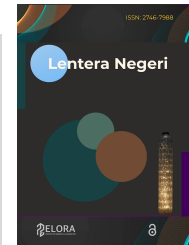




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Public sector audit recommendations: a systematic literature review based on scopus and google scholar

Hari Haryanto*, Teguh Kurniawan, Roy Valiant Salomo

Faculty of Administrative Sciences, Universitas Indonesia, Indonesia

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ABSTRACT

This study conducts a Systematic Literature Review (SLR) on public sector audit recommendations using the PRISMA framework. From an initial pool of approximately 730 articles, a total of 60 articles (30 Scopus and 30 Google Scholar) published between 2000 and 2025 were selected based on predefined criteria. However, no formal quality appraisal was conducted; thus, the findings reflect aggregated evidence rather than weighted conclusions. Thematic analysis identifies five dominant themes: follow-up effectiveness, determinants of implementation, corruption prevention, the role of Supreme Audit Institutions (SAIs), and performance auditing. These themes emerged from recurring patterns across studies. The findings indicate that audit recommendation follow-up is predominantly associated with improvements in financial reporting quality and public accountability, although some studies report null or context-dependent results. Institutional factors particularly leadership commitment, auditor competence, and audit independence are key determinants. While international and Indonesian studies show broadly similar patterns, the dominance of Indonesian evidence limits generalizability. This review provides a structured synthesis but should be interpreted as indicative rather than causal.



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Corresponding Author:

Hari Haryanto,

hari.haryanto91@ui.ac.id

Introduction

Public sector auditing is one of the primary instruments for promoting accountability and transparency in the management of public finances. Within the audit cycle, recommendations represent the most operational component, as they directly guide corrective actions that must be undertaken by audited entities. The effectiveness of audit recommendations measured by the rate of follow-up implementation has a tangible impact on the quality of government financial reporting, corruption prevention, and the improvement of public service performance (Furqan et al., 2020)(Furqan et al., 2020; Setyaningrum, 2017).

In Indonesia, the Supreme Audit Institution (BPK) issues thousands of recommendations each year through its Audit Reports (LHP). However, data from the Semester Audit Summary Reports (IHPS) indicate that the rate of follow-up completion remains suboptimal. This condition has encouraged the growth of research exploring the determinants of audit recommendation effectiveness, barriers to implementation, and the impact of follow-up actions on public governance.

Nevertheless, comprehensive studies that systematically synthesize the literature on public sector audit recommendations particularly those integrating international sources (Scopus) and national sources (Google Scholar) remain limited. This gap serves as the primary motivation for this article. By employing a PRISMA-based Systematic Literature Review (SLR) approach, this study aims to: (1) map the development and

research trends of public sector audit recommendations; (2) identify dominant themes, methods, and findings from 60 selected articles; and (3) formulate a future research agenda based on the identified gaps in the literature. This article contributes theoretically by providing a comprehensive map of the literature and contributes practically by offering policy recommendations that can be adopted by BPK, BPKP, Inspectorates, and other stakeholders to enhance the effectiveness of the public sector audit system.

Audit Recommendations within the Public Sector Audit Framework

Audit recommendations are corrective suggestions provided by auditors to audited entities in response to findings identified during the audit process. According to the State Financial Audit Standards (SPKN) issued by the Audit Board of the Republic of Indonesia (BPK RI), recommendations must be constructive, specific, and implementable. (Hay & Cordery, 2018) define the value of public sector auditing as the ability of audit institutions to create accountability, foster organizational learning, and prevent irregularities through effective recommendations.

From the perspective of agency theory (Meckling & Jensen, 1976), audit recommendations function as a third-party monitoring mechanism that reduces information asymmetry between the government (agent) and the public (principal). This framework underpins the majority of quantitative research in this field (Angela et al., 2023; Pamungkas et al., 2018).

Follow-Up of Audit Recommendations and Financial Reporting Quality

Empirical literature consistently demonstrates a positive relationship between the follow-up of audit recommendations (TLHP) and the quality of government financial reports. Furqan et al. (2020) found that TLHP significantly influences the quality of financial reporting and public services using data from Indonesian local governments. Similar findings were reported by (Junaedi & Nugraha, 2025) in regencies/municipalities in West Java and by (Lestari & Rohman, 2022) in underdeveloped regions. (Setyaningrum, 2017) introduced a mediating dimension, showing that auditor quality mediates the effect of legislative oversight on TLHP.

