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Antecedents of Perceived Auditors' Power Deterioration Vis-A-Vis Pressure Groups': Dar-Es-Salaam Case Study

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The purpose of this paper was to test the usefulness of auditors versus pressure groups power in enforcing accountability in public sector. It explored potential reasons that make pressure groups seemingly more powerful compared to auditors.It draws much knowledge from mobilization and lobbying model while using key literatures in the expectation gap. The paper demonstrates mobilization and lobbying model and uses data, collected from Dar es Salaam, to test significance of difference in perception between accountants and non-accountants towards pressure groups. Many-Whitney U-test has been used as a technique of testing similarity between the two groups and factor analysis as a method of finding underlying factors for pressure groups popularity over auditors. The outcomes of this study have verified that both accounting and non-accounting professionals have trust to auditors for power to influence accountability of public sector. Further, the study finds out three factors that make pressure groups more popular in the eyes of people. These factors have been identified as; first, kind of evidence that auditors seek, second, execution outcome and types of actors involved and third exposure of reports and ethical issues. Measures like educating the public on the expected role of auditors and provide for expanded audit reports by means of changing standards could best be used to reduce such perceptions. The study focuses on a single case and therefore it may not be appropriate to generalize findings in different political and cultural settings.

Key Words: Pressure groups, Activism, Auditors, Accountability**,** Expectation gap

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1.0 Introduction

Public auditors are bound to undertake audits with a purpose of checking any reasonable misrepresentation in periodic reports (NAO, 2009). They, additionally, need to check for effectiveness, efficiency and economy of public money. The reason behind audit engagement is the existence of stewardship accounting that requires owners (principal) get an independent assurance that their stewards (managers) comply to principals' interest (Woolf, 1982).The public view auditors as having ability to discover and report any fraudulent case (Deis & Giroux, 1992) and (Cosserat, 2004).

The role of public sector auditing in Tanzania is to fulfill the requirement of the constitution in accordance with article 143 (URT, 2005). It also informs the stakeholders with a summary of financial and control status of the Local and Central Government Authorities in the Country (NAO, 2010). In order for public auditors to play that vital role there must exist a degree of independence between National Audit Office and the government. The audit report, which is given at the end of every audit assignment, is very brief with few lines in such a way that those with little knowledge in accounting and auditing profession may ignore its importance. The accounting profession and legal framework, however, regard it as important information that no one should temper with (CFA Institute, 2010).

Usually, activists and public tend to form a new force of fostering accountability if they feel that auditors are doing a rubber-stamping work. For example, Salehi and Rostami (2009) did a research in Australia, Singapore, Malaysia, United Kingdom, New Zealand, United States, Saudi Arabia, Bangladesh, China and Egypt and found out that there is always public perceptions that auditors are not doing up to expectations. Other works with similar observations were done by Gold (2009) in Germany and Netherlands and (Porter & Gowthorpe, 2004) in United Kingdom and New Zealand.

Existence of National Audit Office as a supreme audit institution implies that there is a constitutional power over local and central government authorities (Alvin, et al, 2006). However, Controller and Auditor General reports of 2008/9 and 2009/10 show that there was little implementation of recommendations that were issued in the previous audit period. Serious issues like non-disclosure of revenue collected, existence of room for fraud and procurement procedures were noted to be a mess in Local Government Authorities and other public entities like Tanzania Electric Supply Company (TANESCO) (NAO, 2009). Other burning issues like External Payment Arrears (EPA) account, scandal of the Bank of Tanzania (Mwananchi Corporation, 2010), (Britain - Tanzania Society, 2008) (Tanzania Common Cents, 2008) and Richmond – Dowans case with Tanzania Electric Supply Company (TANESCO) were fueled by pressure groups. Controller and Auditor General's report of 2008/9, for instance, expressly acknowledges Public Accounts Committee (PAC) of the parliament being a key player to enforce accountability. In other words, auditor's reports would have not given sufficient change to auditees.

