

## **Customer Service In An Auditor-Auditee Relationship**

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### **Abstract**

Drawing on marketing concepts, this study was undertaken to determine whether auditors in Botswana have positioned themselves to provide the best customer service to their clients. Auditors in Botswana are found to be concerned about customer service and retention, and have instituted measures that are expected to enable them provide quality service. In addition to adherence to professional and statutory requirements, auditors provide some other services beyond auditing. The study finds out however that auditor and their clients have different perceptions on auditors responsibilities. Suggestions are given at the end to bridge this perception gap.

**Keywords:** Auditors, auditees, customers service, customer relationship. Expectation gap.

### **Introduction and Background Information**

Over the past decade organisations of all types and sizes have increasingly recognised the importance of customer service and the need of making customer satisfaction of their key operational goal. Organisations have invested heavily in improving performance in areas that make a strong contribution to customer satisfaction such as quality and customer service. Public sector organisations have developed customer-oriented charters to demonstrate their commitment to customer service, and a growing number of mission statements include a phrase that has to do with satisfying customers. The terms customer satisfaction, customer requirements, customer needs and customer expectations are increasingly becoming organisational buzz words.

Audit firms are organisations that provide a service to other organisations. As auditors, the service they provide is primarily the examination of financial statements for conformity to accounting principles, standards and relevant statutes, and the opinion that is included in an audit report. This is the service that organisations acquire.

The Companies Act of Botswana (Cap 42: 01) details out regulations on the conduct of an audit, the preparation of accounting records on which the auditor will work, the financial statements on which he or she will report, and the auditors' relationship with the company being audited. This Act applies to any organisation that has been created on its basis, and does not compel those organisations not governed by it to be audited. This implies that any organisation not statutory required by this or any other Act to have an audit will be purchasing audit services on the presumption that it is acquiring a service worth the money.

Like any other service-providing organisation, audit firms (hereafter auditors) should look upon customer service and customer satisfaction as a central aspect in providing audit services. Audit work on financial statements of organisations requires adherence to numerous standards and regulations. In addition to the Companies Act (Cap 42:01), there are standards that prescribe the basic principles and practices which auditors are expected to follow in the conduct of an audit (Carmichael and Benis 1996). The Statement on Quality Control Standards No. 2 issued by the Association of Chartered Certified Accountants (ACCA) further requires auditors to establish policies and procedures for obtaining an understanding of the services to be provided by them with the intention of minimising the risk of misunderstandings with their clients. However, despite these policies and procedures, auditors apparently still fail to achieve total customer satisfaction in one way or another. One may wonder if auditors do comply with policies and procedures, and other statutory requirements with the intention of acquiring the best customer service. It appears that a number of service-providing organisations fail to appreciate their customers. The question is, what about auditors? Do they appreciate their customers and achieve total customer satisfaction? Do their customers know their rights?

It is very possible that auditors fail to design a range of activities that strengthen customer expectations and satisfaction from their services. Complaints by customers for audit services (hereafter referred to as auditees) may not be handled accordingly. On the other hand, auditees may not know their rights as customers. Some customers fail to predict good relationships with

organisations and cannot tell whether the services they are provided with are good or not.

Another problem associated with the provision of audit services is the apparent audit expectation gap. The expectations of beneficiaries of audit services, i.e. those who rely on audit reports, about what auditors should do seems to differ with what auditors are perceived to do. Shareholders usually expect more from an audit than the audit can give. For example, some shareholders may wish and probably expect that auditors actively engage in the search for, and report on all instances of fraud. When companies fail it is common to hear arguments of audit failure, especially when the most recent audit report suggests that the financial statements were fairly stated and in accordance with GAAPs. Clearly, the function of auditing is not to detect fraud, and the auditor cannot possibly locate all fraud. In addition, the audit does not provide any guarantee that the financial statements will be free of errors because an audit is based on the examination of sample transactions rather than all transactions and balances. With this misguided perception, how can auditors fully meet the expectations and needs of auditees?