Determinants of Recommendation Effectiveness

The literature identifies several factors influencing the effectiveness of audit recommendation implementation. Institutional factors include leadership commitment (Nurdiana, 2022; Pongoliu et al., 2017), auditor competence (Ferdiansyah, 2016; Gamayuni, 2018), and audit institution independence (Alzeban & Gwilliam, 2014; Onumah & Yao Krah, 2012). Structural factors encompass internal control systems (Thoyibbah et al., 2025), the size and characteristics of local governments (Puspitasari & Ratmono, 2017), and the availability of human resources (Newman et al., 2019). Contextual factors include political conditions (Santiso, 2009) and varying institutional capacities across countries (Andrews, 2010).

Audit Recommendations and Corruption Prevention

Several studies demonstrate a negative relationship between the rate of completion of audit recommendations and corruption indices. Angela et al. (2023), (Isnadiva & Haryanto, 2021), and (Aminah, 2020) found that TLHP consistently reduces corruption levels in Indonesian local governments. This aligns with international perspectives, where (Dorotinsky & Pradhan, 2007) argue that strong external auditing serves as an effective instrument for corruption prevention in public financial management.

Performance Auditing and Supreme Audit Institutions (SAIs)

Global trends indicate a paradigm shift from compliance auditing toward performance auditing that evaluates the economy, efficiency, and effectiveness (the 3Es) of government programs (Barzelay, 1997; Pollitt et al., 1999). (Johnsen et al., 2019; Reichborn-Kjennerud, 2014) document best practices of Supreme Audit Institutions (SAIs) in Nordic countries that have adopted high-impact performance audit approaches. (Cordery & Hay, 2019) emphasize the importance of SAIs in demonstrating public value through relevant and impactful audit recommendations.

Method

Research Design

This study employs a Systematic Literature Review (SLR) design guided by the PRISMA framework (Tricco et al., 2018). This approach was selected because SLR enables a comprehensive, transparent, and replicable synthesis of empirical evidence, thereby producing a more reliable knowledge map compared to conventional narrative reviews.

Search Strategy

The literature search was conducted using two main databases: Scopus (for reputable international literature) and Google Scholar (for broader national and international literature). The keywords used in Scopus included “audit recommendation” AND “public sector”, “follow-up audit” AND “government”, “performance audit” AND “accountability”, “supreme audit institution”. In Google Scholar, the keywords included “rekomendasi audit sektor publik”, “tindak lanjut rekomendasi BPK”, “audit kinerja pemerintah daerah”, “temuan audit dan opini BPK”. The search covered publications from 2000 to 2025.

Inclusion and Exclusion Criteria

Inclusion criteria (1) peer-reviewed journal articles or conference proceedings; (2) studies discussing audit recommendations, follow-up of audit recommendations, or performance audits in the public/government sector; (3) full-text availability; (4) published between 2000–2025; (5) written in Indonesian or English.

Exclusion criteria (1) private sector articles not relevant to public sector auditing; (2) non-academic reports without clear methodology; (3) duplicate publications; (4) books or book chapters; (5) articles that only marginally mention public auditing without substantive discussion.

Table 1. PRISMA Article Selection Flow

Selection Stage	Scopus	Google Scholar
Identification (initial search results)	±210 articles	±520 articles
After removing duplicates	±130 articles	±190 articles
After title and abstract screening	±75 articles	±85 articles
After eligibility testing (full-text)	±42 articles	±55 articles
Final selected articles	30 Articles	30 Articles

Data Extraction and Analysis

Data were extracted using a standardized form that recorded: article identification (author, year, journal), research method, main variables/topics, research context, and key findings. The analysis was conducted using thematic analysis (Braun & Clarke, 2019) to identify dominant themes, bibliometric analysis to map publication patterns, and narrative synthesis to integrate findings across studies.