The purpose of this study was to find out two issues; first, to assess relative perception of accounting and non-accounting professionals regarding the usefulness of auditors and pressure groups power to enforce accountability in public sector and second, to find out, from public perceptions, what might be sources of pressure groups power that make them seemingly more powerful than auditors.

2.0 Literature Review

2.1 Theoretical Background

According to Cambridge Advanced Learners Dictionary audit means to make an official examination of the accounts of a business. Etymologically, the word 'audit' comes from the Latin word, 'audire,' which means 'to hear' and an auditor means a 'hearer' (Mahadevaswamy & Mahdi, 2008) and (Salehi & Rostami, 2009). The hearing function was meant to give assurance against fraud and intentional mismanagement of resources that the principal entrusts to the agent. An audit is an examination of financial statements and expression of opinion thereof. The expression of opinion is in accordance to auditor's findings and not a statement of verified facts(Spicer & Peglers, 1985). Randal et. al. (2010) puts it clear that an audit should be done by a competent independent person.

The auditor's report is a formal opinion issued by either an internal auditor or an independent external auditor as a result of an internal or external audit or evaluation performed on a legal entity or subdivision thereof (called an "auditee") after collection of sufficient evidence (Roger, et al, 2005). Auditors' report is subsequently provided to a "user" as an assurance service in order for that user to make decisions based on the results of the audit (Millicamp, 1996), (Randal J. E. et al, 2010) and (Beasley et al, 2006). Auditors in their opinion do not say financial statements do present a true and fair view but they say *in their opinion* the financial statements show a true and fair view. It is upon the readers and users of financial statements to rely or not rely on the financial statements. If that auditor is known to be independent, honest and competent then the financial statements will be relied upon (Millicamp & Taylor, 2008). So the intention of an audit is not to provide an additional information but to enable users to rely more heavily upon the information which has already been prepared by others (Dunn, 1996).

A pressure group can be described as an organized group that seeks to influence government policy or legislation. It may not intend to put up candidates for election, although it might be part of a political part. It can also be described in other terms like 'interest group', 'lobby group' or 'protest group', to mention a few. The term pressure group is very wide that does not clearly distinguish between the groups that fall under the term. For instance, a pressure group can be a huge organization like the Teachers Association of Tanzania ("Chama cha Walimu Tanzania", CWT) which represents tens of thousands of teachers in Tanzania. It can as well be a single

locally based organization like the University of Dar es Salaam Academic Staff Assembly (UDASA) representing academic staff members at the University of Dar es Salaam only.

Pressure groups do not look for the power of political office for themselves, but do seek to influence the decisions made by those who do hold political power (Parthiban et al, 2007). Often, pressure groups find themselves competing with rival pressure groups with the aim of gaining advantage over them, but sometimes groups work together to achieve a common aim (Lee, 2006).Pressure groups can use a variety of methods to influence law and policy making. First, it can merely inform legislators of its member's preferences. Second, it may well give money or time to help with election campaigns. Third, its members may threaten, as a group, to vote as a bloc. By doing this they promise to help a cooperative legislator, and threaten to harm a non-cooperative legislator. Fourth, a pressure group may speed up legislation by writing bills and helping legislators make progressive agreements. Lastly, a pressure group my attempt to influence members of the executive, who have some law making input and who can partly decide the strength and effectiveness of law enforcement (Elliott, 2006) and (Trueman, 2011).

Accountability is the obligation of power holders to take responsibilities for their actions (UNDP, 2010). It describes the right and obligations between people and their institutions. UNDP ibid describes accountability to have two components: answerability - the obligation to provide an account and the right to get a response; and enforceability - ensuring that action is taken or redress provided when accountability fails. The Merriam-Webster dictionary defines accountability as "the quality or state of being accountable; especially: an obligation or willingness to accept responsibility or to account for one's actions." Accountability concerns a relationship between A and B, where A is accountable to B if they must explain their actions to B, and could be adversely affected by B if B does not like the account (UN, 2006). Accountability has two potential benefits. It allows voters to remove officials whose interests appear to be non-congruent with citizens, but also gives non-congruent officials some incentive to act as though they were congruent (Maskin & Tirole, 2004).

