

Information Flyer

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February - March 2011 Updates

Auditor General's Report to Parliament Vote of thanks from the Auditor General

I am pleased to inform you that I successfully submitted the annual Audit Report for the year ended 30th June 2010 to the Speaker of Parliament on Thursday 31st March 2011, thereby fulfilling my part and role as mandated under Article 163 of the Constitution of Uganda by providing Parliament the requisite attestations on government's handling of public resources entrusted to them, and elaborating upon the Stewardship function undertaken by the Executive in Managing the public funds with due regard to regularity and propriety.

I wish to express my sincere appreciation to the Assistant Auditor General, Directors, and



The Auditor General Mr. John F.S. Muwnga

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all members of staff of the Office for the various roles you have played in ensuring the wonderful success of delivery of the Audit report within our statutory reporting timeline.

Out of a total of 3,446 planned audits, 2,353 audits were completed and reported on, while, 1,093 remained as work in progress.

The audit report has raised many issues which I am hopeful Parliament shall debate and deliberate upon.

You have all been tremendously supportive, patient and resilient in facing the various audit challenges and I am very grateful for your steadfastness and loyalty.

As we proceed with the audit of 2010/2011 financial year, we should aim to make further improvements in our reports so as to address the concerns of our stakeholders.

Contributed by:
John F.S. Muwanga
Auditor General

Mastering Negotiations: Building Agreements Across Boundaries: October 10-15, 2010 JICA Support to Office of the Auditor General

JICA is undertaking a leadership development and skill enhancement initiative at the top level in the Office of the Auditor General (OAG).

As part of this on-going effort it was identified that the Auditor General and one of the Directors (Mr. Stephen Kateregga) should take advantage of the Harvard Kennedy School program to master negotiation skills and competencies.

Negotiation can be defined as the process by which the involved parties or group resolve matters of dispute by holding discussions and coming to an agreement which can be mutually agreed by them.

In terms of business, negotiation refers to closing a business deal or bargaining on some product, it also means exchange of negotiable instruments such as bills of exchange, cheques etc in exchange of goods, service or money.

Many Organizations in Africa lose out on lucrative deals due to poor negotiation skills. Africa is therefore in dire need for negotiation experts.

The Kennedy School programme to master negotiation skills was staffed by an excellent team of professionals and academics who amongst others included Max Bazerman; the Straus Professor at Harvard Business School, Iris Bohnet the Professor of Public Policy and Dr Brian Mandell was the principal lecturer of the program.

The programme highlighted the following as traits for a world class negotiating organisation:

- It must specify success criteria so that negotiation outcomes and processes can be evaluated.
- Aligns performance rewards in to success criteria.
- Uses an effective preparation process prior to all major negotiations.
- Provides a common language and approach to be used by all negotiators inside the organisation.
- Elicits and leverages internal experience and expertise through effective organisational learning, support, and information systems.
- Supports a culture of long term value creation and relationship building.

Before embarking on any negotiation venture it was recognised that a negotiator should extensively engage their active listening skills. In addition, the negotiator should appreciate that "hope" was not a strategy which would yield any positive solution.

Negotiation is not about gambling but rather as reiterated above a key organisational competence which in the final analysis will most certainly seal an organisation's ability to survive in turbulent waters or otherwise sink without it.

The Organisation's team of negotiators must therefore embrace a strategy which will in the first instance comprise of a plan which entails the use of a "Negotiator's Preparation Template". The template should capture the following issues;

1. The Parties (who is at the table-negotiating), clearly identifying your role and that of the Counterpart's.
2. Issues. What you are negotiating about.
3. Interests. Individual and organisational interests, needs, concerns etc, both yours and those of your counterpart.
4. Target Point: Your ideal outcome.
5. Reservation Point.-The point at which you will walk away.
6. BATNA- Best alternative to a negotiated agreement. i.e. what is your alternative if you do not get a deal here. Also worth noting here also is your estimation of what your counterpart's may be.
7. Options- Possible satisfying outcomes.
8. Criteria-objective standards that would support your argument.
9. Value claiming and creating strategy- How do you intend to shape the structure and manage the overall negotiation process to your advantage? Write down your opening move! Do relationships matter here? If so how?

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Lweza Retreat New OAG Structure/ Terms & Conditions of Service



OAG Top & Senior management officers meeting with Members of Parliament at Lake Victoria Serena Hotel, Lweza.

