The Auditor

Creating a concept of the auditor through auditors' own perceptions and understandings of their work in relation to boundary-setting forces

Nellie Gertsson

The auditor

Creating a concept of the auditor through auditors' own
perceptions and understandings of their work in relation to
boundary-setting forces

Nellie Gertsson

FiF-avhandling No. 126
Faculty of Arts and Sciences
Linköping 2021

FiF-avhandling • No. 126

Distributed by:
Department of Management and Engineering
Linköping University
581 83 Linköping
Sweden

Nellie Gertsson
The auditor
Creating a concept of the auditor through auditors' own perceptions and understandings of their work in relation to boundary-setting forces.

Edition 1:1
ISBN 978-91-7929-690-2
ISSN 1401-4637

© Nellie Gertsson
Department of Management and Engineering 2021

Printed by: LiU-Tryck, Linköping 2021

This work is licensed under a Creative Commons Attribution-NonCommercial 4.0 International License.

<https://creativecommons.org/licenses/by-nc/4.0/>

Abstract

The overall purpose of this licentiate dissertation is to advance our understanding of the auditor by creating a concept of the auditor through focusing on auditors' own perceptions and understandings of their work in relation to boundary-setting forces. The audit profession, the audit firm, the client, society, regulations, and the market are all boundary-setting forces that influence the work of auditors and how auditors perceive and understand their work. The concept of the auditor consists of *who the auditor is* and *what the auditor does*; this concept is shaped interactively by the boundary-setting forces, that exist in the auditors' environment and by the auditors themselves, through the view auditors have of themselves and their environment. The boundary-setting forces have in recent decades undergone significant and rapid changes; for example, increased commercialization as well as significant regulatory changes, which are expected to have influenced the concept of the auditor. The concept of the auditor therefore needs to be explored to understand who today's auditor is and what today's auditor does.

This licentiate dissertation consists of three appended papers and a comprehensive summary. The appended papers constitute the basis for discussing who the auditor is and what the auditor does, thereby contributing to the concept of the auditor. This dissertation uses boundaries in exploring the concept of the auditor, since it is when the auditor encounters the boundaries of being an auditor that the auditor's conception of an auditor becomes clear. This dissertation has a mixed-methods design based on survey and interview data.

The results of this dissertation show that there are several characteristics that define who the auditor is. The auditor:

- is highly driven by professional values
- is less driven by business values
- is genuinely interested in auditor work
- is resistant to stress, heavy workload, and work-life balance issues
- is admiring the audit profession and perceiving it as highly professional
- is perceiving professional values in adding value to the client, i.e., in the business activities
- is enjoying adding value to the client
- is more motivated by contributing to the client than to society
- has high social skills and broad knowledge

The results of this dissertation also show that the work of the auditor in the "grey area" between auditing and consulting comprises several activities. The auditor:

- adds value to the client by being available and engaged, by providing mental support and family mediation, by informing and discussing, by giving tips, advice, and suggestions, by explaining, answering questions, raising questions, and questioning, and by customizing, operating, developing, and contributing expertise to the client
- conducts a wide range of services, also related to the private and personal matters of the client
- has counselling, pedagogical, coaching and/or developmental roles

Key words: Auditor, boundary-setting forces, professional versus business, clients, added value

Sammanfattning

Det övergripande syftet med denna licentiatavhandling är att främja vår förståelse för revisorn genom att skapa ett begrepp för revisorn baserat på revisorers egna uppfattningar och förståelser av deras arbete i förhållande till gränssättande krafter. Revisorsprofessionen, revisionsbyrån, klienten, samhället, regleringar och marknaden är alla gränssättande krafter som påverkar revisorers arbete och hur revisorer uppfattar och förstår sitt arbete. Revisorsbegreppet består av vem revisorn är och vad revisorn gör, och formas interaktivt av de gränssättande krafter som finns i revisorernas omgivning och av revisorer själva genom deras syn på sig själva och sin omgivning. De gränssättande krafterna har under de senaste decennierna genomgått betydande och snabba förändringar, med till exempel ökad kommersialisering samt betydande regleringsändringar, vilket förväntas ha påverkat revisorsbegreppet. Således måste begreppet för revisorn utforskas för att förstå vem dagens revisor är och vad dagens revisor gör.

Denna licentiatavhandling består av tre artiklar och en kapp. De bifogade artiklarna utgör grunden för diskussionen om vem revisorn är och vad revisorn gör, och bidrar därmed till begreppet för revisorn. Denna avhandling använder gränser för att utforska revisorsbegreppet, eftersom det är när revisorn möter gränsen för att vara revisor, som revisorns uppfattning om en revisor blir tydlig. En design med blandad metod används och det empiriska materialet består av enkät- och intervjudata.

Resultaten av denna avhandling visar att det finns flera faktorer som definierar vem revisorn är. Revisorn:

- är starkt driven av professionella värden
- är mindre driven av affärsvärden
- är genuint intresserad av arbetet som revisor
- är motståndskraftig mot stress, arbetsbelastning och obalans mellan arbete och privatliv
- beundrar professionen och uppfattar revisionsyrket som mycket professionellt
- ser professionella värden i att skapa mervärde till klienter
- tycker om att skapa mervärde till klienten
- är mer motiverad av att bidra till klienten än samhället
- har höga sociala färdigheter och bred kunskap

Resultaten av denna avhandling visar också att revisorns arbete i den gråa zonen mellan revision och konsultation omfattar flera aktiviteter. Revisorn:

- tillför mervärde för klienten genom att vara tillgänglig, engagerad, ett mentalt stöd och en familjemedlare och genom att informera, diskutera, ge tips, råd och förslag, förklara, svara på frågor, ställa frågor och ifrågasätta, klientanpassa, agera, utveckla, och bidra med expertis till kunden.
- bedriver ett brett utbud av tjänster, även relaterade till klientens privata och personliga frågor.
- kan ha en terapeutisk, pedagogisk, coachande och/eller utvecklande roll

Nyckelord: Revisor, gränssättande krafter, professionell kontra affärer, klienter, mervärde

Acknowledgements

I would like to express my sincere gratitude and acknowledge the people that are part of making this licentiate dissertation possible.

To my main supervisor, Pernilla Broberg, for introducing me to auditing in the first place and evoke my interest for conducting research. Thank you for being the best possible supervisor, mentor, colleague, co-author, and friend I could have had on this journey. Your expertise and support have been invaluable!

To my supervisor, Sven-Olof Yrjö Collin, for believing in my academic ability and introducing me to the idea of becoming a PhD-student, for letting me in on your research project, and for companioning me on this journey. Thank you for your genuine interest and engagement, intellectual and sometimes confusing comments, and for all the enjoyable discussions. Thanks also for sharing your personal experience of being a researcher and a good teacher, I have learned a lot from you!

To my supervisor, Torbjörn Tagesson, for enable my enrollment as a PhD-student at Linköping University, for letting me in on your research project, and for supervising the process. Thank you for your clear guidelines, cheerful attitude, and valuable comments.

To Jan Wallander and Tom Hedelius Foundation and Tore Browaldhs Foundation for financing this licentiate dissertation.

To Linus Axén, Gustav Johed, Henrik Nehler, Mikael Ottosson, Reiner Quick and Josefine Rasmussen for contributing with constructive feedback at different stages of the process.

To the colleagues at the Business Administration Division at Linköping University for discussions and constructive feedback during the yearly PhD workshops.

To the colleagues and friends at the Department of Business at Kristianstad University for support in the process. A special thanks to my colleagues and friends, Lisa Källström and Elin Smith, for lighting up my working days and for catching me when I fall.

To Kristianstad University for financing course- and conference fees and language editing.

To my co-authors, Josefine Friberg and Johanna Sylvander for the fun and developing discussions along the way.

To all the participating audit assistants and auditors for giving me their valuable time necessary for conducting these studies. Thank you for making this possible!

To the three special guys in my life. My father Tommy, for always listening to all that is troubling me and for the fully support and encouragement to go my own way. My husband Rikard, for putting up with all of this, I know it has not been easy. Thank you for your unconditional love, fully support and encouragement. My son Calle, for giving me a new perspective on life, making me realize what is important. Love you guys!

Immeln, February 2021

Nellie Gertsson

Appended papers

- Paper I Gertsson, N., Sylvander, J., Broberg, P., and Friberg, J. (2017). Exploring audit assistants' decision to leave the audit profession. *Managerial Auditing Journal*, 32(9), 879–898.
- Paper II Gertsson, N., Broberg, P., Friberg, J., and Sylvander, J. (2018). Exploring motivational drivers of audit employees: A study focusing on Generation Y. *Journal of Accounting and Finance*, 18(2), 89–105.
- Paper III Gertsson, N. (2021). Exploring adding value to audit clients from an auditor's perspective. Working paper.

Published articles reprinted with permission from North American Business Press (Journal of Accounting and Finance) and Emerald Publishing (Managerial Auditing Journal).

Table of Contents

Chapter 1: Introduction	13
The context of the auditor	14
Significant changes in recent decades	16
Auditor research	20
Research problem	23
Research purpose.....	24
Contributions of appended papers	25
Outline of this dissertation	26
Chapter 2: Literature review	29
Audit quality.....	29
<i>Auditor competence</i>	30
<i>Auditor independence</i>	31
<i>Auditors' perception of audit quality</i>	32
The roles and functions of the auditor.....	33
Auditor services and audit value	35
Profession versus business	37
Structure versus judgement	40
Summary of the literature review	44
Chapter 3: Methodology.....	47
Perceptions and understandings	47
Boundaries.....	49
Mixed methods.....	50
Explanatory sequential design.....	53
<i>Exploratory sequential design</i>	54
Data collection.....	55
<i>Phase I: Survey data</i>	55

<i>Phase II: Interview data</i>	57
<i>Sample</i>	59
Empirical context	61
The research process	63
Chapter 4: Summary of the papers	67
Paper I	67
Paper II	69
Paper III	70
Chapter 5: Discussion	73
The professional side of the auditor	74
<i>The audit profession</i>	74
<i>Society</i>	76
The business side of the auditor	78
<i>The audit firm</i>	78
<i>The client</i>	79
<i>The market</i>	81
The concept of the auditor	82
<i>Who is the auditor?</i>	82
<i>What does the auditor do?</i>	85
Chapter 6: Conclusion	87
Main findings	87
Contributions	89
Limitations	92
Future research	94
References	99

Figures and tables

Figure 1. The concept of the auditor.	24
Figure 2. Auditor services	35
Figure 3. Different boundary-setting forces influencing the concept of the auditor.	39
Figure 4. Using perceptions and understandings to explore the concept of the auditor	48
Figure 5. Using boundaries to explore the concept of the auditor	50
Figure 6. The explanatory sequential design of this dissertation	54
Figure 7. Sample.	59
Figure 8. Audit-related quality.	97
Table 1. The contributions of the papers.	25
Table 2. Respondents.	61
Table 3. Professional versus business boundary-setting forces.	73

Chapter 1: Introduction

The purpose of this licentiate dissertation is to advance our understanding of the auditor, creating a concept of the auditor through focusing on auditors' own perceptions and understandings of their work in relation to boundary-setting forces. This dissertation makes two basic assumptions: "how we understand things largely drives how we act" (Rooney, Hearn, & Kastle, 2012, p. 5) and "our actions define who we are" (Molloy & Graham, 2013, p. 116). Thus, an auditor's perceptions and understandings of her/his work affect how the auditor acts and in turn who the auditor is. They form an important part of the foundation of the auditor concept, which is determined by "who the auditor is" and "what the auditor does". The concept of the auditor is shaped interactively by the forces found in the auditors' environment and by the auditors themselves, through the view auditors have of themselves and their environment. In the auditors' context there are several boundary-setting forces (Jenkins, Deis, Bedard, & Curtis, 2008; Lokatt, 2018), namely, the audit profession, the audit firm, the client, society (including stakeholders), regulations, and the market, all of which influence the work of auditors and how auditors perceive and understand their work. These boundary-setting forces have in recent decades undergone significant and rapid changes (Broberg, 2013; DeFond & Zhang, 2014; Knechel, 2007; Öhman, 2007), with, for example, increased commercialization (Clow, Stevens, McConkey, & Laudon, 2009; Guo, 2016; Shafer, 2009; Sweeney & McGarry, 2011) as well as significant regulatory changes (see EU, 2014/537; Holm & Zaman, 2012; Knechel, 2016). Since the forces that influence the work of auditors and auditors' perceptions and understandings of their work have undergone changes, this could be expected to have consequences for the concept of the auditor. The concept of the auditor therefore needs to be explored to understand who today's auditors are and what today's auditors do.

The context of the auditor

The auditing service is conducted in a special context involving three parties: the accountant, the accountee, and the auditor (Öhman, Häckner, Jansson, & Tschudi, 2006). The *accountor*¹ is defined as “management representatives in charge of operations with stewardship obligations and who are obliged to provide true and fair information” and the *accountee* as “investors and other stakeholders entitled to information for their decision process” (Öhman et al., 2006, p. 92, see the accountability model). Between these two parties, the *auditor* acts as an “independent professional, responsible for assuring quality of information, i.e., that it gives a true and fair view and is reasonably complete” (Öhman et al., 2006, p. 92, see the accountability model).

According to the Swedish Companies Act, a company of a certain size² must have an auditor (SFS 2005:551, chap. 9). According to regulations, the company (i.e., the accountant, hereinafter “the client”) has an auditor and the auditor has a client. This means that in most cases the relationship between client and auditor is regulated, as are the activities of the auditor. There are regulations governing who may be an auditor and how to conduct auditor work in the form of both EU directives and national-level regulations. These regulations state, inter alia, that the auditor shall perform audit activities with impartiality and independence (e.g., SFS 2001:883). However, regulations are only one force that influences the auditor and the auditor’s work.

The auditor works in an environment where there are several parties with interests in the work of the auditor. There are consequently several forces that influence the auditor. There is *the audit profession*, which has auditing standards (e.g., ISA 200) and professional ethical rules (e.g., FAR, 2016; IFAC, 2005) that the auditor must follow. The International Auditing and Assurance Standards Board (IAASB) has set the International Standards on Auditing (ISA), which, for example, declare that the auditor should comply with ethical requirements and exercise professional judgement when auditing (IAASB, 2009, para. 14 and 16). The International Federation of Accountants (IFAC) is a global organization for the accountancy

¹ The entity being audited, i.e., the accountant, has also been referred to as the auditee (e.g. Jeppesen, 1998; Collin et al., 2017).

² Companies exceeding two of the following three requirements must be audited: total assets SEK 1.5 million (approximately EUR 146,000), net sales SEK 3 million (approximately EUR 292,000), and three employees (on average).

profession that promotes the development, adoption, and implementation of ISA (IFAC, 2019), with FAR being the Swedish member organization. FAR issues statements and recommendations on how, for example, new laws and regulations should be interpreted, provides education for the Swedish accountancy profession (FAR, 2020), and provides guidelines that influence auditors and their work in Sweden. Also, the Swedish Inspectorate of Auditors, which is the government's expert authority in matters relating to auditors and auditing, influences Swedish auditors by authorizing and supervising them (RI, 2020).

There is also *the audit firm*, the employer of the auditor, which has been shown to have a great influence on auditors. For example, auditors tend to identify with the audit firm they work for (Grey, 1998) and auditors working for the same audit firm tend to audit the same way (Pentland, 1993). Internal forces within the audit firm can affect the audit process (Knechel, 2007), and each audit firm has its own manuals and software leading the auditor through the audit engagement (Westerdahl, 2005). Broberg (2013) introduced the concept of audit "fimalization", which roughly means that audit practices are largely determined by the firm's audit system and its interpretations of regulations and standards. Since the audit system is based on the firm's interpretations of regulations and standards, and auditors put great trust in their firm's audit system (Broberg, 2013; Öhman et al., 2006), it is arguably through the audit firm and its systems that the auditor largely sees the regulations (Westerdahl, 2005) and the requirements of the profession (Warren & Alzola, 2009). The audit firm thus has great influence on the auditor.

The auditor can also experience demands from *the clients*, i.e., the audited companies and their representatives, which are expected to put pressure on the auditor. Prior research has argued that the client is of great importance and shapes beliefs and behaviours within the audit firm (Anderson-Gough, Grey, & Robson, 2000). It has also been argued that there is economic pressure from clients on auditors to be more efficient (Humphrey & Moizer, 1990), and prior research has shown that clients have expectations of the auditor that go beyond the audit service (Fontaine & Pilote, 2011, 2012). At the same time, the auditor has the accountee to consider.

As described in ISA 200, the purpose of an audit is to "enhance the degree of confidence of intended users in the financial statements" (IAASB, 2009, para. 3). Thus, auditors also experience pressure from *society* to act in the public's interest, which is expected to influence the auditor's activities. The auditor needs to act independently and be perceived as

independent for the audit profession to be legitimate and for the audit to be considered to fulfil its function and value – at least from the public’s perspective, according to the traditional view of auditing.

The auditor is also expected to be influenced by the *market*, i.e., the competitive conditions in the audit market. The audit market is highly concentrated when it comes to suppliers (Gerakos & Syverson, 2015) and is characterized by an oligopoly of the Big 4 audit firms, i.e., EY, PwC, KPMG, and Deloitte (Velte & Stiglbauer, 2012). The structure of the audit market complicates the competition within the audit market, and is assumed to mean decreased incentives to ensure cost efficiency and appropriate audit quality, high barriers of entry for small and medium-sized audit firms, and strong influence of the Big 4 audit firms on the development of international accounting and audit standards (Velte & Stiglbauer, 2012).

To conclude, several forces influence the work of auditors and how auditors perceive and understand their work. Regulations, standard-setting bodies, and the market of which audit firms, clients, and stakeholders are part can be seen as boundary-setting forces that guide, shape, and legitimate auditors’ work behaviour (Jenkins et al., 2008; Lokatt, 2018).

Significant changes in recent decades

The audit profession and its boundary-setting forces have undergone rapid and significant changes in recent decades (see Broberg, 2013; DeFond & Zhang, 2014; Knechel, 2007; Teck-Heang & Ali, 2008; Öhman, 2007). There have been commercial changes, significant regulatory changes, technological changes, high employee turnover, and changed competence demands placed on auditors.

The market for audit services has shrunk, contributing to greater competition between audit firms (Beattie, Brandt, & Fearnley, 1999; Sweeney & Pierce, 2004). There has been increased commercialization within the audit profession (Clow et al., 2009; Guo, 2016; Shafer, 2009; Sweeney & McGarry, 2011), which has arguably changed the nature of the audit profession (Forsberg & Westerdahl, 2007). The change from five to four audit firms has been described as the “most momentous event in a long gradual change from traditional professional values towards more commercial concerns over the last decades” (Carrington, Johed, & Öhman, 2011, p. 1). Audit firms are driven by more “business-like” incentives, with, for example, reward systems that have come to focus on the individual auditor’s productivity, such as the

number of clients or billed hours (Brock, 2006). The increased competition in the audit market (Sweeney & Pierce, 2004) has also created a need for audit firms to differentiate themselves (Fontaine, Letaifa, & Herda, 2013; Jeppesen, 1998; Sarapaivanich & Patterson, 2016) by providing superior service and value (Sarapaivanich & Patterson, 2016). The socialization process within audit firms is characterized by an increased focus on clients and adding value (Anderson-Gough et al., 2000; MacLulich, 2003). There have also been increased demands from the audited companies, which want practical and cost-effective advice as well as advice on complex accounting issues and general business matters from their auditors (Beattie, Fearnley, & Brandt, 2000; Giuliani, n.d.; Manson, McCartney, & Sherer, 2001). The audit process itself has been redesigned to increase the value of the audit for the client (Curtis & Turley, 2007; Eilifsen, Knechel, & Wallange, 2001; Fogarty & Rigsby, 2010; Knechel, 2007; Power, 2003). Today, auditors not only provide core value by verifying and validating the financial statements (Fontaine et al., 2013), but they also provide added value to their clients (i.e., the audited companies) (Broberg, 2013; Herda & Lavelle, 2013b; MacLulich, 2003). Herda and Lavelle (2013a, p. P9) defined value-added audit services as “client-service activities, resulting from an audit, that are not directly related to the verifying of the financial statements, and are beneficial to clients and audit firms”. Due to the knowledge of the client obtained during the audit engagement, auditors can provide valuable additional information and assurance, not as a separate service, but as a by-product of the audit (Eilifsen et al., 2001). Thus, the commercial changes in the auditor’s environment seem to have influenced the work of the auditor.

According to Guo (2016), it is not only the audit practice that has changed due to this commercialization but also the identity of individual auditors and the profession as a whole. Forsberg and Westerdahl (2007) stated that “the auditor has become a businessman”. But there are also researchers who state that this is not a contemporary phenomenon, and that auditing has always been “a business” (Power, 2003, p. 382) “about serving the paying client” (Anderson-Gough et al., 2000, p. 1169). However, contemporary research has argued that the current audit labour market consists of profit-maximizing firms with up-or-out motivational systems that foster business-oriented auditors with a “non-interest” in the public interest (Sylvander, 2020). Prior researchers have identified the risk of audit firms becoming commercial firms seeking profit rather than focusing on professional assurance services (e.g., Anderson-Gough et al., 2002; Forsberg & Westerdahl, 2007), claiming that this could threaten auditors’ independence and their ability to protect stakeholders’ interests (Sori, Karbhari, &

Mohamad, 2010). There are clearly indications and concerns that the changes in the auditor's environment may also influence the auditor.

The regulation of the audit profession has also undergone significant changes over the last two decades (Holm & Zaman, 2012; Knechel, 2016). From being more or less self-regulated, with the audit profession having great influence over the standards issued by the International Auditing and Assurance Standards Board (IAASB), now national audit regulatory bodies have been formed and the International Forum of Independent Audit Regulators (IFIAR), which facilitates audit regulation on a global basis, was created in 2006 (Knechel, 2016). There have also been recent changes in EU regulation. To strengthen auditor independence, increase public trust in auditing, and improve audit quality, the new EU regulation (2014/537) further restricts non-audit services and requires auditor rotation (Ratzinger-Sakel & Schönberger, 2015). The EU regulation (2014/537) includes, for example, a list of prohibited non-audit services (NASs) as well as restrictions regarding the proportion of non-audit fees. Remuneration for services that are not part of the statutory audit and not included in the list of prohibited NASs may not exceed 70% of the audit fee over a three-year period (Prop. 2015/16:162). Examples of services that are now prohibited are valuation services, designing and implementing internal control, advice regarding financing and capital structure, and tax services (Ratzinger-Sakel & Schönberger, 2015). The new regulation also includes a general rule about the mandatory rotation of audit firms after a maximum period of ten years with the same client (Garcia-Blandon, Argilés-Bosch, & Ravenda, 2020). However, Member States can adopt a rotation period of fewer than ten years or extend the rotation period to 20 years in the case of tendering and 24 years in the case of joint auditing (Garcia-Blandon et al., 2020).³ This could be seen as a result of the ongoing debate on whether a long-term relationship between the auditor and the client reduces the quality of the audit service (Fontaine & Pilote, 2011, 2012; Humphrey & Moizer, 1990; Svanström, 2008) and as an attempt to create a more dynamic audit market (Willekens, Dekeyser, & Simac, 2019). However, these regulatory changes have caused deep concerns within the audit profession (Garcia-Blandon et al., 2020). A quite recent regulatory change in the Swedish context was the abolishment of the statutory

³ The implementation of the mandatory firm rotation period has come to vary between EU members (Willekens et al., 2019).

audit for all public companies in 2010,⁴ which meant a decrease in the size of the audit market. To conclude, these recent regulatory changes have implications for the audit profession, audit firms, the audit market, and the auditor–client relationship, all of which influence the work of auditors and how auditors perceive and understand it, and thereby the conception of the auditor.

