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Practicing VFM Audit: Unpacking the Audit Methodologies

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ABSTRACT

While there has been a body of work seeking to understand the front-stage work of Auditors-General's Offices, in terms of their VFM audit publications and reports, relatively limited attention has been paid in understanding the back-stage associated with the development of VFM audit methodologies and practices. Both Power (1996, 2003) and Robson et al. (2007) argue that we need to understand both the audit context and the methodologies which underpins practice, if we are to understand how 'auditability' is created. Therefore, there is a need to better understand how those audit methodologies are developed and enacted.

This paper examines how VFM audit methodologies were framed over time as reflected by VFM audit practice and how did the role of audit methodologies change in the auditability network. These are explored in the context of the Victorian Auditor-General's Office (VAGO) between 1982 and 2007. Development of the VFM audit methodologies is theorised by applying the dual notion of framing and overflowing (Goffman, 1974; Callon, 1998) and ANT concepts of inscriptions, intermediaries, mediators, actors, obligatory passage point and performativity (Callon, 1986; Latour, 1987, 2005; Robson, 1992).

We recognise four different roles that audit methodologies can play (accounting devise, change enabler, mediator and actor) which influence audit practice differently. Our conclusion is that the role of audit methodologies in creating auditability can change dramatically over time. This study found that the VAGO developed audit methodologies to produce four categories of focus frames as VFM audit reports and the VFM audit methodologies were transformed from intermediaries to mediators or actors with the introduction of computer assisted audit methodologies.

Keywords: VFM audit, Actor-Network-Theory (ANT), Framing and Overflowing.