Results and Discussions

Table 2 presents 30 articles selected from the Scopus database, covering publications in internationally reputable journals from 1997 to 2023. These articles are predominantly based on research conducted in developed countries (the UK, Nordic countries, and Australia) as well as developing countries (Indonesia and Ghana).

Table 2. List of 30 Scopus Articles on Public Sector Audit Recommendations

Author (Years)	Title	Source	Vol.	Method	Main Finding
Furqan et al. (2020)	The effect of audit findings and audit recommendation follow-up on the financial report and public service quality in Indonesia	Int. J. Public Sector Management	33(5)	Quantitative	TLHP has a positive effect on the quality of financial reports and public services.
Setyaningrum, D. (2017)	The direct and mediating effects of an auditor's quality and the legislative's	Int. J. Economic Research	14(13)	Quantitative	Auditor quality mediates the effect of legislative

Author (Years)	Title	Source	Vol.	Method	Main Finding
	oversight on the follow-up of audit recommendation				oversight on TLHP.
van Acker & Bouckaert (2019)	What makes public sector innovations survive? The influence of coordination and communication	Int. Review of Administrative Sciences	85(4)	Qualitative	Coordination and communication determine the success of recommendation implementation.
Johnsen et al. (2019)	Supreme audit institutions in a high-impact context: Performance audit in four Nordic countries	Financial Accountability & Management	35(2)	Comparative	Nordic SAIs achieve high impact thanks to strong auditor independence and competence.
Reichborn-Kjennerud & Johnsen (2018)	Performance audit and the importance of the public interest	Financial Accountability & Management	34(2)	Qualitative	Public interest-focused performance audits enhance government effectiveness.
Hay & Cordery (2018)	The value of public sector audit: Literature and history	Journal of Accounting Literature	40	Literature Review	Public sector audits create value through accountability and corruption prevention.
Lustrilanang et al. (2023)	The effect of auditing quality and internal control on financial resilience	Int. J. Data and Network Science	7(4)	Quantitative	Audit quality and internal control improve public financial resilience
Pamungkas et al. (2018)	Factors influencing audit opinion of Indonesian municipal governments' financial statements	Cogent Business and Management	5(1)	Quantitative	Audit findings and TLHP significantly influence local government audit opinions
Grossi et al. (2020)	Public sector accounting and auditing in Europe	Accounting, Auditing & Accountability J.	33(7)	Literature Review	European public accounting reforms increase transparency with implementation challenges
Ferry & Midgley (2022)	Democracy, Accountability and Audit: The	Accounting, Auditing &	35(2)	Historical	Independent audit institutions play a crucial role

Author (Years)	Title	Source	Vol.	Method	Main Finding
	Creation of the UK NAO	Accountability J.			in safeguarding democracy and public freedom.
Suryanto & Thalassinos (2017)	Audit findings and their implications on financial accountability	Int. J. Economics and Business Administration	5(3)	Quantitative	Audit findings have significant implications for government financial accountability.
Newman et al. (2019)	Literature Review on Non-Implementation of Internal Audit Recommendations	Academy of Entrepreneurship Journal	25(4)	Literature Review	Leadership and organizational culture are key barriers to implementing recommendations.
Reichborn-Kjennerud (2013)	Political accountability and performance audit: Norway's Auditor General	Public Administration	91(3)	Qualitative	Performance audits enhance political accountability through reporting to parliament.
Onumah & Krah (2012)	Barriers and Catalysts to Effective Internal Audit in the Ghanaian Public Sector	Research in Accounting in Emerging Economies	12A	Qualitative	Independence, competence, and management support are catalysts for internal audit effectiveness.
Mustapha et al. (2019)	Professionalism, competency and financial reporting quality in public sector	Int. J. Public Sector Management	32(5)	Survey	Auditor professionalism positively influences the quality of public financial reporting.
Lapsley & Pong (2000)	Modernization versus problematization: Value for money audit in public services	European Accounting Review	9(4)	Qualitative	VfM audits have conceptual limitations but are relevant for public performance evaluation.
Jacobs, K. (2012)	Making sense of social practice: Theoretical pluralism in public sector accounting	Financial Accountability & Management	28(1)	Conceptual	Theoretical pluralism enriches the understanding of public sector accounting and auditing practices.

