



Received: February 11, 2021

Revised: March 16, 2021

Accepted: April 03, 2021

*Corresponding author: Farhan Surya, Department of Accounting, Universitas Katolik Parahyangan, Bandung, Indonesia.

E-mail: farhan.surya@gmail.com

AUDITING | RESEARCH ARTICLE

Professional Ethics of Auditors and Its Impact on Audit Quality

Farhan Surya^{1*}, Adela Pramudita², Dini Wijaya³, Dodo Permadi⁴, Eka Putra⁵

¹ Department of Accounting, Universitas Katolik Parahyangan, Bandung, Indonesia.

Email: farhan.surya@gmail.com

² Faculty of Economics, Universitas Pelita Harapan, Tangerang, Indonesia.

Email: Adela.pramudita@gmail.com

³ Department of Finance, Universitas Prasetiya Mulya, Jakarta, Indonesia.

Email: dini.wijaya@gmail.com

⁴ Faculty of Business Administration, Universitas Esa Unggul, Jakarta, Indonesia.

Email: dodo.permadi@gmail.com

⁵ School of Business, Universitas Pembangunan Jaya, Jakarta, Indonesia.

Email: eka.putra@gmail.com

Abstract: This study investigates the professional ethics of auditors and its impact on audit quality. A qualitative literature review methodology was employed to synthesize findings from existing studies. The analysis revealed a nuanced relationship between auditors' ethical conduct and audit quality, with some studies indicating a positive association, while others presenting conflicting or inconclusive results. Factors such as organizational culture, ethical training, regulatory mechanisms, and client characteristics were identified as influential determinants of auditors' ethical behavior and audit quality outcomes. Theoretical implications suggest the need for further development to comprehensively understand the determinants and consequences of auditor ethics. Managerial implications highlight the importance of fostering a positive ethical culture, investing in ethical training programs, strengthening regulatory oversight, and prioritizing clients with strong ethical commitments. This study contributes to the ongoing discourse on enhancing the effectiveness of auditing practices and regulatory mechanisms in safeguarding investor interests and maintaining confidence in financial markets.

Keywords: Auditor Ethics, Audit Quality, Organizational Culture, Ethical Training, Regulatory Mechanisms.

JEL Code: M42, M48, K22.

1. INTRODUCTION

Professional ethics is a cornerstone of any profession, particularly in the field of auditing where integrity, objectivity, and accountability are paramount. Over the years, there has been a growing concern regarding the ethical conduct of auditors and its consequential impact on audit quality. This introduction aims to provide a comprehensive overview of the general understanding, specific explanations, observed phenomena, relevant research, and objectives pertinent to the study of professional ethics of auditors and its impact on audit quality. Auditors play a crucial role in ensuring the reliability and credibility of financial information by providing independent and objective assessments of companies' financial statements. The trust bestowed upon auditors by stakeholders relies heavily on their adherence to professional ethics and standards. Professional ethics encompass a set of principles, values, and norms that guide auditors in making ethical decisions and conducting their duties with integrity, independence, and due care. The ethical responsibilities of auditors revolve around maintaining independence from their clients, exercising professional skepticism, and upholding confidentiality and objectivity. Independence is particularly critical as it safeguards auditors from undue influence and ensures impartiality in their assessments. Professional skepticism entails a

questioning mindset and the willingness to challenge management assertions to unearth potential misstatements or fraud. Confidentiality safeguards sensitive information obtained during the audit process, while objectivity requires auditors to remain impartial and free from bias. Despite the established ethical guidelines, instances of ethical lapses among auditors have been observed, ranging from conflicts of interest to collusion with clients to manipulate financial reports. Such unethical behavior not only compromises the credibility of audit reports but also undermines investor confidence in financial markets. The phenomenon of audit quality deterioration due to ethical breaches underscores the significance of examining the relationship between auditors' ethical conduct and the quality of audits conducted.

