

Public Sector Audit Committees: A Behavioural Reflection

Keith Thomas

Victoria University, Australia.

Aquinas J. Purcell

CPA Australia, Australia

Background

Australian public sector audit committees are part of a governance process (Farrar, 2008) and assist in the maintenance of reliable systems of financial and performance reporting and internal controls as well as enhancing the internal auditor's independence to provide unfettered advice (Cameron 2008, 2004). The Australian National Audit Office in its analysis of processes and practices described public sector governance as 'how an organisation is managed, its corporate and other structures, its culture, and the way it deals with its stakeholders' (Australian National Audit Office 2003, p. 6).

The distinguishing feature of governance in the public sector as compared to the private sector was the emphasis on accountability, stewardship and prudent decision making. Effective public sector governance focuses on the requirements of performance and compliance of the public sector body. The relevance of the concepts of organisational performance and conformance to this paper is that the former related to delivery of services to the community, whilst the latter related to governance which conformed to legal requirements and community expectations of accountability, probity and transparency.

Corporate governance is an extensive area within the academic literature, although the effectiveness of audit committees in the public sector governance was limited. However, there was considerable support and guidance for the operations of audit committees in the public sector, for example, Association of Government Accountants (2008); Cameron (2008, 2004); Chartered Institute of Public Finance and Accountancy (2004); Controller and Auditor-General, New Zealand (2008b); Department of Local Government (2008b); Department of Local Government and Regional Development (2006); HM Treasury (2007); Institute of Public Finance (2006) and National Audit Office (2007a, 2007). It was also noted that the effectiveness of audit committees in local government had been examined in both Wales and Scotland, by Davies (2009) and Crawford, Henry, McKendrick and Stein (2008) respectively, with West and Berman (2003) having undertaken a national survey of the effectiveness of local government audit committees in the United States of America. For public sector audit committees in Australia, the starting point for audit committee and governance practices is the *Corporations Act, 2001* and *Corporate Governance Principles and Recommendations* (Australian Stock Exchange 2007), supplemented by public sector governance standards and ethos. For example, the Victorian Government has policies in relation to: (1) *public sector governance* (State Service Authority 2007a, 2006a, 2005; Public Sector Standards Commissioner 2006); (2) *financial management* (Local Government Victoria 2003); (3) *audit committees in local government* (Department of Infrastructure 2000; Department of Planning and Community Development 2011, 2009); and (4) *a model code of conduct for councils* (Local Government

Copyright © 2015 Victoria University. This document has been published as part of the Journal of Law and Governance in both online and print formats. Educational and non-profit institutions are granted a non-exclusive licence to utilise this document in whole or in part for personal or classroom use without fee, provided that correct attribution and citation are made and this copyright statement is reproduced. Any other usage is prohibited without the express permission of the publisher.

Victoria 2004; Ombudsman, Victoria 2008). These policies were complemented by the perspectives of the Auditor-General, Victoria on local government audit committees (Cameron 2008, 2004; Pearson 2008).

Purpose

This paper addresses the gap in knowledge relating to the effectiveness of public sector audit committees from a behavioural perspective (Cutting & Kouzmin 2000; Leung & Cooper 2003; Marnet 2008). From the literature, there was a similarity of views in relation to the inputs of an audit committee (charter, skills, activities, communications and induction and training) although it does appear that there are some questions that are both important for public sector committees and as yet unanswered. Those questions, which run to the heart of this paper, are the behavioural nuances of the rigour of: debate, trust and effective communications; and the relationships with politicians and management.

Literature review

From organisational behavioural perspective an audit committee has systems and processes to support its activities but it is behaviours exhibited at the audit committee which make it effective and assist in the decision making. It is relevant to differentiate between accountabilities of the audit committee and its activities and *McKinsey's 7S Theory* (Waterman et al. 1980) could thus be used as an alternative mechanism to assess audit committee effectiveness. This theory linked the behavioural theory of governance (Marnet 2008, 2007, 2005, 2004) and quantifiable relationships between measures of corporate performance and solutions to agency problems, for example, independent directors, external audits, accounting standards and shareholders (Bolton 2006; Chi 2005; Ertugrul 2005; Fridman 2004; Kelly 2005; Popescu 2006). The significance and relevance of the *McKinsey 7S Theory* was that it placed an equal emphasis on organisational components (structure, strategy and systems) and the mechanisms (style, staff and skills) to undertake strategies and realise shared values of the organisation, which binds the organisation. Its significance was that it provided another interpretation to view the complexity, interdependence and relationships between accountabilities and outcomes of the audit committee. As noted, DeZoort et al. (2002) considered that audit committees are formed to protect the interests of shareholders, as agency theory holds that management may not always act in the interests of entity owners. Whilst the emphasis of the audit committee was on organisational risk, some audit committees focus on financial reporting and external audit relationships, without clearly focusing on measures and outcomes of organisational effectiveness.