The audit profession is also undergoing technological changes with, for example, automation in the form of machine learning and artificial intelligence (Alvehus & Broberg, 2018). It has been argued that the work of auditors has become more structured and controlled and less based on professional judgement (Öhman, 2007). According to Alvehus and Broberg (2018), auditors are experiencing a significant and rapid shift towards increased standardization, structure, and control as well as stricter rules concerning their work. At the same time, auditors seem to be less able to apply their experience and “gut feelings” (Alvehus & Broberg, 2018).

Simultaneously with these changes, the audit profession seems to be facing a general problem of high employee turnover (Chi, Huguen, Lin, & Lisic, 2013; Hildebeitel & Leaub, 2001). Although audit firms have an up-or-out system that results in natural turnover (Carrington, 2010; Grey, 1998), and it has been argued that some level of turnover could benefit these firms through the replacement of poor performers (Hancock, Allen, & Soelberg, 2017), the turnover level seems to be a problem for the audit profession. Recently, it has been argued that the audit profession must become more attractive (Brydon, 2019). This is also a current problem in Sweden, where the number of authorized auditors decreased from 4500 to 3400 between 1997 and 2017, with the rate of decline increasing during the 2010s (RI, 2017). As a consequence, the Swedish Inspectorate of Auditors recently changed the competence demands for becoming an auditor (RIFS 2018:1) to increase the attractiveness of the profession and ensure a sufficient number of authorized auditors in the future (Johansson, 2017, 2018; RI, 2017). Previously, a total of eight years of education was required, which could be divided between university studies (minimum three years) and practical education (minimum three years). Today, it is only required to have a bachelor’s degree (three years) and a minimum of three years of practical education. These changed requirements have resulted in some

⁴ Starting from 1 November 2010, only companies exceeding two of the following three requirements must still be audited: total assets SEK 1.5 million (approximately EUR 146,000), net sales SEK 3 million (approximately EUR 292,000), and three employees (on average).

previously mandatory university courses no longer being required, and the theoretical knowledge required for authorization can to some extent now be acquired through the audit firm or FAR (RI, 2017). With these changes, the Swedish Inspectorate of Auditors hopes to attract auditors with broader competences (RI, 2017). These changes have been criticized by academics, who, for example, have identified a risk of decreased trust in the auditing profession due to the 25% decrease in required education, the deemphasized need for conceptual knowledge (Marton, 2018), and decreased professional status due to the absence of a common competence base, which is a key characteristic of a profession (Broberg & Tagesson, 2017). These changes indicate that the concept of the auditor has changed and become broader, reflecting a desire to have auditors with various competencies in order to meet the changes in the audit market, such as rapid technological change (RI, 2017).

To conclude, there have been drastic changes in the auditor's environment in recent decades. These changes have consequences for the boundary-setting forces that guide, shape, and legitimate auditor work behaviour (Jenkins et al., 2008; Lokatt, 2018), influencing how auditors perceive and understand their work. These changes presumably have a distinct influence on the concept of the auditor.

Auditor research

Based on what the auditor is and does, auditor research has ascribed different roles and functions to conceptualize the auditor. Prior research has also focused on auditors' independence, the external image of the auditor, auditors' identity, and audit practice to build an understanding of the auditor.

The traditional and primary described role of the auditor is to ensure the quality of accounting information (Pentland, 1993; Öhman, 2007), with the auditor serving to provide assurance to the company's owners and stakeholders (Beattie et al., 1999; Power, 2003; Öhman et al., 2006). Other auditor functions described in theory are improvement (Carrington, 2010), insurance (Carrington, 2010; O'Reilly, Leitch, & Tuttle, 2006), comfort (Pentland, 1993), legitimacy (Power, 2003), and negotiation (Beattie, McInnes, & Fearnley, 2004; Trotman, Wright, & Wright, 2005) (see Chapter 2 for a more comprehensive description). According to many of these functions described in theory and to the purpose of the audit described by ISA (see IAASB, 2009, para. 3), the utility of the audit is primarily for the stakeholders of the

audited company. However, research has shown that auditors' daily work does not seem to reflect the position that stakeholders are to be the auditor's primary concern (Broberg, 2013). Instead, auditors apparently see the audited company and its representatives as their clients, or even customers, and put great emphasis on giving the audited company some kind of added value (Broberg, 2013). Recent research has also indicated that the auditor performs a consigliere role within family firms by giving advice, mediating, and, to a small extent, conveying, i.e., including functions that are primarily directed towards the audit client (Collin, Ahlberg, Berg, Broberg, & Karlsson, 2017). It seems as though the changes that have occurred in the auditor's context have also had implications for the concept of the auditor and her/his role. Also, the Swedish Inspectorate of Auditors believes that the traditional role of the auditor is undergoing change, due to, among other things, technological developments and a changed view of what information an auditor should review and comment on in the audit report (RI, 2017).

Plenty of research on auditors has come to focus on auditor independence and whether client importance, audit firm size, non-audit services, auditor tenure, client affiliation with audit firms, and level of competition in the market have some effect on the capabilities of the auditor or impair auditor independence (Herath & Pradier, 2018; Tepalagul & Lin, 2015). Thus, by studying, for example, audit fees (e.g., Blay & Geiger, 2013; Hope & Langli, 2010), provision of NASs (e.g., Callaghan, Parkash, & Singhal, 2009; Ye, Carson, & Simnett, 2011), auditor tenure (e.g., Knechel & Vanstraelen, 2007), partner and firm rotation (e.g., Bedard & Johnstone, 2010; Wang & Tuttle, 2009), modified audit opinions (MAOs) (e.g., Hope & Langli, 2010), qualified audit opinions (QAOs) (e.g., Craswell, Stokes, & Laughton, 2002) and going-concern opinions (GCOs) (e.g., Blay & Geiger, 2013; Carey & Simnett, 2006; Kleinman & Anandarajan, 1999; Knechel & Vanstraelen, 2007; Robinson, 2008; Ye, et al., 2011), research has been able to contribute to an understanding of auditors' incentives, perceptions, and behaviours (Kleinman & Anandarajan, 1999; Tepalagul & Lin, 2015). Studying the above subjects can be regarded as a way of studying the auditor, and the above studies tell us a great deal about whether or when auditors' independence is impaired.

Auditors' independence and objectivity have also been studied through examining auditors' identity, which is another perspective used by prior research to advance our understanding of the auditor. Research has shown that auditors tend to identify with their clients (Bamber & Iyer, 2007; Svanberg & Öhman, 2015) and that auditors who do so are more likely to acquiesce to client-preferred treatment (Bamber & Iyer, 2007; Bauer, 2015; Svanberg &

Öhman, 2015). Due to prior changes in the auditor's environment, research has also examined auditors' professional and organizational identity (e.g., Bamber & Iyer, 2002; Broberg, Umans, Skog, & Theodorsson, 2018; Empson, 2004). There have been concerns that the noted changes have undermined auditors' professionalism. However, according to Bamber and Iyer (2002), auditors have high levels of professional and organizational identification and experience low levels of organizational-professional conflict, i.e., auditors do not perceive that they need to compromise their professional values to satisfy audit firms' demands. More recent research has also indicated that auditors perceive fulfilling client needs as part of being professional (Broberg, 2013; Broberg et al., 2018).

The auditor has also been studied through external images of auditing and auditors (e.g., Carnegie & Napier, 2010). According to Carnegie and Napier (2010), the external image of the auditor has changed from that of the "traditional accountant" to the "business professional". The old stereotype of the auditor as trusted, honest, and having high integrity, but also as dull, uncreative, and uncommercial, was strongly associated with the view that auditing is a profession whose primary purpose is serving the public interest (Carnegie & Napier, 2010). The stereotype of the auditor as a business professional instead sees the auditor as business focused, exciting, and creative and, on the negative side, as seeking to please the client too easily and being opportunistic. Here, the auditor is portrayed as belonging to the accounting industry, with serving the public interest being a secondary purpose. The auditor's main function is instead to "add value to clients through the provision of services, such as audit and assurance, tax advice and general consultancy, with a constant regard for spotting and exploiting further income generating opportunities" (Carnegie & Napier, 2010, p. 372). This stereotype is largely based on the external view of the auditor in the years following the Enron collapse.

Several field studies in which the researchers observe and/or interview auditors have been conducted with a primary focus on, for example, changes in the profession (Wyatt, 2004), organizational controls (Covaeski, Dirsmith, Heian, & Samuel, 1998), the use of international auditing standards (Mennicken, 2008), changes in the audit process (Eilifsen et al., 2001), and brainstorming activities (Bellovary & Johnstone, 2007), indirectly contributing to an understanding of the auditor. There have also been some studies observing what auditors do, in order to better understand the actual work done by auditors in the office (Broberg, 2013) and onsite with their clients (Guénin-Paracini, Malsch, & Tremblay, 2015). Humphrey (2008, p. 180) emphasized the importance of understanding auditors' behaviour and audit work

practices, by moving “beyond approaches that focus on identifying key correlations and the construction of predictive models that link variables and outcomes but say little about the process by which such outcomes arise”. One way to do that is by focusing on auditors’ perceptions and experience and studying how auditors understand and explain their work (MacLulich, 2003, who focuses instead on organizational change). For example, Jenkins and Lowe (1999) studied how auditors perceived their responsibility to investors and creditors, and their results suggest that some auditors did not subscribe to the traditional role of public watchdog. In line with this research, this dissertation uses auditor’s perceptions and understandings in exploring the concept of the auditor.

Research problem

To conclude, due to changes in the auditor’s work environment in recent decades, such as increased commercialization (Clow et al., 2009; Guo, 2016; Shafer, 2009; Sweeney & McGarry, 2011) and significant regulatory changes (EU, 2014/537; Holm & Zaman, 2012; Knechel, 2016), the role and functions of the auditor are undergoing change. According to several of the functions of the auditor described in prior theory, the utility of the audit is primarily for the stakeholders of the audited company (e.g., Beattie et al., 1999; O’Reilly et al., 2006; Pentland, 1993; Power, 2003; Öhman, 2007). However, auditors have come to put great emphasis on giving the audited company added value (Broberg, 2013; MacLulich, 2003) and seem to perform functions that are primarily directed towards the audit client (Collin et al., 2017). This indicates that the concept of the auditor is undergoing change and should be explored to create a modern concept of the auditor. While prior research has focused on auditor independence (e.g., Blay & Geiger, 2013; Carey & Simnett, 2006; Herath & Pradier, 2018; Tepalagul & Lin, 2015), the external image of the auditor (e.g., Carnegie & Napier, 2010), auditor identity (e.g., Bamber & Iyer, 2002, 2007; Broberg et al., 2018; Svanberg & Öhman, 2015), and auditor practice (e.g., Broberg, 2013; Guénin-Paracini et al., 2015), to advance our understanding of the auditor, this dissertation instead focuses on auditors’ own perceptions and understandings of their work in relation to boundary-setting forces.

Auditors’ own perceptions and understandings are important since “how we understand things largely drives how we act” (Rooney et al., 2012, p. 5). Perceptions (or thought patterns) are assumed to form the basis of selective noticing, action, and behaviour (Öhman et al., 2006). In

turn, our actions define who we are (Molloy & Graham, 2013). Thus, auditors’ perceptions and understandings of their work affect “what the auditor does” and in turn “who the auditor is”, laying the foundation for the concept of the auditor (Figure 1). In the auditor’s environment there are boundary-setting forces, such as the audit profession, the audit firm, the client, society, the market, and regulations that guide, shape, and legitimate auditors’ work (Jenkins et al., 2008; Lokatt, 2018) and influence auditors’ perceptions and understandings of their work. The concept of the auditor is shaped interactively by the forces that exist in the auditor’s environment, and by the auditors themselves, through the view that auditors have of themselves and their environment. By focusing on auditors’ perceptions and understandings of their work in relation to these boundary-setting forces, this dissertation contributes to an understanding of the auditor through creating a concept of the auditor. However, regulations are not in focus empirically in this dissertation, and therefore illustrated in grey in Figure 1.

Figure 1. The concept of the auditor.

Research purpose

The purpose of this dissertation is to advance our understanding of the auditor by creating a concept of the auditor through focusing on auditors’ own perceptions and understandings of their work in relation to boundary-setting forces.

Contributions of appended papers

Several boundary-setting forces influence the work of auditors and auditors' view of themselves and their environment, influencing the concept of the auditor. The appended papers capture auditors' perceptions and understandings of their work in relation to these boundary-setting forces (see Table 1). However, auditor's perceptions and understandings in relation to regulation as a boundary-setting force is not in focus empirically in this dissertation. While the appended papers have their own aims and contributions and use different theoretical perspectives and empirical methods, they all contribute to the concept of the auditor. The appended papers thus constitute the basis for the discussion (see Chapter 5) of who the auditor is and what the auditor does that will be explored in this dissertation.

It is when the auditor confronts the boundaries of being an auditor that the auditor's conception of an auditor becomes clear. Therefore, this dissertation uses boundaries in building an understanding of the concept of the auditor (see discussion under "Boundaries" in Chapter 3), through auditors' perceptions and understandings of themselves and their work as they meet these boundaries. The concept of the auditor is studied through two types of boundaries: papers I and II consider the boundaries of "who the auditor is", and papers III considers the boundaries of "what the auditor does".

Table 1. The contributions of the papers.

Aspects of work in relation to...	Paper		
The audit profession (incl. professional values)	I	II	III
The audit firm (incl. colleagues)	I	II	III
The client		II	III
Society (stakeholders; public interest)	I	II	III
The market			III

Paper I explores how the determinants of job satisfaction are associated with decisions to leave the audit profession. This paper uses a job satisfaction and turnover perspective, and captures auditors' perceptions of the audit profession and their work in relation to the audit firm and society. Perceptions of both those who stay in and those who leave the audit profession are studied, contributing to an understanding of the boundaries of the auditor. The reasons for leaving the profession indicate what an auditor is not, at the same time as those that are still in the profession indicate what an auditor is. This paper studies audit assistants, i.e., auditors who have not yet passed the auditor exam.

Paper II aims to explore auditors' perceptions of what motivates them and to explain what factors influence auditors' motivational drivers. This paper uses a motivation perspective, and captures auditors' perceptions regarding their work in relation to the audit profession, the audit firm, the client, and society. This paper contributes to an understanding of the auditor by exploring auditors' motivational drivers. Motivational drivers that drive auditors to a high degree are inside the boundary of the auditor, while motivational drivers that do not drive the auditors to a high degree are outside these boundaries. According to motivated reasoning theory, our cognitive processes are biased by wants, needs, and beliefs, i.e., motivations (Kunda, 1990). Thus, we tend to do what we believe is fun and motivating. This means that motivation influences auditors' work behaviour, which is what defines the auditor. This paper studies audit employees, i.e., all employees working on audits, namely, partners, authorized and approved auditors, as well as audit assistants.

Paper III aims to explore the value that auditors consider they add to clients and the activities they identify as adding value. This paper uses a value perspective, and captures auditors' perceptions and understandings of their work, primarily in relation to clients but also to the audit profession, the audit firm, society, and the market. The paper focuses on value-added activities that auditors can offer their clients in their role as auditors, at least based on how they understand this role themselves, i.e., as defined by activities that fall within the concept of the auditor. This paper contributes to a new understanding of what the auditor does and thereby to the concept of the auditor. This paper studies active, retired, and former auditors with long experience in the audit profession.

Outline of this dissertation

This is a compilation dissertation that consists of three appended papers and a comprehensive summary or *kappa*. The comprehensive summary consists of six chapters. Chapter 2 presents the literature review of this dissertation and discusses central concepts and perspectives. Here the roles and functions of the auditor, audit quality, and auditor services in relation to value creation are defined and discussed. In this dissertation, aspects of the auditor's work are juxtaposed to capture the demarcations of what defines an auditor. This chapter therefore also includes discussions of professional versus business and structure versus judgement. Chapter 3 presents the methodological considerations underlying this dissertation, including auditors' perceptions and understandings, boundaries, mixed-methods design, data collection, and the

empirical context. This chapter ends with a brief presentation of the research process, including collaborations, presentations, and the status of the appended papers. Chapter 4 presents a summary, including the aim, theory, empirical method, main findings, and contributions of each of the three appended papers that constitute the basis of this dissertation. Chapter 5 presents the discussion, in which the appended papers are jointly integrated and interpreted to explore the concept of the auditor, i.e., who the auditor is and what the auditor does. The discussion presents auditors' perceptions and understandings of their work in relation to boundary-setting forces related to the professional side of the auditor, including the audit profession and society, and in relation to the business side of the auditor, including the audit firm, the client, and the market. Chapter 6 presents the conclusion of this dissertation, including its main findings, contributions, limitations, and suggestions for future research.

Chapter 2: Literature review

This chapter consist of a literature review of relevant perspectives for exploring the concept of the auditor. Initially, *audit quality*, an essential concept for the auditor and auditor work, is discussed from both the theoretical and practical perspectives, i.e., how auditors perceive audit quality. Audit quality is a performance measure of auditor work that is influenced by the auditor's competence and incentive for independence, and is thus important in relation to who the auditor is and what the auditor does, i.e., the concept of the auditor. Auditors' perceptions of audit quality are relevant since the concept of the auditor is partly shaped by the auditors, through their perceptions and understandings of their work. To further help us understand the concept of the auditor, specifically what the auditor does, different *roles and functions of the auditor* described in theory, and *auditor services* in relation to audit creation are then discussed. Furthermore, to capture the demarcations of what defines an auditor, aspects of the auditor's work are juxtaposed: *professional versus business* and *structure versus judgement*. The tension between professionalism and commercialism helps illustrate the influence that boundary-setting forces can have on the auditor. Both sides of auditing (i.e., profession and business) can be assumed to influence how the auditor perceives and understands auditor work as well as the activities carried out by the auditor. In turn, structure and judgement are other aspects of auditor work that likely influence auditors' perceptions and understandings of their work.

Audit quality

Audit quality is a performance measure of auditor work that is influenced by the auditor's competence and incentive for independence, and is thus important in relation to who the

auditor is and what the auditor does, i.e., the concept of the auditor. Audit quality has been the primary focus of auditing research for the two last decades (DeFond & Zhang, 2014) and is an essential concept to have in mind when exploring the concept of the auditor. A traditionally used definition of audit quality is that of DeAngelo (1981), who stated that audit quality is the probability that the auditor will both (a) discover a breach and (b) report the breach, focusing on the stakeholders. In accordance with this definition, audit quality has two important attributes, namely, the auditor's competence (expertise) and independence (objectivity) (Knechel, 2016). The auditor's competence and knowledge are important since they influence the likelihood that the auditor will discover breaches in the client's financial statements, while the auditor's independence is related to the likelihood that the auditor will report irregularities (Jeppesen, 1998; Knechel, 2016). DeFond and Zhang (2014) instead viewed audit quality as a function of not only auditors' incentives for independence and their capabilities (i.e., expertise) but also of clients' incentives (e.g., agency cost and regulations) and capabilities (e.g., internal audit function), all of which are influenced by regulatory intervention. This view emphasizes that the auditor's role is not simply to detect and report regulatory violations, but also to judge the financial reporting quality, which is influenced by the client firm's characteristics and financial reporting system (DeFond & Zhang, 2014). However, the auditor's competence (or capabilities) and independence are key aspects in both views and will therefore be further discussed below.

Auditor competence

Humphrey, Moizer, and Turley (2006, p. 151) defined auditor competence as auditors' "ability to detect material misstatements and omissions in financial statements and fulfil other assigned responsibilities". The likelihood of an auditor detecting a breach is dependent on the auditor's competence, which is related to the "technological capabilities, the audit procedures employed on a given audit, the extent of sampling, etc." (DeAngelo, 1981, p. 186). However, there is no guaranteed process that will allow the auditor to detect all errors, so the auditor will always face the risk of missing something (Humphrey et al., 2006).

According to Guénin-Paracini et al. (2015), it is not only the auditor's cognitive capacity that matters, but also the auditor's relational abilities: "In order to detect material anomalies, auditors must not only perform solitary analytical work, but also, and maybe primarily, interactional work, aimed at arousing and maintaining the auditees' desire to cooperate" (p. 225). A good relationship with the client's management and representatives is needed in order

to carry out a high-quality audit (Broberg, 2013; Herda & Lavelle, 2013b; Herda, Petersen, & Fontaine, 2014). With a good relationship with the client, the auditor can more easily access information and understand what information needs to be audited (Herda et al., 2014; Giuliani, n.d.; Guénin-Paracini et al., 2015). This means that when on site with the client, auditors must wear their professional “mask” and regulate their emotional presentation to increase their ability to discover material misstatements (Guénin-Paracini et al., 2015). The auditor’s competence is not something that can be designed or regulated in advance (Guénin-Paracini et al., 2015).

To conclude, the auditor’s cognitive and relational competences are both important in order to establish high audit quality (Broberg, 2013; DeAngelo, 1981; Guénin-Paracini et al., 2015; Humphrey et al., 2006). While a good relationship with the client enhances the auditor’s ability to discover material misstatements, the relationship cannot be or appear to be “too close”, since the auditor has her/his independence to consider. This discussion builds our understanding of who the auditor should be, i.e., someone with both cognitive and relational competence. It also helps us understand why the auditor needs to act in certain ways, i.e., what the auditor does.

Auditor independence

Herath and Pradier (2018) described auditor independence as having an unbiased viewpoint during the audit engagement. According to IFAC (2005, 280.2, p. 1136), “independence of mind and in appearance is necessary to enable the professional accountant in public practice to express a conclusion, and be seen to express a conclusion, without bias, conflict of interest or undue influence of others”. So, the auditor needs to be independent, both in mind – also called in fact (Law, 2010) – and in appearance in order to deliver high audit quality. According to IAASB (2009, para. A16, p. 84):

The auditor’s independence from the entity safeguards the auditor’s ability to form an audit opinion without being affected by influences that might compromise that opinion. Independence enhances the auditor’s ability to act with integrity, to be objective and to maintain an attitude of professional skepticism.

Thus, the auditor’s independence is influential for the auditor’s likelihood of reporting a breach. Auditor independence could be seen as the very essence of being a professional

auditor and is connected to professional values such as integrity, objectivity, and professional scepticism.

The auditor's incentives for independence are determined by factors such as reputation, litigation risk, and regulatory concerns (DeFond & Zhang, 2014). Reputation is important to the auditor since damaged reputation in conjunction with major audit failure reduces the auditor's ability to retain clients (DeFond & Zhang, 2014). Also, litigation risk is important to auditors, and research has shown that auditors engage in various strategies to mitigate litigation risk, such as increasing going-concern opinions, shedding riskier clients, and lobbying for litigation relief (DeFond & Zhang, 2014). Finally, regulatory intervention influences both auditors' incentives for independence and their competencies, though it has been empirically questioned whether regulatory intervention improves audit quality (DeFond & Zhang, 2014).

To conclude, the auditor needs to be independent in both mind and appearance to deliver high audit quality. This aspect of auditor work can help us understand why the auditor acts in certain ways, i.e., what the auditor does.

Auditors' perception of audit quality

What is discussed above is a theoretical definition of audit quality. Another aspect of the concept of audit quality is how it is perceived and understood by auditors themselves. Adding value to the client seems to be an important part of audit quality from the auditor's perspective (Broberg, 2013). A recent study by Brivot, Roussy, and Mayer (2018) explored how audit partners understand the concept of audit quality by interviewing partners in Big 4, medium-sized, and small audit firms specializing in private and/or public company audits. Auditors' understanding of audit quality is important since it influences how they work in practice and thereby directly influence audit quality. The results indicated two conventions of audit quality, the "model" and the "value-added" conventions. The "model" audit quality convention considers audit quality to result from a technically flawless audit, in which professional judgement is highly formalized and quality is attested by a perfectly documented audit file that passes inspections (Brivot et al., 2018). The concept of audit quality is understood in this way by public company audit partners. In contrast, private company audit partners understand audit quality in terms of what Brivot et al. (2018, p. 51) called the "value-added" audit quality convention, "which considers that audit quality results from tailoring the

audit to meet the client's unique needs, where professional judgement is unconstrained, and where quality is attested by the client's perception that the audit has given a better understanding of their financial situation and the associated risks and opportunities". Both conventions have a common ultimate objective, namely, to increase the trustworthiness of audited financial statements. This means that, from an auditor's perspective, audit quality can also be directed towards the client.