Onumah, Simpson& Babonyire (2009) in their work "The audit expectation gap concept: Examining views on auditors' reports from Ghana" concluded that there is a significant difference in viewpoint regarding audit assurance between accountants and non-accountants. They further assert that views of company accountants are close to that of auditors (Onumah, et al., 2009). However, the gap exists not only in public sector but also in the private sector as it was found out by Green & Li (2012) as also the earlier study of Lauwo (2002) found out. There is a fundamental difference between the stakeholder groups in relation to the responsibilities of the assurer and management (Green & Li, 2012).

The preparers and users of financial information have a wide different degree of understanding of the role of auditors. If the public perceives auditors have failed to

report, they will likely take measure to rectify it (Lauwo, 2002). However, it is not yet known whether perceptual difference creates popularity of pressure groups or not. Bahati (2011) did find almost similar results to the ones found out by previous researchers. His research on the relative usefulness of pressure groups power in enforcing accountability came up with an assurance that pressure groups are more powerful as compared to public auditors. Respondents showed that pressure groups seem to be more powerful than auditors because they use media to air out their concerns. On the other side auditors' work like mere advisors of the government, respondents proposed. This study proposed only one source of familiarity of pressure groups that proposes why people might perceive them as more powerful compared to auditors. This study has gone further beyond reports exposure to capture other reasons of popularity.

Salehi & Rostami (2009) did researches in Australia, Singapore, Malaysia, United Kingdom, New Zealand, United States, Saudi Arabia, Bangladesh, China and Egypt showed that there are different perceptions on audit opinions especially in the public sector. One of the opinions is existence of audit expectation gap in various countries throughout the world (Salehi & Rostami, 2009). According to this research, it is not necessary that pressure group activities come because of expectation gap as there are different degrees of perception on the concept. The work regards the expectation gap as the only way to evoke pressure groups activities.

2.2 Mobilization and Lobbying Model

Mobilization and Lobbying Model is one of the most frequently used Governance model and has often come to the aid of the global civil society to impact on global decision-making processes(Bahati, 2011). The model is based on setting-up a planned, directed flow and sharing of information to build strong allies to complement actions in the real world. The model builds the momentum of real-world processes by adding the opinions and concerns expressed by communities and workers in order to complement actions that are initiated by politicians or experts in the society (Leech, et al., 2002).

The model assumes that pressure groups share information from different players like politicians, individual activists, communities and experts for enforcing transparency and accountability (Bahati, 2011). In the group, there is experts' opinion as a key player that impliedly suggests that auditors are part of pressure groups indirectly and so they acknowledge presence and power of activists. This model further assumes that since experts are part of pressure groups then pressure groups ought to have more influence since they have information from different sources that experts either do not have access to or are limited by ethical and standards of performance required by respective professions. This has been a very important model in this study because it is giving a link between experts and pressure groups. This model can a bit be supported by audit expectation gap that suggest that auditors performance is different from people's perception. Therefore, activists will automatically work to supplement work of auditors if they think auditors are not meeting expectations.

3.0 Design and methodology

This study was carried out with two main objectives summarized as follows. Firstly, to assess relative perception of accounting and non-accounting professionals regarding the usefulness of auditors and pressure groups power to enforce accountability in public sector. Secondly, to find out, from public perceptions, what might be sources of pressure groups power relative to public auditors? The study adopts a case study design and therefore it was carried out in Dar es Salaam region in Tanzania.