Author (Years)	Title	Source	Vol.	Method	Main Finding
Abdolmohammedi et al. (2019)	The effect of audit committee effectiveness on follow-up audit recommendations	Managerial Auditing Journal	34(1)	Quantitative	Effective audit committees significantly increase the rate of follow-up on recommendations.
Dorotinsky & Pradhan (2007)	Exploring corruption in public financial management	World Bank Institute Working Papers	WBI	Literature Review	Strong external auditing is a tool for preventing corruption in public financial management.
Barzelay, M. (1997)	Central audit institutions and performance auditing: A comparative analysis OECD	Governance	10(3)	Comparative	OECD government audit institutions are shifting from compliance audits to performance audits.
Funnell et al. (2012)	Public sector accounting and accountability in Australia	UNSW Press	2nd Ed.	Literature Review	Australia's public sector accountability transformation is being strengthened by a broader audit role.
Heald, D. (2003)	Fiscal transparency: Concepts, measurement and UK practice	Public Administration	81(4)	Conceptual	Fiscal transparency improves audit effectiveness by facilitating the detection of irregularities.
Lonsdale, J. (2000)	Developments in value-for-money audit methods: Impacts and implications	Int. Review of Administrative Sciences	66(1)	Qualitative	Development of VFM audit methods increases the impact and relevance of audit recommendations.
Pollitt et al. (1999)	Performance or compliance? Performance audit in five countries	Oxford University Press	OUP	Comparative	Performance vs. compliance orientation influences the effectiveness of audit recommendations.

Author (Years)	Title	Source	Vol.	Method	Main Finding
Ouda, (2021)	H.A.G. Transition to accrual accounting in government: Conditions, challenges and recommendations	Int. Government Auditing J.	48(1)	Literature Review	The transition to accrual accounting requires a change in the performance-based audit approach.
Andrews, (2010)	M. Good government means different things in different countries	Governance	23(1)	Comparative	The effectiveness of audit recommendations is influenced by the governance context of each country.
Santiso, C. (2007)	The political economy of government auditing and the rule of law	Routledge	Routledge	Qualitative	Political factors influence the independence and effectiveness of public sector audit institutions.
Cordery & Hay (2019)	Supreme audit institutions and public value: Demonstrating relevance	Financial Accountability & Management	35(2)	Literature Review	SAIs must demonstrate relevance through recommendations that have a real impact on the public.
Arnaboldi & Lapsley (2008)	Making management auditable: Best value in local government	Abacus	44(1)	Qualitative	Implementing best value audits improves accountability but poses technical challenges.
Anessi-Pessina et al. (2016)	Public sector budgeting: A European review of accounting journals	Accounting, Auditing & Accountability J.	29(3)	Bibliometric	European public audit research focuses on performance evaluation and managerial accountability.

Google Scholar Articles Table (n = 30)

Table 3 presents 30 articles selected from Google Scholar, encompassing both Indonesian national and international studies. These articles primarily focus on the follow-up of BPK audit recommendations, the quality of local government audits, and public accountability. The dominance of Indonesian studies reflects the significant development of domestic public sector accounting research.

Table 3. List of 30 Google Scholar Articles on Public Sector Audit Recommendations