To conclude, there seems to be a difference between audit quality in theory and how auditors understand audit quality in practice. In theory, audit quality refers to the probability that the auditor will both (a) discover a breach and (b) report the breach, making audit quality important to the stakeholders of the audited company. Auditors, on the other hand, have a different understanding of audit quality depending on the type of firm being audited. Public company auditors' understanding of audit quality appear to be more comparable to the theoretical concept of audit quality, whereas for private companies, audit quality is instead understood as primarily directed towards the client, i.e., the audited company. How auditors understand audit quality is important since the concept of the auditor is shaped partly by auditors' perceptions and understanding of their work.

The roles and functions of the auditor

In theory, the function of the auditor can be described in different ways, i.e., as providing assurance, improvement, insurance, legitimacy, comfort, and negotiation (Carrington, 2010). The role of the auditor has also been argued to differ depending on the type of firm being audited (Collin et al., 2017). The different theoretically described functions of the auditor emphasize different utilities or benefits of the audit.

The traditional and primary described role of the auditor is to ensure the quality of accounting information (Pentland, 1993; Öhman, 2007). Here, the function of the auditor is seen as one of providing *assurance* to the company's owners and stakeholders (Beattie et al., 1999; Power, 2003; Öhman et al., 2006). This role of the auditor is related to the agency theory perspective, and the basic assumption that there is a contract problem due to information asymmetry and adverse selection because of separation between ownership and control (Fama & Jensen, 1983). The auditor then works to provide assurance to the owners and other stakeholders by reviewing and verifying parts of the information the company reports (Öhman et al., 2006). Auditing can also be seen as offering *improvement*, focusing on the actual quality of the

information being reported. Here, the role of the auditor is seen as that of an information mediator rather than an authenticator (cf. assurance). The auditor influences the accounted information by listening to the various demands the different stakeholders make of the audit (Carrington, 2010). Auditing can also be seen as providing *insurance*. From this perspective, the auditor needs to assure him/herself that the accounted information is acceptable, since some of the risk shifts from the client company's management to the auditor when the company's financial statements are audited (Carrington, 2010). Here, the auditor becomes a guarantor for the stakeholder, acting as one more party that could be liable for damages (O'Reilly et al., 2006).

The function of the auditor can also be described as transforming inherently untrustworthy financial statements into a form that both auditors and the public can be comfortable with (Pentland, 1993). Auditing as providing *comfort* emphasizes that the auditor strives to achieve a state in which s/he feels comfortable, so that the users too can be confident in and comfortable with the financial statements. Auditing can also be seen as conferring *legitimacy*, with the auditor's function being to legitimate individual and organizational behaviour (Power, 2003). The auditor gives the financial statements credibility and therefore legitimacy in the eyes of the audited company (Carrington, 2010). However, legitimacy for the auditor and the client is co-produced (Power, 2003), since the audit profession also needs to be legitimate to create legitimacy. This role greatly emphasizes, for example, extensive documentation by the auditor (Power, 2003). Auditing can also be seen as *negotiation*, with the auditor's role being to negotiate with the management about what will be included in the financial statement and to convince the management that the auditor's view is the right one (Carrington, 2010). Here, the function of the auditor is to constrain companies' aggressiveness in financial reporting (Beattie et al., 2004), and the result of such negotiation is important for the market, client, and auditor (Trotman et al., 2005).

According to the purpose of the audit as described by ISA (see IAASB, 2009, para. 3) and many of these auditor functions described in theory, the utility of the audit is primarily for the stakeholders of the audited company. However, indirect utility can also arise for the audited company. For example, in accordance with professional guidance, the product of the auditor can be seen as offering assurance or increased confidence in the audited information (Power, 2003). Thus, the utility of the audit is addressed to the stakeholders, who can be more confident in the reliability of the financial statements. However, this could also indirectly benefit the client, for example, by increasing credit ratings (e.g., Lennox & Pittman, 2011).

The role of the auditor can vary depending on the type of firm being audited (Blomkvist, Johansson, & Malmström, 2016; Collin et al., 2017). The role of the auditor as providing assurance assumes a clear separation between ownership and control, which is not always the case. Collin et al. (2017) argued that, in family firms, due to their low separation between ownership and control, the auditor performs a consigliere role, by giving advice, mediating, and, to a small extent, by conveying. Thus, the consigliere role includes auditor services that are not emphasized in the traditionally described role of the auditor as well as functions whose utility is primarily directed towards the audit client. Collin et al. (2017) described the consigliere role as one the auditor is suited to performing, since the auditor has no kinship relationship with the family and because the auditor possesses professional ethics and acts independently. Research has also showed that auditors have a critical role in guiding strategic actions in innovative firms (Blomkvist et al., 2016), where owner-managers acquire accounting knowledge through auditors that they need to predict and forecast an uncertain and unknown future.

To conclude, the primarily beneficiaries of the described roles and functions of the auditor vary. For several of the theoretical roles and functions of the auditor, the utility of the auditor is directed towards the stakeholders of the audited company. However, recent research has indicated that the role of the auditor varies depending on the type of firm being audited, and that today’s auditor also performs functions whose utility is directed towards the client, i.e., the audited company. This discussion contributes to the concept of the auditor, since the functions of the auditor can be seen as effects of what the auditor does.

Auditor services and audit value

The barriers between auditing and consulting have long been eroded to meet client expectations (Jeppesen, 1998). Auditor services can be argued to include audit services (ASs), audit-related services (ARSs), as well as non-audit service (NASs) (Figure 2).

Figure 2. Auditor services
35

Audit services represent core audit services in which the auditor is independent and creates core value by means of independent verification and auditor validation (Fontaine et al., 2013). Non-audit services represent consulting in which the auditor is not independent by law. In current audit practice, auditors not only perform the core audit service, but also perform services closer to consulting, i.e. audit-related services, since they want to add value for their clients. Thus, in between audit services and non-audit services are audit-related services. According to regulation audit activities involve management and financial audit, but also providing advice or other assistance resulting from the audit, i.e. audit-related advice (SFS, 2001:883). This means that audit-related services are part of auditing, even though they resemble consulting, since the auditor is legally independent in providing them. When conducting audit-related services the auditor can create added value to their clients (Fontaine et al., 2013). Herda and Lavelle (2013a, p. P9) defined value-added audit services as “client-service activities, resulting from an audit, that are not directly related to the verifying of the financial statements, and are beneficial to clients and audit firms”. Thus, the added value of auditing is something extra the auditor does as part of the auditing to create added value for the client (which can also be beneficial for the audit firm). Eilifsen et al. (2001) argued that auditors obtain knowledge of the client during the audit engagement and can consequently provide valuable additional information and assurance, not as a separate service, but as a by-product of the audit. Thus, audit-related services are part of auditing even though they resemble consulting. Examples of value-added activities identified in prior research are additional information and assurance (Eilifsen et al., 2001), additional advice (Fontaine et al., 2013), suggestions for improvement (Herda et al., 2014), industry knowledge (Fontaine et al., 2013), and communication (Anderson, 2012; Fontaine et al., 2013). Prior research has shown that clients want and value advice related to accounting issues and internal control (Beattie et al., 2000; Herda & Lavelle, 2013b; Manson et al., 2001), general business performance (Herda & Lavelle, 2013b; MacLulich, 2003), information systems (MacLulich, 2003), and accounting methods and policies (Manson et al., 2001) from their auditors.

To conclude, this division of auditor services represents the practice of today’s auditor. The auditor conducts audit services and creates core value, which is primarily directed towards the stakeholders of the audited company. The auditor also conducts audit-related services and creates added value, which is primarily directed towards the client, i.e., the audited company. Thus, this division of auditor services represents the conclusions made in the above sections

regarding audit quality and the auditor's role and function, with the work of the auditor being directed towards both the stakeholders of the audited company and the client.

Profession versus business

There is tension between professionalism and commercialism in the audit profession. A profession is characterized by, for example, being based on scientific knowledge, using ethical guidelines that guarantee professional integrity, and serving the public interest (Brante, 2009). Auditors arguably have an important role and contribute to society as guardians of truth in markets (Volcker, 2002). However, the audit profession has received criticism and been questioned due to the conflict between serving the public and being financially successful (Broberg, 2013; Lokatt, 2018). Several studies have questioned the nature of concepts such as professionalism, independence, and public interest (Fogarty, 2014; Humphrey & Moizer, 1990). There are two sides to auditing, the profession of auditing and the business of auditing. Auditors conduct both "societal business", in line with their professional belongingness, and "business performed in society", given that auditors are employed by audit firms (Öhman, 2007).

Audit firms are professional service firms characterized by being driven in a "business-like" way (Brock, 2006). For example, the reward systems have become more individualized and emphasize the individual auditor's productivity, such as the number of clients or billed hours (Brock, 2006). Audit firms are also characterized by up-or-out career systems (Greenwood & Empson, 2003), which could create competition among auditors due to the desire to belong to the pool of potential partners (Connelly, Tihanyi, Crook, & Gangloff, 2014). Furthermore, increased competition in the audit market (Sweeney & Pierce, 2004) has created a need for audit firms to differentiate themselves (Fontaine et al., 2013; Jeppesen, 1998; Sarapaivanich & Patterson, 2016) by providing superior service and value (Sarapaivanich & Patterson, 2016). This entails adding value to the audit and thereby fulfilling the needs of the auditee (i.e., the audited company) by means of the audit (Jeppesen, 1998). This has in turn led to the barriers between auditing and consulting consciously being broken down (Jeppesen, 1998; Power, 2003), resulting in the increased questioning of auditors' independence (e.g., Beattie et al., 1999; Humphrey, 2008).

Researchers have argued that this is not a contemporary phenomenon, and that auditing has always been "a business" (Power, 2003, p. 382) and "about serving the paying client"

(Anderson-Gough et al., 2000, p. 1169). However, it can be concluded that the audit process has been redesigned to increase the value of the audit for the client (Curtis & Turley, 2007; Eilifsen et al., 2001; Fogarty & Rigsby, 2010; Knechel, 2007; Power, 2003). When auditors obtain deeper knowledge of the client, they are able to provide valuable additional information and assurance, not as a separate service, but as a by-product of the audit (Eilifsen et al., 2001), which allows audit firms to earn higher audit fees (Curtis & Turley, 2007; MacLulich, 2003; Power, 2003).

Audit firms promise to deliver added value to their clients (Robson, Humphrey, Khalifa, & Jones, 2007), and an audit that fails to do this is not seen as good (Fogarty & Rigsby, 2010). Although external audit discourse has changed from “business value” to “audit quality” (Khalifa, Sharma, Humphrey, & Robson, 2007), other studies have indicated that audit quality is not emphasized internally (Sweeney & McGarry, 2011). It has also been argued that the socialization process within audit firms is characterized by client focus and added-value (Anderson-Gough et al., 2000; MacLulich, 2003).

Auditors themselves do not seem to experience the conflict between the profession of auditing and the business of auditing. For example, one auditor quoted by Sweeney and McGarry (2011, p. 322) expressed it as follows: “Client service is key and whatever you do, don’t leave a bad impression. That is driven home ... you must be seen to be professional at all times”. This quotation clearly states that serving clients goes hand in hand with being professional, from an auditor’s perspective. Other studies have also indicated that auditors do not perceive this conflict, and that they see fulfilling client needs as part of being professional (Broberg, 2013; Broberg et al., 2018). From an auditor’s perspective, adding value to the client also seems to be an important part of audit quality (Broberg, 2013).

To carry out a high-quality audit, the auditor needs to be independent, in both mind and appearance, and at the same time create a good relationship with the client’s management and representatives (Broberg, 2013; Herda & Lavelle, 2013b; Herda et al., 2014), to more easily access information and understand what information needs to be audited (Giuliani, n.d.; Herda et al., 2014). It has therefore been argued that auditors have divided loyalties (Fogarty & Rigsby, 2010; Jenkins & Lowe, 1999; Öhman et al., 2006), since they have to act in the interest of owners and other stakeholders to provide assurance regarding the financial statements, and at the same time establish a close relationship with the client.

From a “guardians of truth in markets” perspective, the true clients of the audit service should be the stakeholders (e.g., investors and creditors), although prior research has shown that auditors refer to the audited companies and their management as their “clients” (Anderson-Gough et al., 2000; Broberg, 2013; Zeff, 1987) and the “consumers” of the audit service (Humphrey & Moizer, 1990). This could be because it is more attractive to be a creative business advisor than a sceptical guardian of the market (Broberg, 2013).

From the above discussion it is clear that there are two sides to auditing. Even though auditors do not perceive a conflict (Bamber & Iyer, 2002; Broberg, 2013; Broberg et al., 2018), both sides of auditing can be assumed to influence how auditors perceive and understand auditor work as well as the activities they carry out – which, according to the basic assumptions of this dissertation, is what defines an auditor (Molloy & Graham, 2013; Rooney et al., 2012). It would therefore be reasonable to assume that there are also two sides to the auditor. The professional side of the auditor is mainly influenced by society (i.e., the public interest), the audit profession, and regulations, whereas the business side of the auditor is mainly influenced by the client, the audit firm, and the market (Figure 3).

Figure 3. Different boundary-setting forces influencing the concept of the auditor.

The professional side of the auditor represents the profession of auditing, also referred to as “societal business” (Öhman, 2007) and “the craft of auditing” (Dirsmith & Covalesski, 1985). Here, auditors serve the public in line with their professional belongingness (Öhman, 2007).

Boundary-setting forces related to the professional side of the auditor are society, i.e., those the auditor should serve, as well as the audit profession and regulations, since both these boundary-setting forces emphasize the public interest. Auditors with a stronger professional identity emphasize autonomy, independence, professional judgement, and public interest activities (Broberg et al., 2018; Suddaby, Gendron, & Lam, 2009).

The business side of the auditor represents the business of auditing (Dirsmith & Covalleski, 1985), i.e., business performed in society (Öhman, 2007). The business side of the auditor involves aspects such as profitability, market share, and revenues (Dirsmith & Covalleski, 1985). Boundary-setting forces related to the business side of the auditor are the audit firm, client, and market. Auditors not only belong to the audit profession but are also employed by audit firms that earn profits from auditor work. Audit firms have, for example, reward systems that emphasize the individual auditor's productivity, such as number of clients or billed hours (Brock, 2006). Audit firms put pressure on auditors to attract and retain clients (Broberg, 2013). The clients also influence the business side of the auditor. Clients, for example, put economic pressure on auditors to be more cost efficient (Humphrey & Moizer, 1990), and they have expectations of the auditor that go beyond the audit service (Fontaine & Pilote, 2011, 2012). The market is also influential for the business side of the auditor, since competitive conditions in the audit market drive audit firms to differentiate themselves, resulting in additional services for the auditor to conduct.

Structure versus judgement

Structure versus judgement is a theoretical perspective used to describe, analyze, and discuss audit practice. The structure-based process is characterized by well-documented procedures and quantitative methods (Smith, Fiedler, Brown, & Kestel, 2001). A frequently used description of a structured audit methodology is that of Cushing and Loebbecke (1986, p. 32; see Broberg, 2013; Francis, 1994; Prawitt, 1995), who described a structured audit methodology as follows:

... a systematic approach to auditing characterized by a prescribed, logical sequence of procedures, decisions, and documentation steps, and by a comprehensive and integrated set of audit policies and tools designed to assist the auditor in conducting the audit. A structured audit methodology is systematic in the sense that it views the auditing process as a logical series of steps, often explicitly represented in the form of an audit process flowchart. The audit policies and tools used in a structured unit methodology are comprehensive in the sense that they cover the entire auditing

process, from initial acceptance of the client to the ultimate issuance of the audit opinion. The audit tools are integrated by means of a top-down approach to the design of the entire set of audit tools, such that the results from applying one audit tool at an earlier stage of the audit may be incorporated into other audit tools used in planning later stages of the audit.

Structure describes the formal approach and is dependent on instructions, guidelines, computer support, etc. (Öhman et al., 2006).

In the judgement-based audit process, there is latitude for individual judgement (Öhman et al., 2006) and the audit is client dependent (Smith et al., 2001). In ISA 200, professional judgement is defined as “the application of relevant training, knowledge and experience, within the context provided by auditing, accounting and ethical standards, in making informed decisions about the courses of action that are appropriate in the circumstances of the audit engagement” (IAASB, 2009, p. 77). In a judgement-based audit process, the auditor takes a variety of aspects into consideration and makes assessments accordingly (Öhman et al., 2006). According to Chiş and Achim (2014), professional judgement is essential for a successful audit engagement and can be evaluated based on the conclusions reached by the auditor. The auditor’s conclusions should reflect a competent application of auditing standards and be appropriate based on the facts and circumstances known to the auditor when formulating the auditor’s report. Professional scepticism could be seen as a dimension of professional judgement, since the auditor needs to exercise professional judgement carefully, i.e., sceptically (Chiş & Achim, 2014).

The style and application of audit routines differ. Some audit firms use highly structured formal approaches while others allow more latitude for individual judgement (Power, 2003). However, decision aids are common in the audit process: some are simple, for example checklists, audit programs, and other aspects of audit software; others are embedded in the professional standards; while still others are more complex, using computerized models to mimic expert judgement (Nelson & Tan, 2005). In 1986, Cushing and Loebbecke identified five trends in the auditing context that created incentives and advantages for a more highly structured audit practice: greater competition within the audit market, greater regulation of accounting and auditing, increased litigation risk, increased complexity of data processing technology, and greater complexity of the economic environment in general (Cushing & Loebbecke, 1986). These trends have continued to develop since then. It has also been argued that structure is about creating legitimacy and control (e.g., Power, 2003), which could be desirable given these trends. According to Power (2003), accounting systems in their broadest

sense are more tools for legitimating individual and organizational behaviour rather than supports for efficient and rational decision making. He means that with structure, legitimacy and control can be achieved, although this is not necessarily consistent with better and more efficient auditing (Power, 2003).

Studies have found that audit structure influences audit judgement (e.g., Morris & Nichols, 1988; Schroeder, Reinstein, & Schwartz, 1996). Morris and Nichols (1988) found a positive association between audit judgement consensus and the degree of audit structure. Auditors' materiality judgement, i.e., opinion formulation, is correlated with audit firm structure (Morris & Nichols, 1988). Morris and Nichols (1988) showed not only that there was more consensus in structured audit firms than in unstructured ones, but also that there were fewer Type I and Type II errors, indicating that structure can be a way to minimize costs arising from judgement errors. Schroeder et al. (1996) examined how structured and unstructured audit approaches affect the auditor's professional judgement, finding that auditors' probabilistic judgement is influenced by the audit technology structure used by their audit firms. Auditors who used structured audit approaches tended to rely more on provided cues than on the use of judgement (Schroeder et al., 1996). Smith et al. (2001) examined the degree of structure and how it influences individual firms regarding the tolerance of income-increasing/reducing accounting policy choices among their clients. Their results show that "judgemental" audit firms are associated with far fewer client firms that report whether accounting policy choices increase or decrease reported income. Prawitt (1995) argued that the formalization and standardization of tasks in the structured audit approach lead to less need for judgement and decision-maker experience, which could in turn affect the assignment of human resources in audit firms. Prawitt's (1995) study found that the structuredness of an audit approach affects the level of experience required for the assigned auditors, since managers in structured firms assigned less experienced auditors to undertake review audit decision tasks than did managers in unstructured firms. These findings apply in both less and more complex environments. Furthermore, in a study of the form of an online audit, Bierstaker, Burnaby, and Thibodeau (2001) found that the use of structure made it possible for auditors to use their time for higher-level tasks, such as assessing various risks and understanding the client's business.

The relationship between structure and judgement could be debated. According to Cushing and Loebbecke (1986) more structure means less room for judgement. According to Francis (1994) there is a tension between structure and judgement, which are both necessary parts of any audit methodology. This means that structure does not eliminate judgement. However,

structure relocates and directs judgement in a certain way (Francis, 1994). It could be argued that structure engenders auditor judgement, but at the same time limits the scope of auditor judgement since it guides the auditor in what judgements to make and when to make them (Broberg, 2013).

According to Francis (1994), the understanding of auditing as a hermeneutic or interpretive practice is deformed by the emergence of scientism and technocratic rationality. The increased use of and reliance on highly structured audit methodologies has, according to Francis (1994), led to the displacement of auditors' understanding of the judgemental character of auditing, affecting how auditors themselves understand auditing. Even though judgement is always present in auditing practice, structured decision aids deform this judgement and make it un-self-aware (Francis, 1994). This means that auditors are not necessarily reflecting on the consequences of their judgements and actions, which can potentially be dangerous for practice (Francis, 1994). Broberg (2013) described auditors' professional judgement as "structured judgement", with auditors perceiving structure as something that enables judgement and is required in order to judge.

Prior research has also showed that auditors tend to take existing working methods and routines for granted and not question them (Broberg, 2013; Fischer, 1996). Broberg (2013) described auditors as rule and routine followers, something they do not seem to be aware of themselves. Prior research has also noted that auditors seem to put great trust in their systems and are convinced that by following them, they will both do things right and do the right things (Broberg, 2013; Öhman et al., 2006). However, when performing an audit in the best way for the client (i.e., the audited company), auditors do not seem to follow or apply their systems, but instead use their experience to manage the systems (Broberg, 2013). In this way, they are not strictly following clear structures, but are instead using their experience to find ways to carry out the best audit for the client (Broberg, 2013). Broberg (2013) therefore argued that the business side of auditing constitutes the most reflective side and could be seen as a sign of health for the profession.

Prior research into structure versus judgement has focused on audit procedures or methodology when performing a core audit service, i.e., verifying and validating (e.g., Bierstaker et al., 2001; Broberg, 2013; Morris and Nichols, 1988; Schroeder et al., 1996; Smith et al., 2001). However, in audit practice today, auditors are not only performing core audit services but are also performing services that are closer to consulting, i.e., audit-related

services, since they want to add value to their clients. It could be argued that audit practice in the form of validation and verification, i.e., core audit value (Fontaine et al., 2013), mostly relies on structure, since there seems to be little space for the auditor's individual reflection during the audit process (Broberg, 2013). However, when performing value-added services for the client, auditors seem to need their judgement, when, for example, managing the system and using their experience to find ways to carry out the best audit for the client (Broberg, 2013). MacLulich (2003) demonstrated that auditors use their judgement in interactions with clients to discern when to push for information and when to stop pushing. Thus, auditors use their judgement to inquire about information and build good relationships with their clients (MacLulich, 2003).

To conclude, structure describes the formal approach and is dependent on instructions, guidelines, computer support, etc. (Öhman et al., 2006), whereas judgement represents the professional judgement of the individual auditors, who take a variety of aspects into consideration and make assessments accordingly (Öhman et al., 2006). The relationship between structure and judgement has been debated, although they are both included in the work of an auditor. Structure and judgement are aspects that characterize auditor work and thereby influence how auditors perceive and understand their work. Prior research has shown that there is little latitude for the individual auditor's reflection during the audit process, although auditors seem to use their experience to find ways to carry out the best audits for their clients (Broberg, 2013). Based on this, it can be argued that audit services and core audit value are more based on structure, whereas audit-related services and adding value to the client rely on judgement.

Summary of the literature review

The discussion of *audit quality* identifies a difference between audit quality in theory and how auditors understand audit quality in practice (cf. Brivot et al., 2018; DeAngelo, 1981; DeFond & Zhang, 2014). A difference between auditors' understandings of audit quality is also identified, a difference influenced by the type of firm being audited (Brivot et al., 2018). Public company auditors and private company auditors differ in how they perceive and understand their work. The changes discussed in Chapter 1 seem mostly to have influenced the work of private company auditors, who understand audit quality as value-added audit quality (Brivot et al., 2018), i.e., as directed towards the client.