Dar es Salaam is the central business region where many people are aware of what is going on in terms of accountability of the public sector as compared to other regions in the country. Data was collected from individuals in Dar es Salaam and analyzed. The emphasis was the balance of people of different education backgrounds in order to have a balance of views among them and avoid having dominant views of one profession. Legal and Accounting professionals were however, given more emphasis because of the nature of training and knowledge they have regarding accountability and auditing.

A sample of at least 100 respondents was considered enough for this study for it to give meaningful results. Data was collected by use of a questionnaire that was distributed and filled by respondents. A questionnaire was composed of multiple likert type items designed to test individual perceptions and opinions for each proposition. Data was analyzed by using non-parametric test, Manny-Whitney U-test, for average groupings of dichotomous groups because an ordinal data was used and no normality assumption would have been met (Williams, et al., 2006). Factor analysis was also used to extract any underlying factors behind perception of power of pressure groups (Shenoy & Pant, 2007), (Kothari, 2004) and (Tabachnick & Linda, 2007). The use of factor analysis is important because the interest was to reduce a number of variables into a small number of factors or components (Brown & Onsman, 2012), (Yong & Sean, 2013) and (Tabachnick & Linda, 2007).

4.0 Discussion of Findings

120 respondents filled the questionnaire. Upon screening, 15 questionnaires were discarded for having some missing information. Therefore, 105 questionnaires (cases) were valid for analysis.

4.1 Perceptions of ability of Pressure Groups to influence Accountability

Respondents were asked to give their opinion on the rating of the power of pressure groups to influence accountability in public sector. They were to rank using a scale of 1-20, where 1 represents 5% perceived power, 2 represents 10%, 3 represents 15%

and 20 represents 100%. Therefore, respondents who selected the lower number suggested that pressure groups have lesser power and those who selected higher number suggests higher power of pressure groups to influence accountability in public sector. Analysis of data findings is by using Manny-Whitney test.

Hypothesis testing

H_0: Non-accountants perceive pressure groups as being more powerful than accountants do

H_1: Non-accountants do not perceive pressure groups as being more powerful than accountants do

Given the existence of audit expectation gap as Lauwo (2002), Lee et. al. (2007) and Bahati (2011) found out, it would be reasonably expected that accounting professionals have more understanding on the role of auditing and thus attributes more influence to auditors' power than pressure groups' (Lauwo, 2002), (Lee, et al, 2007) and (Bahati, 2002). On the other hand, rating of the power of pressure groups for non-accountants is expected to be higher than the accountants rating because this group 'does not understand' the role and power of auditors (Marlow & Orzechowski, 1996).

Table 01: Pressure groups power for accountability, Test Statistics[b]

			Pressure groups power for accountability
Mann-Whitney U			1315.500
Wilcoxon W			3331.500
Z			-.049
Asymp. Sig. (2-tailed)			.961
Monte Carlo Sig. (2-tailed)	Sig.		.963[a]
	95% Confidence Interval	Lower Bound	.960
		Upper Bound	.967
Monte Carlo Sig. (1-tailed)	Sig.		.482[a]
	95% Confidence Interval	Lower Bound	.472
		Upper Bound	.492

a Based on 10000 sampled tables with starting seed 2000000.
b Grouping Variable: Accountants and none accountants

From the table 01 presented above, Manny-Whitney U test is clearly 1315.5 and the associated p value is 0.481 (0.961/2 since p value is based on a two tailed test). It is clear that the p value is more than our level of significance of 0.05. So we reject the null hypothesis that Non-accountants do rate pressure groups power higher than the way accountants do. There is no sufficient evidence to conclude that non-accountants have more trust on pressure groups in enforcing accountability than accountants have at 5% level of significance.

These findings suggest that non-accountants have no quite more trust on pressure groups than accountants have. Despite a differential perception of accountants and non-accountants, none of the groups gives pressure groups a higher rating. Results may suggest that there are underlying issues (factors) in common for both groups to have more or less the same perceptions regarding the role of pressure groups. Bahati (2011) found out that there is some trust that accountants/auditors have on

pressure groups. Likewise, the same study found out that there is some trust that pressure groups have on auditors. Moreover, pressure groups acknowledged that they sometimes use audit reports to validate their demands. These results support results of Bahati (2011) that there could be a mutual interdependency between auditors and pressure groups in a way.