This study intends to provide insights on the extent to which auditors in Botswana comply with the standards, procedures and regulations, as well as principles in acquiring the best customer service. It also outlines the importance of customer service to auditors, what it means to them and how total customer satisfaction and appreciation can be achieved. The following questions are specifically addressed:

- Do audit firms have the required policies and procedures that enable them to comply with the laid down standards, professional rules, guidelines and other statutory regulations to acquire the best customer service?
- What measures and activities have audit firms designed to meet the expectations of auditees and satisfy their needs?
- How can audit firms appreciate auditees as their customers to achieve total customer satisfaction?
- What services do auditees require from audit firms that would meet their expectations and needs?

## Literature Review

Organisations can be categorised on the basis of what motivates their operations. There are organisations that are motivated by their ability to produce products or services. These product-motivated organisations relish on the product or service originating from them, with little regard to whether or not their customers are satisfied with it. Other organisations are motivated by profit. Generally, most manufacturing and retail organisations have as their primary objective the maximisation profits. For these profit-driven organisations the customer is important only to the extent that they enable them realise maximum profits. Satisfying the customers is not critical. Some organisations are more concerned with keeping their staff employed. It is only the customer-oriented organisations that have at heart the satisfaction of their customers. These organisations have positioned themselves to provide a 'service' that adds value to their customers.

'Service' is a term commonly used in reference to the act of maintaining in usable condition some form of machinery. In economics, it can be used to refer to a sector of the economy that sells products other than physical goods to its customers. According to Katz (1987:8), service is "the spectrum of activities designed to enhance customer expectation and enjoyment of product benefits". Service is usually associated with product benefits. The interpretation offered by Katz (1987) can be extended to include the intangible 'product', i.e. service. Service thus refers to the activities that are expected to intensify expectation and enjoyment of both tangible goods and services. Katz (1987) considers service to be a variable that is controlled by management, along with product, place, price and promotions, and argues that the service function needs to be treated in the same way tangible products are. This means that services need to be researched, packaged, and promoted before they are sold to customers.

The concept 'customer service' associates service more specifically to the customer. According to Peel (1987:26) companies have primary and secondary activities. For production companies, primary activities include the production and sale of a product. If this argument is used in reference to the companies not engaged in production, the primary activities of these companies are the generation and delivery, at a price, of a service. In both cases, secondary activities refers then to what the seller of the product or service does in connection with that sale. The famous adage 'after sales service' is in fact a reference to those activities. Peel (1987:26) suggests that these non-primary activities are intended to "maximise customer satisfaction" in the product or service the customer has purchased.

Effective customer service is increasingly becoming critical for continued customer retention. The provision of effective customer service by an organisation results in excellent customer relations. It also helps a company reduce, if not eliminate, the costs associated with poor customer service. These costs include complaint-handling costs, lost sales, and in extreme cases costs associated with legal action by customers. They are eliminated by attaining excellent customer service. Achieving excellent customer relations entails efficiency, care, reliability, courteousness and professionalism on the part of a company's employees. Baba and Joel (2000) indicate that customer service can be improved by adding value to a service. This also differentiates a company from the competition and improves the standard of customer service. As Smith (1997) suggests, by analysing the services in its range, a company can add value and improve customers' perception of the company.

Customer satisfaction is another concept that is receiving increased attention. This is the "state of mind that customers have about a company when their expectations have been met or exceeded over the lifetime of the product or service" (Anton and Perkins 1997). Customer satisfaction has become important with increased competition for a falling number of customers. This has led to companies finding it more important to retain the customers they have already by providing excellent customer service rather than attempting to secure more customers. Bienstock and Kahn (1993) established a link between achieving customer satisfaction and success in the market. They found that market leaders are separated from others by designing factors aimed at achieving customer satisfaction.