Also, according to the described *roles and functions of the auditor*, the beneficiary of auditing varies (cf., e.g., Collin et al., 2017; O'Reilly et al., 2006; Power, 2003; Öhman, 2007). In several of the theoretical roles and functions of the auditor, the utility of the auditor is directed towards the stakeholders of the audited company (e.g., O'Reilly et al., 2006; Power, 2003; Öhman, 2007). However, recent research has found that the role of the auditor also varies depending on the type of firm being audited and that today's auditor also performs functions whose utility is directed towards the client (e.g. Collin et al., 2017). This understanding is important for the concept of the auditor, since the functions of the auditor could be seen as effects of what the auditor does.

Based on this, auditor services can be distinguished as comprising: *audit services*, in which the auditor is independent and creates core value by means of independent verification and auditor validation; *audit-related services*, which can be described as value-added services that are part of auditing, even though they resemble consulting since the auditor is independent by law; and *non-audit services*, in which the auditor is not independent by law. This division of auditor services captures the practice of today's auditors. Audit services are primarily directed towards the stakeholders of the audited company, whereas audit-related services are primarily directed towards the client. Thus, this division of auditor services represents the conclusions made about audit quality and the auditor's role and functions, with the work of the auditor being directed towards both the stakeholders of the audited company and the client.

To capture the demarcations of what conceptualize an auditor, *professional and business* aspects of the auditor's work are juxtaposed. It can be concluded that there are two sides to auditing (Dirsmith & Covalleski, 1985; Öhman, 2007). The profession of auditing represents the work of auditors who serve the public, whereas the business of auditing represents the profit-oriented aspects of auditor work. Even though auditors do not perceive a conflict (Bamber & Iyer, 2002; Broberg, 2013; Broberg et al., 2018), the two sides of auditing can be assumed to influence how auditors perceive and understand auditor work as well as the activities they carry out. Different boundary-setting forces affect the two sides of the auditor: the professional side of the auditor is mainly influenced by society, the audit profession, and regulations, whereas the business side of the auditor is mainly influenced by the client, the audit firm, and the market.

Structure and judgement are other aspects of the auditor's work that are juxtaposed to capture the demarcations of what conceptualize an auditor. Structure describes the formal approach

and is dependent on instructions, guidelines, computer support, etc. (Öhman et al., 2006), whereas judgement represents the professional judgement of the individual auditor, who takes a variety of aspects into consideration and makes assessments accordingly in each client case (Öhman et al., 2006). These are both aspects that characterize auditor work and influence how auditors perceive and understand their work. Based on prior research (Broberg, 2013), it can be argued that audit services and creating core audit value are more based on structure than are audit-related services and the creation of added value.

To conclude, this chapter has illustrated different ways of describing the work of the auditor, i.e., in terms of audit quality, the roles and functions of the auditor, and auditor services and value creation. It has also raised important aspects that influence how auditors perceive and understand their work, namely, the tension between professional and business values as well as between structure and judgement. Taken together, this literature review helps creating an understanding of the concept of the auditor.

Chapter 3: Methodology

This chapter begins with a discussion of the methodological choice to use auditors' perceptions, understandings, and boundaries in exploring the concept of the auditor. The design of this dissertation will then be presented. Both the broad choice to use mixed methods as well as the specific explanatory sequential design with elements of an exploratory sequential design used in this dissertation will be presented and argued for. Auditors' perceptions and understandings were mainly captured through surveys and interviews. The advantages and limitations of these methods will be discussed in this chapter. This will be followed by a discussion of the overall sample as well as the empirical context of this dissertation. Throughout this chapter, reflections about alternative approaches as well as the limitations of the choices made will be discussed. Finally, this chapter ends with a brief presentation of the research process, including collaborations, presentations, and the status of the appended papers.

Perceptions and understandings

This dissertation uses auditors' perceptions and understandings of their work to explore the concept of the auditor (Figure 4). Studying perceptions and understandings is therefore a central methodological choice in this dissertation. In this section, the link between auditors' perceptions and understandings and the concept of the auditor will be elaborated on.

Figure 4. Using perceptions and understandings to explore the concept of the auditor

One way to explore the auditor would be to study auditors' actions. It has been argued that what is essential is what people actually do and not just what they say they do (Geertz, 1973). However, that would simply capture the actions, and not the reasoning behind those actions that would help us understand the interaction between the boundary-setting forces and the auditor, i.e., the concept of the auditor. This dissertation instead focuses on auditors' perceptions and understandings. The auditors' own perceptions and understandings are important since perceptions (or thought patterns) are assumed to form the basis of selective noticing, action, and behaviour (Öhman et al., 2006), and "how we understand things largely drives how we act" (Rooney et al., 2012, p. 5). Several philosophical models describe the link between perception and actions (see, e.g., Nanay, 2013), but they all agree that our perceptions affect our actions. Thus, how auditors perceive and understand their work in relation to the boundary-setting forces existing in the auditors' environment affect how the auditors act, i.e., the work of an auditor. The boundary-setting forces in the auditors' environment influence both auditors' work and how they perceive and understand it.

It could also be argued that the work done by auditors affects auditors' perceptions and understandings of their work. Over time, there have been several changes in the boundary-setting forces and thereby also in the work of the auditor that could influence the auditor's perceptions and understandings, i.e., the mind of the auditor. This could in turn lead to change in the concept of the auditor, which is shaped interactively by the boundary-setting forces that exist in the auditors' environment and by the auditors themselves, through the perceptions and understandings auditors have of themselves and their environment. The concept of the auditor in this dissertation includes "who the auditor is", which is closely related to "what the auditor

does” – it has, for example, been argued that “our actions define who we are” (Molloy & Graham, 2013, p. 116). Since these aspects of the auditor are both important and difficult to separate, both are considered in the concept of the auditor. However, the focus in this dissertation is on auditors’ perceptions and understandings, which are used as a methodological tool to say something about “who the auditor is” and “what the auditor does”. Since perceptions and understandings are argued to influence actions (Nanay, 2013; Rooney et al., 2012; Öhman et al., 2006), they can be interpreted and give indications of “what the auditor does” without studying actual actions. Thus, by exploring auditors’ perceptions and understandings of their work today, the current concept of auditor can be explored.

Boundaries

In this dissertation boundaries are used as a tool in exploring the concept of the auditor, through auditors’ perceptions and understandings of themselves and their work as it encounters these boundaries. It could be argued that it is when the auditor encounters the boundaries of being an auditor that the auditor’s conception of the auditor becomes clearer. The concept of the auditor is studied in terms of two types of boundaries, namely, who the auditor is (papers I and II) and what the auditor does (paper III).

Paper I explores the boundaries of who the auditor is by studying the perceptions of both those who have left the profession, “the excluded”, and those who are still in the profession, “the included”. The reasons for leaving the profession indicate what an auditor is not, while those still in the profession indicate what an auditor is. Paper II instead focuses only on those who are included in the concept of the auditor, exploring the motivational drivers of auditors. Here, the boundaries instead concern the motivational drivers of auditors, and the motivational drivers that drive auditors to a high degree are inside the boundaries of the auditor, while motivational drivers that not drive the auditors to a high degree are outside the boundaries of the auditor. Motivational drivers are important when exploring the concept of the auditor since, according to motivated reasoning theory, our cognitive processes are biased by wants, needs, and beliefs, i.e., motivation (Kunda, 1990). This means that what we believe is fun and motivating influences what we do, and thereby also who we are (Molloy & Graham, 2013).

Both papers I and II focus on auditors' perceptions in order to explore who the auditor *is*, whereas paper III focuses on auditors' perceptions and understandings of what the auditor *does*, based on the results of papers I and II (further discussed in this chapter) (Figure 5).

Figure 5. Using boundaries to explore the concept of the auditor

Paper III uses a different approach and studies the concept of the auditor by exploring only what is included within the boundaries of the concept, in the form of auditors' perceptions and understandings of what an auditor does when adding value for the client. However, value-added activities can be seen as boundary activities since they supply something more than the core audit value, i.e., verifying and validating the financial statements. The value-added activities addressed in this paper can be regarded as activities that fall within the concept of an auditor based on the perceptions and understandings of auditors themselves, since value-added activities are what auditors can offer the client in their role as auditors, at least based on how they understand it themselves. The boundaries addressed in paper III are ambiguous: these boundaries are under negotiation among the auditors, since some auditors include more activities and some fewer within the boundaries of what an auditor does (see paper III).

Mixed methods

Greene, Caracelli, and Graham (1989, p. 256) defined mixed-methods research designs as those that include at least one quantitative method and one qualitative method, "where neither type of method is inherently linked to any particular inquiry paradigm". In this dissertation, both quantitative and qualitative methods are used, so the overall design of the dissertation is

characterized by mixed methods in an *explanatory sequential design* (further discussed below).

By integrating both quantitative and qualitative methods in a mixed-methods design, an advanced understanding of the phenomenon of interest can be attained (Watkins & Gioia, 2015). This dissertation therefore uses both quantitative and qualitative methods to explore the concept of the auditor. Greene (2002, p. 260) stated that “any discussions of mixed methods [...] must be discussions of mixed methodologies, and thus of the complex epistemological and value-based issues that such an idea invokes”. Prior researchers have pragmatically argued that attributes of paradigms are logically independent and can thus be mixed in connection with the methodological choice, in order to achieve a combination that is most appropriate for the problem under study (Greene et al., 1989). Johnson and Onwuegbuzie (2004) viewed mixed methods as a third paradigm. Instead of arguing for quantitative or qualitative research, mixed-methods researchers have shown that both quantitative and qualitative research approaches are important and useful (Johnson & Onwuegbuzie, 2004). My view is that the choice of method depends on what is most suitable for the problem of interest. I therefore think that research approaches can be mixed if this creates the best opportunity to answer the research question of interest, leading to comparisons to the pragmatic method (Johnson & Onwuegbuzie, 2004). Pragmatism “emphasizes that all aspects of research inherently involve decisions about which goals are most meaningful and which methods are most appropriate” (Morgan, 2014, p. 1050). I, like Collin, Johansson, Svensson, and Ulvenblad (1996), advocate what they call methodological pragmatism, in which the methodological choice is a function of the research question and the level of established theory within the field.

To explore the concept of the auditor, this dissertation applies three different perspectives: limits of the auditor, drivers of the auditor, and value-added activities of the auditor (see the appended papers). The initial research question of this dissertation was why audit assistants leave the audit profession (paper I), which contributed to an understanding of the boundaries of the auditor. For this specific research question, a quantitative method seemed most suitable. This methodological choice was due to the extensive literature regarding turnover and job satisfaction, and to the possibility of testing current and former audit assistants’ perceptions against each other to find determinants of actual career change and thereby explore the boundaries of the auditor.

Also, for the research question in the second paper regarding the motivational drivers of auditors (paper II), a quantitative method was deemed suitable since one of the paper's aims was to *explain*. There are several established theories regarding motivation (Armstrong, 2006; Thomas, 2009), for example, Maslow's hierarchy of needs, Herzberg's two-factor theory, expectancy theory, reinforcement theory, and equity theory (Linder, 1998), as well as an extensive literature⁵ on the topic, making it possible to use a quantitative method. When using a deductive approach, there is always a risk that the study may head in the same direction as previous research, overlooking unexplored issues (Patel & Davidson, 2011). To avoid this problem, inductive elements from a qualitative pre-study were used. This paper used a mixed-methods design with a qualitative pre-study to ensure that potential motivational drivers in the auditor's context were not overlooked (further discussed in the section "Exploratory sequential design").

The results regarding the boundaries (paper I) and drivers (paper II) of auditors pointed to a need to explore the business side of auditing, in which value-added services (paper III) was an important concept. For this research question, a qualitative method was appropriate, since limited research has been conducted in the area and no strong theories could be found to create data on this topic. Although there is extensive marketing literature regarding added value, it is a concept that has been less explored in the auditor context. There is limited research on how auditors perceive and understand added value and what they do when adding value for clients. Prior relevant research has mainly focused on client perceptions (e.g., Fontaine et al., 2013; Fontaine & Pilote, 2011, 2012) or only on the extent and not the content of value-added services (Herda & Lavelle, 2013b). According to Pratt (2009), qualitative research allows for a better understanding of both real-life processes and the world from the perspectives of those being studied. It has also been argued that qualitative research is especially suitable when studying complex expert practices (Cooper & Morgan, 2008) such as auditing (Power, 2003).

By mixing methods and integrating "findings from both quantitative and qualitative studies in a shared area of empirical research" (Onwuegbuzie & Johnson, 2006, p. 53), a richer image (Johnson, Onwuegbuzie, & Turner, 2007) of the auditor can be achieved. According to Ithantola and Kihn (2011, p. 39), mixed methods can "improve validity of theoretical propositions" and give "a more complete (less biased) picture of the phenomenon under

⁵ In 2012 alone, over ten thousand articles and reviews on motivation were published (Sekhar et al., 2013).

study” than can a narrower methodological approach. In this way, the appended papers provide different and complementary perspectives that together contribute to a better understanding of the auditor, both in the form of different theoretical perspectives (e.g., turnover and job satisfaction, motivation, and value) and through applying the mixed-methods approach.

Explanatory sequential design

This dissertation has characteristics of an *explanatory sequential design* (Figure 6). This means that the research started with collecting and analyzing quantitative data (papers I and II), whereas in the second phase, qualitative data (paper III) were collected and analyzed as a result of the previous quantitative findings. In this design, the quantitative results influence the qualitative research question and data collection (Watkins & Gioia, 2015). Thus, this design gives the opportunity to qualitatively explore a concept that emerged from the quantitative data (Walkins & Gioia, 2015). In this case, the concept of value-added emerged from the findings of the first two papers. The results of the first paper indicate that audit assistants who have low perceptions of the audit profession (e.g., in terms of societal benefits and sense of meaning) are more likely to leave the profession (Gertsson, Sylvander, Broberg, & Friberg, 2017), while the results of the second paper show that audit employees are more motivated by both contributing to the client and contributing to the audit firm than by contributing to society (Gertsson, Sylvander, Broberg, & Friberg, 2018). Both results indicate that the professional side of the audit profession might be questioned to some extent. An interesting concept to examine further were therefore value-added, which is related to auditors’ client focus and thus the business side of auditing. Herda and Lavelle (2013a, p. P9) defined value-added audit services as “client-service activities, resulting from an audit, that are not directly related to the verifying of the financial statements, and are beneficial to clients and audit firms”. This definition indicates that value-added audit services contribute to both clients and the audit firm and could be services that highly motivate auditors.

Exploring the concept of value-added can to some extent improve our understanding of the results of papers I and II, but the main choice for the explanatory sequential design was to direct the qualitative research. In this case I have used the quantitative result to form and select what I determined was the best direction for the qualitative study, to improve our understanding of today’s auditor.

Some writers have argued that mixed methods are not feasible or desirable (Bryman & Bell, 2015). However, Watkins and Gioia (2015) stated that mixed-methods designs can generate a more comprehensive understanding of the studied phenomenon, helping expand the scope of the research and maximize the strengths of each design. The advantage of this research design, as I see it, is that it lets me start broadly in order to find the most relevant direction for more in-depth research. For this reason, I found value-added to be a relevant concept to explore further in order to better understand today’s auditor, a concept that I probably would not have thought of without the findings of the first two studies (papers I and II).

Figure 6. The explanatory sequential design of this dissertation

Exploratory sequential design

The overall explanatory sequential design of this dissertation has elements of exploratory sequential design in one of the appended papers (paper II). In an exploratory sequential design, qualitative data are collected and analyzed and the results are built on in a subsequent quantitative phase. Paper II uses a qualitative pre-study followed by quantitative data collection and analysis. In this paper, a qualitative pre-study was used to explore motivational drivers identified in the literature review. The pre-study was conducted at a Big 4 firm office (with approximately 35–40 employees) and included ten days of participant observations, five semi-structured interviews, and three longer conversations with audit employees on different hierarchical levels. The focus was on auditors’ general perceptions of work and the workplace and what was important for them in their work. The qualitative pre-study not only showed what motivational drivers were most emphasized by the auditors, but also identified two

additional motivational drivers (i.e., being able to contribute to the audit firm and being able to contribute to the client) not previously identified in the literature. These motivational drivers, which are central to this dissertation, would have been overlooked if an exploratory sequential design had not been used in this paper.

Data collection

Auditors' perceptions and understandings can be studied in various ways, for example through document studies, surveys, and interviews. Observation was not used since it mainly captures concrete actions and not perceptions and understandings. Although it is possible to ask observation-related questions that reveal auditors' perceptions and understandings, it is difficult to observe the auditor in action with the client due to access issues, since auditors are sensitive about both firm and client confidentiality (Humphrey, 2008; Power & Gendron, 2015). Hypothetically, it should be possible to capture perceptions and understandings from document studies. For example, by studying written auditors' opinions and the recommendation letters written by auditors, auditors' perceptions and understandings could to some extent be discerned. However, such a method would have limitations, allowing only a limited range of perceptions and understandings to be identified. Auditors' opinions have also been argued to be somewhat standardized, limiting findings regarding individual auditors' perceptions and understandings. This dissertation explores auditors' perceptions and understandings through surveys and interviews. Methodological choices made and their advantages and limitations in relation to each method will be discussed below, followed by the overall sample of this dissertation.

Phase I: Survey data

The first phase of this dissertation, including the appended papers I and II, explored auditors' perceptions of their work using a quantitative method. The data for the first and second papers were collected and analyzed separately, but both used surveys. Surveying is one way of capturing auditors' perceptions, and it has both advantages and limitations. This was a suitable method with which to obtain an overarching view of auditors' job satisfaction and motivations and to fulfil the aims of the studies. Survey and quantitative data are numerical data often used to test theoretical hypotheses and measure relationships with the aim of *explaining* rather than exploring a phenomenon (Zinkmund, Babin, Carr, & Griffin, 2013).

However, even though both papers focus on factors explaining the variance in different outcomes, which is characteristic of quantitative research (Van de Ven, 2007), they are both exploratory in nature. Both papers identify and test new variables (“perceptions of the profession” in paper I and “contributing to the client” and “contributing to the firm” in paper II) and therefore use exploratory factor analysis for their specific contexts.

When using a survey method, the questions are predetermined and one only gets answers to the questions one asks. Thus, surveys could be used to measure auditors’ perceptions of their work, but would not allow for the elaboration needed in order to explore auditors’ understandings (done later using interview data). On the other hand, surveys allow for a larger number of respondents (due to time and cost consideration), which is good in order to obtain an overarching view of the situation. Both surveys in this dissertation research used only closed questions, which makes them easier to analyze and can be an advantage when the survey consists of many items (Saunders, Lewis, & Thornhill, 2000), as was the case in both studies. A potential disadvantage of closed responses is, for example, the risk of imposing a certain language on the respondents. Both surveys used Likert scales, although the points of the scales varied. In paper I, the theoretical concepts were measured as one-item constructs on a seven-point Likert scale, even though there are validated instruments for autonomy and workload, for example (e.g., Currivan, 1999). This choice was made in order to include as many different determinants of job satisfaction as possible in the broader categories, to reduce omitted variable bias. The use of one-item measures has been criticized because it lowers the validity of the scale (Sarstedt, Diamantopoulos, Salzberger, & Baumgartner, 2016); however, if the three identified theoretical determinants of job satisfaction had been measured using a combination of multi-item scales, this might have inflated the correlations between constructs due to common method bias (Bergkvist & Rossiter, 2007). This would also have increased the length of the survey, which could have led to fewer completed questionnaires (Bryman & Bell, 2015). In paper II, a 10-point Likert scale was used instead, to avoid central tendencies (Patel & Davidsson, 2011). Both surveys were sent out in May, a timing that might have biased the results, since this is during the “busy season” in the audit profession. It is important to be aware of this matter when reasoning about the results.

Phase II: Interview data

In the second phase of this dissertation research, including paper III, auditors' perceptions and understandings were instead studied through interviews. Interviews are suitable when "seeking descriptions of *how* interviewees experience their world" (Brinkmann, 2018, p. 580), and according to Barley and Kunda (2001, p. 84), interviews "are especially useful for understanding how people make sense of their work and the issues they believe are important". Interviews are an appropriate method for studying auditors' perceptions and understanding of their work. Interviews also allow for a deeper and more personal understanding of auditors' perceptions and understandings than do survey data, since the interviewees can use their own words to describe their work.

Semi-structured interviews were selected because they would allow the complexity of the concept to be revealed. Semi-structured interviews allowed the auditors to directly describe their perspectives, providing new insights that could be difficult to capture with other methods. This approach allowed the interviewer to adjust the sequence and wording of the questions for each interview situation (Watkins & Gioia, 2015). This also meant that the supplementary questions could differ in response to what was of interest in the interviewees' responses, helping me explore the complexity of the concept. This allowed variation in the examples cited, historical perspectives, and stories, presenting many different factors that could be of use when analyzing the data. However, to be consistent in the main questions, an interview guide was developed. The questions were open ended and general to avoid prompting the respondents in any direction. When conducting the interviews, I was not afraid to use silence, so that I as the interviewer stayed out of the way as much as possible, giving the interviewees time and space to find their own ways to answer the questions. This tactic was especially applied when the interviewee hesitated because the question was hard to answer. By remaining silent, I gave the interviewees time to gather their thoughts and answer the questions. However, I did not only stay out of the way; I also engaged in conversation and asked follow-up questions when needed. To make the interviewees comfortable, the interviews were conducted either at the audit firm or at the university, as preferred by the interviewee. The interviewees were also informed that the information from the interviews would be handled confidentially. Each interview was audio recorded and transcribed verbatim.

Some limitations of interviews need to be discussed. The qualitative material resulting from interviews cannot be seen as "truths", since it cannot be assumed that interviewees mean

exactly what they say and are willing or able to tell the “true” story (Alvesson, 2011). Mills (1940) argued that the motives we explain our actions through are not given without a reason. This means that it is impossible to gain insights into peoples’ real motives; rather, we can only observe peoples’ language when accounting for and explaining their reasons, which can “say a great deal about what is typical of the [...] occupational group in question” (Alvesson & Sköldbberg, 2009, p. 288). Since auditors have frequently been criticized due to different scandals (e.g., Camfferman & Wielhouwer, 2019) and arguably work under a “regulatory cloud” (e.g., Humphrey, Khalifa, Robson, & Sharma, 2007), it can be assumed that auditors are well aware of the importance of “image” (Alvesson, 2001) and thus of the impression they want to convey (Goffman, 1959) when their work is difficult for outsiders to assess (Broberg, 2013). For this reason, what auditors say about their work might be strongly influenced by the “frontstage” image and therefore might not be representative of the “backstage” processes and practices of auditing (Broberg, 2013; Humphrey et al., 2007). Auditors’ perceptions and understandings of their work may also be influenced by the audit firm as an employer. Prior research has discussed the audit firm’s influence over audit practices and auditors (Knechel, 2007; Westerdahl, 2005) and treated the matter of “fimalization” (Broberg, 2013), whereby the audit firm’s interpretations of regulations and standards guide auditors through their daily work. When studying perceptions and understandings, there is also a risk of false consciousness, i.e., when groups of individuals have erroneous self-conceptions. Another limitation of interviews is that the responses could be affected by recent events, engagements, and discussions that the interviewees have experienced.

An alternative would have been to use the focus group, in which the researcher interacts with a small number of people in a group discussion to encourage dialogue between the participants (Hair, Celsi, Money, Samouel, & Page, 2011). Although unexpected findings can be discovered in group discussions (Malhotra & Birks, 2003), this method was not chosen because of the risk that the auditors would not feel comfortable sharing their personal perceptions and understandings. If auditors from different firms had been put together in one focus group, they might have hesitated to share perceptions and understandings due to the risk of sharing information, since auditors are sensitive about both firm and client confidentiality (Humphrey, 2008; Power & Gendron, 2015). On the other hand, if auditors from the same firm had been put together, auditors on a lower hierarchical level might have hesitated to speak against the perceptions and understandings of more experienced auditors. A focus group would probably also have enhanced the auditors’ awareness of the importance of

“image” (Alvesson, 2001) and the impression they want to convey (Goffman, 1959), meaning that they would not address the “backstage” processes and practices of auditing (Humphrey et al., 2007).