Every 1st of April is known in Uganda to be a 'fool's day' at least up to noon of that particular day. Indeed we woke up to lies even in our local dailies; the Monitor held a story about the resignation of William Robertson arguably the best coach Uganda has ever had. I am sure it was shocking to those of us who few days ago had celebrated the Cranes much needed away win at Guinea Bissau. For those of us who are not into local soccer, the catch was Red Pepper which held that the mighty Wenger had been fired. What a joy it was for the Red Devils (Manchester united), the Kops (Liverpool) fans and the list goes on but alas all were lies. Those that fell for the lies unfortunately were the day's fools.

Regardless of it being a 'fool's day', business went on as usual and indeed OAG Top Management and some Principle as well as Senior staff met with the MPs on the Parliamentary Finance Committee at Lweza in a retreat to further discuss the terms and conditions as well as the impending restructuring.

With the amendment of the 1995 constitution and subsequent enactment of the National Audit Act 2008, the Office of the Auditor General of Uganda was granted substantial powers and independence. And with these come rising expectations.

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Mastering Negotiations (contd)

- Posing open-ended, non-threatening questions and mobilising shared interests to get commitment. The internal conflicts within the organisation need to be managed, or at the very least clarified.
- The ability to understand and appreciate the distinction between individual negotiating skills and organisational negotiating capacity is crucial.
- Organisational leaders therefore need to think about negotiations as an organisational competence that requires building and adjusting business processes in their organisations so as to encourage best practices and bring about continuous improvement.

In a world of intensely multifaceted economic, political and social problems, sustainable solutions necessitate achieving consensus among an unprecedented variety of stakeholders.

It requires that leadership provide the support, guidance and resources needed to ensure that change efforts can succeed.

The OAG is grateful to JICA for its continuous support towards its growth.

Contributed by:
John F.S. Muwanga
Auditor General
&
Stephen Kateregga
Director Central Govt

Audit Review Meeting IDI Transregional Programme for the Public Debt Management Audit (PDMA), 2011



Participants pose for a group photo

The Audit Review Meeting and Public Debt System Training Course which are activities of the IDI Transregional Programme for the Public Debt Management Audit (PDMA) took place on 1st to 16th March 2011 in Lusaka, Zambia.

3 participants from SAI Uganda, Saulo Malagwe Senior Auditor, Victor Acom Senior Auditor and Andrew Nsamba Auditor, contributed greatly to the success of the meeting by their hard work, enthusiasm and dedication.

As a result of the meeting, 10 participating SAIs from AFROSAI-E and EUROSAI completed their revised draft audit report. At the end of the meeting, they also prepared an individual action plan which includes finalization of the final audit report and implementation of outputs of the Programme.

In line with the Programme Agreement signed on 21 August 2009, the next milestones towards the end of the programme would be the finalisation of the audit report and the completion of the Public Debt Audit Guideline based on the inputs from audit teams during the Review Meeting.

The participants also had an opportunity to visit the Victoria Falls in Livingstone. Victoria Falls is among the Seven Wonders of the World!

Contributed by:
Victor Acom
Senior Auditor

Lweza Retreat (contd)

Externally Parliament, Ministries and development partners expect substantial increase in the quality, volume and impact of audit reports. Internally, staff want to be empowered, resourced and supported to deliver better audit for the people of Uganda.

The OAG is not yet fit for purpose. It lacks some of the Key functions which are found in modern dynamic public organizations and in other leading supreme Audit Institutions (SAIs) and other functions need radical overhaul.

With recommendations from National Audit Office (NAO) consultants, further internal consultations were made and final decisions taken basing on their recommendations to have a harmonious position taking into account the constitutional and other legal provisions that formed the basis of the restructuring exercise.

OAG management met with the MPS last year and presented the proposed new structure as well as the terms and conditions. Both could not be approved as some MPs had proposed amendments.

Upon completion of the amendments, Management then met with the MPs in Lweza to yet again seek approval.

The final amendments have been made and approval is only a matter of time.

Contributed by:
Gloria N. Namugera
Senior Public Relations

Health Tips

How to reduce and manage Job & Workplace stress

Reducing job stress by taking care of yourself

When stress on the job is interfering with your ability to work, care for yourself, or manage your personal life, it's time to take action. Start by paying attention to your physical and emotional health. When your own needs are taken care of, you're stronger and more resilient to stress. The better you feel, the better equipped you'll be to manage work stress without becoming overwhelmed.

Taking care of your self doesn't require a total lifestyle overhaul. Even small things can lift your mood, increase your energy, and make you feel like you're back in the driver's seat. Take things one step at a time, and as you make more positive lifestyle choices, you'll soon notice a noticeable difference in your stress level, both at home at work.