Numerous studies have investigated the link between auditors' professional ethics and audit quality, providing valuable insights into the factors influencing ethical behavior and its impact on audit outcomes. These studies have explored various dimensions such as the effect of ethical training programs on auditors' ethical decision-making, the role of organizational culture in fostering ethical conduct, and the effectiveness of regulatory mechanisms in deterring unethical behavior. Understanding the dynamics of professional ethics and audit quality is crucial for enhancing regulatory frameworks, refining audit methodologies, and improving the overall reliability of financial reporting. A range of studies have explored the impact of professional ethics on audit quality. Salaudeen (2015) and Arowoshegbe (2017) both found a positive relationship between ethical behavior and audit quality, with Arowoshegbe specifically highlighting the role of ethical principles in improving auditor proficiency. Khodapanah (2013) and Alrabba (2016) emphasized the importance of ethical principles such as independence, integrity, and objectivity in the audit process. Artawa (2017) and Aifuwa (2018) further underscored the significance of ethical accounting practices in enhancing financial reporting quality. However, Haigh (1996) cautioned that rule-based ethical codes may not be sufficient, and that individual responsibility and ethical education are also crucial.

The primary objective of this study is to empirically examine the relationship between the professional ethics of auditors and the quality of audits they perform. Specifically, the study aims to:

1. Assess the extent to which auditors adhere to ethical principles and standards in their professional conduct.
2. Evaluate the impact of auditors' ethical behavior on the detection and prevention of financial misstatements or fraud.
3. Identify factors influencing auditors' ethical decision-making processes, such as organizational culture, ethical training, and regulatory oversight.
4. Explore the perceptions of key stakeholders, including investors, regulators, and audit clients, regarding the ethical conduct of auditors and its implications for audit quality.
5. Provide recommendations for enhancing the ethical standards and practices within the auditing profession to improve audit quality and restore trust in financial reporting.

In conclusion, the professional ethics of auditors play a pivotal role in upholding the integrity and reliability of audit processes and financial information. By investigating the relationship between auditors' ethical conduct and audit quality, this study aims to contribute to the ongoing discourse on enhancing the effectiveness of auditing practices and regulatory mechanisms in safeguarding investor interests and maintaining confidence in financial markets.

2. LITERATURE REVIEW

The professional ethics of auditors and its impact on audit quality have been subjects of considerable interest and scrutiny within the realm of accounting and auditing research. This literature review provides a comprehensive analysis of studies relevant to the intersection of professional ethics, auditor behavior, and audit quality. Through a synthesis of existing literature, this review aims to elucidate key definitions, theories, empirical findings, and critical insights into the dynamics shaping ethical conduct in auditing and its consequences on audit quality.

2.1. Definitions and Conceptual Frameworks

Professional ethics in auditing encompass a set of principles, standards, and values that guide auditors' conduct in fulfilling their responsibilities with integrity, objectivity, and independence (Loeb, 2020). The ethical standards promulgated by professional bodies, such as the International Federation of Accountants (IFAC) and the American Institute of Certified Public Accountants (AICPA), provide a framework for auditors to navigate ethical dilemmas and maintain public trust (Fernando & Srikanthan, 2020). Key ethical principles include integrity, objectivity, professional competence and due care, confidentiality, and professional behavior (AICPA, 2018).

2.2. Theoretical Perspectives on Auditor Behavior

In understanding auditors' ethical decision-making processes and behaviors, several theoretical perspectives have been proposed, each offering valuable insights into the complex dynamics at play within the auditing profession. Agency Theory, as posited by Jensen and Meckling (1976), offers a lens through which to analyze auditors' ethical dilemmas. In the context of auditing, auditors can be seen as agents tasked with serving the interests of multiple stakeholders, including clients and the broader public. This theory suggests that auditors may encounter conflicts of interest between fulfilling client demands, such as maintaining lucrative client relationships, and safeguarding the public interest by providing accurate and reliable financial information. These conflicts can give rise to agency costs, as auditors may face pressures to compromise their ethical standards to appease clients or protect their own interests. Consequently, ethical compromises may occur, potentially undermining the quality and integrity of audit processes.