Sample

The appended papers not only focus on different perspectives from which to explore the auditor and use different methods, but they also use different samples. Together, they cover several types of auditors, namely, audit assistants, approved and authorized auditors, partners, former auditors, and retired auditors (Figure 7).

Figure 7. Sample.

A random sample is preferred to enhance the validity of the study (Dencombe, 2009). However, random sampling was impossible in either of the quantitative studies since there are no records of current and former audit assistants (paper I) or of all audit employees in Sweden (paper II). Therefore, a snowball-sampling technique was used in paper I and convenience sampling combined with snowball sampling was used in paper II to reach as many participants as possible. When using snowball sampling, there is a risk that the survey may be snowballed within the social network of the contacted audit assistants and auditors, which could lead to a sample of individuals sharing similar traits (Lopes, Rodrigues, & Sichieri, 1996), possibly affecting the validity of the study (Denscombe, 2009).

The sample in paper I comprises current and former audit assistants. This choice could be questioned since the results are used to explore the boundaries of the auditor. One could argue that current and former audit assistants are not auditors, so the boundaries of the auditor are

not captured with this sample. However, audit assistants can be seen as an appropriate sample for studying auditors, since audit assistants are striving to become auditors. It is well known that the first years in the audit profession are not the most lucrative. The rewards for the so-called dog years first come after authorization (Lennartsson, 2018). Still, the great majority of turnover in the audit profession occurs at the bottom of the pyramid (e.g., Hildebeitel & Leauby, 2001). Some audit assistants leave the profession even before authorization, because they realize that they do not want to become auditors, as auditors are presented to them and understood by them during their first years in the profession, or because they do not have what it takes. This large turnover makes it possible to reach enough participants to conduct quantitative testing (in this case, logistic regression) to determine why these candidates leave the profession and so trace the boundaries of the auditor.

However, there are some limitations to using audit assistants. Audit assistants have experience of working in audit firms and thus perceptions of the work. However, the work of an audit assistant differs from that of an authorized auditor (Lee, 2002; Sanusi, Iskandar, Monroe, & Saleh, 2018), so it could be assumed that their perceptions might also differ. It is therefore important to focus on the difference in perceptions between the two groups (i.e., current and former audit assistants) rather than on the perceptions per se. Another limitation is that the studied current audit assistants may have had intentions to leave and have done so after the study was conducted. There is also the limitation of using former auditors (at all levels), since their answers may reflect their post hoc rationalization for leaving the profession rather than how they perceived their work when still working in the profession. There is also the risk that their answers were affected by not accurately remembering their experiences (Alvesson, 2011).

The sample in paper II comprised audit assistants, approved and authorized auditors, as well as partners. By examining all employees working on audits, this paper allows differences and similarities in the perceptions of auditors at different levels to be captured. The motivational drivers of auditors at different levels can help us understand who the auditor is.

The sample in paper III comprised active, former, and retired auditors. In this study, auditors with long experience in the audit profession were first and foremost selected. This choice was made for several reasons. With long experience in the profession, one has experienced more types of work situations involving adding value; one can also make comparisons over time and describe changes in auditor practice, and one also may talk more freely. Auditors nearing

retirement and retired auditors could also be assumed to give more honest answers since they have less at stake than they would have at the beginning of their careers. As discussed above, auditors know how to present themselves as upholding professional norms, and auditors have both professional identity and firm reputation to protect. This is something that needs to be acknowledged, and to minimize this issue this dissertation also addresses retired and former auditors.

This dissertation project captures a variety of auditors in terms of both hierarchical levels and experience in the profession. The distribution of respondents in terms of title, gender, firm employment, age, and experience for all the appended papers can be seen in Table 2. Together, the appended papers have captured the perceptions and understandings of both female and male auditors, younger and older auditors, less and more experienced auditors, auditors representing Big 4 and non-Big 4 firms, auditors working in small and big offices, and different generations of auditors.

Table 2. Respondents.

Sample	Paper I	Paper II	Paper III
Respondents	231	276	9
Former (including retired)	34%		80%
Audit assistants (current)	66%	44%	
Approved and authorized auditors		45%	100%
Partners		11%	22%
Females	50%	38%	33%
Big 4	44%	44%	78%
Mean age	33 years	40 years	
Mean experience	3,5 years	15 years	28,5 years
Generation Y	65%	47%	

Empirical context

This dissertation research was conducted in a Swedish context. The Swedish audit arena has certain characteristics that could influence the results of this dissertation.

The Swedish context includes a strong state that is focused on protecting the public interest (Öhman & Wallerstedt, 2012). Auditors in Sweden have, for example, crime-controlling responsibilities, and the auditor must check the client's taxes and is obliged to report

suspicious of economic crime to the authorities (SFS 2005:551, chap. 9, 42-44 §§). Thus, enhancing the public interest responsibilities of the auditor.

In Sweden (and Finland) it is a statutory responsibility that the auditor must, in addition to financial audits, also conduct management audits in which the auditor audits and assesses the board's and CEO's management (SFS 2005:551, chap. 9, 3§ and 31§). This differs from the situation in other countries that do not have statutory management audits. The regulated work of an auditor in Sweden includes more than it does in other countries (except Finland), which may influence the auditor's perceptions and understandings of their work. This may, for example, also lead to greater opportunities for the auditor to discover potential added value.

There are two types of auditor certifications in Sweden: approved and authorized auditors. Approved auditor is a title issued in accordance with older regulations, and these auditors are allowed to perform audits of unlisted companies that do not exceed more than one of the following three thresholds: total assets SEK 1.5 million (approximately EU 146,000), net sales SEK 3 million (approximately EUR 292,000), and three employees (on average). Authorized auditors are instead allowed to audit any type of Swedish company. There is a difference between the client portfolios of approved and authorized auditors that could influence the auditors' perceptions and understandings of their work.

The Swedish audit market consists to a significant degree of family firms and large business groups (Broberg, 2013). In Sweden as in many other countries, the statutory audit for all limited companies has been eliminated (in 2010 in Sweden). Limited liability companies are now exempted from audits if they do not exceed more than one of the three above-mentioned thresholds for two consecutive years. The abolition of the statutory audit for all companies has meant a change in the audit market. With fewer companies that must be audited, it is reasonable to assume increased competition within the audit market. This change is expected to have accelerated the commercialization of the profession, since auditors now need to convince some clients that they should still have an auditor even when it is not required by law.

A recent change in the Swedish context concerns the competence demands for becoming an auditor, which were changed by the Swedish Inspectorate of Auditors in 2018 (RIFS 2018:1). Previously, a total of eight years of education was required, divided between university studies and practical education. Today, auditors are only required to have a bachelor's degree (minimum three years) and a minimum of three years of practical education. The theoretical

knowledge required for authorization can now to some extent be acquired through the audit firms or FAR (RI, 2017). Also, some university courses that were previously mandatory are no longer required. Academics have argued that these changes mean a 25% decrease in education and a deemphasized need for conceptual knowledge that may lead to decreased trust in the auditing profession (Marton, 2018). These changes could also decrease the status of the profession, since a common competence base is no longer required, which is a key characteristic of a profession (Broberg & Tagesson, 2017). The changed competence demands for becoming an auditor indicate that the concept of an auditor has changed and become broader, reflecting a desire to have auditors with various competencies in order to meet technological changes in the audit market (RI, 2017).

The research process

The research process started with the quantitative studies, i.e., appended papers I and II. Both these studies were designed jointly with Josefine Friberg as our bachelor and master theses. The data were collected in spring 2014 for paper I and in spring 2015 for paper II. The appended papers based on data from the theses were then written jointly with Pernilla Broberg and Johanna Sylvander. The development from the theses to the appended papers involved considerable work, with the aims, background literature and theory, as well as statistical tests and conclusions being changed and remade. First, we developed one paper covering both studies that was presented at the 39th European Accounting Association Annual Congress in 2016 (see Gertsson, Sylvander, Broberg, & Friberg, 2016). This paper focused on Generation Y, and in it we jointly interpreted the results. This conference paper was later developed into two papers. Paper I required extensive revisions related to, inter alia, previous literature and theory as well as the justifications for the operationalization, methods applied, and contributions made. I am first author⁶ of both papers, which is reflected in the author order and was relevant to all steps of the research process, from the design of the study to the review process. Paper I was published in 2017 in *Managerial Auditing Journal* and paper II in 2018 in *Journal of Accounting and Finance*. Together with Pernilla Broberg, the results of these papers were presented to the Swedish Inspectorate of Auditors in spring 2018 and at one of the Inspectorate's seminars, "The future audit: the attractiveness of the profession", in fall

⁶ Paper I has a note clarifying that the order of the authors reflects their contributions, due to the issue of alphabetical order.

2018. These results also resulted in a debate article in *Tidningen Balans* (see Broberg & Gertsson, 2019).

The results of the appended papers I and II inspired the qualitative study, i.e., appended paper III. A research proposal for this study was presented at the PhD workshop of the Ninth EARNet Symposium in Leuven in 2017. The data for this paper was collected in autumn 2017. Paper III is single authored and currently under review for publication in an academic journal.

The overall aim of this dissertation emerged during the research process as a result of the knowledge gained. At the beginning of this dissertation project, the planned aim focused on turnover within the audit profession. The increased turnover within the audit profession is an important issue, since if audit firms cannot retain qualified, highly competent audit staff, this could have implications for audit quality (Chi et al., 2013; Hall & Smith, 2009) and perceived audit quality (Svanström & Sundgren, 2012; Öhman, Häckner, & Sörbom, 2012). Additionally, it is costly for audit firms to replace and train new staff (Carcello, Copeland, Hermanson, & Turner, 1991; Hiltbeitel & Leauby, 2001; Parker & Kohlmeyer, 2005). The project therefore started out by exploring why audit assistants leave the audit profession. Another way to counteract turnover is to recruit the right people and to motivate those who belong to the profession, so the dissertation project continued by examining auditors' motivations. By understanding what motivates auditors at different levels, audit firms and the audit profession might be able to adjust in order to retain more auditors. The initial aim of this dissertation project addressed a practical issue; however, the overall aim changed due to the early results of the research.

Instead of continuing on that track and studying, for example, why authorized auditors leave the profession and what those who leave tend to do, the results identified a need to further study those who stayed in the profession, since the results of the two first papers indicated that the professional side of the auditor might be somewhat questionable. The results of the paper on turnover showed that audit assistants who have low perceptions of the audit profession, i.e., perceive the work as not prestigious, without meaning or societal benefits, and not providing intellectual stimulation or career development opportunities, are more likely to leave the profession (paper I). This indicates that if one, as an auditor, does not perceive one's work as highly professional and as contributing value to society, one is more likely to leave the audit profession. Furthermore, the results of the motivation paper show that audit

employees are most motivated by contributing to the client and more motivated by contributing to both the client and the audit firm than by contributing to society (paper II). This is interesting, since auditors have been described as guardians of truth in markets (Volcker, 2002), with an important role that contributes to society. However, the results indicate that it is more attractive to be a creative business advisor than a sceptical guardian of the market (Broberg, 2013). This could have implications for the audit profession since, according to motivated reasoning theory, our cognitive processes are biased by our wants, needs, and beliefs, i.e., motivations (Kunda, 1990). We tend to do what we believe is fun and motivating. Interpreting the results of the two papers together, the results of the motivation paper could be because those audit assistants who were more motivated by contributing to society left the audit profession before becoming authorized auditors because their desires and needs were not met. Here, the risk is that the business side of auditing dominated the auditor's work. Both results indicate that the professional side of the auditor might be somewhat questionable.

At the same time as the results of papers I and II build our knowledge of turnover and motivation within the audit profession, the results also improve our understanding of the concept of the auditor, especially who the auditor is. The reasons for leaving the profession indicate what an auditor is not, while those still in the profession indicate what an auditor is. Also, auditors' motivational drivers are important for the concept of the auditor, since our cognitive processes are biased by motivations (Kunda, 1990), i.e., motivational drivers influence auditors' work behaviour.

To explore the concept of the auditor, the research focus expanded to grey-area activities of the auditor where the business and professional sides of the auditor are most likely to challenge each other. An interesting concept to further explore was value-added services. Herda and Lavelle (2013a, p. P9) defined value-added audit services as "client-service activities, resulting from an audit, that are not directly related to the verifying of the financial statements, and are beneficial to clients and audit firms". This definition indicates that value-added audit services contribute to both clients and the audit firm, and could thus be highly motivating for auditors (paper II). When adding value to the client the business and professional sides of the auditor may challenge each other and the auditor is confronted by the boundaries of being an auditor. An important issue, since it is when the auditor encounters the boundaries of being an auditor that the auditor's conception of an auditor becomes clear. Studying value-added activities that the auditors perceive they can offer to the client in their

role as auditors i.e., the boundaries of auditor work, contribute to an understanding of what the auditor does, and thereby to the concept of the auditor.

Chapter 4: Summary of the papers

In this chapter, a summary of each appended paper will be presented. These summaries include information regarding each paper's aim, theory, empirical method, and main findings and contributions. For more detailed information regarding the studies, please see the appended papers.

Paper I

Gertsson, N., Sylvander, J., Broberg, P., & Friberg, J. (2017). Exploring audit assistants' decision to leave the audit profession. *Managerial Auditing Journal*, 32(9), 879–898.

The first paper considers turnover in the audit profession and explores why audit assistants leave the profession. That audit employees leave the profession after a few years, before becoming certified auditors, is a general problem in the audit profession (Hiltebeitel & Leaby, 2001). This is an important topic to explore, since excessive turnover among audit assistants could lead to reduced expertise in audit teams, which could threaten audit quality (Chi et al., 2013; Hall & Smith, 2009) and perceived audit quality (Svanström & Sundgren, 2012; Öhman et al., 2012). The aim of this paper is therefore to explore how determinants of job satisfaction are associated with decisions to leave the auditing profession.

Job satisfaction refers to the ability of a job to fulfil the employee's desires, expectations, needs, or demands (Larkin, Leaby, & Hiltebeitel, 1999) and is an important determinant of employee turnover (Armstrong, 2006; Chi et al., 2013; Larkin et al., 1999). Prior studies have mainly focused on job satisfaction as a determinant of turnover *intentions* within the audit profession (Chan, Monroe, Ng, & Tan., 2008; Dole & Schroeder, 2001; Hall & Smith, 2009;

Herda & Lavelle, 2012; Nouri & Parker, 2013; Parker & Kohlmeyer, 2005). However, intentions cannot be used to fully explain actual behaviour (Sheeran, 2002; Sutton, 1998; for a full explanation, see appended paper I). This paper contributes to the literature on audit employee turnover by exploring the determinants of actual career change. The literature review identified three broad categories of determinants of job satisfaction, namely, perceptions of the profession (e.g., status and prestige, sense of meaning, and societal benefits), work conditions (e.g., workload, flexibility, and stress), and work environment (e.g., autonomy and varied and significant work assignments). Although the turnover and expectancy gap literature indicate that the perception of the profession is a determinant of job satisfaction and turnover (Carcello et al., 1991; Chia, 2003; Furnham, Eracleous, & Chamorro-Premuzic, 2009; Philips & Crain, 1996), no prior study has explored the influence of these perceptions on the decision to leave the audit profession. This paper therefore also contributes by identifying and testing a new variable not previously used as a determinant of job satisfaction.

The empirical method used in this paper is a survey sent to both former and current audit assistants in Sweden. By approaching both current and former audit assistants, this paper explores determinants of actual career change, rather than turnover intentions. The analysis is based on 231 complete surveys, 78 of which were from former audit assistants. Principal component analysis of the determinants of job satisfaction identified a solution with four components (i.e., work environment, work–life balance, perception of the profession, and flexibility) for this context. These components were then tested in a logistic regression analysis, together with six control variables concerning met expectations, age, gender, Big 4, office size, and tenure.

The main finding of this paper is that perception of the profession and work–life balance are negatively associated with the decision to leave the profession. Also, met expectations and Big 4 were positively associated with career change. The decision to change career seems to be most associated with poor perception of the profession, which means considering the work as not being prestigious, having no meaning or societal benefits, and not providing intellectual stimulation or career development opportunities.

Paper II

Gertsson, N., Sylvander, J., Broberg, P., & Friberg, J. (2018). Exploring motivational drivers of audit employees: A study focusing on Generation Y. *Journal of Accounting and Finance*, 8(2), 89–105.⁷

The second paper examines motivation and explores the motivational drivers of audit employees, with an emphasis on Generation Y audit employees. Concern about high employee turnover in the audit profession (Chi et al., 2013) makes motivation an important topic, since motivation is closely related to both job satisfaction (Furnham et al., 2009) and turnover (Armstrong, 2006; Chi et al., 2013). Knowledge of audit employee motivation is crucial for the audit profession, since both job satisfaction and turnover are argued to be audit quality indicators (Brown et al., 2016). The aim of this paper is therefore to explore audit employees' perceptions of what motivates them, and to explain what factors influence audit employees' motivational drivers. This paper has a special focus on Generation Y, since the job market in general and the audit profession in particular faces a specific challenge in motivating and retaining Generation Y employees, who tend to leave jobs more frequently than did previous generations (Laird, Harvey, & Lancaster, 2015).

Motivation, i.e., “any wish, desire, or preference that concerns the outcome of a given reasoning task” (Kunda, 1990, p. 480), is directly related to the experienced level of job satisfaction, since it reflects the extent to which needs are fulfilled at the workplace (Furnham et al., 2009). Research on job satisfaction and motivation has mainly focused on organizational and situational explanations, with individual differences being neglected (Furnham et al., 2009). However, based on previous research, it can be assumed that factors such as generation (Crumpacker & Crumpacker, 2007; Glass, 2007), gender (Chia, 2003; Herbohn, 2005; Moyes, Shao, & Newsome, 2008), audit firm (Chia, 2003; Herbohn, 2005), and organizational level (Eskildsen, Kristensen, & Westlund, 2004; Kovach, 1987; Sekhar, Patwardhan, & Singh, 2013) also influence audit employee motivation.

⁷ Unfortunately, some sources are missing from the reference list in the published paper, namely Baumeister (2016), Brown, Gissel, and Neel (2016), Elliott and Dweck (1988), and Svanberg and Öhman (2015). There is also an error on p. 94: 65.6% of the respondents worked at a non-Big 4 firm, not a Big 4 firm as stated in the text.

This paper is exploratory in nature and therefore includes all these factors. It also uses a pre-study to explore the motivational drivers identified in the literature review, finding two additional motivational drivers for audit employees, namely, contributing to the client and contributing to the firm. The main study was conducted through a survey, directed towards audit employees at all hierarchical levels, consisting of 44 statements representing motivational drivers. The analysis is based on 276 complete surveys and consists of descriptive statistics, factor analysis of the motivational drivers, correlation analysis, and multiple regression.

The results show that audit employees are most motivated by contributing to the client, autonomy, and interesting work and least motivated by competition, organizational image, and status. The results also indicate that audit employees' motivational drivers are influenced by gender, office size, hierarchical position, tenure, and experience.

This paper contributes to motivational theory by exploring two new motivational drivers in the audit context, drivers not previously identified in the literature, namely, contributing to the client and contributing to the firm. An interesting finding is that audit employees are more motivated by contributing to both the client and audit firms than to society. This paper also categorizes motivational drivers in the audit context. The results of the factor analysis revealed five categories of motivational drivers for audit employees, namely, intrinsic, social, material, status, and well-being drivers. Finally, this paper builds knowledge of what motivates Generation Y audit employees. The results show that Generation Y audit employees are more motivated by social, material, and status drivers than were previous generations, which indicates that the audit industry attracts atypical Generation Y members.

Paper III

Gertsson, N. (2021). Exploring adding value to audit clients from an auditor's perspective. Working paper.

The third paper considers the value-added activities of the auditor. The primary task of auditors is to provide assurance to company stakeholders; however, in auditors' daily work they put great emphasis on giving the audited company (which they refer to as "the client") added value (Broberg, 2013). Value-added activities are "client-service activities, resulting from an audit, that are not directly related to the verifying of the financial statements, and are

beneficial to clients and audit firms' (Herda & Lavelle, 2013a, p. P9). While prior research has identified some services as providing added value (e.g., providing additional information, making suggestions for improvement, and being available), this has mainly been done from the client perspective (e.g., Fontaine et al., 2013; Fontaine & Pilote, 2011, 2012). This paper instead focuses on how auditors perceive added value and what they actually do when offering value-added services to clients. To contribute to an understanding of contemporary audit work, this paper explores the value that auditors consider they add to clients and the activities they identify as adding value.

This paper uses an inductive approach to explore added value from the auditors' perspective. Semi-structured interviews with active, former, and retired auditors with long experience in the audit profession were conducted, focusing on auditors' perceptions of their work and of how they add value. To identify as many different value-added activities as possible, this paper focuses on the context of family firms. Family firms have a low degree of separation between ownership and control, which means that the monitoring role of the auditor on behalf of stakeholders could be less of a constraint than in non-family firms (Lane, Astrachan, Keyt, & McMillan, 2006), allowing the auditor to engage in more value-added activities.

The analysis was inspired by Charmaz (2014) and used initial and focused coding. Charmaz (2014) emphasized the approach of coding for actions, which was used in this paper, in which the initial codes were connected closely to the data and consisted of words that reflect actions undertaken by the auditor to add value. According to Charmaz (2014), coding with gerunds creates a strong sense of action and helps the researcher to detect processes and focus on the data. The analysis resulted in 243 initial codes that were categorized into 13 categories and 83 subcategories of value-added activities (see Appendix A in paper III).

This paper contributes an empirically based categorization of added value. The results show that added value can be divided into what the auditor *is* for the client, which encompasses the social aspects of adding value, and what the auditor *does* for the client, which is related to the knowledge the auditor has. The results also show that auditors add value by *being* available and engaged, providing mental support, and acting as a family mediator for the client. Auditors also add value by *talking* in the form of informing, discussing, giving suggestions, tips, and advice, explaining, and answering and asking questions, and by *acting* in the form of customizing, operating, developing, and contributing expertise. By identifying many value-added activities, this paper contributed a new understanding of audit work and provided new

insights into auditor practice. This paper also contributed to theory regarding the role of the auditor and to the literature on auditing within family firms. The results of this paper suggest that auditors can have a consigliere role (see Collin et al., 2017), a counselling role (mental support/psychology), a pedagogical role (explaining), and a coaching or developmental role (raising questions) in family firms.

Chapter 5: Discussion

This discussion will be based on auditors' own perceptions and understandings of their work in relation to boundary-setting forces, and aims to advance our understanding of the auditor by creating a concept of the auditor. In this chapter, the results of the appended papers will be integrated and jointly interpreted to explore the concept of the auditor. The concept is shaped interactively by the forces that exist in the auditor's environment and by the auditors themselves, through the auditors' views of themselves and their environment. The integration and interpretation of the results of the appended papers will therefore be based on the boundary-setting forces, in light of auditors' perceptions and understandings of their work in relation to those boundary-setting forces. The structure of this chapter will be based on the tension between professional and business boundary-setting forces (Table 3), as presented in Chapter 2. First I will discuss auditors' perceptions and understandings of their work in relation to boundary-setting forces related to the professional side of the auditor, namely, the audit profession and society. Then I will discuss auditors' perceptions and understandings of their work in relation to boundary-setting forces related to the business side of the auditor, namely, the audit firm, the client, and the market. This chapter will end with a discussion of the concept of the auditor, including both who the auditor is and what the auditor does.

Table 3. Professional versus business boundary-setting forces.

Aspects of work in relation to...		Paper		
Professional	The audit profession (incl. professional values)	I	II	III
	Society (stakeholders; public interest)	I	II	III
Business	The audit firm (incl. colleagues)	I	II	III
	The client		II	III
	The market			III

The professional side of the auditor

In this dissertation, the professional side of the auditor is argued to be mainly influenced by three boundary-setting forces, namely, the audit profession (including professional values), society, and regulations. As mentioned earlier, this dissertation does not empirically direct focus on auditors' perceptions and understandings of their work in relation to regulation as a boundary-setting force. Therefore, auditors' perceptions and understandings of their work in relation to the audit profession and society will be discussed below.