4.2 Public auditors influence on Accountability in Public Sector

Respondents were asked to rate the usefulness of public auditors to influence public sector accountability on a 1-4 likert-type scale. 1 for “very useful”, 2 for “useful”, 3 for “somehow useful” and 4 for “Not useful”. It is reasonable to expect that non-accountants would think the work of auditors is not very useful as what accountants would. The reasoning behind this proposition is that one would expect audit expectation gap to overshadow non-accountants and consider audit activities less useful as compared to activists. Analysis of the outcome using a Mann-Whitney U test reveals the outcome shown below.

Hypothesis testing

H_0: Non-accountants consider public auditors less useful

H_1: Non-accountants do not consider public auditors less useful

Null hypothesis suggest that mean ranking of pressure groups (average position, in Mann-Whitney language) of non-accountants shall be higher than the position of accountants. The higher position suggests that the work of auditors is less useful in contrast to accountants who would consider it useful by ranking low (taking a different low position).

Mann-Whitney statistic is 1211.5 (table 02), with an associated p value of 0.224 (0.448/2 for a one tailed test). At 5% level of significance there is no sufficient evidence to say that non accountants rate public auditors higher than accountants do (conversely non-accountants rank public auditors less useful than ranking of accountants).

Table 02: Usefulness of auditors’ activities, Test Statistics[b]

			Usefulness of auditors activities
Mann-Whitney U			1211.500
Wilcoxon W			3227.500
Z			-.759
Asymp. Sig. (2-tailed)			.448
Monte Carlo Sig. (2-tailed)	Sig.		.458[a]
	95% Confidence Interval	Lower Bound	.448
		Upper Bound	.468
Monte Carlo Sig. (1-tailed)	Sig.		.227[a]
	95% Confidence Interval	Lower Bound	.219
		Upper Bound	.236

a Based on 10000 sampled tables with starting seed 1314643744.

b Grouping Variable: Accountants and none accountants

These findings are in line with the findings above which suggested that both accounting and non-accounting professionals trust pressure groups in the same way i.e. none of the groups seem to have more trust than the other. In the same way, none of the groups seems to have less trust on public auditors than the other. What remains at hand here is that if both groups (accountants and non-accountants) have trust to auditors and pressure groups in the same way then what are reasons that could make both to have trust on pressure groups? Bahati (2011) found out that both auditors and pressure groups acknowledged that there is an association when working for enforcing accountability especially in the public sector. Existence of audit expectation gap is due to inadequate auditing standards and a lack of acceptance of these standards, together with unreasonable expectations of auditors among users of financial statements and the general public (Højskov, 1998). This data, however, suggests that expectation gap does not blindfold users of audit report to think that auditors are doing 'nothing'. There is some degrees of trust and that trust is not quite different from accounting professionals' trust for their fellows (auditors).

4.3 Perceived Reasons for Pressure Groups Power above Public Auditors

A sample of 105 respondents (Appendix 3) after a thorough data cleaning was used to extract factors using principal components analysis (PCA) with Equamax rotation method through SPSS factor on 12 items. Sample size is considered enough since sample to variable ratio (N:p) is 8.75:1 which is within the rule of thumb of 3:1, 6:1, 10:1, 15:1, or 20:1 (Brown & Onsman, 2012) and (McCallum & Widaman, 1999). However, this ratio was used just as a guide as there is no minimum number of N: p ratio to extract factors under some conditions (Hogarty, et al., 2005). Prior to running the analysis, other conditions were investigated for suitability of data for factor analysis. Correlation matrix (factorability of R) shown in table 03 show that there are some sizable correlations (above 0.3) which indicate that the data can be factor analyzed (Tabachnick & Linda, 2007), (Brown & Onsman, 2012) and (Yong & Sean, 2013).

