Recruiting and retaining staff

December 2020

INTOSAI

CAPACITY BUILDING COMMITTEE

This information has been produced to help SAIs in complex and challenging context address the issue of how to recruit and retain professionally qualified financial auditors. It builds on the practical experiences of SAIs operating in these situations. It is a work in progress. If you have suggestions, which could be added, please contact Anna Jannesson – anna.jannesson@riksrevisionen.se

Content

How do we know if we have a problem?

Can we prove we have a problem?

We should collect data and other evidence over time to prove to identify emerging issues with staff recruitment and retention.

Do we collect data on the annual number of new people applying for entry level training with the SAI?

If the number of people applying decreases, it may indicate the SAI is not competitive or attractive.

Do we know how professional salaries in the SAI compare with other organisations?

Employ a professional firm to conduct a pay and grading comparative exercise with private sector auditing and accounting firm, state-run enterprises or parastatals, and other organisations in the country employing professionally qualified financial auditing and accounting staff.

Compare the total salary, including other financial and non-financial benefits including vehicles, accommodation, bonuses, etc.

This will indicate the market rate, but the SAI may not need to offer the same because of other benefits of working for the SAI and in the public sector. It is judgement as to what salary scale the SAI should offer.

Repeat this exercise at regular intervals, say every 5 years, to ensure SAI professional salaries remain competitive.

Do we conduct regular surveys of staff attitudes to their work?

This can help us pick up early warnings of emerging discontent and its causes and can spur senior managers to make changes.

Can we collect data on comparator SAIs?

Data on the proportion or number, salaries and turn-over of qualified professional auditors employed by similar SAIs in the region.

Are staff leaving to join international partners operating in the country?

Talk to the donors about the impacts of their offering high rates of pays

Develop joint training programmes so public sector professionally qualified accountants and auditors can be seconded at times to international partner projects.

Do we conduct exit interviews with staff as they leave?

This may help us better understand why staff are leaving and where they are going. Salary may be only one reason others may relate to better career options, management practices or the scope of the work. It is important we understand what problem we have.

Do we collect data on annual turn-over of qualified professional financial auditors?

Some turn-over is normal but if it starts to grow it may signify a problem.

Are there qualified financial accountants available externally?

If we try to recruit externally, do the skills we need exist in the country?

If not:

Try recruiting from overseas, among country nationals who have left and who might be persuaded to return.

Work with other parts of the public sector, the Ministry of Finance, Internal Audit, Accountant General's Department, to develop a national join solution to the shortage of professional financial accountants and auditors.

Take a long-term view and build in-house professional financial auditor training, possibly under the aegis of a national or international professional accounting association. Become an accredited employer.

Recruit new staff in batches and insist all future financial auditors undergo professional training. Recruit on merit, and integrity, consider also knowledge of the training language. Consider reimbursing the external costs of training when staff pass. Staff could be expected to bear the costs of any re-sits.

Provide structured top up training for existing staff. It is important that all staff feel party to the overall professionalisation of the SAI.

Do not forget SAI managers.They will need training to understand the new approaches and how to utilise efficiently staff with new skills.

Do we have the power to recruit externally?

Does the SAI legislation provide powers to recruit staff and set pay and conditions?

If not does this power lie with a government organisation, such as a Public Service Commission (PSC)?

Can we work with the PSC to obtain greater involvement in the selection process?

The SAI could agree person specifications and job descriptions.

The PSC might produce a short list.

The SAI might conduct the assessments and interviews and recommend who to appoint.

The PSC would make the formal offer.

Can we prove to the PSC that the SAI can manage recruitment fairly, legally and in line with best employment practices?

Over time, the SAI will want to embed powers over staff recruitment in new legislation or legislative amendments:

Make control of staffing part of the argument about independence for the SAI.

Refer to INTOSAI guidance and standards.

Seek support from: parliamentarians, especially members of financial oversight and public accounts committee, faith/tribal leaders, business organisations, and international development partners.

Can we pay enough to recruit and retain qualified financial staff?

Do we know what we need to pay?

Employ a professional firm to conduct a pay and grading comparative exercise with private sector auditing and accounting firm, state-run enterprises or parastatals, and other organisations in the country employing professionally qualified financial auditing and accounting staff.