The audit profession

The audit profession itself is one of the boundary-setting forces that influences the auditor and auditor work. A profession is based on scientific knowledge, uses ethical guidelines that guarantee professional integrity, and serves the public interest (Brante, 2009). In the international standards of auditing, the audit profession emphasizes the importance of complying with ethical requirements and exercising professional judgement when auditing (IAASB, 2009, para. 14 and 16). Auditors have also been argued to have an important role, contributing to society as guardians of truth in markets (Volcker, 2002). Even though it has been questioned whether the audit profession should be considered a profession (Fogarty, 2014), the profession as such acts as a boundary-setting force by, for example, creating standards, establishing professional ethical rules, and making recommendations on how new laws and regulations should be interpreted, all of which determine and guide auditor work. The audit profession also supervises and authorizes auditors, acting as an entry barrier to belonging to the profession.

The audit profession can be perceived as more or less professional. In this dissertation, the audit profession is perceived to uphold five professional values: status and prestige, sense of meaning, societal benefit, expertise, and career development (paper I). To have low perception of the profession means perceiving the work as not being prestigious, having no meaning or societal benefit, and not providing intellectual stimulation or career development opportunities. Audit assistants with low perceptions of the profession are more likely to leave the profession (paper I), which means that audit assistants who do not perceive the audit profession as highly professional will exclude themselves from the profession and not become auditors. That some audit assistants do not perceive the profession as highly professional

could be due to the increased business focus within the profession. It is also possible that the work at the beginning of an auditor's career is less associated with professional values due to the less complex tasks assigned (Sanusi et al., 2018). This could create low perception of the profession, as the audit assistant is not allowed to see or experience "the complete work" of an auditor.

The concept of the auditor is influenced by who stays in ("the included") and who leaves ("the excluded") the audit profession. That audit assistants with low perceptions of the profession leave the audit profession could mean that the critical thinkers who may question the professional values of the profession and the changes that the profession is undergoing leave the profession. This means that those who stay, i.e., "the included", have high perceptions of the audit profession – at least regarding status and prestige, sense of meaning, societal benefit, intellectual stimulation, and career development opportunities. Thus, the auditor could be argued to be someone who admires the audit profession and sees professional values in a business environment.

Another explanation for these results is that the "excluded" are more oriented towards society, and therefore perceive the profession as less professional (i.e., perceive low societal benefits), while the "included", i.e., the auditors, are more oriented towards the client. Auditors are⁸ most motivated by contributing to the client (see Table 2 in paper II). However, besides this, auditors are also highly motivated by autonomy, interesting work, growth and learning, variety, expertise, recognition, challenging work, colleagues, and flexibility (see Table 2 in paper II), all of which are more associated with professional than business values. The auditor is therefore someone who is client oriented and at the same time highly driven by professional values.

The results of this dissertation indicate that auditors do not seem to perceive a difference between contributing to the client and being professional. Instead, they seem to perceive high professional values, such as sense of meaning and competence development, when adding value to the client (paper III). Auditors perceive and experience several reasons for adding value to clients. Of the mentioned reasons, three are associated with what characterizes a profession. First, auditors can add value due to their knowledge and competence (paper III). So, instead of following structure, which they do during the audit service to a high degree

⁸ In this dissertation, I write that auditors are motivated by various drivers. However, paper II treats auditors' perceptions of what motivates them, i.e., what they claim to be more or less motivated by.

(Alvehus & Broberg, 2018; Öhman, 2007), they understand a greater need for their expertise when adding value to the client. Second, auditors add value because it helps them learn new things and develop (paper III). Here, it could be argued that the increased standardization and structure of the audit process has led to less autonomy and use of professional judgment for the auditor i.e., less challenging work (cf. Alvehus & Broberg, 2018; Boland, Daugherty, & Dickins, 2019). Broberg, 2013). However, when adding value to the client in form of audit-related services, the work seems less controlled and structured, allowing the auditor to be constructive and creative (paper III) challenging the auditor towards growth and learning, which greatly motivate the auditor (see Table 2 in paper II). Finally, auditors add value because it makes them feel as though they have an important and meaningful role (paper III). Auditors thus perceive their work as meaningful when they can help the client, which is reasonable, since it is the clients that the auditor meets every day and not society, which is more distant from the auditor's daily work (Broberg, 2013). All these aspects are related to the professional side of the auditor and indicate that this side (i.e., certain knowledge and competence) enables the auditor to take on business activities (i.e., add value to the client). It also indicates that auditors take on business activities not only for business reasons but also to develop their professional side (i.e., learn new things) and feel professional (i.e., have an important and meaningful role).

To conclude, the auditor could be argued to be someone who perceives the audit profession as highly professional and sees professional value in her/his business activities. The auditor is also client oriented and simultaneously highly driven by professional values such as autonomy, growth and learning, and challenging work. The auditor adds value to the client to feel professional and develop as a professional.

Society

Society is another boundary-setting force that influences the auditor and auditor work, which is related to the professional side of the auditor. Auditors have been argued to have an important role and to contribute to society as guardians of truth in markets (Volcker, 2002), with the auditor providing assurance to the company's owners and stakeholders (Beattie et al., 1999; Power, 2003; Öhman et al., 2006). However, the results of this dissertation show that auditors are more motivated by contributing to the client and the audit firm than by contributing to society (paper II). The results indicate that the auditor perceives it as more

attractive to be a creative business advisor than a sceptical guardian of the market (Broberg, 2013). This could have implications for the audit profession since, according to motivated reasoning theory, our cognitive processes are biased by wants, needs, and beliefs, i.e., motivations (Kunda, 1990). We tend to do what we believe is fun and motivating. It is therefore possible that the work of an auditor is consistent with the business professional stereotype of the auditor (Carnegie & Napier, 2010), with serving the public interest being a secondary focus.

As discussed earlier, the results of this dissertation indicate that the “excluded” are more oriented towards society, while the “included”, i.e., the auditors, are more oriented towards the client. If an audit assistant does not perceive her/his work as contributing value to society, the audit assistant is more likely to leave the audit profession (paper I). This indicates that those who are oriented towards society and whose desires and needs are not met leave the profession. A possible explanation for not perceiving the work as making a societal contribution is that, at the beginning of their careers, audit assistants conduct less complex tasks (Sanusi et al., 2018), making it hard to see the societal contribution. That auditors are more motivated by contributing to the client and the audit firm than by contributing to society (paper II) could be because those audit assistants who were more motivated by contributing to society left the audit profession before becoming authorized auditors, since their desires and needs were not being met. Both results indicate that the professional side regarding societal services is less emphasized and that the auditor is more client oriented.

However, auditors perceive adding value to their clients as a societal contribution (paper III). This result is consistent with prior research that has argued that auditors seem to see fulfilling their clients’ needs as part of being professional (Broberg, 2013; Broberg et al., 2018; Sweeney & McGarry, 2011). Auditors see adding value as one way to contribute to society, by helping the clients’ companies grow and develop, enabling them to employ more people and use more suppliers (paper III). This result further indicates that auditors perceive and understand their business activities as professional. Auditors do not see any contradiction between professional values and operating in a business environment. That auditors perceive adding value to the client as a societal contribution could be a way of rationalizing that the audit profession has become more business oriented.

To conclude, the auditor is more motivated by contributing to the client than to society, which indicates that the auditor is client oriented and finds it more attractive to be a creative business

consultant than a sceptical guardian of the market. The auditor also perceives her/his work in the form of business activities (i.e., adding value to the client) as a societal contribution. Thus, the auditor is someone who perceives her/his business activities as professional and does not perceive any contradiction between professional values and operating in a business environment.

The business side of the auditor

In contrast to the professional side of the auditor, the business side of the auditor is mainly influenced by three other boundary-setting forces, namely, the audit firm, the client, and the market, which will be discussed below.

The audit firm

The audit firm, as the auditor's employer, is one boundary-setting force that influences auditors and their work. The audit firm influences both who becomes an auditor, by recruiting and selecting candidates, and the auditor's work through, for example, audit manuals and control mechanisms. The increased commercialization of the audit profession (Guo, 2016; Sweeney & McGarry, 2011) has resulted in audit firms being run in a more "business-like" way, with reward systems focusing on the individual auditor's productivity, such as number of clients or billed hours (Brock, 2006). This increased business focus could be assumed to have created a more stressful work environment for individual auditors and affected how auditors perceive their work. The results of this dissertation show that work-life balance is negatively associated with the decision to leave the audit profession (paper I). This means that audit assistants who perceive the work as stressful and associated with uneven working hours and unreasonable overtime and who have issues with the work-life balance exclude themselves from the audit profession. This could partly be due to the audit firm's control mechanisms, such as reward and career systems that push the auditor, but also due to the busy season that comes with the profession. In turn, this means that those who stay in the profession do not perceive the work to be more stressful than they can handle. Auditors (i.e., "the included") could be argued to be resistant to stress, heavy workload, and work-life balance issues. This is partly consistent with prior research showing that auditors have a relatively high stress tolerance (Sweeney & Summers, 2002).

The audit firm can also create incentives that direct the auditor to work in a way that is preferred by the audit firm. Since audit firms arguably have up-or-out career systems (Greenwood & Empson, 2003) and reward systems that emphasize the individual auditor's productivity (Brock, 2006), auditors could be expected to be competitive in nature. However, this dissertation shows that auditors are least motivated by competition (see Table 2 in paper II). Furthermore, it could be expected that the increased business focus of the audit profession (e.g., Brock, 2006; Sweeney & McGarry, 2011) would create auditors who are highly motivated by values associated with a business environment. However, the results of this dissertation show that several motivational drivers connected to the audit firm and the business side of auditing, such as competition, organizational image, material rewards, benefits, goals, promotion and growth in the organization, and pay, are less motivating for auditors than other drivers (see Table 2 in paper II). Based on the assumption that our cognitive processes are biased by motivations (Kunda, 1990), this indicates that auditors are not that influenced by the audit firm's means of control, such as career and reward systems. The results of this dissertation indicate that auditors are aware of the audit firm's intentions regarding adding value, seeing it as a natural part of the business idea (paper III). However, the most reasons that auditors perceive for adding value to their clients are related to feeling and develop as professionals (paper III, further discussed below under The client).

To conclude, the auditor is someone who is resistant to stress, heavy workload, and work-life balance issues. Furthermore, the results indicate that the auditor is not that influenced by the audit firm's control means, in the form of career and reward systems, since the auditor is generally less motivated by business values such as material rewards, promotion and growth in the organization, and competition. This could in turn explain why auditors do not perceive their work as more stressful than they can handle in terms of workload and work-life balance, since it is not extrinsic motivations that drive auditors to work but rather intrinsic motivations. The auditor is someone who is genuinely interested in auditor work, including the more business-related part, i.e., adding value, and does not do it because of rewards and career advancement prospects.

The client

Another boundary-setting force that influences auditors and their work is the client. Research has shown that clients have expectations of the auditor that go beyond the audit service

(Fontaine & Pilote, 2011, 2012) and that auditors put great emphasis on giving the audited company some kind of added value (Broberg, 2013). Auditors also seem to see fulfilling the clients' needs as part of being professional (Broberg, 2013; Broberg et al., 2018; Sweeney & McGarry, 2011). That auditors see this as professional could be because auditors get to use their knowledge and competence, develop and learn new things, and feel as though they have an important and meaningful role when adding value to their clients (paper III). All these aspects are professional values that auditors experience when fulfilling their clients' needs. Furthermore, auditors see contributing to their clients as a way to contribute to society (paper III), which further explains why auditors see fulfilling their clients' needs as part of being professional.

The results of this dissertation also show that contributing to the client motivates auditors more than do other motivating factors (paper II), which is reasonable since it is in the client context that auditors feel like and develop as professionals (see discussion above), which they find highly motivating (paper II). Since our cognitive processes are biased by motivations (Kunda, 1990), the fact that auditors are most motivated by contributing to their clients further indicates that auditors are client oriented, and that auditors' internal motivations are reasons for adding value to their clients. The auditor is someone who enjoys adding value and helping the client (paper III), which could be because of all the professional values that auditors associate with doing so. Auditors are also highly motivated by appreciation (see Table 2 in paper II), which they seem to get from clients when adding value (paper III). Which is one reason why auditors add value to their clients (paper III). Together, this indicates that the auditor's actions are influenced by the auditor's motivations, and that the client motivates the auditor to a high degree.

When it comes to the work of an auditor, the results of this dissertation indicate that auditors can add value to their clients due to their social skills and competence (paper III). Paper III identifies 13 different categories of added value. The auditor adds value to the client by being available and engaged, providing mental support, and acting as a family mediator, all of which are related to the auditor's social skills. The auditor also informs, explains, and discusses, gives tips, advice, and suggestions, answers and raises questions, and questions the client to add value. These categories are based on the auditor's knowledge and concern oral communication between the auditor and the client. Auditors can also add value based on their knowledge by acting (not only talking), which encompasses concrete actions in which the

auditor is customizing, operating, developing, and contributing expertise to add value (paper III).

This dissertation demonstrates that the auditor perceives and understands the auditor as having a more extensive role than that described by the ISA as the purpose of the audit (IAASB, 2009, para. 3). The present results also indicate that the auditor carries out more functions than those described previously in theory (cf. “The roles and functions of the auditor” in Chapter 2). Several of the value-added activities identified are not associated with the audit assignment itself but relate to the private and personal matters of the client as well as to the audited company (e.g., mental support, family mediation, discussing, and giving suggestions, tips, and advice). Furthermore, the results confirm that auditors may have a consigliere role within family firms (see Collin et al., 2017), because, as well as giving advice within the firm, they can give advice to the family itself and mediate between family members. In addition, the results indicate that auditors can have a counselling role (providing mental support in private matters), a pedagogical role (explaining), and a coaching or developmental role (raising questions) (paper III).

To conclude, the above discussion further shows that the auditor is client oriented. The auditor is highly motivated by contributing to the client, which seems to be due to the professional values the auditor associates with doing so. The auditor perceives fulfilling client needs as part of being professional. Furthermore, the auditor is someone with both knowledge and social skills that can benefit the client. Auditor work is not limited to the audited company as such; rather, the auditor can also add value related to the private and personal matters of the client. It can be concluded that the auditor’s functions are more than assurance, improvement, insurance, legitimacy, comfort, negotiation, and consigliere services. The auditor can also have a counselling role, providing mental support in private matters, a pedagogical role, with an explaining/teaching function, and a coaching or developmental role, raising questions with potential for improvement.

The market

Finally, the market is another boundary-setting force that influences auditors and their work. There has been increased competition in the audit market (Sweeney & Pierce, 2004), leading audit firms to differentiate themselves (Fontaine et al., 2013; Jeppesen, 1998; Sarapaivanich & Patterson, 2016) by providing superior service and value (Sarapaivanich & Patterson,

2016). The auditor seems to be aware of the market when adding value to clients, and sometimes the auditor does more than s/he is allowed to do because of the competitive market (paper III). The issues of costs and revenues impinge on the audit firm and not the individual auditor, since the auditor is an employee of the audit firm. That auditors are influenced by the market situation indicates that the audit firm's control systems, such as rewards systems, let the auditor understand how s/he should act regarding adding value services. This indicates that even though the auditor's business activities could contribute to the professional side of the auditor, there is always a risk of the auditor thinking and acting like a businessperson due to the competitive environment, impairing her/his independence.

To conclude, the results of this dissertation show that the auditor is aware of the market situation when conducting auditor work. Furthermore, the auditor's perceptions of the market environment can influence auditor work, by pushing the auditor to sometimes do more than is allowed.

The concept of the auditor

The concept of the auditor is shaped interactively by the boundary-setting forces that exist in the auditors' environment and by the auditors themselves, through the auditors' perceptions and understandings of themselves and their environment. Thus, the above discussion regarding auditors' perceptions and understandings of their work in relation to the boundary-setting forces in their environment can advance our understanding of the concept of the auditor. In this dissertation, the concept of the auditor is determined by two things, namely, who the auditor is and what the auditor does. Based on current and former auditors' perceptions and understandings, this section consists of a summary interpretation of what the results of this dissertation mean for the concept of the auditor. This will also be related to prior literature and theory regarding auditors and auditing.

Who is the auditor?

Based on the appended papers and the discussion regarding auditors' perceptions and understandings of their work in relation to boundary-setting forces, it can be concluded that there are several characteristics that define who the auditor is. The auditor:

- is highly driven by professional values
- is less driven by business values

- is genuinely interested in auditor work
- is resistant to stress, heavy workload, and work–life balance issues
- is admiring the audit profession and perceiving it as highly professional
- is perceiving professional values in adding value to the client, i.e., in the business activities
- is enjoying adding value to the client
- is more motivated by contributing to the client than to society
- has high social skills and broad knowledge

Prior research has argued that the auditor has become a businessperson (Forsberg & Westerdaahl, 2007). Is this really the case? Or is the auditor still a professional working in a business environment? From the above discussion it can be concluded that the auditor is someone who is highly driven by professional values such as autonomy, growth and learning, and challenging work, and less motivated by business values such as material rewards, promotion and growth in the organization, and competition. Since our cognitive processes are influenced by motivations (Kunda, 1990), this indicates that the auditor is someone who prefers to act in a way that is perceived by the auditor as professional. It seems to be the intrinsic motivation provided by professional values that drives auditors in their work and not the extrinsic motivation provided by business values. Intrinsic motivation is an inner desire to act in a certain way because it is fun or challenging (Gagné & Deci, 2005; Ryan & Deci, 2000), and it gives no physical reward in addition to the work itself (Bénabou & Tirole, 2003; Frey & Jegen, 2001). Extrinsic motivation instead drives the individual to act to achieve a specific outcome (Gagné & Deci, 2005; Ryan & Deci, 2000), usually external incentives such as pay or promotion (Bénabou & Tirole, 2003; Frey & Jegen, 2001). However, in the auditor's context, the professional values seem to be related to physical rewards, since the auditor perceives professional values when adding value to the client. Thus, even though it is the intrinsic motivation that drives the auditor to conduct business activities, it is reasonable to assume that the auditor is also rewarded by the audit firm based on his/her ability to add value to the client, i.e., ability to sell services. However, the results indicate that the auditor is not particularly influenced by the audit firm's control means, in the form of career and reward systems, since the auditor is generally less motivated by business than by professional values. The auditor is therefore someone who is genuinely interested in auditor work and does not do it solely because of rewards or for career advancement.

This dissertation also finds that the auditor is someone who is resistant to stress, heavy workload, and work–life balance issues. This is consistent with prior research showing that auditors have a relatively high stress tolerance (Sweeney & Summers, 2002). That auditors do not perceive their work as more stressful than they can handle in terms of workload and work–life balance issues could be because those susceptible to such stress leave the profession. This means that the auditor is someone who is genuinely interested in auditor work and does not do it solely because of rewards and career advancement. It is not extrinsic motivation that drives the auditor to work but instead intrinsic motivation.

The changes that the audit profession has undergone in recent decades (see significant changes in recent decades, as described in the introduction), such as increased commercialization (Clow et al., 2009; Gou, 2016; Shafer, 2009; Sweeney & McGarry, 2011), could be seen as a sign of de-professionalization (Broberg et al., 2018; Lokatt, 2018). However, auditors do not seem to perceive it this way. Instead, this dissertation has found that the auditor is someone who admires the audit profession and perceives it as highly professional. While prior research has emphasized that auditors perceive fulfilling client needs as part of being professional (Broberg, 2013; Broberg et al., 2018; Sweeney & McGarry, 2011), this dissertation also notes that auditors to a high degree see professional values (i.e., knowledge and competence, development and learning new things, important and meaningful role, and societal contribution) in adding value to the client, i.e., in the business activities. This in turn could explain why auditors so greatly enjoy adding value to clients. That auditors perceive and understand their business activities as professional indicates that they do not see a contradiction between professional values and operating in a business environment. This is in line with prior identity research on auditors, where Bamber and Iyer (2002) showed that auditors have high levels of both professional and organizational identification and experience a low level of organizational–professional conflict, which means that auditors do not perceive that they need to compromise their professional values to satisfy the audit firms’ demands.

Recent research has also argued that the current audit labour market consists of profit-maximizing firms with up-or-out motivational systems that foster business-oriented auditors with a “non-interest” in the public interest (Sylvander, 2020). However, even though this dissertation shows that the auditor is more motivated by contributing to the client than to society, which is in line with prior research that has argued that the auditor finds it more attractive to be a creative business consultant than a sceptical guardian of the market

(Broberg, 2013), this does not mean that the auditor does not have an interest in the public interest. Instead, this dissertation shows that the auditor perceives adding value to the client as a way to make a societal contribution by improving the business operation, thereby helping create more jobs and engage more suppliers, etc.

Finally, based on the wide range of services through which the auditor adds value to the client, which will be further discussed in the next section, this dissertation indicates that the auditor is someone with high social skills and broad knowledge. High social skills and broad knowledge are in turn preconditions for creating high added value. Furthermore, with high social skills, the auditor can create good relationships with the client's management and representatives, which facilitates the auditor's access to information and helps her/him understand what information needs to be audited (Herda et al., 2014; Giuliani, n.d.), thereby helping the auditor carry out a high-quality audit (Broberg, 2013; Herda & Lavelle, 2013b; Herda et al., 2014).

What does the auditor do?

Based on the appended papers and the discussion of auditors' perceptions and understandings of their work in relation to boundary-setting forces, it can be concluded that the work of the auditor in the grey area between auditing and consulting includes several activities. The auditor:

- adds value to the client by being available and engaged, by providing mental support and family mediation, by informing and discussing, by giving tips, advice, and suggestions, by explaining, answering questions, raising questions, and questioning, and by customizing, operating, developing, and contributing expertise to the client
- conducts a wide range of services, also related to the private and personal matters of the client
- has counselling, pedagogical, and coaching and developmental roles for the client

Prior research has argued that the work of an auditor has become more focused on increasing the value of the audit for the client (Broberg, 2013; Curtis & Turley, 2007; Eilifsen et al., 2001; Fogarty & Rigsby, 2010; Knechel, 2007; Power, 2003). Today, auditors not only provide core value by verifying and validating financial statements (Fontaine et al., 2013), but they also provide added value to their clients (Broberg, 2013; Herda & Lavelle, 2013b;

MacLulich, 2003) by being available and engaged, by providing mental support and family mediation, by informing, discussing, giving tips, advice, and suggestions, by explaining, answering questions, raising questions, and questioning, and by customizing, operating, developing, and contributing expertise to the client.

Prior research has described several functions of the auditor, with the work of the auditor being to provide *assurance* to the company's owners and stakeholders (Beattie et al., 1999; Power, 2003; Öhman et al., 2006), *improve* the reported information (Carrington, 2010), offer *insurance* to stakeholders (Carrington, 2010; O'Reilly et al., 2006), give *comfort* regarding the financial statements (Pentland, 1993), confer *legitimacy* on the audited company (Power, 2003), and *negotiate* regarding what information to include in the financial statements (Beattie et al., 2004; Trotman et al., 2005). These functions are primarily directed towards the stakeholders of the audited company, but research has also found that the auditor performs functions that are primarily directed towards the audit client (Collin et al., 2017). The results of this dissertation show that auditor work directed towards the client includes a wide range of services related to the audited company as well as to the private and personal matters of the client. The auditor can have a *consigliere* role (Collin et al., 2017), a counselling role, where the auditor provides mental support in private matters, a pedagogical role, where the auditor offers explanations, and a coaching or developmental role, where the auditor strives to improve the business operation.