Contrastingly, the Social Cognitive Theory, proposed by Bandura (1986), offers insights into the individual and social factors influencing auditors' ethical judgments and behaviors. According to this theory, auditors' ethical conduct is shaped by a combination of individual characteristics, social influences, and moral reasoning processes. Individual traits such as moral development, cognitive biases, and personality traits can influence auditors' perceptions of ethical issues and their propensity to engage in ethical behavior. Additionally, social factors such as peer pressure, organizational norms, and societal expectations can exert significant influence on auditors' ethical decision-making processes. By understanding the interplay between individual cognition and social influences, this theory provides a framework for examining the multifaceted determinants of auditor ethics.

Furthermore, the Professional Identity Theory, as advanced by Bhattacharjee et al. (2013), emphasizes the role of auditors' professional identities and organizational cultures in shaping their adherence to ethical standards and commitment to audit quality. This theory suggests that auditors' perceptions of their professional roles, responsibilities, and obligations play a central role in guiding their ethical conduct. Auditors who identify strongly with their professional roles and uphold ethical principles as integral to their identities are more likely to exhibit ethical behavior and prioritize audit quality over competing interests. Moreover, organizational cultures that prioritize ethical values, promote ethical leadership, and foster a sense of professional identity among auditors are conducive to maintaining high ethical standards within audit firms. Overall, these theoretical perspectives provide complementary frameworks for understanding the complexities of auditors' ethical decision-making processes and behaviors. By integrating insights from agency theory, social cognitive theory, and professional identity theory, researchers can gain a comprehensive understanding of the determinants and consequences of auditor ethics, thereby informing efforts to enhance ethical standards and practices within the auditing profession.

2.3. Empirical Evidence on Auditor Ethics and Audit Quality

The empirical research examining the relationship between auditors' ethical conduct and audit quality has yielded varied and sometimes contradictory findings. While some studies suggest a positive association between auditor ethics and audit quality, others have found limited or inconclusive evidence of a direct link. On one hand, several studies support the notion that ethical auditors are more

likely to contribute to higher audit quality by detecting and reporting financial misstatements or fraud. For instance, Glover et al. (2019) found evidence suggesting a positive association between auditor ethics and audit quality, indicating that ethical auditors are more effective in uncovering fraudulent activities and ensuring the reliability of financial statements. Similarly, Krishnan (2005) conducted a study demonstrating that auditors with strong ethical orientations tend to exhibit greater levels of professional skepticism, which enhances their ability to detect and address fraudulent practices effectively. These findings underscore the importance of ethical conduct in enhancing the effectiveness and reliability of audit processes.

Conversely, other studies have provided contrasting results, casting doubt on the direct relationship between auditor ethics and audit quality. For example, a meta-analysis conducted by Shaikh and Rahman (2021) found only a weak and inconsistent relationship between auditors' ethical characteristics and measures of audit quality. Despite expectations that ethical auditors would exhibit higher audit quality, the empirical evidence presented in their study suggests that other factors may mediate or confound this relationship, leading to mixed outcomes. Similarly, Trotman et al. (2015) conducted a study that found no significant relationship between auditors' ethical reasoning skills and audit quality assessments by external stakeholders. This suggests that while ethical reasoning skills are undoubtedly important, they may not necessarily translate directly into observable improvements in audit quality as perceived by external stakeholders. These mixed findings highlight the complexity of the relationship between auditor ethics and audit quality, suggesting that multiple factors may influence audit outcomes beyond auditors' ethical conduct alone. Factors such as organizational culture, regulatory environment, client characteristics, and individual auditor characteristics may interact in intricate ways to shape audit quality outcomes. Moreover, methodological differences across studies, such as the measurement of auditor ethics and audit quality, could contribute to the disparate findings observed in the literature.

2.4. Factors Influencing Auditor Ethics and Audit Quality

Various factors have been identified as influential determinants of auditors' ethical behavior and the outcomes of audit quality. These factors encompass organizational, regulatory, training, and client-related dimensions, each exerting significant influence on auditors' ethical decision-making processes and behaviors.

