

THE AUDITOR'S TRAGEDY

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On hearing Ram's cries of help, Sita insisted that Lakshman go to his rescue. Lakshman hesitated. If he went out to help Ram, who would protect Sita? He came up with a solution: he drew a line around their grass hut. 'Stay within!' he told his sister-in-law, 'Within is culture, where you are safe. Without is the forest, where no one is safe.'

This story of Lakshman Rekha, the line drawn by Lakshman around Sita's hut, comes to us from regional Ramayanas like the Bengali Krittivasa Ramayana and the Telugu Ranganatha Ramayana, written about seven hundred years ago. It is not found in the old Sanskrit Ramayana of Valmiki, written two thousand years ago, or even the oldest regional Ramayana, written in Tamil by Kamban, a thousand years ago.

How do we view the Lakshman Rekha? A symbol of love, created by a young man to protect his sister-in-law? Or as a symbol of oppression, created by a man to control the movements of a woman. In the 21st century, much of feminist literature has conditioned us to see it as the latter. Lakshman, at best, comes across as patronising patriarch. So it is in business.

Rules are created to protect organisations. Some rules create efficiency while others de-risk the company. Together they contribute to the prosperity and security of the company. Together they ensure the organisation becomes controllable, predictable, and manageable. Various technologies are created to ensure people follow the rules. There are technologies to communicate the rules: the various protocols, guidelines, regulations, procedures, and policies. There are technologies to measure if the rules are being followed or violated. There are technologies to flag repeat violations and escalate issues. Essentially, rules help us domesticate and organise ourselves.

Then come the auditors: the internal and external, who check if we have complied. They go through our documents and our spending patterns and check if investor wealth is safe,

and if implementation aligns with agreed upon strategies and tactics, and if the organisation fulfills its obligations of society by paying taxes on time, and explaining all its costs and expenses that erode into profit. The auditor is the Lakshman of the organisation, protecting the institution for the Board of Directors and Investors.

The analogy can upset many people for it equates Sita to the institution, and makes her the property of Ram. It endorses patriarchy. Yet the relationship between the Board of Directors and the institution is the same as Ram and Sita. Without the institution (Sita), the Board of Directors (Ram) have no value or purpose, or even meaning. Their entire existence depends on nourishing and protecting the institution, and the institution in exchange makes them valuable, and glamorous, worthy of respect, even worship.

It is the auditor (Lakshman) who ensures that institution is safe. He ensures rules are followed and even creates rules to ensure other rules are followed. To the people in the organisation, he can seem like an oppressor. For his actions limit movement. His demands take away freedom and agility. The larger the company, the larger the investments, the more the rules, the more important the auditor, the less nimble is the organisation. It takes away quick decisions, and puts obstacles on the entrepreneurial spirit.

It is the auditor who is hauled up when it turns out that the promoter has been misusing investor wealth to increase personal wealth at the cost of the institution. In other words, when the one who is supposed to be Ram turns into Ravana and gets the institution to break rules for his own benefit. It is the auditor who has to prove his honesty, and diligence, when there is a takeover. We often mock the auditor, or the company secretary, as the oppressor who forces us to comply with rules we don't want to, who retards us, makes us inflexible and not very nimble, especially when we are a large organisation. But he is Ram's younger brother, loyal and determined to protect all that his brother stands for. ■

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