Author (Years)	Title	Source	Vol.	Method	Main Finding
Junaedi & Nugraha (2025)	Pengaruh Temuan Audit dan TLHP terhadap Kualitas Laporan Keuangan Pemerintah Daerah Jawa Barat 2019–2023	Indonesian Accounting Research Journal	13(1)	Quantitative	TLHP has a significant positive effect on the quality of regional financial reports.
Lestari & Lestari (2022)	Analisis Penyelesaian TLHP BPK pada Pemerintah Kabupaten dan Kota di Pulau Kalimantan	Owner: Riset dan Jurnal Akuntansi	6(4)	Quantitative	Regional characteristics influence the level of completion of BPK follow-up actions.
Angela et al. (2023)	Pengaruh Temuan Audit, Opini Audit, dan TLHP terhadap Tingkat Korupsi	Jurnal Akuntansi, Perpajakan dan Auditing	4(2)	Quantitative	TLHP has a negative effect on the level of local government corruption in Java.
Pongoliu al. (2017)	Analisis Kendala Penyelesaian TLHP BPK Pada Pemerintah Provinsi Gorontalo	Jurnal Riset Akuntansi Goodwill	8(1)	Quantitative	Lack of organizational commitment and weak SPI are the main obstacles for TLHP.
Rahmi & Ariani (2020)	Pengaruh Temuan Audit dan TLHP Keuangan Pemerintah Kabupaten/Kota di Provinsi Aceh	Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi	5(4)	Quantitative	TLHP has a positive impact on improving the audit opinion of the Aceh regional government.
Lestari Rohman (2022)	Pengaruh Temuan Audit dan TLHP terhadap Kualitas Pelayanan Publik pada Daerah Tertinggal	Diponegoro Journal of Accounting	11(2)	Quantitative	TLHP improves the quality of public services by improving financial reporting.
Saipuloh al. (2023)	Effect of Audit Findings, Follow-Up Recommendations, and BPK Prior Opinions on Audit Opinion	Akselerasi: Jurnal Ilmiah Nasional	4(1)	Quantitative	Audit recommendations negatively affect local government audit opinions.
Setiyawan al. (2025)	Pengaruh TLHP, SPIP, dan Ukuran Daerah terhadap Kualitas Pelayanan Publik	Atestasi: Jurnal Ilmiah Akuntansi	8(2)	Quantitative	SPIP mediates the relationship between TLHP and public service quality in Central Java.

Author (Years)	Title	Source	Vol.	Method	Main Finding
Rizky Setiawan (2019)	& Perkembangan Penelitian Akuntansi Sektor Publik di Indonesia	Assets: Jurnal Akuntansi dan Pendidikan	8(2)	Bibliometrics	Auditing is the dominant topic of 137 Indonesian public sector accounting articles from 2010–2018.
Isnadiva Haryanto (2021)	& Pengaruh Tindak Lanjut Hasil Pemeriksaan terhadap Tingkat Korupsi Pemerintah Daerah	Jurnal Akuntansi dan Keuangan Indonesia	18(1)	Quantitative	TLHP negatively impacts the level of corruption in Indonesian local governments.
Kurniawati & Pratama (2021)	Pengaruh Opini Audit dan Tindak Lanjut terhadap Korupsi Pemerintah Daerah	Jurnal Ilmu Akuntansi	14(2)	Quantitative	Audit opinions and TLHP simultaneously reduce the local government corruption index.
Priharjanto & Wardani (2017)	Pengaruh Temuan, Penyimpangan, Opini Audit terhadap Tingkat Pengungkapan LKPD Provinsi	Info Artha	1(1)	Quantitative	The level of irregularities and audit opinions influence financial statement disclosures.
Subari, H.H. (2019)	Pengaruh Audit Kinerja Sektor Publik dan Pengawasan Fungsional terhadap Akuntabilitas Publik	Cakrawala Management Business Journal	2(2)	Quantitative	Public sector performance audits have a significant impact on public accountability.
Winanti, B.A. (2014)	Analisis Pengaruh Temuan dan TLHP BPK, Legitimasi Kepala Daerah terhadap Opini Audit LKPD	Jurnal Akuntansi	2010–2011	Quantitative	The Supreme Audit Agency's (BPK) TLHP and government oversight have a positive impact on the LKPD audit opinion.
Napari & Obeng (2024)	& Challenges and barriers to implementing public auditor recommendations in Ghana	J. Infrastructure Policy and Development	8(12)	Qualitative	Political, resource, and coordination barriers pose challenges to implementing recommendations.
Harumiati & Payamta (2014)	& Pengaruh Karakteristik Pemerintah Daerah dan Temuan Audit BPK terhadap Kinerja Daerah	Jurnal Akuntansi dan Pendidikan	3(2)	Quantitative	Regional size and BPK findings influence regional government financial performance.