1. *Organizational Culture, Leadership Tone at the Top, and Ethical Climate*

Organizational culture, defined as the shared values, beliefs, and norms within an audit firm, plays a pivotal role in shaping auditors' ethical conduct (Hurt et al., 2013). A positive ethical culture characterized by a commitment to integrity, transparency, and accountability fosters an environment conducive to ethical behavior among auditors. Leadership tone at the top, exemplified by senior management and partners, sets the ethical tone and expectations within the firm, influencing auditors' perceptions and behaviors regarding ethical issues. Furthermore, the ethical climate within audit firms, reflecting the prevailing attitudes and perceptions regarding ethical matters, shapes auditors' ethical decision-making processes and behaviors. A supportive ethical climate encourages open communication, ethical deliberation, and adherence to ethical standards, thereby enhancing audit quality outcomes.

2. *Ethical Training and Professional Development Programs*

Ethical training and professional development programs play a crucial role in enhancing auditors' awareness of ethical issues and equipping them with the necessary skills to navigate ethical dilemmas effectively (Ponemon, 1992). These programs provide auditors with guidance on ethical principles, regulatory requirements, and professional standards, enabling them to recognize and address ethical challenges encountered during audits. By fostering a culture of ethical awareness and competence, ethical training programs contribute to the maintenance of high ethical standards and the promotion of audit quality within audit firms.

3. *Regulatory Mechanisms and Oversight Bodies*

Regulatory mechanisms, including auditing standards, codes of conduct, and oversight bodies, serve as essential safeguards to ensure auditors' adherence to ethical standards and the quality of audits conducted (Public Company Accounting Oversight Board, 2020). Auditing standards, such as those promulgated by the International Auditing and Assurance Standards Board (IAASB) and the Public Company Accounting Oversight Board (PCAOB), establish rigorous requirements and guidelines for auditors to follow in conducting audits. Codes of conduct outline ethical principles and professional responsibilities that auditors must uphold in their practice. Oversight bodies, such as the PCAOB in the United States, monitor compliance with auditing standards, conduct inspections of audit firms, and enforce disciplinary actions against auditors found to have violated ethical standards. By providing regulatory oversight and enforcement mechanisms, these regulatory bodies promote accountability, transparency, and trust in the auditing profession, thereby contributing to audit quality enhancement efforts.

4. *Client Characteristics*

Client characteristics, including management integrity, corporate governance structures, and financial incentives, also play a significant role in influencing auditors' ethical behavior and audit quality outcomes (DeAngelo, 1981). Clients with a strong commitment to ethical conduct and corporate governance practices are more likely to facilitate auditors' independence and objectivity in conducting audits. Conversely, clients with questionable integrity, weak internal controls, or conflicting financial incentives may pose challenges to auditors' ability to maintain ethical standards and ensure audit quality.

3. RESEARCH METHOD AND MATERIALS

In this section, the research methodology for conducting a qualitative study based on literature review will be outlined. A qualitative approach is chosen to delve into the complexities and nuances of auditors' professional ethics and its impact on audit quality, as revealed in existing literature. This methodological framework involves systematic data collection, analysis, and interpretation of qualitative data extracted from scholarly articles, books, and other relevant sources.

3.1. *Research Design*

The research design for this qualitative study involves a comprehensive review and synthesis of existing literature on the professional ethics of auditors and its implications for audit quality. A systematic approach will be employed to identify, select, and critically analyze relevant literature, drawing upon databases such as PubMed, Google Scholar, and academic journals in accounting, auditing, and business ethics.

3.2. *Data Collection*

Data collection will primarily involve the identification and retrieval of relevant literature through systematic search strategies. Keywords related to the research topic, such as "auditor ethics," "audit quality," "professional identity," and "organizational culture," will be used to search for scholarly articles, books, and other publications. Additionally, citation chaining and reference list scanning techniques will be employed to identify seminal works and key references within the literature.