Chapter 6: Conclusion

This dissertation explores the concept of the auditor and enhances our understanding of the auditor. Based on the results of this dissertation, it can be concluded that auditors are professionals engaged in a business environment. The result also suggest that auditors can push the boundaries of auditor work, to include services that they enjoy and are motivated by. The present results contribute to the auditor literature regarding the auditor's role and function and value-added audit services. This dissertation also makes practical contributions connected to the external image of the auditor and the high employee turnover in the audit profession. Finally, discussion regarding the possible implications the concept of the auditor has for audit quality is presented, and a new concept is introduced, namely, audit-related quality. The limitations of this dissertation concern the method of using auditors' perceptions and understandings, the difference between claimed and actual motivations, the context of the study, and alternative boundary-setting forces. Based on the present results, suggestions for future research regarding the concept of the auditor are presented.

Main findings

The concept of the auditor is shaped interactively by the boundary-setting forces that exist in the auditors' environment and by the auditors themselves, through their perceptions and understandings of themselves and their environment. In recent decades, the boundary-setting forces (Jenkins et al., 2008; Lokatt, 2018) in the auditor's environment have undergone significant and rapid changes (see e.g., Broberg, 2013; Clow et al., 2009; DeFond & Zhang, 2014; EU, 2014/537; Guo, 2016; Holm & Zaman, 2012; Knechel, 2007, 2016; Shafer, 2009;

Sweeney & McGarry, 2011; Teck-Heang & Ali, 2008; Öhman, 2007), changing the concept of the auditor. By focusing on auditors' perceptions and understandings of their work in relation to these boundary-setting forces, this dissertation aims to create a concept of the auditor that advances our understanding of the auditor.

The concept of the auditor is, in this dissertation, determined by two things: who the auditor is and what the auditor does. The results of this dissertation indicate that the auditor is highly driven by professional values and less driven by business values. Furthermore, the auditor genuinely likes auditor work and enjoys adding value to clients. The auditor also admires the audit profession and perceives it as highly professional, sees professional values in adding value to the client, i.e., in the business activities, and is more motivated by contributing to the client than to society. Finally, the results also indicate that the auditor is resistant to stress, heavy workload, and work-life balance issues, and has high social skills and broad knowledge.

The present findings also show that the work of an auditor includes adding value to the client by being available and engaged, by providing mental support and family mediation, by informing and discussing, by giving tips, advice, and suggestions, by explaining matters, by answering questions, raising questions, and questioning, and by customizing, operating, developing, and contributing expertise to the client. Thus, the auditor conducts a wide range of services, which are also related to the private and personal matters of the client. The auditor can have a counselling role, a pedagogical role, and a coaching or developmental role for the client.

Based on these results it can be concluded that the auditor is a professional engaged in a business environment. The auditor's environment has become more business driven, so business focuses have come to characterize the work of auditors through adding value to the client in form of audit-related services. However, auditors are still professionals driven by professional values such as autonomy, growth and learning and sense of meaning, values that auditors experience through their business activities.

Overall, based on the present results, it also seems as auditors can influence what becomes part of their work, i.e. pushing the boundaries of their work (Suddaby et al., 2009) Auditors are subject to strong driving forces, and it seems as though what auditors are driven by and like also tends to become what they do. Today, auditors put great emphasis on adding value to the client as part of their work (Broberg, 2013; Herda & Lavelle, 2013b; MacLulich, 2003).

This is also part of what drives auditors, since auditors are most motivated by contributing to the client as well as highly motivated by professional values, which the auditor perceives when adding value to the client. It has been argued that auditors are the guardians of the market (Humphrey & Moizer, 1990) whose purpose is to “enhance the degree of confidence of intended users in the financial statements” (IAASB, 2009, para. 3). Auditors are given an assignment to perform, though they seem to decide for themselves what that assignment should include. Auditors seem to be good at turning things around and seeing social contributions in what they think is interesting, i.e., adding value to the client.

Contributions

This dissertation makes several contributions to the auditor literature. The present results extend prior theory regarding the role and function of the auditor. While prior research has mainly focused on the functions of the auditor directed towards the stakeholders of the audited company (e.g. Beattie et al., 1999, 2004; Carrington, 2010; O'Reilly et al., 2006; Pentland, 1993; Power, 2003; Trotman et al., 2005; Öhman et al., 2006), this dissertation contributes knowledge of the work of the auditor directed towards the client. This dissertation contributes to the field by confirming that the auditor can have a consigliere role including giving advice, mediating, and conveying (Collin et al., 2017). Additionally, this dissertation contributes to theory regarding the role of the auditor by showing that the auditor also can have a counselling role, where the auditor provides mental support in private matters, a pedagogical role, where the function of the auditor is to explain, and a coaching or developmental role, where the auditor strives to improve the business operation. This indicates that it is not only the work of the auditor in the form of the audit that produces societal benefits but also the auditor her/himself. The auditor's societal contributions are broader than merely assuring, improving, and insuring the financial information, also including development-oriented initiatives to improve the business operation and strengthen business leaders.

The results of this dissertation contribute to a new understanding of audit work in terms of adding value to the client. Prior studies of added value have focused on client perceptions of added value (Fontaine et al., 2013; Fontaine & Pilote, 2011, 2012) or its extent (Herda & Lavelle, 2013a, 2013b; Herda et al., 2014), and not on how auditors perceive added value and what they perceive that they actually do in adding value to the clients. This dissertation shows

that auditors perceive that they add value to the client by being available and engaged, by providing mental support and family mediation, by informing and discussing, by giving tips, advice, and suggestions, by explaining, by answering questions, raising questions, and questioning, and by customizing, operating, developing, and contributing expertise to the client. The results of this dissertation contribute an empirically based categorization of added value in the auditing context by finding categories not previously identified and by confirming categories identified earlier (paper III). Explaining what the added value entails makes it easier for the auditor and the audit firm to communicate what they can offer to the client, improving the client's understanding of what the auditor can contribute and thereby reducing the expectation gap. This can also be done internally to communicate "the complete work" of the auditor to auditors at the beginning of their careers (further discussed below). This categorization of added value can also be used to operationalize the concept to further explain what influences the adding of value, for example, characteristics related to individual auditors, audit firms, and client firms.

As discussed in the introduction of this dissertation, the audit profession faces a general problem of high employee turnover (Chi et al., 2013; Hildebeitel & Leaby, 2001; RI, 2017), and it has recently been argued that the audit profession must become more attractive to potential recruits (e.g. Brydon, 2019; Johansson, 2017, 2018; RI, 2017). Increased turnover within the audit profession is an important issue, since if audit firms cannot retain qualified, highly competent audit staff, this can have implications for both audit quality (Chi et al., 2013; Hall & Smith, 2009) and perceived audit quality (Svanström & Sundgren, 2012; Öhman et al., 2012). Additionally, it is costly for audit firms to replace and train new staff (Carcello et al., 1991; Hildebeitel & Leaby, 2001; Parker & Kohlmeyer, 2005). The results of this dissertation show that audit assistants who do not perceive their work as highly professional leave the profession. Audit assistants at the beginning of their careers handle basic and less complex audit tasks (Sanusi et al., 2018), and it is reasonable to assume that they conduct fewer adding value audit services due to their lack of knowledge and experience. This means that the work at the beginning of an auditor's career is less associated with professional values (e.g., professional judgement, autonomy, societal contribution, intellectual stimulus, sense of meaning); this could create low perceptions of the profession if the audit assistants are unable to see "the complete work" of the auditor. Introducing more business activities, i.e., value-added services, early in their careers could be one way to keep more audit assistants in the profession.

This dissertation makes contributions that can help guide the external image of the auditor, which has changed from that of a traditional accountant to a business accountant (Carnegie & Napier, 2010). The business accountant is characterized as business focused, whose main function is to “add value to clients through provision of services [...], with a constant regard for spotting and exploiting further income generating opportunities” (Carnegie & Napier, 2010, p. 372), with serving the public interest being a secondary purpose. This dissertation offers an alternative explanation for auditors’ business activities, with individual auditors not being business focused but instead adding value to the client in order to feel and develop as professionals. The auditor could therefore be seen as a professional working in a business environment.

To conclude, it can be argued that the auditor is client oriented and simultaneously driven by professional values. What does this imply for audit quality? Given that auditors are client oriented and most motivated by contributing to the client (paper II), there is a risk that auditors may at least partly identify with their clients,⁹ since our cognitive processes are biased by motivation (Kunda, 1990). Auditors’ identification with their clients has been shown to impair audit quality (Svanberg & Öhman, 2015). There is thus a risk of conducting audits of lower quality due to the auditor’s desire to contribute to the client. On the other hand, job satisfaction has been argued to be an audit quality indicator (Brown et al., 2016) and motivation has been shown to influence audit judgement performance (Iskander, Sari, Mohd-Sanusi, & Anugerah, 2012). Adding value to the client therefore motivate the auditor through engaging professional values (see discussion in Chapter 5), which in turn could improve the auditor’s judgement performance and enhance audit quality. A recent study by Kadous and Zhou (2019) found that auditors’ intrinsic motivation in their work provides unique value in terms of improving judgement quality, particularly in the context of performing complex audit tasks. Also, Brown et al. (2016) emphasized that job satisfaction is positively related to performance, especially if the work involves some discretion. In addition to improving auditor motivation, adding value to the client can also help the auditor establish a good relationship with the client’s management and representatives (paper III), which facilitates the auditor’s access to information and understanding of what information needs to be audited (Herda et

⁹ This reasoning is supported by paper III, which shows that some auditors feel for their clients; for example, Auditor B said that he “rejoice[s] with them when it goes well and mourns [with] them when things go badly”. This indicates that auditors can at least partly identify with their clients.

al., 2014; Giuliani, n.d.), helping the auditor carry out a high-quality audit (Broberg, 2013; Herda & Lavelle, 2013b; Herda et al., 2014). Based on this discussion, additional avenues for future research are identified. There is plenty of research on whether non-audit services affect the capabilities of the auditor or impair auditor independence, i.e., influence audit quality (e.g. Callaghan et al., 2009; Herath & Pradier, 2018; Tepalagul & Lin, 2015; Ye et al., 2011). But how do adding value to the client in form of audit-related services influence audit quality? Future research is needed.

Limitations

This dissertation explores the concept of the auditor through auditors' perceptions and understandings, i.e., based on the auditors' statements regarding their work and declarations of their attitudes. This could be seen as a potential limitation since auditors are well aware of the importance of "image" (Alvesson, 2001) and of the impression they want to convey (Goffman, 1959). This means that there is a risk that the auditors' statements about their work might be influenced by the "frontstage" representation of auditing and not be representative of the backstage processes and practices of auditing (Broberg, 2013; Humphrey et al., 2007). This risk was limited through using an interview guide and survey questions developed based on results of prior studies, and in the interviews through asking follow-up questions in response to interviewees' answers. It seems as though the interviews were conducted in a way (the interview location, approach, and guide, discussed in Chapter 3 and paper III) that allowed the auditors to speak freely, since the results, for example, show that auditors sometimes tend to do more than they should due to the competitive market situation and also that auditors sometimes handle personal matters of the client unrelated to the audited company. Another potential limitation of using auditors' statements about their work is the risk of missing things. Auditors might do things that they do not even think about, and therefore do not mention. The researcher would recognize such matters if auditors' actions were directly observed. There is also a risk of not mentioning things due to assuming that the other person already knows about them, meaning that obvious matters could be overlooked. These risks were minimized through applying knowledge gained from prior studies, using a pre-developed interview guide, and asking follow-up questions.

This dissertation captures what auditors "claim" to be motivated by (paper II) and presents this as what auditors "are" motivated by. There is a difference between claimed and actual

motivations, although actual motivations cannot be captured. In this research, auditors' claimed motivations are interpreted together with auditors' perceptions of their work from a job satisfaction and turnover perspective (paper I). This means that the data for this dissertation consist not only of data in the form of survey answers and statements; some of the data consist of perceptions that are combined with concrete action, in the form of staying or leaving the profession. Certain studied perceptions are manifested in concrete actions, which could be regarded as more reliable data.

This dissertation research was conducted in a Swedish context, so the concept of the auditor presented here may include aspects that auditors in other countries do not perceive. In Sweden and Finland, not only a financial audit but also a management audit is statutory. This means that the regulated work of an auditor in Sweden and Finland includes more than in other countries, which may influence the auditors' perceptions and understandings of their work. The statutory management audit means that the auditor must also audit company management, which could lead to greater possibilities for the auditor to discover potential added value and may influence what the auditor perceives as auditor work.

One could argue that the present results regarding what the auditor does are bound to the context of the family firm, since paper III focuses on the family firm context. However, I would argue that these results are generalizable to all small and medium-sized private companies based on two arguments. First, auditors seem to equate family firms to small and medium-sized companies (paper III). This means that the perceptions and understandings presented by the auditors in this study were applied to both family firms and small and medium-sized firms. Second, Brivot et al.'s (2018) study of auditors' understandings of the concept of audit quality indicated that audit partners' understandings of audit quality differ based on whether they audit public or private companies. All partners specializing in private company audits understood the convention of audit quality in terms of the value-added audit. That auditors perceive a difference in audit quality between public and private companies indicates that it is also there that the difference in auditor practice will appear.

In this dissertation it has been argued that six main boundary-setting forces influence the concept of the auditor: the profession, the audit firm, the client, society, the market, and regulations. A limitation with this dissertation is that auditors' perceptions and understandings of their work in relation to regulations have not been focused empirically in the appended papers and are therefore not in direct focus in the discussion of this dissertation. Auditors'

perceptions and understandings of their work in relation to regulation is essential for the boundaries of auditor work, and thus for the concept of the auditor. That regulation as a boundary-setting force has not been focused empirically in this dissertation limits the concept of the auditor presented here and should be included in future research to create a more elaborated concept of the auditor. Another potential boundary-setting force that is not considered in this dissertation, is media. This could be seen as a limitation, since what is written in the media about auditors and their work may influence the auditors' views of themselves and their work. The media often highlight scandals in the audit context, and this could make the auditor more restrictive in adding value to the client. However, media could be argued to be less influential for the auditor, since auditors are more frequently in contact with the other boundary-setting forces in their everyday work, compared to media.

Future research

This dissertation creates a concept of the auditor based on auditors' perceptions and understandings of their work in relation to five boundary-setting forces: the audit profession, the audit firm, the client, society, and the market. To advance our understanding of the auditor and to create a more elaborated concept of the auditor future research should also include auditors' perceptions and understandings of their work in relation to regulation as a boundary-setting force, by focusing on the boundaries of what the auditor does. One way to do this could be to explore how auditors understand the distinction between audit, audit-related, and non-audit services. Auditors' perceptions and understandings of their work in relation to the regulation of auditor services could contribute to the understanding of the boundaries of auditor work, through auditors' judgement regarding the grey area of auditor activities i.e., what they perceive they can do and cannot do, in the form of audit-related services and non-audit services. Audit-related services fall within the concept of the auditor, since they are activities that auditors undertake in their role as auditors and as part of auditing, since they perceive themselves to be independent. Such a study could build on Guénin-Paracini et al. (2015), who examines the reality of auditors' operational independence, showing that independence is an unclear concept that is shaped in practice, through "constant experimentation and re-experimentation in the field through personal and working interactions between auditors and auditees [clients]" (p. 230). Prior research has also shown that auditors in listed companies are generally more committed to independence enforcement

than auditors of small companies (Carrington, Johansson, Johed, & Öhman, 2019), making the small company context a fertile ground for further exploring the boundaries of auditor work.

This dissertation also contributes an empirically based categorization of added value (paper III), giving future research the opportunity to further study added value in the auditing context. The categorization of added value presented here could be used as an operationalization of the concept, allowing future research to explain what influences the adding of value. This could be done through a survey to audit assistants (i.e., working with auditing but not yet authorized) and approved and authorized auditors. Potential explanatory factors that could be tested are characteristics related to individual auditors (e.g., gender, experience, and competence), the audit firm (e.g., Big 4 versus non-Big 4, but also to see whether there are differences between individual audit firms), and client firms (e.g., type and size).

Further, this dissertation captures the concept of the auditor at the present moment. However, the auditor's environment is arguably undergoing constant change (Broberg, Tagesson, Argento, Gyllengahm, & Mårtensson, 2017, Broberg et al., 2018), leading to constant change in auditors' views of themselves and their environment. It could therefore be argued that the concept of the auditor is also under constant change. This means that a study like this one must be done repeatedly in order to have a current concept of the auditor. For example, the changed educational requirements for becoming an authorized auditor were not yet implemented when this dissertation research was conducted. This is a change indicating that the concept of the auditor could become even broader, since the audit profession is seeking auditors with wider competencies than before in order to address changes (e.g., technological changes) in the audit market (RI, 2017).

This dissertation explores the concept of the auditor solely from the auditor's own perspective, i.e., a practitioner perspective. The concept of the auditor could also be studied from a political perspective incorporating the views of, for example, regulators, inspectors, journalists, and/or business leaders. Furthermore, the concept of the auditor as demarcated here focuses on the auditor's perspective based on the auditor's role as an auditor. However, the auditor can also have a partner role, in which the auditor acts as a manager. This role is not considered here and could be addressed in a future study of the concept of the auditor. Thus, future research could conduct a similar study of partner auditors or other influential

actors in the auditor's environment, such as regulators, inspectors, journalists, and/or business leaders, to validate or criticize, by developing and changing, the concept of the auditor presented here.

This dissertation primarily considers auditors who primarily audit small and medium-sized companies, and findings regarding them may not be generalizable to the concept of the auditor in public companies. Auditing small and medium-sized companies differs from auditing public companies in several respects, such as regulations, constraints on the monitoring role of the auditor due to the separation between ownership and control (Collin et al., 2018), and audit team composition (Che & Svanström, 2019), all of which may affect public auditors' views of themselves and their environment. Prior research has also showed that auditors' understandings of the concept of audit quality differ based on whether they audit public or private companies (Brivot et al., 2018). Only partners specializing in private company audits understand the convention of audit quality as encompassing value-added audit services (see "Auditors' perception of audit quality" in Chapter 3). In relation to the results of this dissertation, this indicates that auditors of public companies may consider professionalism in a different way, which could imply that they, for example, are more externally motivated, i.e., are more sensitive to financial incentives. Thus, the wealth of listed company auditors could be seen as compensation for the fact that they are not allowed to undertake as many fun and professionally challenging adding value services, as auditors auditing smaller companies. On the other hand, it could be argued that they encounter more complex judgement issues in audit services due to the size of the companies they audit, which satisfies their need for professional challenges. Future research should conduct a similar study but focusing on public company auditors, to see whether and, if so, how the concept of the public auditor differs among them. This would be important for several reasons; for example, if there are two different concepts of the auditor, such an understanding could help reduce the expectation gap (see, e.g., McEnroe & Martens, 2001; Quick, 2020).

This research was conducted in Sweden, which, as discussed, differs from other countries, except Finland, when it comes to the statutory management audit. The statutory management audit could be expected to present an opportunity for the auditor to identify value-added opportunities for the client. It would therefore be interesting for future research to conduct a similar study in, for example, the Danish context to see whether, without the statutory management audit, there is the same opportunity to capture value-added opportunities or whether there is a different approach in Denmark.

In theory, audit quality is defined as the probability that the auditor will both (a) discover a breach and (b) report the breach (DeAngelo, 1981). Audit quality has been argued to consist of four important attributes: the auditor’s competence/capabilities (DeFond & Zhang, 2014; Knechel, 2016), including both cognitive and relational competence (Broberg, 2013; DeAngelo, 1981; Guénin-Paracini et al., 2015; Humphrey et al., 2006), the auditor’s independence/incentives (DeFond & Zhang, 2014; Knechel, 2016), the client’s capabilities, and the client’s incentives (DeFond & Zhang, 2014). However, recent research has shown that auditors of public companies understand audit quality as a technically flawless audit, whereas auditors of private companies understand audit quality as a tailored audit that meets the client’s unique needs and gives the client a better understanding of their financial situation and the associated risks and opportunities (Brivot et al., 2018). Both understandings have the same ultimate objective, i.e., to increase the trustworthiness of the audited financial statements (Brivot et al., 2018). Together with the results of this dissertation, this suggests that audit quality can also be directed towards the client. Since audit-related services are part of auditing, it would be reasonable if they were also considered part of audit quality – or audit-related quality, as I choose to call it. From an auditor’s perspective, audit-related quality can be seen as the auditor’s ability to (a) discover a client need and (b) fulfil the client need within the limits of being an auditor (Figure 8).

Figure 8. Audit-related quality.

Audit-related quality could be argued to be based on the same important attributes as audit quality (Figure 7). The probability that the auditor will discover a breach is dependent on the auditor’s competence and capabilities (Knechel, 2016), as is the probability that the auditor

will discover a client need (paper III). Both the auditor's cognitive and relational competences are important to establish high audit quality (Broberg, 2013; DeAngelo, 1981; Guénin-Paracini et al., 2015; Humphrey et al., 2006). The same attributes, namely, social skill and knowledge, are what establish the basis for different added values (paper III). Furthermore, the probability that the auditor will report a breach is dependent on the auditor's independence or incentives for independence (DeFond & Zhang, 2014; Knechel, 2016). Thus, the probability that the auditor will fulfil a client need could also be dependent on the auditor's independence or incentive for independence. Since independence is a complex concept it cannot be fully defined through regulations and organizational arrangements and is therefore also influenced by the interaction with the client (Guénin-Paracini et al., 2015). Therefore, it would in the future be interesting to study how the auditor balances clients' needs for auditor services against regulatory requirements regarding independence.

Furthermore, both the client's capabilities and incentives could be argued to be important attributes for audit-related quality. The client's capabilities in the form of competences and resources influence the client's needs and the auditor's probability of discovering a client need (see paper III). Clients with fewer competences and resources, such as small firms (Barbera & Hasso, 2013), turn to the auditor for help with more basic needs, which makes it easier for the auditor to discover a client need (see paper III). It could accordingly be argued that clients with fewer resources and competences receive higher audit-related quality. Clients' incentives are related to agency costs and regulation (DeFond & Zhang, 2014), which also seem to influence audit-related quality. The size and type of the firm influences what regulations apply to the client firm and the constraints on the auditor's monitoring role. These constraints can be expected to influence where the auditor draws the line in term of independence, and thereby the auditor's probability to fulfil the client need. My research shows that auditors perceive that they have greater opportunities to add value to the client if it is a family firm or a small firm, due to less issues of independence in these firms (paper III). However, auditors perceive the line between auditing and consulting to be blurrier in these types of firms (paper III). As mentioned earlier, regulation has not been in focus in this dissertation but is an interesting boundary-setting force to further study empirically, since it is likely to influencing what auditors do within their role as auditors. Thus, further research is needed. Also, audit-related quality needs to be further explored. For example, how do auditors understand audit-related quality, and what factors influence audit-related quality?

References

- Alvehus, J., & Broberg, P. (2018). 'The IT guys': Artificial intelligence, automation, and changing jurisdictions in the accounting profession. Paper presented at the 34th European Group for Organizational Studies Colloquium, Estonia.
- Alvesson, M. (2001). Knowledge work: Ambiguity, image and identity. *Human relations*, 54(7), 863-886.
- Alvesson, M. (2011). *Interpreting interviews*. London: SAGE Publications Inc.
- Alvesson, M., & Sköldbberg, K. (2009). *Reflexive Methodology: New Vistas for Qualitative Research* (Vol. 2). London: SAGE Publications Inc.
- Anderson, A.W. (2012). What brings value to the audit?, Available: www.kscpa.org/writable/files/Self-Study/AAE/11._self-study.pdf
- Anderson-Gough, F., Grey, C., & Robson, K. (2000). In the name of the client: The service ethic in two professional services firms. *Human Relations*, 53(9), 1152-1174.
- Armstrong, M. (2006). *A handbook of human resource management practice*, (10th Ed.). London: Kogan Page.
- Bamber, E. M., & Iyer, V. M. (2002). Big 5 auditors' professional and organizational identification: Consistency or conflict? *Auditing: A Journal of Practice & Theory*, 21(2), 21-38.
- Bamber, E. M., & Iyer, V. M. (2007). Auditors' identification with their clients and its effect on auditors' objectivity. *Auditing: A Journal of Practice & Theory*, 26(2), 1-24.
- Barbera, F., & Hasso, T. (2013). Do we need to use an accountant? The sales growth and survival benefits to family SMEs. *Family Business Review*, 26(3), 271-292.
- Barley, S. R., & Kunda, G. (2001). Bringing work back in. *Organization science*, 12(1), 76-95.
- Bauer, T. D. (2015). The effects of client identity strength and professional identity salience on auditor judgments. *The Accounting Review*, 90(1), 95-114.
- Baumeister, R. F. (2016). Towards a general theory of motivation: Problems, challenges, opportunities, and the big picture. *Motivation and Emotion*, 40(1), 1-10.