Behavioural theory argues that multiple factors can impact the governance of organisations and various participants including stakeholders (Cutting & Kouzmin 2000; Leung & Cooper 2003; Marnet 2008, 2007, 2005; Pech & Durden 2004). These factors included: (1) *power and self-interest*; (2) *decision making*; (3) *leadership*; (4) *organisational culture and values*; and (5) *group dynamics*. Marnet (2008, 2007) questioned the application of rationality in decision making within governance models and concluded that “behavioural analysis appeared to explain some paradoxes on which the rational approach founders, or at best provides arduous explanations” (Marnet 2008, p. 207). A knowledge of such behaviours reflects an understanding of the composition of the board; decision-making structures; and networks within the board (Young & Thyil 2008, p. 95). Cutting and Kouzmin (2000) considered that boards can fail to serve the company effectively due to apathy, ignorance and negligence of their fiduciary duties. They referred to the collapse of state banks in South Australia and Victoria in the 1980s as two examples of the board of directors not knowing what was going on.

The research from a behavioural perspective recognises the interrelationship between the formal processes of an audit committee and the dimensions of informal relationships and power structures, for example: Beasley et al. (2009); Bedard & Gendron (2009); Brennan & Solomon (2008); Humphrey (2008); and Turley & Zaman (2007). The exponents of behavioural theory and its application to corporate governance include: Cutting & Kouzmin (2000); Leung & Cooper (2003); Marnet (2008, 2007, 2005, and 2004); Pech & Durden (2004). What emerges from the literature are the following considerations which are influential in the local government audit committee research: (1) audit committees have become an important mechanism for strengthening corporate governance; (2) the corporate law reforms are aimed at improving accountability and the integrity of financial reporting and performance reporting; (3) audit committees can be viewed as a mechanism to enhance financial reporting, audit independence; and (4) can be a mechanism for the monitoring and the protecting the interests of the community as the agents of the councillors. Ramsey (2001, p. 85-89) considered that: (1) an effective audit committee should exist in both form and substance and be active; (2) there is a functional relationship between the composition of the audit committee and effectiveness with independence being the most important of these factors; and (3) members of the audit committee should be financially literate.

Discussion

The attributes and responsibilities of audit committees and these were represented are influenced by the principles of integrity, accountability and impartiality, as well as leadership from the audit committee and trust relationships between the council, the audit committee and management. Whilst strategies and structures are important to support the functions of public sector audit committees, the litmus test are the behaviours practised and articulated at the audit committees.

Wayne (2003) explained audit committee effectiveness by populating audit committees on a matrix of trust and oversight to form his four perspectives of audit committee effectiveness (pp. 76–83). The limitation of this perspective is that it does not recognise that audit committees can evolve over time, due in part to: (1) a response to changes in legislation and regulations; (2) the emergence of new risks and their impact upon the council; (3) new members of the audit committee with different skills; and (4) changing management attitudes. The evidence in this thesis leads to the conclusion that audit committees are not static and evolve and grow in competence over time. As such, Bloom's (1956) taxonomy of learning, coupled with the principles of trust and audit committee behaviours, provides an alternative interpretative lens in which to contextualise audit committee effectiveness. In thinking about audit committee effectiveness, the issues of competency, capability and capacity emerged during the research and especially the distinction between the audit committees in rural and regional councils as compared to metropolitan councils. Levels of competency can be viewed from two perspectives, namely: the level of complexity of the issues discussed at the audit committee and member's degree of skill in contributing to the audit committee. The research in relation to competency originates from the action verbs developed by Bloom with 'learning objectives beginning at knowledge and advancing to comprehension, application, synthesis and evaluation' (cited in Gebbie 2010, p. 210). In relation to an audit committee, inexperienced audit committee members could be considered to be 'novices', but may need support from more experienced audit committee members and management. A 'proficient' audit committee member would have higher level skills and competencies and an 'expert' audit committee member would perform his or her functions without any direction.