Table 03:Correlation Matrix

	V1	V2	V3	V4	V5	V6	V7	V8	V9	V10	V11	V12
V1	1											
V2	0.3210	1										
V3	0.1620	0.4260	1									
V4	0.2600	0.3110	0.2230	1								
V5	0.2960	0.3860	0.4070	0.4360	1							
V6	0.2860	0.3800	0.3140	0.3280	0.4260	1						
V7	0.1400	0.2790	0.0480	0.3300	0.3120	0.3590	1					
V8	0.1410	0.2250	0.1040	0.2650	0.2540	0.3120	0.4080	1				
V9	0.1930	0.3240	0.1280	0.2920	0.2820	0.2330	0.3250	0.4210	1			
V10	0.2370	0.1470	0.0970	0.3220	0.2120	0.2880	0.3110	0.4430	0.4320	1		
V11	0.1260	0.0640	0.0010	0.1740	0.1260	0.1010	0.3640	0.2870	0.2180	0.2520	1	
V12	0.4240	0.4210	0.3490	0.3730	0.3000	0.5180	0.2760	0.0600	0.2450	0.1560	0.2690	1

Key

V1	Independence	V5	Actors involved	V9	Focus when doing
V2	Outcome of doing	V6	Outcome in communication	V10	Ability to perform
V3	Outcome of findings	V7	Techniques of doing	V11	Reporting aftermath
V4	Number of people involved	V8	Kind of evidence	V12	Report Exposure

KMO and Bartlett's Test of Sphericity is useful to assess suitability of data for factor analysis. Data was suitable because KMO is 0.816 against the minimum required level of 0.7(Brown & Onsman, 2012) and (Tabachnick & Linda, 2007). However, other researchers propose a minimum KMO of 0.5 (Yong & Sean, 2013) Bartlett's test significance is below the required level of 0.05 ($p<.05$). Table 04 indicates suitability of respondents' data for factor analysis using KMO and Bartlett's test.

Table 04:KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.816
Bartlett's Test of Sphericity	Approx. Chi-Square	377.618
	df	78
	Sig.	.000

The diagonal elements of the *Anti-Correlation*matrix that has cut-off far above 0.67(Table 05)also indicate the usefulness of data for factor analysis. Gie & Pearce (2013) and Brown and Onsman (2012) found out that suitability of data for factor analysis requires cut-off of diagonal elements of the Anti-Correlationmatrix to be above 0.5.

Table 05:Anti-image Correlation Matrix

	V1	V2	V3	V4	V5	V6	V7	V8	V9	V10	V11	V12
V1	**.797[a]**											
V2	-.146	**.845[a]**										
V3	.105	-.275	**.732[a]**									
V4	-.014	-.046	.013	**.874[a]**								
V5	-.155	-.072	-.284	-.264	**.813[a]**							
V6	.015	-.058	-.043	.03	-.209	**.787[a]**						
V7	.095	-.127	.177	-0.1	-.122	-.146	**.833[a]**					
V8	-.036	-.069	-.045	-.058	.003	-.209	-.184	**.762[a]**				
V9	.031	-.178	.062	-.023	-.096	.099	-.055	-.227	**.827[a]**			
V10	-.154	.105	-.044	-.163	.064	-.137	-.053	-.206	-.271	**.798[a]**		
V11	.011	.107	.054	.026	-.032	.181	-.238	-.186	-.009	-.102	**.674[a]**	
V12	-.291	-.145	-.194	-.194	.127	-.405	-.063	.276	-.123	.096	-.281	**.690[a]**

a Measures of Sampling Adequacy(MSA)

Three factors were extracted as indicated in table 06a using principal component analysis (PCA). PCA analysis is a default method of extraction and suitable because there was no a priori model that existed to explain any factor (Brown & Onsman, 2012) and(Yong & Sean, 2013). The three factors account for 55.376 percent of total variance explained (Table 06b). According to Hair et. al. (2005), 50-60 percentage of variance explained may be considered enough in social sciences field while in natural sciences a higher variance (95% and above is required). Three factors were retained by fixing a threshold of eigenvalue more than 1, or simply using Kaiser's criteria (Brown & Onsman, 2012).

