Information is the main factor empowering our society and economy today. The exponential growth of information is spurring since the existence of the Internet and social media. This has led to a more challenging situation where misuse, leakage and false information contribute to the complexity (Sharif *et al.*, 2018). To this end, information governance enables organisations to take advantage of the benefits of improving technology and

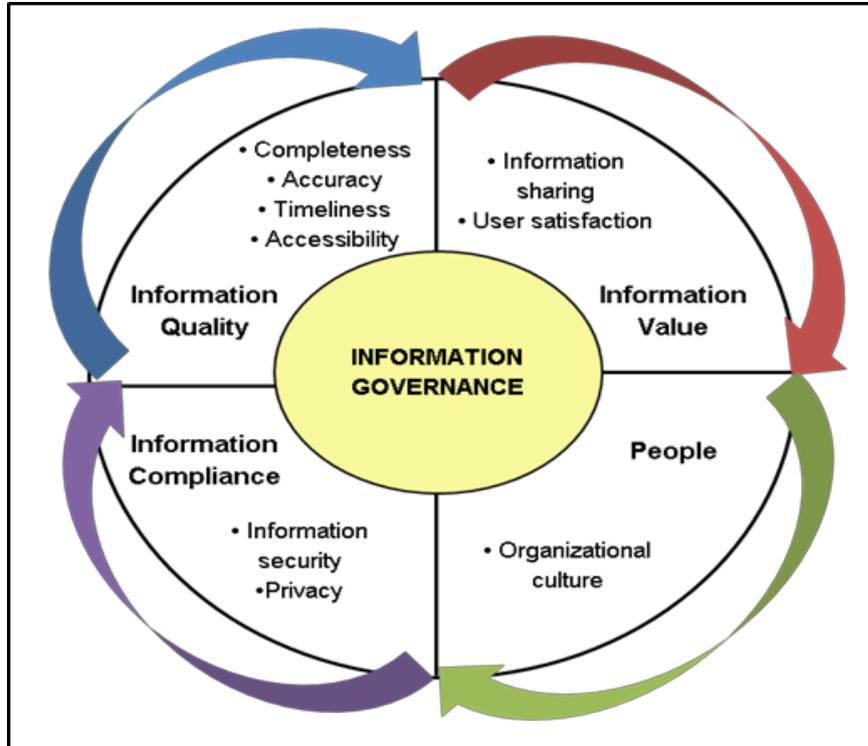


preparing them to adapt to any changes ahead. Organisations will gain public trust when they are transparent, although transparency alone is inadequate to satisfy public trust (Sharif, 2009). Hence, it is essential for each employee to understand the key attributes of good governance such as accountability, responsibility, responsiveness and participation. On the other hand, the absence of transparency and accountability will lead the organisation to a loss of reputation, lawsuit and fraud charges (Isa & Nordin, 2012).

Information governance is a comprehensive approach to a different instrument that requires a secured information exchange. It aims to maximise the value of information to the organisation and protect information within its own lifecycle (Kooper *et al.*, 2011). Hence, information governance will be able to deliver as information security, information quality and metadata domains (Khatri & Brown, 2010). Indeed, the main focus of information governance is the transformation of information from liability to strategic asset (Smith, 2016). Information governance enhances the trustworthiness of information if supported by organisational strategy and commitment, particularly from top management. This ensures that accurate information is available at the right time and at the right place. To this end, complete records will be one of the cornerstones of an effective management in an organisation. In today's environment, managing information and records is an increasingly important preoccupation to information governance. Keeping a genuine, accurate and complete record is one of the vital elements of effective information governance (Isa *et al.*, 2015). Information governance is an organisation's framework in managing information during its lifecycle and in supporting the organisation's policy, strategy, regulatory, legal, risk and environmental requirements (AHIMA, 2017). It is evident that trustworthy, accurate and timely information enables an organisation to achieve its mission and goals.

This study adopts and adapts models developed by Faria, Macada and Kumar (2013); Lajara and Macada (2013); and Smith (2016) which are translated in an information governance model illustrated in Figure 1.

Figure 1. Theoretical framework of Information Governance (adapted from Faria, Macada & Kumar [2013]; Lajara & Macada [2013] and Smith [2016]).



There are four dimensions of information governance: namely, information quality, information value, information compliance, and people. Each of these dimensions is underpinned by a few criteria. Information quality consists of timeliness, completeness, accessibility and accuracy. Information value consists of information sharing and user satisfaction. Information compliance consists of information security and privacy, whereas the fourth dimension, people, consists of organisational culture. This paper attempts to investigate only the first dimension, information quality, in relation to the main objective of the research.

Methodology

The main objective of this research is to identify the most common information governance related problems encountered by public auditors. The research adopts a qualitative methodology using the case study of an audit department, which is responsible in conducting public auditing in Malaysia. The population of the study was public auditors. Respondents were chosen through a purposive sampling design involving six public sector auditors with auditing experience ranging between six to more than 20 years. Data was collected through semi-structured interviews which were subsequently transcribed and analysed using the NVivo11 qualitative data analysis software.

Figure 5. Word cloud of information quality in public auditing.