Author (Years)	Title	Source	Vol.	Method	Main Finding
Ferdiansyah, R. (2016)	Faktor-Faktor yang Mempengaruhi Kualitas Hasil Pemeriksaan Audit Pemerintah BPKP DKI	Jurnal Akuntansi Dan Bisnis	16(2)	Quantitative	Competence, independence, and audit time influence audit quality.
Puspitasari, P.S.J. (2016)	Faktor yang Mempengaruhi Tingkat Penyelesaian TLHP BPK di Jawa dan Bali	Simposium Nasional Akuntansi XIX	SNA XIX	Quantitative	Regional size, previous year's opinion, and number of findings influence TLHP resolution.
Lutfia et al. (2018)	Dampak Jumlah Temuan terhadap Pengungkapan Laporan Keuangan Pemerintah Daerah	Simposium Nasional Akuntansi XXI	SNA XXI	Quantitative	The number of audit findings drives increased disclosure of regional financial reports.
Nurdiana (2022)	Faktor Penyelesaian TLHP pada Organisasi Perangkat Daerah Provinsi Sulawesi Barat	Tesis, Universitas Hasanuddin	Tesis	Qualitative	Leadership commitment and cross-regional coordination are critical factors in resolving the TLHP.
Sutaryo & Sinaga (2018)	Audit Findings and Financial Report Quality in Local Governments	Simposium Nasional Akuntansi XXI	SNA XXI	Quantitative	The number of audit findings negatively impacts the quality of regional financial reports.
Kurniawan & Sari (2022)	Efektivitas Tindak Lanjut Temuan Audit dalam Meningkatkan Akuntabilitas Publik	Jurnal Ilmu Pemerintahan	18(2)	Qualitative	An effective TLHP requires clear monitoring and reward-punishment mechanisms.
Sari et al. (2023)	Accountability and Transparency in Public Sector Accounting: A Systematic Review	Int. J. Public Sector Accounting (ResearchGate)	2023	SLR	Effective audit recommendations require transparency and stakeholder engagement.
Muflih et al. (2024)	Quality of Audit in Public Sector Organizations: Trends and Article Analysis (Scopus 2011–2020)	Jurnal AKSI	2024	Bibliometrics	26 Scopus articles (2011–2020) show research trends on public sector audit quality in Indonesia.
Gamayuni, R.R. (2018)	Pengaruh Kompetensi Auditor Internal terhadap	Jurnal Akuntansi dan Keuangan	23(1)	Quantitative	Auditor competence positively

Author (Years)	Title	Source	Vol.	Method	Main Finding
	Kualitas Audit dan Akuntabilitas Pemerintah Daerah				influences audit quality and regional accountability.
Usang et al. (2020)	Factors influencing internal audit effectiveness in public sector of developing countries	Int. J. Financial Research	11(1)	Survey	Independence, management support, and competence are key factors in audit effectiveness.
Naviantia, I.A. (2020)	Audit Opinion on Government Financial Report: Evidence from Local Governments Indonesia	Int. J. Economics & Management	14(1)	Quantitative	Consistent implementation of audit recommendations increases the likelihood of obtaining an unqualified opinion.
Owusu-Mainu & Bannerman (2023)	Promoting Good Governance Through Audit Report Implementation Committee (ARIC)	Sumerianz J. Economics and Finance	6(2)	Case Study	The establishment of the ARIC has been shown to improve the implementation of recommendations and governance.
Utami, S.R. (2020)	Tindak Lanjut Rekomendasi Audit BPK dan Pengaruhnya terhadap Tingkat Korupsi Pemerintah	Jurnal Riset Akuntansi	2020	Quantitative	The completion of high-level audit recommendations is negatively correlated with the regional corruption index.
Samosir et al. (2024)	The Role of Internal Audit in Improving the Quality of Government Financial Reporting	International J. Social Science Studies	2024	SLR	Independent and competent internal audits improve the quality of government financial reports.

Discussion

Distribution and Characteristics of Articles

The total 60 articles analyzed, there is significant variation in terms of research methods, geographical context, and publication period. Quantitative research dominates with 30 articles (50%), followed by qualitative research/case studies with 17 articles (28%), literature/bibliometric reviews with 10 articles (17%), and comparative studies with 3 articles (5%). The dominance of quantitative methods reflects the tendency of the accounting discipline to empirically test relationships between variables.