Where there is no customer satisfaction, customer complaints abound and productivity and profitability are at a lower level. In a study on customer complaint handling, Tax et al. (1998) found that the majority of complaining customers were dissatisfied with their most recent complaint handling experiences. The most recent complaint was cited because customers tend to recall quickly their most recent encounter with a supplier. This shows that the manner in which customer complaints are handled should connote care and concern. Generally, the way complaints are handled says a lot about the attitude towards customers. If customers become dissatisfied with a company's service, they would move to other suppliers.

As alluded earlier in this study, a number of rules and guidelines govern the provision of audit services. These are embodied mostly in the auditing standards promulgated by various accountancy professional institutions. According to Millichamp (1998), professions must be led by an ethical code and rules of conduct. Millichamp (1998) argues further that professional

independence is extremely important to auditors. Being seen to be independent is an important component of the service provided by auditors. Auditees will usually be more satisfied if they perceive the auditor to be independent. Approaching their work with integrity and objectivity also helps avoid conflicts between auditors and auditees. This would particularly be the case if there was a clear understanding on the part of auditees as to what to expect from an audit.

The inclusion of other services in addition to auditing, for example tax negotiations, secretarial services, financial advice and others, has brought confusion to the users of financial statements and the public alike on what the responsibilities of auditors are. This is a potential source of conflict among auditees and financial statements users on the one hand, and auditors on the other. Arens and Loebbecke (1997) argue that most auditors believe that the conduct of the audit in accordance with generally accepted auditing standards (GAAS) is all that can be expected of auditors. Apparently, there still exist users of financial statements who believe that auditors have the duty to guarantee the accuracy of financial statements, and some who believe that the auditor guarantees the financial viability of the business. This generally suggests that people expect more from auditors than what auditors can deliver.

To keep customers for life, audit firms need to build strong relationships with them and understand their needs and expectations even before the engagement commences. The engagement letter is an attempt at ensuring auditees understand the nature of the engagement and helping them shape their expectations, thereby minimising misunderstandings between them and the auditors. In addition to the engagement letter, auditors are required to obtain a letter from the auditees confirming any oral representations given by the management to the auditor (IFAC 1994: ISA 580, APB 1995: SAS 440).

It is not clear whether these are sufficient measures to ensure auditors provide excellent customer service and achieve customer satisfaction. Auditors are expected to have a sharp customer orientation to meet their needs and expectations so as to be able to satisfy them and maintain the best customer service, which will lead to quality service and an increase in profitability. It is apparent that, to improve and strengthen the relationship between auditors and auditees, auditors should always provide auditees with quality service and, above all, adhere to the laid down professional rules, guidelines, procedures and statutory regulations. Empirical evidence concerning auditors' adherence to these and any other measure to ensure customer satisfaction is lacking. This study embarks to fill the gap in the case of Botswana.

## **Research Method**

### **Sampling**

To answer the questions in this study, we sought to obtain the views of both auditors and auditees. A list of audit firms registered with the Botswana Institute of Accountants (BIA) provided the frame for sampling purposes. Seventeen firms were listed, being the firms authorised to conduct statutory audit of financial statements in Botswana. We selected all seventeen firms for the study because the number was small. However, out of the seventeen firms, neither the physical nor the postal address could be obtained for four firms. One other firm had closed after the owner left the country. This left us with twelve audit firms to whom the questionnaire was administered.

A list of registered companies was obtained from the Ministry of Trade, Industry, Wildlife and Tourism. The list had more than 3000 companies appearing on it. We chose to restrict our study on large companies, as defined in the Small, Medium and Micro Enterprises Task Force Report (Government of Botswana 1998). On the basis of that definition, 150 companies were identified, and from these a random sample of 80 companies was chosen. Our choice of large companies was influenced by the fact that, by virtue of their size, large companies are required by law to have an audit. Also, large companies are more likely to attach greater importance to an audit than small companies due to the inherent agency problems associated with the diversified ownership.

### **Data Collection and analysis**

Primary data was collected by means of two structured questionnaires, one for the auditors and the other for auditees, both with closed and open-ended questions. The questionnaires were administered mostly in person for the auditors and auditees in Gaborone, and were administered through the post, enclosed with self-addressed stamped envelopes, to those outside Gaborone.