Compare the total salary, including other financial and non-financial benefits.

This will tell you what the market rate is but you may not need to offer the same because of other benefits of working for the SAI and in the public sector - it is judgement as to what figure you will seek to apply to the SAI

Repeat this exercise at regular intervals, say every 5 years, to ensure SAI professional salaries remain competitive.

Consider a salary scale with a base rate plus an allowance for those who are professionally qualified.

Consider paying an annual retention bonus – redeemable after a set period say 5 years and lapsing if staff leave earlier.

Who set the pay rates?

If the SAI has a Board or Parliamentary oversight body, consider obtaining their endorsement of new salary frameworks.

It is important that salaries are properly justified, and the SAI acts, and is seen to act, transparently and responsibly.

If the Public Service Commission sets the rates, how can it be persuaded of the merits of increased salaries for qualified professional financial auditors?

Refer to existing exceptions – for example, is there a scale for lawyers.

Work with others, such as the Ministry of Finance or internal audit, to agree a special scale for qualified professional accountants.

Who should get the pay increase?

Consider whether the new pay scale should apply to all staff or be contingent on performance, for example, obtaining a professional qualification.

Have we sufficient budget to pay qualified staff?

Do we know what implementing new pay scales for professionally qualified financial auditors will cost?

Conduct a functional review to re-consider the organisational structure and the number of staff needed.

Develop a model of the organisations cost and resource needs – for example using:

https://www.intosaicbc.org/download/resource-planning-model-for-sais-excel/

Consider the impact of the new salary scales over time.

Are there efficiencies we can make?

With better qualified staff show how audits can be completed more quickly and more cheaply.

Can we point to greater impacts?

Potential to identify more waste to be stopped, savings to be made, better evidence for anti-corruption cases.

Where can the funds be found?

Parliament and the government may be persuaded of the benefits – the SAI is a relatively small budget in comparison with the overall public sector wage bill.

International development partners might consider initial support with the government covering more of the costs over time.

Make sure such agreements are legally binding to withstand changes of government and/or presidents.

Can we prove our quality and claims of impacts?

Clean independent annual external audits can demonstrate we are leading by example and that our impacts can be verified.

SAI Performance Management Framework reviews can confirm we are auditing to the appropriate national and international standards.

What non-financial benefits can SAIs provide?

When recruiting new staff:

Make more of the long-term benefits of working for the public sector – job security, pensions, sick leave, paternity/maternity leave, professional training, status, interesting work, social contribution, opportunities to teach at higher education institutions, conduct and publish research

To retain existing staff:

Provide opportunities for job rotation, international contacts and assignments, study breaks, on-going training in audit but also management.

Make promotion transparent and merit based.

Never underestimate the power of morale boosting activities– use praise for good performance, celebrate SAI successes.

Train SAI leaders and managers in how to motivate staff and encourage excellence.

Are all staff treated equally?

Do we have transparent internal promotion systems?

The rules and procedures governing promotion should be available to all staff.

Promotion rounds and new posts should be advertised internally, and as necessary externally.

Are there career paths for all staff regardless of their professional auditing backgrounds?

In SAIs with a majority of financial auditors or magistrates ensure that there are promotional pathways for all staff regardless of area of expertise.

Do we recruit and promote from across all major communities in the country?

Publish a clear equal opportunities policy

Produce data annually to show gender and ethnic participation by grades in the SAI

Target recruitment at under-represented groups in the SAI.

Ensure that staff in remote areas have fair access to training and promotions, possibly involving a rotation process so that no staff can be promoted to senior posts if they have not served in a regional office.

What challenges are likely to emerge?

Maintaining a salary framework which is sufficient to recruit and retain professionally qualified financial auditors is a permanent challenge and role for SAI senior managers

Building good external relations is essential.

Demonstrating impact makes that easier.

Gaining improved terms and conditions is rarely a one-off event

Economic crises can lead governments to impose wage freezes, when the economy improves, wages can take a long-time to catch up.

Inflation can erode gains quickly and needs to be built into salary agreements.

Setting salaries too high might result in too little churn – all organisations need new blood periodically.

Loss of political support – governments and individual ministers change and support for the SAI cannot be guaranteed.

Support from international development partners can also wane – as their focus shifts to other issues or key staff move on.