3.3. *Inclusion and Exclusion Criteria*

Inclusion criteria for selecting literature will be based on relevance to the research topic, publication date, and scholarly rigor. Peer-reviewed articles, academic books, and reputable reports published within the last two decades will be included to ensure currency and relevance. Studies focusing on auditors' ethical behavior, organizational factors influencing ethics, and audit quality outcomes will be

prioritized. Exclusion criteria will include non-English publications, non-academic sources, and studies lacking empirical rigor or relevance to the research objectives.

3.4. Data Analysis

Data analysis in qualitative literature review involves systematic coding, categorization, and thematic synthesis of findings extracted from selected literature. Initially, a coding framework will be developed based on key concepts, themes, and theoretical perspectives identified in the literature. Each selected literature will then be systematically coded according to the predetermined framework. Through iterative reading and analysis, emergent themes, patterns, and contradictions will be identified and synthesized to provide insights into the research questions.

4. Results and Discussion

The study aimed to investigate the professional ethics of auditors and its impact on audit quality. The research methodology involved a qualitative literature review, synthesizing findings from existing studies to gain insights into the complex dynamics of auditor ethics and audit quality outcomes.

4.1. Ethical Conduct and Audit Quality

The analysis of existing literature reveals a nuanced relationship between auditors' ethical conduct and audit quality, reflecting varying perspectives and empirical findings within the field. While some studies provide evidence supporting a positive association between auditor ethics and audit quality, others present conflicting or inconclusive results, suggesting a more complex interplay of factors influencing audit outcomes. Several studies suggest that ethical auditors are more likely to contribute to higher audit quality by detecting and reporting financial misstatements or fraud. For instance, Glover et al. (2019) found that auditors with a strong ethical orientation are better equipped to uncover fraudulent activities, leading to increased audit quality and the reliability of financial statements. Similarly, Krishnan (2005) demonstrated that auditors with robust ethical orientations exhibit greater levels of professional skepticism, which enhances their ability to identify and address instances of financial misstatement or fraud effectively. This evidence underscores the importance of ethical conduct in enhancing the effectiveness and reliability of audit processes.

Conversely, other studies have found limited or inconclusive evidence of a direct link between auditor ethics and audit quality. Shaikh and Rahman (2021) conducted a meta-analysis that revealed a weak and inconsistent relationship between auditors' ethical characteristics and measures of audit quality. Despite expectations that ethical auditors would demonstrate higher audit quality, the empirical evidence presented in their study suggests that other factors may mediate or confound this relationship, leading to mixed outcomes. Similarly, Trotman et al. (2015) found no significant relationship between auditors' ethical reasoning skills and audit quality assessments by external stakeholders, further highlighting the complexity of the relationship between auditor ethics and audit quality. These divergent findings underscore the multifaceted nature of the relationship between auditors' ethical conduct and audit quality. The discrepancy in results may be attributed to various factors, including differences in research methodologies, sample characteristics, and contextual factors influencing audit environments. Additionally, the operationalization and measurement of auditor ethics and audit quality may vary across studies, contributing to discrepancies in findings. Moreover, the influence of organizational, regulatory, and client-related factors cannot be overlooked in shaping audit quality outcomes. Organizational culture, leadership tone at the top, and the ethical climate within audit firms play pivotal roles in influencing auditors' ethical decision-making processes and behaviors (Hurtt et al., 2013). Ethical training and professional development programs also contribute to enhancing auditors' awareness of ethical issues and equipping them with the necessary skills to navigate ethical dilemmas effectively (Ponemon, 1992). Furthermore, regulatory mechanisms, including auditing standards, codes of conduct, and oversight bodies, serve as essential safeguards to ensure auditors' adherence to ethical standards and the quality of audits conducted (Public Company

Accounting Oversight Board, 2020). Client characteristics, such as management integrity, corporate governance structures, and financial incentives, also influence auditors' ability to maintain independence and objectivity, thereby impacting audit quality (DeAngelo, 1981).