Secondary data formed the basis of the literature review, and this was obtained mainly from published sources. Secondary data sources included newspaper reports and discussions with various people on the issue under study. Both qualitative and quantitative methods were used to analyse the data.

Simple analysis was performed on the data, which was manipulated to obtain frequencies and percentages, and weighing the responses on the basis of a five-point Likert scale used in the questionnaire.

## Results

Questionnaires from ten audit firms were collected. The two firms that did not complete the questionnaire attributed it to lack of time due to pressing engagements. Forty-eight completed questionnaires were collected from auditees. No explanation was obtained from the auditees that did not complete the questionnaire. Table 1 below illustrates the response and non-response rates for questionnaires administered to both audit firms and auditees.

Table 1: Response and non-response rates

	Auditors		Auditees	
	No.	Percent	No.	Percent
Respondents (all useable)	10	83	48	60
Non-respondents	2	17	32	40
TOTAL	12	100	80	100

## Respondent Characteristics

Of the ten questionnaires from audit firms 6 (60%) were completed by managers, 2 (20%) by directors, 1 (10%) by an audit supervisor, while the other 1 (10%) was by a senior partner.

Twenty-four questionnaires collected from auditees (50%) were completed by finance managers, 16 (33%) by accountants, 6 (13%) by administrative managers, 1 (2%) by the accounting service manager, and 1 (2%) by the credit manager.

## Responses

Four research questions guided this study. Following are responses obtained. Whether auditors are suitably positioned to acquire the best customer service. This will be the case if they have policies and procedures as required by SQCS No. 2, and if they comply with the auditing standards, procedures and statutory regulations to acquire the best customer service. Policies, procedures, statutory regulations and standards are expected to guide auditors to minimise the risk of misunderstandings with their customers. Table 2 below presents a summary of the responses to that question.

Table 2: Audit firms that are suitably positioned to acquire the best customer service



Descriptions	No.	Percentage
Audit firms which have policies and procedures required by SQCS No. 2	9	90
Audit firms which do not have policies and procedures required by SQCS No. 2	1	10
Total	10	100
Audit firms which use statutory regulations from the Companies Act of Botswana (Cap 42:01) to acquire the best customer service	4	40
Audit firms that do not use statutory regulations from the Companies Act of Botswana (Cap 42:01) to acquire the best customer service	6	60
Total	10	100
Audit firms that follow basic principles and practices stipulated by Auditing Standards and Procedures in the conduct of audits	9	90
Audit firms that do not follow basic principles and practices stipulated by Auditing Standards and Procedures	1	10
Total	10	100

The results show that 90% of auditors have policies and procedures required by SQCS No. 2 issued by ACCA. The same percentage of auditors adhere to the basic principles and practices stipulated by Auditing Standards and Procedures in the conduct of audits.

Quality control procedures that auditors in Botswana have put in place include following the professional requirements, skills and competence of staff, assignment of work in staff, delegation of duties and acceptance and retention of clients. Review of work, direction in audit, consultation with audit manager and supervision by a CPA are also part of the quality control procedures. One auditor neither has policies and procedures required by SQCS No. 2 nor adheres to the basic principles and practices stipulated by Auditing Standards and Procedures in the conduct of audits. The Companies Act of Botswana (Cap 42:01) appears not to be a good guidance for quality audits as only 40% of the auditors indicated using the statutory regulations. A major reason could be the fact that the same are obtained in the International Auditing Standards and Procedures.

These findings clearly indicate that auditors in Botswana have the required policies, procedures and follow the basic principles and practices although not from the Companies Act of Botswana (Cap 42:01). This means that, on the basis of their responses to this question, auditors in Botswana have suitably positioned themselves to acquire the best customer service.

Measures and activities that auditors design to meet the expectations of auditees and satisfy their needs

The objective of this question was to find out if auditors make any effort to meet expectations of their clients and thereby reducing customer complaints and achieving total customer satisfaction. Table 3 below presents a summary of the responses to that question.