Think of risks which may affect staffing. If early retirement was brought in by the government, have we enough younger skilled staff to step into key posts? Is our succession planning robust, so we can withstand the loss of key staff or replace them quickly?

Specialist staff, are there business critical staff who we may need to be paid more? Can we make the case and gain approval to pay extra?

Case Study I
SAI Uganda: Progress made but challenges remain

How change began

In 2004, the Government of Uganda made substantial changes to the Constitution which strengthened the position of the Auditor General, giving him the same status and protections as the Chief Justice. i.e. not under the control of any persons or authorities. Prior to that the Constitution provided for the role of the Auditor General but the incumbent had limited protection and could be easily dismissed. Even after the Constitutional change the SAI was not truly independent. The Public Service Commission was responsible for the appointment of all staff and fixing their remuneration and those who did not like the SAI's reports had power to sue the Auditor General directly – reducing his powers and slowing down the release of critical reports.

Creation of the new National Audit Act

As a result of slow and persistent lobbying by the SAI, a new Audit Bill was drafted and widely discussed. At one stage, a working group including the SAI, the Ministry of Finance and the Public Accounts Committee visited the UK National Audit Office in London and had a series of closed meetings where they collectively hammered out an agreement on the draft bill. The Audit bill was approved by the Parliament in 2008.The new Audit Act set up the Office of the Auditor General as a corporate entity, which could sue and be sued, gave the SAI powers to conduct value for money or performance audits, and enabled it to recruit and manage its own staff.

Setting new salary scales

The Auditor General had started to invest heavily in training staff and had begun to develop a cadre of professionally qualified financial auditors. However, wages were too low, and some staff left for more lucrative roles in the private sector. With the new powers over staffing, the SAI undertook a functional review which identified critical new posts which needed to be created, and efficiencies which could be made. In parallel, it commissioned a private sector consultancy to undertake a pay and grading exercise to compare salaries for professionally qualified financial staff in the SAI with the salaries paid to similar staff working for the state-owned enterprise, particularly the National Revenue Authority, and in the private sector. It was recognised that because of such public sector benefits as job security and pensions, the SAI did not need to equal private sector pay, but the exercise provided a useful comparator. A budget was drawn up to implement the re-structure and the adoption of the new salary scales, it was presented to the government and was funded.

There was an argument at the time as to whether this increase should be allocated only to those staff who were professionally qualified or to all staff. The decision was made that this was an opportunity to reward the loyalty of all staff who had laboured for years on low wages and everyone received the increase. The SAI has subsequently continued to invest heavily in professional and general training, and to base promotion on merit. As a result, the SAI has been able to gradually jettison underperforming staff through retirements, and re-allocations. All management and professional staff are on five-year contracts and, to aid retention, they receive an annual bonus.

While at the end of the day, it is the SAI which decides on who it appoints, it has continued to work in conjunction with the Public Service Commission recognising their professional skills in human resource management and ensuring that it complies with HR legislation and rules. As a result, the Public Service Commission advertises positions on behalf of the SAI, conducts the initial short listing against criteria provided by the SAI and generally provides technical guidance and assurance to the SAI. The SAI then takes over conducting the final interviews and assessments and confirming the appointments.

On-going challenges

The changes have had a major impact on the quality of the staff in the SAI and on the audit work. Initially, the SAI was able to recruit from not only other parts of the public sector but also from the private sector. However, salaries have not kept pace with inflation and with improvements elsewhere. The SAI is not losing currently many professionally qualified financial auditors. In part this is because, overall Uganda has seen a major investment in training and accountants are not in short supply across the country but also the SAI is recognised as a good employer, providing interesting and worthwhile work for staff, ample opportunities for developing new skills, especially in IT, and its reputation is as good as the private sector.

Nevertheless, the SAI still finds difficulty in recruiting and retaining technical experts – e.g. geologists and on other fronts is once again being outbid by parastatals. It is continuing to make the argument to parliament and to the government for increased budgets to pay the salary increases which it believes are necessary. It believes that by continuing to produce high profile, high quality work, especially in such areas as forensic audits and to produce important impacts including the jailing of corrupt senior civil servants, then the value of the SAI's efforts will be recognised and budgetary improvements easer to obtain.