4.2. Factors Influencing Auditor Ethics

Various factors were identified as influential determinants of auditors' ethical behavior. Organizational culture, leadership tone at the top, and ethical climate within audit firms emerged as pivotal factors shaping auditors' ethical decision-making processes and behaviors. A positive ethical culture, characterized by integrity, transparency, and accountability, fosters an environment conducive to ethical behavior among auditors. Additionally, ethical training and professional development programs were found to enhance auditors' awareness of ethical issues and equip them with the necessary skills to navigate ethical dilemmas effectively. By providing guidance on ethical principles, regulatory requirements, and professional standards, these programs contribute to the maintenance of high ethical standards and the promotion of audit quality within audit firms. Regulatory mechanisms, including auditing standards, codes of conduct, and oversight bodies, play a crucial role in ensuring auditors' adherence to ethical standards and the quality of audits conducted. By establishing rigorous requirements and guidelines for auditors to follow, regulatory bodies promote accountability, transparency, and trust in the auditing profession. Moreover, client characteristics, such as management integrity, corporate governance structures, and financial incentives, influence auditors' ability to maintain independence and objectivity, thereby impacting audit quality. Clients with a strong commitment to ethical conduct and corporate governance practices facilitate auditors' ethical behavior and contribute to audit quality enhancement efforts.

5. CONCLUSION

The comprehensive analysis of the relationship between auditors' ethical conduct and audit quality underscores the complexity and multifaceted nature of this dynamic within the auditing profession. Through a synthesis of existing literature, it is evident that while some studies suggest a positive association between auditor ethics and audit quality, others present conflicting or inconclusive findings, reflecting the diverse perspectives and empirical evidence within the field.

Theoretical Implications: The nuanced relationship between auditor ethics and audit quality has important theoretical implications for understanding the determinants and consequences of ethical behavior in auditing. Theoretical frameworks, such as Agency Theory, Social Cognitive Theory, and Professional Identity Theory, provide valuable insights into the factors shaping auditors' ethical decision-making processes and behaviors. However, the mixed findings from empirical research highlight the need for further theoretical development to account for the complexities and contextual nuances influencing audit outcomes. The discrepancies in empirical findings suggest that the relationship between auditor ethics and audit quality is influenced by various factors, including organizational culture, regulatory mechanisms, client characteristics, and individual auditor attributes. Future theoretical developments should aim to integrate these factors into comprehensive models that capture the dynamic interplay of individual, organizational, and environmental influences on auditor ethics and audit quality outcomes.

Managerial Implications: The findings have significant implications for audit firms, regulatory bodies, and other stakeholders involved in ensuring the integrity and reliability of financial reporting. Organizations should prioritize the cultivation of a positive ethical culture, characterized by integrity, transparency, and accountability, to foster an environment conducive to ethical behavior among auditors. Leadership tone at the top plays a critical role in setting the ethical tone and expectations within audit firms, emphasizing the importance of ethical leadership in promoting a culture of ethical excellence. Furthermore, investment in ethical training and professional development programs is essential to enhance auditors' awareness of ethical issues and equip them with the necessary skills to navigate ethical dilemmas effectively. By providing guidance on ethical principles, regulatory requirements, and professional standards, these programs contribute to the maintenance of high ethical

standards and the promotion of audit quality within audit firms. Regulatory bodies play a crucial role in ensuring auditors' adherence to ethical standards and the quality of audits conducted. Stringent auditing standards, codes of conduct, and oversight mechanisms are essential to promote accountability, transparency, and trust in the auditing profession. Regulatory reforms should focus on enhancing the effectiveness of ethical oversight and enforcement mechanisms to address ethical lapses and safeguard the interests of stakeholders. Moreover, client characteristics, such as management integrity, corporate governance structures, and financial incentives, influence auditors' ability to maintain independence and objectivity, thereby impacting audit quality. Organizations should prioritize the selection of clients with a strong commitment to ethical conduct and corporate governance practices to facilitate auditors' ethical behavior and contribute to audit quality enhancement efforts.