The idea of using metaphors as a vehicle for discussion is not new, as Lakoff and Johnson (1980) showed that metaphors can be used in all 'types of analysis, because they are embedded in conversations and texts that both constitute and characterise so much of everyday life' (Reidy 2006, p. 25). Grant and Oswick (1996) considered that metaphors 'shape the way we think and the way we see' and they 'play a highly influential role in shaping organisational theory and analysis' (p.17). When assessing the skills of audit committee members, one could assess the level of: (1) primary

skills; (2) range of skills; (3) maintenance of skills; and (4) competence. Primary skills could be held to mean, the assessment of the principal skills that are required for an audit committee member to satisfactorily perform in the role. The range of skills could be those skills above the minimum requirement for the audit committee member. The maintenance of skills could relate to the level of continuous professional development and competency could relate to the ability to perform the role of an audit committee member, after assessing primary skills, range of skills and level of skill maintenance.

There are two further factors which impact the capacity, competence and capabilities of an audit committee, namely, the level of trust and oversight relationships. The oversight relationship can range on a continuum from 'symbolic' to 'substantive' and reflect the level of maturity of relationships with the audit committee. It can also refer to the level of diligence of members, for example, preparing for the meeting by reading and reflecting upon the papers and following through on commitments and attendance at meetings. Herzberg, Mausner and Snyderman (1959) and Schein (1970) considered these to be 'hygiene factors', whereas the contribution to audit committee effectiveness comes from members sharing information, participating in discussions, asking relevant questions and translating their wider professional and personal experiences into a relevant context. The level of trust, namely the attributes of: integrity, loyalty, openness, consistency and competence (Robbins 2003, p. 336) contribute to audit committee effectiveness, which extends Schein's (1984) seminal work on the culture of visual artefacts and values and basic assumptions, which support the culture.

Conclusions

The research in this paper supports the prevailing governance theories (agency, institutional, managerial hegemony, resource dependence & stewardship) and notes the increasing importance of behavioural theory to explain the actions and outcomes of audit committees. These theories provide the interpretative lenses in which to assess the effectiveness of public sector audit committees.

Financial probity, the adherence to independence to avoid conflict of interests and conformance to ethical practices are the tenants of effective governance. Audit committees can be one of the mechanisms to monitor the risks of the public sector and the executive management team especially where "self-interest" conflicts with the governance requirements of legislation, societal norms and community expectations.

An effective audit committee can provide a behavioural oversight of governance processes, although one cannot legislate for integrity and honesty. It is suggested that the audit committee can be the monitoring mechanism for the council as its agent, notwithstanding that politicians cannot abrogate their responsibilities and accountabilities. The presence of an effective and contributing audit committee negates a politician from listening, or subverting positive actions by the audit committee and provides a signal to the external auditor of organisational risks. Stakeholders will always be more receptive to the creation of structured and credible systems which serve to remove temptation rather than one that attempts to bludgeon people into a state of compliance.