Another challenge, the SAI continues to face is how to place high calibre staff in its regional offices. Staff who have families may be reluctant to take on postings up country and incentives are needed. The SAI is currently considering such strategies as making it mandatory for anyone seeking promotion to have spent some time in a regional office but also changing the nature of the working week so that staff in regional offices can have more frequent long weekends to return to the capital.

Case Study II
SAI Sierra Leone: Initial gain tailing off

Initial progress

Prior to 2004, SAI Sierra Leone had no control over the recruitment and retention of staff. The Public Service Commission managed all human resource issues and SAI staff were paid the same as other public servants. This changed in 2004 when the new audit act was put into operation. While the government retained control over the overall budget, the SAI was able to recruit its own staff and set the terms and conditions.

New salary scales were set at slightly over the prevailing rate in the private sector so that the SAI could recruit both high quality, entry level staff and more experienced management grade staff. The salary scale adopted comprised a base rate plus a professional allowance for staff once they were qualified and had gained entry to the professional institute. Staff were put through professional accountancy training and the costs, for example, of the training, books, and examinations, were covered by the SAI at the first sitting. If not, they could re-sit at their own expense and be reimbursed when successful.

In 2013, in recognition that the organisation had built up a cadre of qualified staff, and to motivate them to stay, the SAI began to promote internally. Open recruitment was retained only for entry level staff and for Deputy Auditor Generals.

New challenges

Since 2018, the SAI has started to lose professionally qualified financial auditors again. It is not yet at a worrying level but something the SAI is watching carefully. The government had imposed a salary freeze five years earlier and the SAI had followed this action. However, the government had made exceptions in some areas, for example the Ministry of Finance, Internal Audit and the Accountant General's Department. These Departments have been able to increase staff salaries which put them ahead of the SAI in some areas and some staff have left. Similarly, salaries in the private sector are also now slightly ahead of those in the SAI and during recruitment of entry level staff some are rejecting offers once they know what salaries they will receive.

Potential solutions

The SAI has made the case for salary increases to the President who is broadly supportive. However, the county is facing serious economic difficulties and the public sector wage bill is no longer affordable and needs to be reduced. The Ministry of Finance is resisting requests to increase the SAI's budget. There is a new parliament and public accounts committee, but they are only gradually beginning to understand their oversight responsibilities and the role of the SAI so are not yet allies. Also, while international donors were once very supportive of the SAI, they now see it as a mature successful organisation no longer in need to their assistance.

In the short term, SAI Sierra Leone is seeking to maintain the motivation of staff by being open with them about the challenges being faced, by providing increased training opportunities, for example to become CISA qualified IT auditors, through the promotion system and keeping staff stimulated through job rotations and interesting work opportunities. The SAI is also one of only three organisations in the country which have obtained ACCA accredited employer status, increasing its attractiveness when recruiting new trainees.

Case Study III
SAI Afghanistan: Work in Progress

Professionalising the SAI

In early 20198, with the appointment of a new Auditor General, SAI Afghanistan began a major programme of reform aimed at fully professionalising the audit staff in general and especially the financial auditor cohort. The professionalisation effort of the SAI is based on a multi-pronged strategy recommended in the INTOSAI-CBC Capacity Building Guide 2007, which includes: regular in-house and external training with the help of other SAIs and IDI as well as continuing professional education (CPE); setting up a Training and Professional Development Centre (TPDC); conducting an annual certification course for newly recruited and existing staff; encouraging staff to obtain internationally recognised professional qualifications / certification; and recruiting already professionally qualified candidates. All components of the strategy are being implemented.

With the support of the President of Afghanistan and with funding from the World Bank under the Taghir or Change project, the first stage of this reform involved the open competitive recruitment of seven Directors as a new senior management team. These posts were either vacant or were internally adjusted by re-deploying existing personnel. This process enabled the SAI to recruit professionally qualified people from the market and the diaspora with qualifications in financial audit, IT audit, management, etc; and who had a command of English. In addition to being merit based, a key criterion was willingness and commitment to serve the SAI.

As salaries in the SAI are too low to attract qualified professionals, the President authorised higher rates of pay for these senior posts. The funding for this came from the World Bank under the Taghir project. The funding will continue until at least 2022, during this period there is an expectation that these payments will be tapered down and the contribution from the Afghan state will be progressively increased to facilitate retention of the qualified personnel.