Table 3: Audit firms that attempt to meet auditees' expectations

Measure or activity used	No.	Percentage
Letter of engagement	10	100
Technical advice	10	100
Firm's newsletter	6	60
Follow up customer contact	6	60
Customer service department	1	10
Customer help telephone line	0	0
Service user clubs	0	0

The table shows that all auditors that responded use the letter of engagement and technical advice to meet their clients' expectations and satisfy their needs. 60% of the auditors use follow up customer contacts and newsletters while 1 auditor (10%) has a fully-fledged customer service department. The letter of engagement is a standard issue on all new engagements. It is required by the auditing standards, and therefore, rather than being looked at as a voluntary measure by auditors, it is a compulsory requirement, save for certain repeat engagements where the circumstances facing the client and the auditor have not changed. Technical advice can be regarded as pure added value, although it maybe argued that it is a ploy by auditors to increase their revenue base. No auditor has neither a service user club nor a dedicated customer help telephone line. Service clubs may not be preferred because they may affect the auditors' independence and integrity. The same may be argued, to some extent, with regard to help lines, although the

effect may not be as severe. On this basis it appears that auditors in Botswana have designed measures and activities such as technical advice, follow up customer contacts, and newsletters and use the engagement letter to meet their clients' expectations and satisfy their needs.

The auditees were asked to indicate how these measures and activities by auditors enhanced their expectations and enjoyment of the audit service benefits. Table 4 presents a summary of the responses to the question.

Table 4: Ranking of measures and activities that enhance auditees' expectations

Activity/measure	Weight score
Technical advice	208
Letter of engagement	200
Follow up customer contact	168
Customer service department	152
Management letter	152
Customer help telephone line	136
Newsletter	128
Service user clubs	112

The table shows that expectations of the majority auditees from the sample are highly enhanced the most by technical advice and least by service user clubs. The ranking of the first three measures ties neatly with the order in which auditors used the measures as means of achieving total customer satisfaction. This is a good indication that auditors have good idea of what their clients want most. There are some mismatches though. For example, auditors produce newsletters with the hope that they can communicate with their clients through them, but the clients do not appreciate newsletters that much. Auditees would prefer dealing with customer service departments in the audit firms, but such departments appear not to be preferred much by auditors. On the face of it, it appears like auditors want to minimise contacts with their clients outside the engagement. However, this is not a totally plausible explanation because the act of auditors providing other services beyond auditing actually increases auditor-auditee contact. User clubs are incompatible with the nature of audit work and auditees appear to recognise this.

The measures and activities listed in Tables 3 and 4 above help reduce complaints from clients and strengthen auditor-auditee relationships. It is therefore apparent that auditors strive to meet the expectations of their clients and to satisfy their needs.

How auditors can appreciate auditees (as their customers) to achieve total customer satisfaction The aim of the question was to find ways through which auditors can appreciate their clients in order to achieve total customer satisfaction, and to find out if auditors have some means of showing their clients that they value and appreciate them. Table 5 below summarises responses to this question.

Table 5: Summary of auditors' customer appreciation to achieve total customer satisfaction

Description	No.	Percentage
Audit firms that agree that customer appreciation has been one of the key aspects in quality customer service	12	100
Audit firms that do not agree that customer appreciation has been one of the key aspects in quality customer service	0	0
Total	12	100
Audit firms that show their clients that they value them	9	75
Audit firms that do not show their clients that they value them	3	25
Total	12	100

The table shows that all audit firms agree that customer appreciation has been one of the key aspects in quality customer service. Out of this total, 75% have established some means through which they show their clients that they value them while 25% have not. The 75% that show their clients that they value them do so by:

- Conducting courses for staff and clients on current issues.
- Rapidly responding to clients' requirements and needs.
- Mentioning in the management letter the areas where the client is working extremely well and suggest improvements where there are weaknesses.
- Using a personalised service approach as a means of appreciating the opportunity they are given to provide audit and other services.
- Treating their clients equally (no preferential treatment).