Get moving

Aerobic exercise –perspiring -is an effective anti-anxiety treatment lifting mood, increasing energy, sharpening focus and relaxing mind and body. For maximum stress relief, try to get at least 30 minutes of heart pounding activity on most days but activity can be broken up into two or three short segments.

Make food choices that keep you going and make you feel good

Eating small but frequent meals throughout the day maintains an even level of blood sugar in your body. Low blood sugar makes you feel anxious and irritable. On the other hand, eating too much can make you lethargic.

Drink alcohol in moderation and avoid nicotine

Alcohol temporarily reduces anxiety and worry, but too much can cause anxiety as it wears off. Drinking to relieve job stress can also start you on a path to alcohol abuse and dependence. Similarly, smoking when you're feeling stressed and overwhelmed may seem calming, but nicotine is a powerful stimulant – leading to higher, not lower, levels of anxiety.

Get enough sleep

Stress and worry can cause insomnia. But lack of sleep also leaves you vulnerable to stress. When you're sleep deprived, your ability to handle stress is compromised. When you're well-rested, it's much easier to keep your emotional balance, a key factor in coping with job and workplace stress.

Get time away. If you feel stress building, take a break. Walk away from the situation. Take a stroll around the block, sit on a park bench, or spend a few minutes meditating. Exercise does wonders for the psyche. But even just finding a quiet place and listening to your iPod can reduce stress.

Talk it out. Sometimes the best stress-reducer is simply sharing your stress with someone close to you. The act of talking it out – and getting support and empathy from someone else – is often an excellent way of blowing off steam and reducing stress.

Cultivate allies at work. Just knowing you have one or more co-workers who are willing to assist you in times of stress will reduce your stress level. Just remember to reciprocate and help them when they are in need.

Find humor in the situation. When you – or the people around you – start taking things too seriously, find a way to break through with laughter. Share a joke or funny story.

Obituaries

Gahwera Muhammed Senior Auditor Central Govt, lost his dear wife and baby on 11th Feb 2011.

Otenge Albert Principal Stores Assistant, lost his mother on 17th March 2011.

Professional Qualifications

On 31st March 2011 **Alice Kembabazi** Auditor Energy Sector, gained the Fellow status of the Association of Chartered Certified Accountants (FCCA).

Samuel Kakensa Examiner Statutory Corporations successfully completed the Certified Public Accountant (CPA- Kenya) course.

Martin Abila Senior IT Officer passed the December 2010 Certified Information Systems Auditor (CISA) exam.

Humour/Inspiration

- An accountant spends a week at his new office with the accountant he is replacing. On the last day the departing accountant tells him that he has left two envelopes in the desk drawer and that the envelope numbered 1 should be opened if he encounters any sort of crisis in the job. If a further crisis occurs he should open the envelope numbered 2.

Three months down the track there is a major drama, all the accounts are wrong- you know what it's like - and the accountant feels very threatened by it all. He remembers the parting words of his predecessor and finds and opens the first envelope. The message inside says, "Blame me."
He does this and gets off the hook.

Three months later there is another crisis and he opens the second envelope. The message says, "Write two envelopes".

- An accountant goes into a pet shop to buy a parrot. The shop owner shows him three identical parrots on a perch and says, "The parrot on the left costs \$500."
"Why does that parrot cost so much?" asks the accountant.
"Well," replies the owner, "it knows how to do complex audits."

"How much does the middle parrot cost?" asks the accountant.
"That one costs \$1,000 because it can do everything the first one can do plus it knows how to prepare financial forecasts".

The startled accountant asks about the third parrot, to be told it costs \$4,000. Needless to say, this begs the question, "What can it do?"
To which the owner replies "To be honest, I've never seen him do a darn thing, but the other two call him Financial Consultant."



Words To Inspire You

"Look within, for within is the wellspring of virtue, which will not cease flowing, if you cease not from digging."

Marcus Aurelius

"Be more concerned with your character than with your reputation. Your character is what you really are while your reputation is merely what others think you are."

Dale Carnegie

"If your actions inspire others to dream more, learn more, do more and become more, you are a leader."

John Quincy Adams

OAG Vision

To be an effective and efficient SAI in promoting public accountability in the use of resources in the enhancement of good governance.

OAG Mission

To audit and report to the public and thereby make an effective contribution in improving public accountability.

Core Values

- Integrity
- Objectivity
- Professional Competence