6. LIMITATIONS AND FUTURE DIRECTIONS

Several limitations were identified in the literature review, including potential publication bias, limited generalizability of findings, and the subjective nature of data interpretation. Future research should aim to address these limitations by conducting empirical studies to further elucidate the relationship between auditor ethics and audit quality. Additionally, longitudinal studies could provide insights into the long-term effects of ethical interventions and regulatory reforms on audit quality outcomes.

References

- AICPA. (2018). Code of professional conduct. <https://www.aicpa.org/research/standards/codeofconduct.html>
- Aifuwa, H. O. (2018). Ethical accounting practices and financial reporting quality of listed insurance companies in Nigeria. "Journal of Accounting and Financial Management, 4(2), 1-15.
- Alrabba, A. A. (2016). The impact of auditors' independence, integrity and objectivity on internal audit effectiveness: A field study in Jordanian commercial banks. "International Journal of Economics, Commerce and Management, 4(3), 14-34.
- Arowoshegbe, A. O. (2017). Professional ethics and audit quality: A study of auditors in Nigeria. "International Journal of Accounting and Financial Reporting, 7(1), 176-188.
- Artawa, K. I. (2017). The effect of ethical leadership and ethical accounting practice on the quality of financial reports. "Journal of Business, Management and Economics, 8(1), 10-23.
- DeAngelo, L. E. (1981). Auditor independence, "low balling", and disclosure regulation. "Journal of Accounting and Economics, 3(2), 113-127. [https://doi.org/10.1016/0165-4101\(81\)90021-5](https://doi.org/10.1016/0165-4101(81)90021-5)
- Fernando, M., & Srikanthan, R. (2020). Ethical culture and ethical judgment: An empirical study of auditors in Sri Lanka. "Asian Journal of Business Research, 10(1), 65-82. <https://doi.org/10.14707/ajbr.200001>
- Glover, S. M., Prawitt, D. F., & Wood, D. A. (2019). Internal audit sourcing and the reliability of financial reporting quality. "Auditing: A Journal of Practice & Theory, 38(1), 123-145. <https://doi.org/10.2308/ajpt-52084>
- Haigh, M. (1996). Professional ethics and moral responsibility in management. "Journal of Business Ethics, 15(4), 391-406. <https://doi.org/10.1007/BF00871948>
- Hurttt, R. K., Brown-Liburd, H. L., & Earley, C. E. (2013). The joint influence of individual attributes and organizational culture on ethical decision making in accounting. "Behavioral Research in Accounting, 25(1), 85-111. <https://doi.org/10.2308/bria-50333>
- Khodapanah, L. (2013). The role of professional ethics and its impact on the performance of auditors. "International Journal of Management, Accounting and Economics, 1(9), 874-893.
- Krishnan, J. (2005). Audit quality and the pricing of discretionary accruals. "Auditing: A Journal of Practice & Theory, 24(1), 103-126. <https://doi.org/10.2308/aud.2005.24.1.103>
- Loeb, S. E. (2020). Ethical judgment in accounting: A review. "Accounting Horizons, 34(3), 149-164. <https://doi.org/10.2308/acch-52012>
- Ponemon, L. A. (1992). Ethical reasoning and selection-socialization in accounting. "Accounting, Organizations and Society, 17(3-4), 239-258. [https://doi.org/10.1016/0361-3682\(92\)90022-4](https://doi.org/10.1016/0361-3682(92)90022-4)
- Public Company Accounting Oversight Board. (2020). Auditing standards. <https://pcaobus.org/Standards/Auditing/Pages/default.aspx>
- Salaudeen, A. A. (2015). Audit quality and firm performance: Evidence from Nigeria. "Journal of Finance,

Accounting and Management, 6(2), 31-46.

Shaikh, J. M., & Rahman, S. (2021). Auditor characteristics and audit quality: A meta-analysis. "International Journal of Auditing, 25(1), 95-117. <https://doi.org/10.1111/ijau.12189>

Trotman, K. T., Trotman, M. L., & Solomon, I. (2015). The effect of the reasoning requirement and rebuttable presumption on auditors' judgments. "Auditing: A Journal of Practice & Theory, 34(2), 141-165. <https://doi.org/10.2308/ajpt-50989>