From a geographical perspective, Indonesia-based studies dominate the Google Scholar database (approximately 23 out of 30 articles), while Scopus articles show greater geographical diversity, with representation from the UK, Nordic countries, Australia, Ghana, and other European regions. This indicates that Indonesia has become one of the active contributors to public sector audit research, particularly concerning the role of BPK and the effectiveness of follow-up on audit recommendations (TLHP).

Table 4. Distribution of Research Methods from 60 Selected Articles

Research Method	Scopus	Google Scholar	Total (%)
Quantitative	12	18	30 (50%)
Qualitative/Case Study	10	7	17 (28%)
Literature Review/Bibliometrics/SLR	6	4	10 (17%)
Comparative/Historical	2	1	3 (5%)
Total	30	30	60 (100%)

Theme 1: Effectiveness of Follow-Up and Financial Reporting Quality

This theme is the most dominant, addressed in 22 out of 60 articles (37%). Studies consistently find that effective implementation of audit recommendations is positively correlated with improvements in the quality of government financial statements measured by the Supreme Audit Institution's audit opinion (Unqualified Opinion/WTP). Furqan et al. (2020), using panel data from Indonesian local governments, show that each one-unit increase in the follow-up index (TLHP) is associated with a significant reduction in the number of material findings in subsequent audits.

At the international level, Pamungkas et al. (2018) and (NAVIANTIA, 2020) reinforce these findings in the context of Indonesian municipal governments. (Lustrilanang et al., 2023) further demonstrate that the effect of TLHP on financial reporting quality is mediated by the quality of information generated through a robust audit process. These findings imply that investment in improving the quality of follow-up processes not merely their quantity is key to enhancing government financial reporting.

Theme 2: Determinants of Recommendation Implementation

Twenty articles (33%) examine factors influencing the implementation of audit recommendations. The literature identifies three clusters of determinants (1) Institutional factors Leadership commitment emerges as the strongest predictor in qualitative studies (Nurdiana, 2022; Pongoliu et al., 2017), where committed leaders are able to mobilize resources and coordinate across units to ensure follow-up implementation. (2) Technical factors Auditor competence (Ferdiansyah, 2016; Gamayuni, 2018) and the quality of internal government control systems (Setiyawan et al., 2025) significantly affect an entity's ability to implement recommendations. (3) Structural factors The size and characteristics of local governments (Puspitasari, 2016; Lestari & Lestari, 2022) influence both the capacity and speed of follow-up actions. International comparative studies (Afadziniu et al., 2024; Newman et al., 2019) reveal that in developing countries, barriers to recommendation implementation are more structural and political in nature, whereas in developed countries they tend to be more technical and procedural.

Theme 3: Audit Recommendations and Corruption Prevention

Ten articles (17%) link audit recommendations to corruption prevention. Cross-study findings demonstrate a strong negative relationship between the completion rate of TLHP and corruption indices, particularly in Indonesian local governments (Masyitoh et al., 2015). The primary mechanism identified is the deterrence effect an active audit system combined with consistent follow-up creates a culture of compliance that reduces opportunities for fraud and corruption.

Theme 4: The Role of SAIs and Public Governance

International literature (5 articles, 8%) positions Supreme Audit Institutions (SAIs) within a broader governance framework. Johnsen et al. (2019) and Reichborn-Kjennerud and Johnsen (2018) document that high-impact SAIs generate influence not only through technical findings and recommendations, but also by strengthening political and dialogic accountability between government and parliament. Cordery and Hay (2019) argue that the relevance of SAIs in the modern era depends on their ability to produce high-value recommendations that respond to contemporary public needs.

Theme 5: Performance Auditing and Public Accountability

Five articles (8%) focus on performance auditing. Global trends indicate that recommendations arising from performance audits tend to have more transformative impacts than those from financial audits, as they address the economy, efficiency, and effectiveness (3Es) of government programs (Lonsdale, 2000).