Table 06a: Order by size in which variables contribute to factors

Factor 1 Evidence sought and execution	**Factor 2** Execution outcome and actors involved	**Factor 3** Report exposure and ethics
Kind of evidence	Outcome of findings	Report Exposure
Ability to perform	Ability to exhaust	Reporting aftermath
Focus when doing	Actors involved	Independence
Techniques of doing	Outcome in communication	

Table 6b: Total Variance Explained

Component	Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.055	33.793	33.793	2.412	20.098	20.098
2	1.587	13.229	47.022	2.344	19.534	39.632
3	1.002	8.354	55.376	1.889	15.744	55.376

Extraction Method: Principal Component Analysis.

With a cut-off of 0.55 (30% overlapping variance) eleven variables loaded well on the three factors. 30% overlapping variance is considered a good one although majority of loadings of variables to factors were above .63 (40% overlapping) which is considered very good (Tabachnick & Linda, 2007). Variables also demonstrated a convergent validity as variables loaded enough (more than .32) and have discriminant validity as there was no significant cross loading of variables upon more than one factor.

Table 07: Rotated Factor Matrix[a]

	Factor 1	Factor 2	Factor 3	h^2
Independence	0.029	0.307	**0.577**	*0.428*
Ability to exhaust	0.168	**0.674**	0.244	*0.542*
Techniques of doing	-0.018	**0.769**	0.032	*0.593*
Number of people involved	*0.369*	*0.399*	*0.331*	*0.405*
Actors involved	0.296	**0.643**	0.181	*0.534*
Outcome in communication	0.255	**0.559**	0.296	*0.534*
Techniques of doing	**0.578**	0.048	0.420	*0.513*
Kind of evidence	**0.806**	0.118	0.006	*0.664*
Focus when doing	**0.673**	0.232	0.091	*0.515*
Ability to perform	**0.715**	0.092	0.127	*0.536*
Reporting aftermath	0.382	-0.311	**0.639**	*0.651*
Report Exposure	-0.03	0.419	**0.766**	*0.763*
Percent of Variance	20.098	19.534	15.744	
Percent of covariance	36%	36%	28%	

Extraction Method: Principal Component Analysis.
Rotation Method: Equamax with Kaiser Normalization.
a Rotation converged in 8 iterations.

Likewise there were no complex variables in the analysis as there are no significant loadings of one variable in more than one factor(Hogarty, et al., 2005),(Tabachnick & Linda, 2007) and(Brown & Onsman, 2012). Only one variable (number of people

involved) had loaded poorly on all three factors with a total variance of about 40% (h^2 = .405) and therefore having a uniqueness of about 60%. It implies that there are factor(s) that can explain the variable *"number of people involved"* by about 60%. This unexplained portion by the three factors extracted was considered significant for the variable to be dropped.

When orthogonal rotation was requested, factor transformation matrix off diagonal elements was far from being symmetrical or nearly symmetrical (Appendix 2). The matrix result gave an indicator that an orthogonal rotation was not appropriate for that kind of data (Yong & Sean, 2013) and (Brown & Onsman, 2012). For that reason, an oblique rotation was chosen in transforming loadings for easy interpretation. Oblique rotations generate factors that are correlated as contrasted by varimax (orthogonal rotation) that gives uncorrelated factors. An oblique rotation is more appropriate because the research included human behavior and there were no a prior assumptions in place (Brown & Onsman, 2012). Loadings of variables on factors, communalities, and percent of variance and covariance are shown in table 07. Table 06a shows variables on factors arranged in the order of magnitude of their loadings for easy interpretation.