In parallel, the SAI has introduced measures to increase the number of professionally qualified personnel. Starting in 2020, it is providing a one-year programme, at its newly established TPDC, to upgrade the auditing skills of existing and newly recruited staff who understand English. The syllabus content has been reviewed by the IDI. The one-year course covers Financial Audit, Public Financial Management, Law and Accountancy, IS Audit and CAATs application, and the ISSAIs. In the end those staff who pass will receive a Certificate of Public Sector Auditor. The SAI is currently also working with the national accountancy organisation and the Ministry of Higher Education to have the qualification recognised locally. Secondly, staff are being identified and encouraged, including through government or donor sponsored financial support, to obtain internationally recognised professional certification with ACCA, FIA, CIA, CISA, PMP, PFM, IPSASs, etc.

The SAI has been able to recruit new trainees, who are listed as SAI officials under the civil service structure (called Tashkeel). World Bank funding will cover the costs of the training, especially for the instructors, and the SAI is providing other facilities internally.

For those staff seeking to obtain internationally recognised professional certification, the costs are only reimbursed if the trainee passes exams in their first two attempts. If they fail and have to do further re-sits, the individual staff member will bear the costs of re-sitting.

Mounting a case for salary increases

The SAI is conscious that it may have difficulty retaining these qualified staff when they complete their training or obtain international certification unless salaries are substantially improved. To mitigate this challenge, the SAI is proposing a separate cadre-based remuneration for the professionally qualified staffs and seeking to have this recognised in revisions to the Audit Law which are currently under consideration.

Staff turnover is currently low because existing staff are mostly unqualified, not be in high demand externally and value the non-financial benefits offered in the public sector, such as job security, and pensions. Overall, there is a lack of qualified accountants in Afghanistan due to the under-developed state of the private sector and professional accountants trained by the SAI will be highly sought after. Where the SAI has employed qualified specialists in the past, these have proven difficult to retain.

Currently, the civil service starting salary for auditors is $150 a month, and the SAI is trying to increase this to at least $500 a month, with commensurate increases for higher grades. The new salary scale will be applicable for all auditors and directors, other than those being paid through the Taghir project, and will be linked to qualifications and experience. The Afghan government is implementing a framework of recruiting and deploying National Technical Advisor (NTAs), who are Afghan nationals recruited as per specified qualifications and years of experience with specified salary scale. The SAI's proposal is seeking to imitate the incentivised scale under this scheme.

The SAI is working with the Administrative Reform and Civil Service Commission, which oversees all appointments to the public sector and determines salaries and terms and conditions, to obtain an improved package for qualified SAI staff. The SAI has presidential support and is keeping parliament informed but still needs to make the case to the Commission and to the Ministry of Finance. It is seeking to justify the wage increase based on the gains which will emerge in terms of more effective audits, the fight against corruption, and increased efficiency of the audits i.e cost/audit and value added. The SAI is about to publish its first Annual Report and has calculated that for each Afghan Afghani (Afs) spent the SAI's financial and compliance audit recommendations will return 24.5 Afs to the public treasury through its identification of ineligible, irregular or inadmissible expenditure, and revenues wrongly foregone or recoverable.

The SAI is also stressing that while the increase is substantial for the individuals concerned, in terms of the overall state wage bill it is miniscule; the SAI's operating expenditure in 2019 was only 0.041 per cent of the total Government expenditure. The SAI is also basing its request on the rates paid to other professional staff in the public sector, for instance lawyers, and staff working in financial roles in the state- owned enterprises or parastatals as well as certain independent agencies of the Government such as the Attorney General Office and the Supreme Court. Part of the case being made is also linked to recommendations in an EU funded functional review which demonstrated the need for the SAI to be re-organised and become a more effective institution.

In determining, the revised figure, the SAI does not consider that it needs to match private sector professional financial auditor rates because of the non-financial benefits provided. These include the ability to reimburse initial training expenses, the on-going training opportunities, the exposure to the international community of SAIs, and job security, particularly important during periods of conflict and/or epidemics, such as the coronavirus.