It can thus be concluded that audit firms understand and know the importance of customer appreciation and are making an effort in appreciating their clients to achieve total customer satisfaction.

Services that auditees need from auditors that would meet their requirements and expectations. The objective of this question was to find out the types of services offered by auditors that auditees are pleased with, and those services that auditees do not get from auditors but would like to get for

them to meet their expectations and requirements. Table 6 below provides insights on the services that auditees are pleased with.

Table 6: Services that auditees are pleased with

Service	No. of Auditees	Percentage
Audit of internal control systems	32	67
Accounting services	16	33
Tax advice/computations	16	33
Audit services	8	17
Preparation of financial statements	8	17
Secretarial services	8	17

The results show that about 67% of auditees are pleased by the audit of internal control systems, about 33.3% by accounting services and tax advice, while some 17% are pleased by the audit services, preparation of financial statements, and secretarial services. Auditees appear to be satisfied more with the audit of their internal control systems. Accounting and tax services are not as pleasing. Audit services appear to be among the least pleasing to auditees. For large companies, an audit is important because of the agency problem. The fact that the service is not pleasing could be explained in part by the indication that an audit of internal control is preferred rather than a full audit. But it could also be an indication of the existence of misunderstandings between auditors and auditees with regard to this service, either because of poor service on the part of the auditors, or the expectation gap referred to earlier in this study.

It is clear then that most auditees are not pleased by other services as much as they are by the audit of internal controls. It does not imply that the other services are not desired. It is perhaps the degree of pleasure derived that accounts for the difference in preference. For some, it appears the reason behind the displeasure with audit services stems from perceived high fees, and the constantly changing audit teams. The latter is considered to be annoying to auditees especially when the new team members are not familiar with the auditees' nature of operations, which would require auditees to waste valuable time explaining more or less the same things to different people each year.

The results suggest that auditors are generally making efforts to provide quality service to their clients, although certain types of services are not appreciated that much by the auditees. Perhaps this could be due to a misconception on the part of auditors as to what customer service implies. The

auditors were asked to point out what they considered customer service to entail. Excerpts of their responses are summarised in Box 1 below:

**Box 1: Summary auditors' interpretation of the term 'Customer Service'**

Adding value to the clients business and behaving professionally when dealing with clients at all times

Meeting all the requirements of the customers, keeping them satisfied and meeting all the statutory regulations

Meeting clients' needs and expectations; anticipating those needs and pro-actively providing solutions to customers

Understanding your clients' business and being able to attend to client queries at call times.

To serve the client with any type of service requirement within any firm's profile

Services provided by the firm in return for cash or cash equivalent.

Various types of services offered to clients.

The interpretations of 'customer service' by the auditors suggest that are aware of the importance of offering the best service to clients. Indeed, all responding auditors indicated that customer service was important to them. Most of them have developed customer charters to demonstrate their commitment to customer service by including a reference to satisfying or increasingly delighting their customers in their mission statements.

**Further results**

**Auditors' responsibilities and the expectation gap.**

It is mentioned above that the expectation gap exists because the public and the business community in general are not clear about the responsibilities of auditors. Both auditors and auditees were asked to indicate what they considered to be the responsibility of auditors. Box 2 below summarises responses from auditors.

**Box 2: Summary perceptions of Auditors on what their responsibilities are**

To perform value added audits that are supported by a management letter. The letter details all the weaknesses discovered during the audit and the risks associated with them and also some recommendations as to how to rectify the weaknesses.

To report on the true and fairness view of the financial statements, to report on the weaknesses of the controls and systems and any other service that the clients would want them to do.

To express an independent opinion on whether the financial statements give true and fair views of the status of the organisations' affairs.

To obtain reasonable assurance about whether financial statements prepared are free of material misstatements, assess the significant estimates made by management and evaluate overall financial statement presentation.

To report on the true and fair view of the financial statements, report on the strength and weaknesses of the company based on the observation and express an opinion about the financial statements to the shareholders.