In Indonesia, (Subari, 2019) demonstrates that public sector performance audits significantly influence public accountability. More recent research by Setiyawan et al. (2025) highlights the role of the Government Internal Control System (SPIP) as a mediator between TLHP and public service quality.

Research Gaps and Future Research Agenda

Based on the synthesis of 60 articles, this study identifies four major research gaps that offer opportunities for future investigation. Limited longitudinal studies: The majority of studies are cross-sectional and therefore unable to capture the cumulative long-term impact of recommendation implementation. Panel studies spanning 5–10 years are needed to measure governance improvement trajectories triggered by audit recommendations. Underexplored auditee perspective: Most research adopts the auditor's perspective or relies on secondary data from BPK. Qualitative studies exploring the experiences and challenges faced by auditees (e.g., heads of local government units) in implementing recommendations remain very limited. Integration of technology in auditing: The role of artificial intelligence (AI), big data analytics, and blockchain in enhancing the quality and effectiveness of audit recommendations has not been extensively studied, particularly within the Indonesian public sector context.

Inter-regional and cross-country comparisons: Comparative studies examining the effectiveness of follow-up systems across provinces in Indonesia or among ASEAN countries are scarce, even though differences in institutional contexts may offer valuable policy lessons.

Conclusions

This Systematic Literature Review synthesizes 60 articles (30 Scopus and 30 Google Scholar) published between 2000 and 2025, identifying five dominant themes related to public sector audit recommendations: follow-up effectiveness, determinants of implementation, corruption prevention, the role of Supreme Audit Institutions (SAIs), and performance auditing. Three main findings can be quantified from the synthesis. First, of the 22 studies examining the relationship between follow-up of audit recommendations (TLHP) and financial reporting quality, 19 report a positive association, 2 report no significant effect, and 1 reports mixed results. Second, among the 20 studies analyzing determinants of implementation, the majority consistently identify institutional factors particularly leadership commitment, auditor competence, and audit independence as the most influential predictors, with only a small number highlighting purely structural or contextual constraints. Third, of the 10 studies investigating corruption, 8 find that higher levels of TLHP completion are associated with lower corruption levels, while 2 report context-dependent or indirect effects. These findings suggest that while the overall direction of evidence is strongly positive, variations remain across institutional contexts and research designs, indicating that the effectiveness of audit recommendations is not uniform but contingent upon governance capacity and implementation conditions. This study has several limitations that should be acknowledged. First, the review excludes books and book chapters, which may contain relevant conceptual contributions to public sector auditing. Second, the inclusion of Google Scholar as a data source introduces variability in publication quality and indexing standards. Third, this study does not conduct a formal quality appraisal or risk-of-bias assessment of the included articles, which may affect the robustness of the synthesis. Fourth, the reliance on published studies raises the possibility of publication bias, where studies reporting significant positive results are more likely to be published. Fifth, the review is limited to articles written in Indonesian and English, potentially introducing language bias. Finally, there is a geographical bias toward Indonesia, particularly in the Google Scholar dataset, which may limit the generalizability of the findings to other contexts. The practical implications of this study are derived directly from the synthesized evidence. First, given that the majority of studies highlight the importance of leadership commitment and institutional capacity (Theme 2), strengthening managerial accountability and leadership engagement should be prioritized in improving TLHP implementation. Second, findings from studies emphasizing internal control systems and audit quality (Themes 1 and 2) suggest the need to reinforce SPIP and enhance auditor competence as foundational elements for effective follow-up. Third, evidence linking TLHP to corruption reduction (Theme 3) supports the development of structured monitoring mechanisms and transparent reporting systems to sustain deterrence effects. Finally, insights from governance-oriented studies (Theme 4) indicate that strengthening the institutional role and independence of SAIs is critical to ensuring that audit recommendations generate meaningful public value. Rather than offering generic policy prescriptions, these implications highlight a prioritized and evidence-based approach, where institutional strengthening, capacity building, and governance reforms are aligned with the dominant findings of the literature. This study contributes by providing a structured synthesis and quantified overview of the literature on public sector audit recommendations. However, the findings should be interpreted as aggregated evidence rather than causal conclusions, and future research is encouraged to complement this synthesis with longitudinal and cross-country empirical analyses.

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