Future challenges

The immediate challenge facing the SAI is the completion of the initial professionalisation programme and the achievement of this initial salary increase. As part of this, they face the challenge of getting the pay scale right, so they do not lose staff, and keeping it right overtime by having the capacity to provide incremental increases linked to inflation and/or general changes in the demand for and rewards paid to, qualified professional financial auditors in Afghanistan.

Case Study IV
SAI Eritrea: Providing non-financial incentives

Context

SAI Eritrea does not control who it recruits nor how much staff are paid. New entrants into the public sector with degrees in accounting are allocated to different government activities, including to the SAI, by the Civil Service Administration. The SAI has no say in who it gets. Wage rates are also centrally agreed and cannot be varied even for professionally qualified audit staff.

Non-financial incentives

SAI Eritrea is committed to building the skills of all its staff, operating on the principle that no one is incapable of improvement. Working with the international donor community and with ACCA, it has a programme to professionalise auditing staff and it pays the tuition, registration ,and other costs of trainees. In addition to the formal accounting training, funds have also been secured from donors to enable staff to complete a Master's qualification through distance learning.

Unable to reward staff financially, the Auditor General places his focus on softer staff management approaches. He maintains an open-door approach to staff, recognising that not only do they need access to good training but also that they need a sympathetic reception from the institution when they face issues and challenges in their personal life as well as their professional life. The SAI is strongly committed to equal opportunities ensuring that there is no discrimination on the basis of gender or ethnicity. Where possible women are given a priority in accessing training and other opportunities. The SAI is also committed to providing auditors with the tools they need to do their jobs effectively. At the moment, the SAI provides two laptop computers for every three staff and over the next few years the aim is to issue every staff member with their own computer.

During the COVID 19 pandemic, as a key state organisation, the SAI was not fully shut down, and audits continued at a limited scale. The SAI again demonstrated its commitment to staff by being one of the first state bodies to put in place robust controls and protection for staff, investing in hand sanitizers and masks.

Challenges

Currently, Eritrea faces a severe shortage of qualified accountants. Once qualified SAI staff are highly attractive to the private sector and able to increase their salaries fourfold by working for one of the international mining companies. To ensure that the SAI receives some of the benefits for the training provided at public expense, staff are required to work for the SAI for four years after qualifying. However, at the end of this period, all qualified staff leave the SAI. While the SAI recognises that this exodus benefits Eritrea, the constant loss of qualified staff weakens the SAI and frustrates longer- term institutional strengthening plans

Another challenge facing the SAI is that the accounting training is due to go on-line. However, internet connectivity is poor and there is a real risk that the SAI will not be able to avail itself of this new approach to delivering training.

The draft SAI legislation was revised recently and has been submitted to the Ministry of Justice. If the draft legislation is approved, the Auditor General will have greater independence and the power to hire and reward staff and to resolve the other challenges he is facing. In particular, he is optimistic that this will increase his power to recruit and retain high calibre staff and provide them with the opportunities and environment in which they can become highly skilled and effective auditors.

Case Study V
SAI Rwanda: Government action helped retention

Context

SAI Rwanda is a new institution. It was established in 1998, recruited its first 21 staff in 1999 and began operations in 2000. From this early stage, the SAI was committed to training and retaining a cohort of professionally qualified accountants and worked intensively to promote the importance of sound public financial management and a strong supreme audit institution across government, and the country at large. The SAI recruits new graduates and puts them through an intensive one-week training programme with coaching during field work by the team leader or any another experienced auditor in the team. At the end of every audit cycle there is a tailored refresher training depending on the level of experience and seniority.

Since 2003, the SAI has been vested with the administrative powers to hire and promote its own staff and to set salary scales. However, the structure and salary scales must be discussed through consultations with the Ministry of Labour and the Ministry of Finance and Economic Planning before its final publication in the Official Gazette. The SAI made its case in terms of the need to increase the quantity and quality of audits and the capacity to contribute to the government's agenda of strengthening overall management of public finances.

In 2008, the Institute of Chartered Public Accountants of Rwanda (ICPAR) was established and an agreement struck with the Ministry of Finance who agreed to sponsor all government staff working in accounting and internal audit to help them obtain their professional qualifications. SAI staff also benefit from this scheme and are sponsored when they pursue their professional accountancy qualifications through ACCA, CPA and other professional courses. SAI Rwanda gives study leave to its staff and pays their annual subscription and exam fees (maximum twice per paper). Staff can attend the classes with other students from the public sector as well as private students. When they are offered sponsorships, staff sign a contract to remain with the SAI for at least 3 years after qualifying.