There are two key elements that underpin efficient public auditing: namely, accuracy and integrity of information. The respondents believe that the quality of information must be improved as auditors need accurate, complete and timely information to accomplish their task. In other words, the trustworthy and timely information is mainly contributed by reliable documentation processes which require a systemic approach that begins even prior to the creation of records, as it should be an integrated and holistic effort involving risk management, among others. Meanwhile, the integrity of public auditors relies on the accuracy of the report that they produce which eventually will be scrutinised by members of the public. The effect of an inaccurate report would be vital for the reputation of the public auditors themselves and the government. Hence, to prevent is better than to cure. Meaning, proper documentation and record keeping is core to the establishment of trustworthy and timely records and information in the public sector.



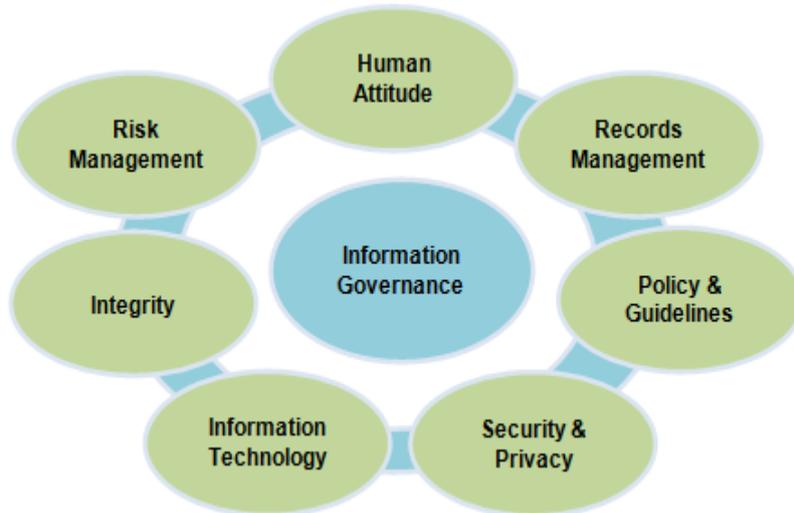
once argued, that it is an invisible profession in the public sector. Their presence is not seen or felt by other professionals, hence they are perceived as insignificant in supporting efficient and viable operations. They further argued, since the right record professionals are not in place, the present records personnel are not able to demonstrate a professional body of knowledge not only to identify, describe and make available the mere facts and data, but also to provide the meaning-rich information of records as evidences of contextualised transactions. Records professionals cannot remain in silo, as making records management exclusive only distances them and they might eventually disappear from the organisation. They must develop a working professional relationship, particularly with the Chief Information Officer, in their respective ministry who would be the right person to champion the governance of information initiatives. In addition, they must also collaborate with other professionals in a bigger framework that amalgamates risk management experts and business managers in order to deliver a pragmatic approach that ensures accountability and sustainability of the organisation.

Arguably, public accountability is a crucial element of public trust. Transparency will not be an issue, should accountability be practiced and become a culture in the public sector. Meyer (2018) insists that strong public institutions play a significant role in economic growth and development as well as reducing corruption, improving government spending and accountability, strengthening political stability and contributing toward improved rule of law. A pre-requisite is to ensure the availability of trustworthy and timely records which provides evidence of public accountability and is subsequently verified through public auditing. To this end, a holistic and pragmatic approach is required in order to strike a balance between achieving strategic goals, economic operation and satisfying the public.

The emergence of information governance would be a meaningful option to fulfill the needs as it provides a comprehensive framework embracing policies, procedures and guidelines on how to govern information that ensures trustworthy and timely records remain intact over time in the public sector. The presence of policies would imbue public servants with ethical values which is crucial for viable operations. The respondents also believe that such policies would impede information leakage which can easily be done with sophisticated smart phones and other gadgets. The information technology team cannot be expected to solely handle all the information security issues (Iannarelli & O'Shaughnessy, 2015) in the absence of a comprehensive policy. Thus, the implementation of information governance is imperative.

Although this specific paper does not investigate the whole dimensions in Figure 1, it would be worth noting that from the interviews with all the respondents, there were seven emerging themes in information governance. Namely, human attitude, records management, policy and guidelines, security and privacy, information technology, integrity and risk management, as shown in Figure 6.

Figure 6. Emerging themes of information governance



Apparently, these are drawn from the concern of the respondents who shared their experience and knowledge in conducting public auditing. It would be interesting for future research to explore the elements of information governance in the private sector to identify their correlation with information governance. Only empirical evidence would justify the essence of information governance for the accountability and sustainability of organisations.

Conclusion

Managing evidence of accountability is crucial as it portrays the administration performance of the government of the day. Public auditing scrutinises information and records in the public sector in order to ensure that public money has been spent responsibly and worth value for money to the public. As a check and balance mechanism, public auditing plays a critical role in ensuring that all authorised activities are undertaken economically, effectively and efficiently. However, it can only be achieved with the availability of trustworthy and timely records. Unfortunately, a shortage and incomplete records impede effective public auditing as auditors spend a considerable time looking for relevant records, which sometimes are only futile. This situation cannot be allowed to continue if the government is serious about improving the performance of public departments and at the same time, becoming more transparent. Future research should investigate the actual situation in any public department in order to determine underlying issues that lead to poor information governance. Arguably, the need for information governance is imperative as it facilitates effective public auditing which in turn proves that the government and its machineries have utilised and safeguarded public money in line with procedures and regulations for the administration and development of the nation.



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