References

- Association of Government Accountants, 2008, *Characteristics of Effective Audit Committee in Federal, State and Local Government*, CPAG Research Series: Report no. 17, November, <http://www.agacgfm.org/AGA/Documents/Research/CPAG_No17-1-.pdf> (17 January 2012).
- Australian National Audit Office, 2003, *Public Sector Governance, Volume 1 and 2*, Canberra, Australia, <<http://www.anao.gov.au/director/publications/betterpracguides.cfm>> (18 December 2008).
- Australian Stock Exchange, 2007, *Corporate Governance Principles and Recommendations, with 2010 Amendments*, Second Edition, August, Sydney, Australia, http://www.asx.com.au/documents/about/cg_principles_recommendations_with_2010_amendments.pdf> 25 March 2011).
- Beasley, M. S. Carcello, J. V. Hermanson, D. R. and Neal T. L. 2009, 'The audit committee oversight process', *Contemporary Accounting Research*, Volume 26, Number 1, pp. 65-122.
- Bedard, J. and Gendron Y. 2009, 'Strengthening the Financial Report System: Can Audit Committees, Deliver?' <http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1438150> (17 September 2009).
- Bloom, K. S. 1956, *Taxonomy of Educational Objectives, Handbook 1: The Cognitive Domain*, David McKay Co Inc, New York, United States of America.
- Bolton, B. J. 2006, *Corporate Governance and Firm Performance*, Doctor of Philosophy, University of Colorado, Bolder, United States of America.
- Brennan, N. M and Solomon, J. 2008, 'Corporate governance, accountability and mechanisms of accountability: An Overview', *Accounting, Auditing and Accountability Journal*, Volume 21, Number 7, pp. 885-906.
- Cameron, W. 2008, *Effective Audit Committees in Local Government*, Municipal Association of Victoria, Victoria, Australia, [http://www.mav.asn.au/CA256C320013CB4B/Lookup/wrs08cameron/\\$file/WayneCameron.pdf](http://www.mav.asn.au/CA256C320013CB4B/Lookup/wrs08cameron/$file/WayneCameron.pdf) > (14 April 2010).
- Cameron, W. 2004, *Role of the Audit Committee in Local Government*, Presentation to the Local Government Audit Committee Chairs, Office of the Auditor-General, Victoria, Melbourne, Australia, <http://www.audit.vic.gov.au/speeches/agspeech_18.html> (10 January 2008).
- Chartered Institute of Public Finance and Accountancy, 2004, *Audit Committee Principles in Local Authorities in Scotland*, http://www.cipfa.org.uk/scotland/download/audit_committee_principles.pdf>(12 October 2009).
- Chi, J. 2005, *Conditional Tests of Corporate Governance Theories*, Doctor of Philosophy, Texas A & M University, College Station, Texas, United States of America.
- Controller and Auditor-General, New Zealand, 2008, *Audit Committees in the Public Sector*, Wellington, New Zealand, <<http://www.oag.govt.nz/2008/audit-committees/docs/audit-committees-public-sector.pdf>> (12 October 2009).
- Crawford, M. Henry, W. McKendrick, J. and Stein, W. M. 2008, 'Effectiveness of audit committees in local authorities: Views from key players', *Public Money and Management*, August, pp. 207-214.
- Cutting, B. A. and Koumin, 2000, 'The emerging patterns of power in corporate governance: Back to the future in improving corporate decision making', *Journal of Managerial Psychology*, Volume 15, Number 5, pp. 447-507.
- Davies, M. 2009, 'Effective working relationships between audit committees and internal audit – the cornerstone of corporate governance in local authorities, a Welsh perspective', *Journal of Management and Governance*, Volume 13, Issue 1-2, pp. 41-73.
- Department of Infrastructure, 2000, *Best Practice Guidelines, Local Government Entity, Audit Committees and Internal Audit*, Victoria, Australia, [http://www.localgovernment.vic.gov.au/web20/rwpgslib.nsf/GraphicFiles/BestPractiseGuidelinesAudit/\\$file/BestPractiseGuidelinesAudit.pdf](http://www.localgovernment.vic.gov.au/web20/rwpgslib.nsf/GraphicFiles/BestPractiseGuidelinesAudit/$file/BestPractiseGuidelinesAudit.pdf)> (20 June 2008).
- Department of Local Government, 2008, *Internal Audit Guidelines*, New South Wales, Australia, <<http://www.dlg.nsw.gov.au/Files/Information/08-64%20Internal%20Audit%20Guidelines.Pdf>> (12 October 2009).