Professionalization journey

SAI Rwanda is significantly investing in human resource development to satisfy stakeholders' needs and respond adequately to emerging risks in the external audit environment. Some 30% of staff are currently qualified as professional financial accountants and a further 57% of staff are pursuing their professional courses, with many close to completion .

Retention of Audit staff in SAI Rwanda

In the early years, average annual staff turnover was low, around 5 per cent. To encourage staff to stay, SAI Rwanda put in place a range of staff retention and succession planning initiatives, such as vertical and horizontal promotions, a career path including nine layers from Audit Assistant up to the level of Assistant Auditor General, and opportunities for professional development. The SAI strives to maintain and enhance a conducive working environment in several ways: staff are offered employment for open ended periods after their successful probation period and, since 2013, the SAI leadership has introduced a system for recognizing the best performers in order to encourage a culture of high performance.

Between 2016 and 2017 staff turnover started to increase, see Table 1 below. Exit interviews showed that the majority of those who left were hired by the private sector, the main offers coming from the commercial banks, the National Bank, as well as international organisations or donor funded projects where they can easily negotiate better pay. Others were leaving for promotional opportunities elsewhere in the public sector at the level of accounting officer/Chief Budget Manager.

Case Study V
SAI Rwanda: Government action helped retention

To combat this, the SAI sought to do two things. Firstly, create more opportunities for promotion by lengthening the career structure and secondly obtain support from government for increased funding to make SAI Rwanda salaries more competitive in the public sector These improvements have made a difference, SAI salaries are among the best in the public sector, and the turnover has dropped to more manageable levels.

The SAI also believes strongly that some turnover is a good thing. Those who leave may become good ambassadors for the SAI Rwanda and use their skills to benefit the wider Rwandan community and business.

However, too high a turnover, especially among more senior and experienced staff can result in the loss of important institutional knowledge and experience and be costly, requiring training of new staff.

In time, the SAI recognises that it may have to revisit its structure and its pay scales, but believes that with clear arguments and working through established government structures this should be possible before reaching a situation in which good staff will again start to vote with their feet, and leave the SAI for better opportunities elsewhere.

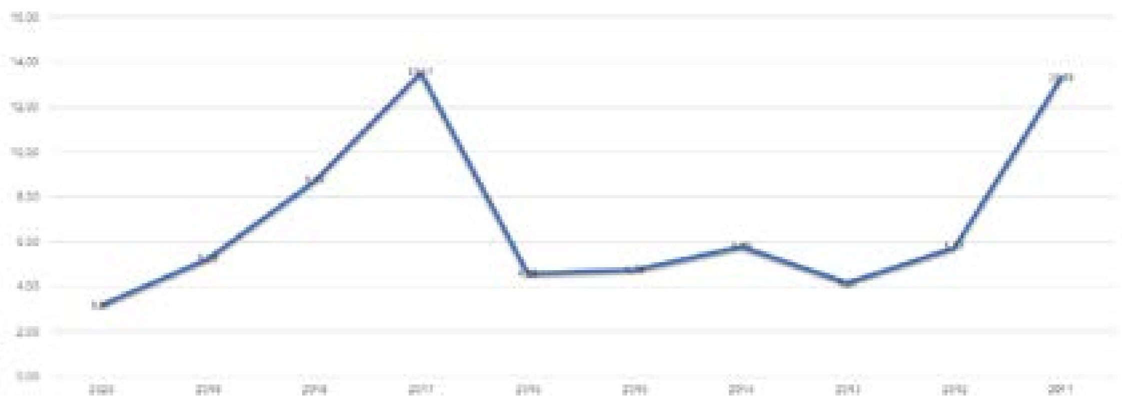

Table 1: Staff turn over rate the last ten years

What resources can we access?

- Human Resource Management INTOSAI Capacity Building Committee Guide (Chapter 5 and 6)
- Human Resource management Framework (AFROSAI-E) (Chapter 4)
- Resource Planning Model for SAIs