To report to the members, give an opinion on the financial statements, to report whether proper books of accounts have been kept by the company, whether the balance sheet and income statement are in agreement with the books of accounts and whether auditors have received all information and explanations.

It comes out very clearly that auditors believe that their responsibility ends with examining financial statements and accompanying records and reporting the results of the examination. It does not go further than that. The responses from auditees are summarised in Box 3 below:

Box 3: Summary perceptions of Auditees on what the responsibilities of Auditors are

To ensure that the controls in place are effective enough to mitigate all the threats and risks.

To ensure accountability and corporate governance, suggest changes in systems, advice best accounting practices and provide credibility to users of financial statements.

Responsibility towards the shareholders to look at the financial position of the company from an objective point of view.

To serve the client independently to provide other services apart from audit as long as it does not compromise their independence.

To provide credibility to users of financial statements, and ensure financial statements and control systems are adequate.

To keep/not disclosing any information to third parties without the consent of the clients, and duty to audit clients' financial statements as per the letter of engagement.

Responses by auditees indicate mixed perceptions on what the responsibilities of auditors are. The general impression is that auditees expect more from



auditors beyond the traditional audit of financial statements. Some of the expectation exceed what auditors can offer within the professional rules and standards. This is clear evidence of the expectation gap.

Rights of clients for audit services.

The study also wanted to find out what auditees perceived to be their rights. This question was not answered by about fifty percent of the auditees who responded to the questionnaire. However, from responses of those who answered the question, the following were discerned as being the rights of auditees:

- Good quality and relevant advice/services.
- Updating on the latest changes in the accounting environment.
- Improvement in internal controls and accounting systems.
- Audits completed as per agreement.

Again, more evidence of the fact that auditees expect more from auditors than currently offered. Although these responses provides insights, it is difficult to make any generalisations due to the small number of respondents to the question. It is not known why other auditees opted not to respond to the question, but one cannot resist the temptation to assume that it is an indication of some auditees not knowing, or not being sure of what their rights are.

### **Summary and Conclusions**

This study embarked on finding out, among other objectives, whether auditors in Botswana are suitably positioned to acquire the best customer service. The results show that most have instituted measures to enable them provide the best customer service to their clients. Quality service is attained through the adherence to policies and procedures required by SQCS No. 2, by complying with International Standards on Auditing, and other policies and procedures proclaimed by professional institutions as well as adherence to statutory regulations.

Additional measures they have in place to ensure best customer service include provision of technical advice and follow up on customer contacts. The auditors also indicated that they issued clients service plans outlining the auditors approach to the engagement, the timing, the team and the deliverables well in advance prior to commencement of the engagement, when meetings with clients take place to identify the exact nature and scope of assignment to eliminate misunderstandings. Audit firms also use standard audit manuals, auditing and accounting standards and standard audit methodologies in relation to planning, conducting and reporting of assignments.

The study brings out the differing perceptions between auditors and auditees on the responsibilities of auditors. If this gap in perceptions is not bridged, there is a likelihood of the auditors failing to attain the objective of providing the best customer service. It is appreciated that auditors work within strict professional and statutory guidelines that shape the manner in which they work. The need for professional independence perhaps is among the critical considerations auditors have. However, client satisfaction might be enhanced if the following are considered.

In the first instance, auditors should broaden the range of services they provide to clients. In addition to a broader range, auditors should make themselves more accessible to their clients. Constant communication between auditors and auditees could help build strong relationships. Secondly, auditors should also strive to ensure that complaints by clients, whether formal or informal, are evaluated and taken into consideration when improving services, and feedback provided promptly. Thirdly, many auditees have indicated displeasure with having to deal with new members of audit teams each year. Auditors need to seriously address this concern if they really value their clients' time. Finally, it is not enough to assume that clients are satisfied because they continue purchasing a service. That assumption must be backed up by objective data on customer satisfaction, which can be obtained through surveys. The data could help audit firms improve their services thereby building a good auditor-auditee relationship.

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