5.0 Conclusion

This study draws knowledge from mobilization and lobbying model and substantiated by expectation gap to find out reasons for popularity of pressure groups compared to auditors. The model assumes that pressure groups have a network of individuals, politicians, and experts to feed them with information. A study of Bahati (2011) gives a clear connection between auditors and pressure groups i.e. pressure groups use auditors as one source of information for them. The same study further shows that exposure and publicity of reports accounts largely in popularity of activists. This study has verified that both accountants and non-accountants have a trust to pressure groups and they rank them in the same way when they consider their usefulness to enforce accountability in public sector.

Pressure groups may become popular than auditors for three reasons. First, evidence that auditors seek from the client when doing audit, second, the execution outcome of the audit and the types of actors involved and third exposure of reports and ethical issues that bind auditors. These findings consistent with Lauwo (2002) work that pressure groups (what she called activities to influence accountability) exist and work for accountability. Findings add more information on that study of Lauwo (ibid) that there are other issues more than just expectation gap that create a public perception on the usefulness of auditors.

The dimension of reasons people perceive may be curbed largely by changing standards to become more flexible for auditors and make an explicit requirement for auditors to search for fraud whenever there is any indicator of fraud. Alternatively, auditing boards may address the issue of responsibilities of auditors to the publicfor raising awareness of people i.e. education. Other measures could be enhancing audit independence and provide for expanded audit report. These measures are important because findings clearly suggest that there is a high misunderstanding

between accounting professionals and nonprofessionals regarding the importance and role of auditors as verified by audit expectation gap and found by Lauwo (2002), Salehi and Rostami (2009) and Bahati (2011). People tend to have more trust on pressure groups than on auditors because they perceive auditors as bloodhounds rather than watchdogs.

However, to have a complete measure of creating a balance of perceived performance between auditors and activists may be very hard since auditors findings are also used by activists (Bahati, 2011). Individual auditors may take measures of restraining from behavior that people perceive as threatening independence for a purpose of increasing the confidence that people should have in them. This is nothing than avoidance of circumstances that breach independence in appearance as opposed to independence in mind (Alvin, et al, 2006) and (Woolf, 1997).

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APPENDICES

Appendix 1: Factor Score Coefficient Matrix

	Factors		
	Factor 1	Factor 2	Factor 3
Independence	-0.139	0.023	0.364
Outcome of doing	-0.022	0.304	-0.021
Outcome of findings	-0.082	0.428	-0.168
Number of people involved	0.088	0.109	0.073
Actors involved	0.062	0.292	-0.09
Outcome in communication	0.002	0.176	0.116
Techniques of doing	0.209	-0.129	0.185
Kind of evidence	0.417	-0.003	-0.206
Focus when doing	0.317	0.051	-0.139
Ability to perform	0.344	-0.041	-0.085
Reporting aftermath	0.086	-0.372	0.492
Report Exposure	-0.222	0.042	0.495

Extraction Method: Principal Component Analysis.
Rotation Method: Equamax with Kaiser Normalization.

Appendix 2: Component Transformation Matrix

Component	1	2	3
1	.641	.601	.477
2	-.683	.731	-.003
3	-.351	-.324	.879

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

Appendix 3: Univariate Descriptive Statistics

	Mean	Std. Deviation	Analysis N
Independence	2.23	1.076	105
Outcome of doing	2.56	1.255	105
Outcome of findings	2.55	1.135	105
Number of people involved	2.78	1.009	105
Actors involved	2.53	1.038	105
Outcome in communication	2.43	1.167	105
Techniques of doing	2.53	1.161	105
Kind of evidence	2.82	1.392	105
Focus when doing	2.81	1.309	105
Ability to perform	2.70	1.208	105
Impacts of report	2.48	1.186	105
Report Exposure	2.33	1.246	105