- Department of Local Government and Regional Development, 2006, Western Australia, *Audit committees in local government. Their appointment, function and responsibilities*, Perth, Western Australia, <<http://dlg.wa.gov.au/OpenFile.ashx?Mode=446E37686749376A356D684D2B6E6D6D4D6E555273773D3D&ContentID=79435A65306B496D4E4E343D>> (17 January 2012).
- Department of Planning and Community Development, 2011, *Audit Committees, A Guide to Good Practice for Local Government*, January, Melbourne, Victoria, Australia.
- Department of Planning and Community Development, 2009, *Audit Committees, A Guide to Good Practice for Local Government*, Consultation Draft, December, Melbourne, Victoria, Australia.
- DeZoort, F.T. Hermanson, D. R. Archambeault, D. S. and Reed, S. A. 2002, 'Audit committee effectiveness: A synthesis of the empirical audit committee literature', *Journal of Accounting Literature*, Volume 21, p. 38-75.
- Ertugrul, M. 2005, *Essays on Agency Problems and Corporate Governance*, Doctor of Philosophy, University of Connecticut, Storrs, Connecticut, United States of America.
- Farrar, J. 2008, *Corporate Governance, Theories, Principles and Practice*, Oxford University Press, South Melbourne, Victoria, Australia.
- Fridman, J. J. 2004, *Corporate Governance: A Practical and Effective Response to the Challenges Raised*, Doctorate of Civil Law, McGill University, Montreal, Canada.
- Gebbie, K. M. 2010, 'The current status of nurses' emergency preparedness: A commentary on the development of emergency preparedness and response competency', *Collegian*, Volume 17, Issue 4, pp. 209-211.
- Grant, D. and Osrick, C. 1996, *Metaphors and Organisations*, Sage Publications, London, United Kingdom.
- Herzberg, F. Mausner, B. and Snyderman, B. 1959, *The Motivation to Work*, John Wiley & Sons, United States of America.
- HM Treasury, 2007, *Audit Committee Handbook*, London, United Kingdom, <<http://www.hm-treasury.gov.uk/d/auditcommitteehandbook140307.pdf>> (12 October 2009).
- Humphrey, C. 2008, 'Auditing research: a review across the disciplinary divide', *Accounting, Auditing and Accountability Journal*, Volume 21, Number 2, pp. 170-203. Institute of Public Finance, 2006, *A toolkit for local authority audit committees*,
- Kelly, C. 2005, *Corporate Governance Mechanisms and Small Cap Firm Performance, Evidence for Canada*, Master of Science in Administration Thesis, Concordia University, Montreal, Canada.
- Lakoff, G. and Johnson, M. 1980, *Metaphors we Live by*, The University of Chicago Press, Chicago, Illinois, United States of America.
- Leung, P. and Cooper, B. J. 2003, 'The mad hatter's corporate tea party', *Managerial Auditing Journal*, Volume 18, Number 6/7, pp. 505-516.
- Local Government Victoria, 2004, *Model Code of Conduct for Victorian Councils*, Melbourne, Victoria, Australia, <[http://www.localgovernment.vic.gov.au/web20/rwpgslib.nsf/GraphicFiles/Model+Code+of+Conduct+or+Victorian+Councils.pdf/\\$file/Model+Code+of+Conduct+for+Victorian+Councils.pdf](http://www.localgovernment.vic.gov.au/web20/rwpgslib.nsf/GraphicFiles/Model+Code+of+Conduct+or+Victorian+Councils.pdf/$file/Model+Code+of+Conduct+for+Victorian+Councils.pdf)> (20 June 2008).
- Local Government Victoria, 2003, *Sustaining Local Assets*, Melbourne, Victoria, Australia, <[http://www.localgovernment.vic.gov.au/web20/rwpgslib.nsf/GraphicFiles/OP+Sustaining+Local+Asset+Dec+03+no+3/\\$file/OP+Sustaining+Local+Asset+-+Dec+2003+no+3.pdf](http://www.localgovernment.vic.gov.au/web20/rwpgslib.nsf/GraphicFiles/OP+Sustaining+Local+Asset+Dec+03+no+3/$file/OP+Sustaining+Local+Asset+-+Dec+2003+no+3.pdf)> (20 June 2008).
- Marnet, O. 2008, *Behaviour and Rationality in Corporate Governance*, Routledge (Taylor and Francis Group), Abingdon, United Kingdom.
- Marnet, O. 2007, 'History repeats itself: The failure of rational choice models in corporate governance', *Critical Perspectives on Accounting*, Spring 2007, Vol. 18, No 2, pp. 191-210.
- Marnet, O. 2005, 'Behaviour and rationality in corporate governance', *Journal of Economic Issues*, September, Vol. 39, No. 3, pp. 613-632.
- Marnet, O. 2004, 'Behavioural aspects of corporate governance', *Advances in Financial Economics*, October 2004, Vol. 9, pp. 265-286.
- National Audit Office, 2007a, United Kingdom, *Audit Committee, Self-Assessment Checklist*, London, United Kingdom, <http://www.nao.org.uk/practice_areas/FMAG/Self_Assessment_Checklist.pdf> (21 June 2008).

- National Audit Office, 2007b, United Kingdom, *Helping your Audit Committee to add Value*, London, United Kingdom, http://www.nao.org.uk/practice_areas/FMAG/Adding_Value.pdf (21 June 2008).
- Ombudsman, Victoria, 2008, *Conflict of Interest in Local Government*, Melbourne, Victoria, Australia, <http://www.ombudsman.vic.gov.au/resources/documents/Conflict_of_interest_in_local_government_March_2008.pdf> (21 March 2008).
- Pearson, D. 2008, *Role of Public Sector Audit Committees, An Auditor-Generals Perspective*, Auditor-General Victoria, Melbourne, Victoria, Australia, <http://download.audit.vic.gov.au/files/speeches/20080213_Deloittes_Audit_Committees_Mee ting.pdf> (1 January, 2010).
- Pech, R. J. Durden, G. 2004, 'Where the decisions-makers went wrong: From capital to cannibalism', *Corporate Governance, The International Journal of Business in Society*, Volume 4, Number 1, pp. 65-75.
- Popescu, R. 2006, *Quantifying Corporate Governance: Executive Employee Compensation and Independence of Directors as a measure of the Quality of Corporate Governance*, Master of Science in Telecommunications, University of Colorado, Bolder, United States of America.
- Public Sector Standard Commissioner, 2006, *Victorian Public Entity Directors' Codes of Conduct*, Melbourne, Victoria, Australia, <[http://www.ssa.vic.gov.au/CA2571410025903D/WebObj/DirectorsCodeGuidanceNotes/\\$File/DirectorsCodeGuidanceNotes.pdf](http://www.ssa.vic.gov.au/CA2571410025903D/WebObj/DirectorsCodeGuidanceNotes/$File/DirectorsCodeGuidanceNotes.pdf)> (20 June 2008).
- Ramsey I. 2001, '*Independence of Australian Company Auditors, Review of Current Australian Requirements and Proposals for Reform*, October, <<http://cclsr.law.unimelb.edu.au/research-papers/audit-ind-report/audit-ind.html>> (17 June 2004).
- Reidy, J. M. 2006, *Learning to Work*, Melbourne University Press, Carlton, Victoria, Australia.
- Robbins S. P. 2003, *Organizational Behavior*, 10th edition, Pearson Education, New Jersey, United States of America.
- State Services Authority, 2007, *The Good Practice Guide on Governance for Victorian Government Entities*, Melbourne, Victoria, Australia <http://www.ssa.vic.gov.au/domino/Web_Notes/SSA/ssagpg.nsf> (20 June 2008).
- State Services Authority, 2006, *Welcome to the Board*, Melbourne, Victoria, Australia, <[http://www.ssa.vic.gov.au/CA2571410025903D/WebObj/WelcometotheBoard/\\$File/WelcometotheBoard.Pdf](http://www.ssa.vic.gov.au/CA2571410025903D/WebObj/WelcometotheBoard/$File/WelcometotheBoard.Pdf)> (20 June 2008).
- State Services Authority, 2005, *An Ethics Framework for applying the Victorian Public Sector Values, Principles, Codes and Standards*, Melbourne, Victoria, Australia, <[http://www.ssa.vic.gov.au/CA2571410025903D/WebObj/EthicsFramework/\\$File/EthicsFramework.pdf](http://www.ssa.vic.gov.au/CA2571410025903D/WebObj/EthicsFramework/$File/EthicsFramework.pdf)> (21 March 2008).
- Schein, E. 1984, 'Coming to a new awareness of organizational culture', *Sloan Management Review*, Volume 25, Number 2, pp. 3-16.
- Schein, E. 1970, *Organisational Psychology*, Prentice Hall, Englewood Cliffs, New Jersey, United States of America.
- Sykes, T. 1994, *The Bold Riders – Behind Australia's Corporate Collapses*, Allen & Unwin, St Leonards, New South Wales, Australia.
- Thomas, K. 2012, 'A structural perspective to advancing complex social outcomes', *Journal of Public Affairs*, Vol 12, Issue 3, pp: 206-213.
- Turley, S. and Zaman, M. 2007, 'Audit committee effectiveness: informal process and behavioural effects', *Accounting, Auditing and Accountability Journal*, Volume 20, Number 5, pp. 765-788.
- Waterman, R. H. Jr, Peters, T. J. and Philips, J. R, 1980, 'Structure is not organisation', *Business Horizons*, Volume 23, Number 3, pp. 14-26.
- Wayne, P.F. 2003, *An Investigation of the Determinants of Audit Committee Effectiveness*, PhD Thesis, York, University, Toronto, Canada.
- West, J. P. and Berman, E. M. 2003, 'Audit committees and accountability in local government: A national survey', *International Journal of Public Administration*, Volume 25, Issue 4, pp. 329-362.
- Young, S. and Thyil, V. 2008, 'A Holistic Model of Corporate Governance: A New Research Framework', *Corporate Governance*, Volume 8, Number 1, pp. 94-108.