- Beattie, V., Brandt, R., & Fearnley, S. (1999). Perceptions of auditor independence: U.K. evidence. *Journal of International Accounting, Auditing & Taxation*, 8(1), 67-107.
- Beattie, V., Fearnley, S., & Brandt, R. (2000). Behind the audit report: A descriptive study of discussions and negotiations between auditors and directors. *International journal of auditing*, 4(2), 177-202.
- Beattie, V., McInnes, B., & Fearnley, S. (2004). A methodology for analysing and evaluating narratives in annual reports: a comprehensive descriptive profile and metrics for disclosure quality attributes. *Accounting forum* 28(3), 205-236.
- Bedard, J. C., & Johnstone, K. M. (2010). Audit partner tenure and audit planning and pricing. *Auditing: A Journal of Practice & Theory*, 29(4), 45-70.
- Bellovary, J. L., & Johnstone, K. M. (2007). Descriptive evidence from audit practice on SAS No. 99 brainstorming activities. *Current Issues in Auditing*, 1(1), A1-A11.
- Bénabou, R., & Tirole, J. (2003). Intrinsic and extrinsic motivation. *Review of Economics Studies*, 70(3), 489-520.
- Bergkvist, L. I., & Rossiter, J. (2007). The predictive validity of multiple-item versus single-item measures of the same constructs. *Journal of Marketing Research*, 44(2), 175-184.
- Bierstaker, L. J., Burnaby P., & Thibodeau, J. (2001) The impact of information technology on the audit process: an assessment of the state of the art and implications for the future. *Managerial Auditing Journal*, 16(3), 159-164.
- Blay, A. D., & Geiger, M. A. (2013). Auditor fees and auditor independence: Evidence from going concern reporting decisions. *Contemporary Accounting Research*, 30(2), 579-606.
- Blomkvist, M., Johansson, J., & Malmström, M. (2016). Accounting knowledge in innovative firms-direct contacts with external auditors for strategic actions. *International Journal of Managerial and Financial Accounting*, 8(3-4), 209-229.
- Boland, C. M., Daugherty, B. E., & Dickins, D. (2019). Evidence of the relationship between PCAOB inspection outcomes and the use of structured audit technologies. *Auditing: A Journal of Practice & Theory*, 38(2), 57-77.
- Brante, T. (2009). Vad är en profession? Teoretiska ansatser och definitioner [What is a profession? Theoretical approaches and definitions]. *Vetenskap för profession*, 100

Högskolan i Borås, Hämtad 15 april, 2014, från
<http://lup.lub.lu.se/lup/download?func=downloadFile&recordId=1496709&fileId=1496953>

Brinkmann, S. (2018). The Interview. In Denzin, N. K., Lincoln, Y. S. *The SAGE Handbook of Qualitative Research*, chapter 26, 5th ed. SAGE Publications, Inc., United States of America.

Brivot, M., Roussy, M., & Mayer, M. (2018). Conventions of audit quality: The perspective of public and private company audit partners. *Auditing: A Journal of Practice & Theory*, 37(2), 51-71.

Broberg, P. (2013). *The Auditor at Work: A Study of Auditor Practice in Big 4 Audit Firms*, Doctoral Dissertation, Lund University, School of Economics and Management.

Broberg, P., & Gertsson, N. (2019). Hur får vi fler revisorsassistenter att stanna? [How do we get more audit assistants to stay?]. Retrieved 04 15, 2020, from Tidningen Balans: <https://www.tidningenbalans.se/debatt/magisterexamen-viktig-forrevisorsyrkets-status/>

Broberg, P., & Tagesson, T. (2017). Magisterexamen viktig för revisorsyrkets status [Master's degree important for the status of the audit occupation]. Retrieved 04 15, 2020, from Tidningen Balans: <https://www.tidningenbalans.se/debatt/magisterexamen-viktig-forrevisorsyrkets-status/>

Broberg, P., Tagesson, T., Argento, D., Gyllengahm, N., & Mårtensson, O. (2017). Explaining the influence of time budget pressure on audit quality in Sweden. *Journal of Management & Governance*, 21(2), 331-350.

Broberg, P., Umans, T. Skog, P., & Theodorsson, E. (2018). Auditors' professional and organizational identities and perceived commercialization in auditing firm. *Accounting, Auditing & Accountability Journal*, 31(2), 374-399.

Brock, D. M. (2006). The changing professional organization: A review of competing archetypes. *International Journal of Management Reviews*, 8(3), 157-174.

Brown, V. L., Gissel, J. L., & Neel, D. G. (2016). Audit quality indicators: perceptions of junior level auditors. *Managerial Auditing Journal*, 31(8/9), 949-980.

Brydon, D. (2019). *Assess, assure and inform: Improving audit quality and effectiveness*. United Kingdom: APS Group

- Bryman, A., & Bell, E. (2015). *Business Research Methods*. Oxford: Oxford University Press.
- Callaghan, J., Parkash, M., & Singhal, R. (2009). Going-concern audit opinions and the provision of nonaudit services: Implications for auditor independence of bankrupt firms. *Auditing: A Journal of Practice & Theory*, 28(2), 153-169.
- Camfferman, K., & Wielhouwer, J. L. (2019). 21st century scandals: towards a risk approach to financial reporting scandals. *Accounting and Business Research*, 49(5), 503-535.
- Carcello, J. V., Copeland Jr., J. E., Hermanson, R. H., & Turner, D. H. (1991). A public accounting career: The gap between student expectations and accounting staff experiences. *Accounting Horizon*, 5(3), 1-11.
- Carey, P., & Simnett, R. (2006). Audit partner tenure and audit quality. *The Accounting Review*, 81(3), 653-676.
- Carnegie, G. D., & Napier, C. J. (2010). Traditional accountants and business professionals: Portraying the accounting profession after Enron. *Accounting, Organizations and Society*, 35(3), 360-376.
- Carrington, T. (2010). *Revision*. Liber, Malmö.
- Carrington, T., Johansson, T., Johed, G., & Öhman, P. (2019). The client as a source of institutional conformity for commitments to core values in the auditing profession. *Contemporary Accounting Research*, 36(2), 1077-1097.
- Carrington, T., Johed, G., & Öhman, P. (2011). The organisational context of professionalism in auditing. In *Critical Perspectives on Accounting conference, Clearwater, Florida, US*.
- Chan, C.C., Monroe, G.S., Ng, J., & Tan, R. (2008). Effects of employee support on junior accountants' job attitudes and intention to quit. *Australian Accounting Review*, 18(2), 149-160.
- Charmaz, K. (2014). *Constructing grounded theory*. (2nd ed.) London: Sage.
- Che, L., & Svanström, T. (2019). Team composition and labor allocation in audit teams: a descriptive note. *Managerial Auditing Journal*, 34(5), 514-544.

- Chi, W., Huguen, L., Lin, C.J., & Lisic, L. (2013). Determinants of audit staff turnover: evidence from Taiwan. *International Journal of Auditing*, 17(1), 100-112.
- Chia, Y. M. (2003). Career drivers of junior auditors: an exploratory study. *Managerial Auditing Journal*, 18(2), 100-111.
- Chiş, A. O., & Achim, A. M. (2014). Professional judgement. The key to a successful audit. *SEA-Practical Application of Science*, (5), 217-222.
- Clow, K. E., Stevens, R. E., McConkey, C. W., & Loudon, D. L. (2009). Accountants' attitudes toward advertising: a longitudinal study. *Journal of Services Marketing*, 23(2), 125-132.
- Collin, S.-O., Ahlberg, J., Berg, K., Broberg, P., & Karlsson, A. (2017). The auditor as consigliere in family firms. *Journal of Family Business Management*, 7(1), 2-20.
- Collin, S-O., Johansson, U., Svensson, K., & Ulvenblad, P-O. (1996). Market segmentation in scientific publications: Research patterns in American vs European management journals. *British Journal of Management*, 7(2), 141-154.
- Connelly, B. L., Tihanyi, L., Crook, T. R., & Gangloff, K. A. (2014). Tournament theory: Thirty years of contests and competitions. *Journal of Management*, 40(1), 16-47.
- Cooper, D. J., & Morgan, W. (2008). Case study research in accounting. *Accounting horizons*, 22(2), 159-178.
- Covaleski, M. A., Dirsmith, M. W., Heian, J. B., & Samuel, S. (1998). The calculated and the avowed: Techniques of discipline and struggles over identity in Big Six public accounting firms. *Administrative science quarterly*, 43(2), 293-327.
- Craswell, A., Stokes, D. J., & Laughton, J. (2002). Auditor independence and fee dependence. *Journal of Accounting & Economics*, 33(2), 253-275.
- Crumpacker, M., & Crumpacker, J. M. (2007). Succession planning and generational stereotypes: should HR consider age-based values and attitudes a relevant factor or a passing fad? *Public Personnel Management*, 36(4), 349-369.
- Currian, D.B. (1999). The causal order of job satisfaction and organizational commitment in models of employee turnover. *Human Resource Management Review*, 9(4), 495-524.
- Curtis, E., & Turley, S. (2007). The business risk audit – a longitudinal case study of an audit engagement. *Accounting, Organizations and Society*, 32(4-5), 439-461.

- Cushing, B. E., & Loebbecke, J. K. (1986). *Comparison of audit methodologies of large accounting firms*. American accounting association.
- DeAngelo, L. E. (1981). Auditor size and audit quality. *Journal of accounting and economics*, 3(3), 183-199.
- DeFond, M., & Zhang, J. (2014). A review of archival auditing research. *Journal of accounting and economics*, 58(2-3), 275-326.
- Denscombe, M. (2009). *Forskningshandboken - för småskaliga forskningsprojekt inom samhällsvetenskaperna [The research handbook - for small-scale research projects in the social sciences]*. (2:5 uppl.). Lund: Studentlitteratur AB.
- Dirsmith, M. W., & Covalleski, M. A. (1985). Informal communications, nonformal communications and mentoring in public accounting firms. *Accounting, Organizations and Society*, 10(2), 149-169.
- Dole, C., & Schroeder, R.G. (2001). The impact of various factors on the personality, job satisfaction and turnover intentions of professional accountants. *Managerial Auditing Journal*, 16(4), 234-245.
- Eilifsen, A., Knechel, W. R., & Wallage, P. (2001). Application of the business risk audit model: A field study. *Accounting Horizons*, 15(3), 193-207.
- Elliott, E. S., & Dweck, C. S. (1988). Goals: An approach to motivation and achievement. *Journal of Personality and Social Psychology*, 54(1), 5-12.
- Empson, L. (2004). Organizational identity change: managerial regulation and member identification in an accounting firm acquisition. *Accounting, Organizations and Society*, 29(8), 759-781.
- Eskildsen, J. K., Kristensen, K., & Westlund, A. H. (2004). Work motivation and job satisfaction in the Nordic countries. *Employee relations*, 26(2), 122-136.
- EU. (2014/537). Regulation (EU) No 537/2014 of the European Parliament and of the Council on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC. Available: <http://eur-lex.europa.eu/eli/reg/2014/537/oj>
- Fama, E. F., & Jensen, M. C. (1983). Separation of ownership and control. *The Journal of Law & Economics*, 26(2), 301-325.

- FAR. (2016). EtikU 5 Revisorers verksamhet [EthicsU 5 Auditors' activities]. Available: <http://www.faronline.se/Dokument/E/ETIKU06/>
- FAR. (2020). Det här gör FAR [This is what FAR does]. Retrieved 2020-06-01 from <https://www.far.se/om-far/det-har-gor-far/>
- Fischer, M. J. (1996). “Real-izing” the benefits of new technologies as a source of audit evidence: An interpretive field study. *Accounting, Organizations and Society*, 21(2-3), 219-242.
- Fogarty, T. J. (2014). The bloom is off the rose: Deprofessionalization in public accounting. In: Mintz S. (eds) *Accounting for the Public Interest. Advances in Business Ethics Research (A Journal of Business Ethics Book Series)*, vol 4. Springer, Dordrecht.
- Fogarty, T. J., & Rigsby, J.T. (2010). A reflective analysis of the “new audit” and the public interest – The revolutionary innovation that never came. *Journal of Accounting & Organizational Change*, 6(3), 300-329.
- Fontaine, R., Letaifa, S. B., & Herda, D. (2013). An interview study to understand the reasons clients change audit firms and the client’s perceived value of the audit service. *Current Issues in Auditing*, 7(1), A1-A14.
- Fontaine, R., & Pilote, C. (2011). An empirical study of Canadian companies to determine clients’ preferred relationship approach with their financial auditor. *Journal of Marketing Trends*, 1(7), 61-69.
- Fontaine, R., & Pilote, C. (2012). Clients’ preferred relationship approach with their financial statement auditor. *Current Issues in Auditing*, 6(1), P1-P6.
- Forsberg, P., & Westerdahl, S. (2007). For the sake of serving the broader community: Sea piloting compared with auditing. *Critical Perspectives on Accounting*, 18(7), 781-804.
- Francis, J. R. (1994). Auditing, hermeneutics, and subjectivity. *Accounting, Organizations and Society*, 19(3), 235–269.
- Frey, B. S., & Jegen, R. (2001). Motivation crowding theory. *Journal of Economic Surveys*, 15(5), 589-611

- Furnham, A., Eracleous, A., & Chamorro-Premuzic, T. (2009). Personality, motivation and job satisfaction: Hertzberg meets the big five. *Journal of Managerial Psychology*, 24(8), 765-779.
- Gagné, M., & Deci, E. L. (2005). Self-determination theory and work motivation. *Journal of Organizational Behavior*, 26(4), 331-362.
- Garcia-Blandon, J., Argilés-Bosch, J. M., & Ravenda, D. (2020). Audit firm tenure and audit quality: A cross-European study. *Journal of International Financial Management & Accounting*, 31(1), 35-64.
- Geertz, C. (1973). Thick description: Toward an interpretive theory of culture. *Turning points in qualitative research: Tying knots in a handkerchief*, 3, 143-168.
- Gerakos, J., & Syverson, C. (2015). Competition in the audit market: Policy implications. *Journal of Accounting Research*, 53(4), 725-775.
- Gertsson, N. (2021), "Exploring adding value to audit clients from an auditor's perspective", working paper, Kristianstad University and Linköping University
- Gertsson, N., Sylvander, J., Broberg, P., & Friberg, J. (2016). Exploring auditor motivation and job satisfaction - A study focusing on Generation Y. Paper presented at the 39th European Accounting Association Annual Congress in Maastricht, Netherlands.
- Gertsson, N., Sylvander, J., Broberg, P., & Friberg, J. (2017) Exploring audit assistants' decision to leave the audit profession. *Managerial Auditing Journal*, 32(9), 879-898.
- Gertsson, N., Sylvander, J., Broberg, P., & Friberg, J. (2018) Exploring motivational drivers of audit employees - A study focusing on Generation Y. *Journal of Accounting and Finance*, 8(2), 89-105.
- Giuliani, M. (n.d.). You are what you do. Investigating the role of auditors in practice. Working paper.
- Glass, A. (2007). Understanding generational differences for competitive success. *Industrial and Commercial Training*, 39(2), 98-103.
- Goffman, E. (1959). *The Presentation of Self in Everyday Life*. New York: Doubleday.

- Greene, J. C., Caracelli, V. J., & Graham, W. F. (1989). Towards a conceptual framework for mixed-method evaluation designs. *Educational Evaluation and Policy Analysis*, 11(3), 225-274.
- Greene, J. C., & Haidt, J. (2002). How (and where) does moral judgment work? *Trends in Cognitive Sciences*, 6(12), 517-523.
- Greenwood, R., & Empson, L. (2003). The professional partnership: Relic or exemplary form of governance? *Organization studies*, 24(6), 909-933.
- Grey, C. (1998). On being a professional in a “big six” firm. *Accounting, Organizations and Society*, 23(5/6), 569-587.
- Guénin-Paracini, H., Malsch, B., & Tremblay, M. S. (2015). On the operational reality of auditors’ independence: Lessons from the field. *Auditing: A Journal of Practice & Theory*, 34(2), 201-236.
- Guo, K.H. (2016). The institutionalization of commercialism in the accounting profession: an identity experimentation perspective. *Auditing: A Journal of Practice and Theory*, 35(3), 99-117.
- Hair, J. F., Celsi, M. W., Money, A. H., Samouel, P., & Page, M. J. (2011). *Essentials of business research methods*. Armonk: M. E. Sharpe.
- Hall, M., & Smith, D. (2009). Mentoring and turnover intentions in public accounting firms: A research note. *Accounting, Organizations and Society*, 34(6), 695-704.
- Hancock, J. I., Allen, D. G., & Soelberg, C. (2017). Collective turnover: An expanded meta-analytic exploration and comparison. *Human Resource Management Review*, 27(1), 61-86.
- Herath, S. K., & Pradier, T. (2018). A literature review on auditor independence. *The Business & Management Review*, 9(3), 404-409.
- Herbohn, K. (2005). Job satisfaction dimensions in public accounting practice. *Accounting Research Journal*, 18(2), 63-82.
- Herda, D. N., & Lavelle, J. J. (2013a). How the auditor–client relationship affects the extent of value-added service provided to the client. *Current Issues in Auditing*, 7(1), P9-P14.

- Herda, D. N., & Lavelle, J. J. (2013b). Auditor commitment to privately held clients and its effect on value-added audit service. *Auditing: A Journal of Practice & Theory*, 32(1), 113-137.
- Herda, D. N., Petersen, M. J., & Fontaine, R. (2014). Does client participation in an external audit affect their satisfaction with the audit service? *Managerial Auditing Journal*, 29(9), 818-836.
- Hiltebeitel, K., & Leauby, B. (2001). Migratory patterns of entry-level accountants. *The CPA Journal*, 71(4), 54-56.
- Holm, C., & Zaman, M. (2012). Regulating audit quality: Restoring trust and legitimacy. *Accounting forum*, 36(1), 51-61.
- Hope, O.-K., & Langli, J. C. (2010). Auditor independence in a private firm and low litigation risk setting. *The Accounting Review*, 85(2), 573-605.
- Humphrey, C. (2008). Auditing research: a review across the disciplinary divide. *Accounting, Auditing & Accountability Journal*, 21(2), 170-203.
- Humphrey, C., Khalifa, R., Robson, K., & Sharma, N. (2007). Making quality auditable: An analysis of the contemporary audit regulation arena. Draft paper to be presented at the National Auditing Conference, Dublin, 24-25th March, 2007.
- Humphrey, C., & Moizer, P. (1990). From techniques to ideologies: An alternative perspective on the audit function. *Critical Perspectives on Accounting*, 1(3), 217-238.
- Humphrey, C., Moizer, P., & Turley, S. (2006). Independence and competence? A critical questioning of auditing. *Advances in public interest accounting*, 12, 149-167.
- IAASB. (2009). *ISA 200: Overall objectives of the independent auditor and the conduct of an audit in accordance with international standards on auditing*. New York: International Auditing and Assurance Standards Board.
- IFAC. (2005). *IFAC Code of Ethics for Professional Accountants*. International Federation of Accountants, New York.
- IFAC. (2019). What We Do. Retrieved 2020-06-01 from <https://www.ifac.org/what-we-do>

- Ihantola, E.-M., & Kihn, L.-A. (2011). Threats to validity and reliability in mixed methods accounting research. *Qualitative Research in Accounting and Management*, 8(1), 39-58.
- Iskander, T.M., Sari, R.N., Mohd-Sanusi, Z., & Anugerah, R. (2012). Enhancing auditors' performance: the importance of motivational factors and the mediation effect of effort. *Managerial Auditing Journal*, 27(5), 462-476.
- Jenkins, J. G., Deis, D. R., Bedard, J. C., & Curtis, M. B. (2008). Accounting firm culture and governance: A research synthesis. *Behavioral Research in Accounting*, 20(1), 45-74.
- Jenkins, J. G., & Lowe, D. J. (1999). Auditors as advocates for their clients: Perceptions of the auditor–client relationship. *Journal of Applied Business Research*, 15(2), 73-78.
- Jeppesen, K. K. (1998). Reinventing auditing, redefining consulting and independence. *The European Accounting Review*, 7(3), 517-539.
- Johansson, P. (2017). *Revisorsyrket måste bli mer attraktivt* [The profession of the auditor must become more attractive]. Retrieved 04 14, 2020, from Tidningen Balans: <https://www.tidningenbalans.se/debatt/revisorsyrket-maste-bli-merattraktivt/>
- Johnson, B., & Onwuegbuzie, A. J. (2004). Mixed methods research: A research paradigm whose time has come. *Educational Research*, 33(7), 14-26.
- Johnson, R. B., Onwuegbuzie, A. J., & Turner, L. A. (2007). Toward a definition of mixed methods research. *Journal of Mixed Methods Research*, 1(2), 112-133.
- Kadous, K., & Zhou, Y. (2019). How does intrinsic motivation improve auditor judgment in complex audit tasks? *Contemporary Accounting Research*, 36(1), 108-131.
- Khalifa, R., Sharma, N., Humphrey, C., & Robson, K. (2007). Discourse and audit change – Transformations in methodology in the professional audit field. *Accounting, Auditing & Accountability Journal*, 20(6), 825-854.
- Kleinman, G., & Anandarajan, A. (1999). The usefulness of off-balance sheet variables as predictors of auditors' going concern opinions: an empirical analysis. *Managerial Auditing Journal*, 14(6), 273-285.
- Knechel, R. W. (2007). The business risk audit: origins, obstacles and opportunities. *Accounting, Organizations and Society*, 32(4-5), 383–408.

- Knechel, W. R. (2016). Audit quality and regulation. *International Journal of Auditing*, 20(3), 215-223.
- Knechel, W. R., & Vanstraelen, A. (2007). The relationship between auditor tenure and audit quality implied by going concern opinions. *Auditing: A Journal of Practice & Theory*, 26(1), 113-131.
- Kovach, K. A. (1987). What motivates employees? Workers and supervisors give different answers. *Business Horizons*, 30(5), 58-65.
- Kunda, Z. (1990). The Case for Motivated Reasoning. *Psychological Bulletin*, 108(3), 480-498.
- Laird, M. D., Harvey, P., & Lancaster, J. (2015). Accountability, entitlement, tenure, and satisfaction in Generation Y. *Journal of Managerial Psychology*, 30(1), 87-100.
- Lane, S., Astrachan, J. H., Keyt, A., & McMillan, K. (2006). Guidelines for family business boards of directors. *Family Business Review*, 19(2), 147-167.
- Larkin, J.M., Leaby, B.A., & Hildebeitel, K.M. (1999). Early employment experiences of accountants: initial placement, job satisfaction, and migratory patterns. *The Review of Accounting Information Systems*, 3(3), 63-72.
- Law, P. (2010). The influence of the types of NAS provisions and gifts hospitality on auditor independence. *International Journal of Accounting*, 18(2), 105-117.
- Lee, B. (2002). Professional socialisation, commercial pressures and junior staff's time-pressured irregular auditing - A contextual interpretation. *The British Accounting Review*, 34(4), 315-333.
- Lennartsson, R. (2018). Up or out - vart leder det oss? [Up or out - where does that lead us?]. *Tidningen Balans*. Available: <https://www.tidningenbalans.se/nyheter/up-or-out-vart-leder-det-oss/>
- Lennox, C. S., & Pittman, J. A. (2011). Voluntary audits versus mandatory audits. *The accounting review*, 86(5), 1655-1678.
- Linder, J. R. (1998). Understanding employee motivation. *Journal of Extension*, 36(3), 28-43.

- Lokatt, C. (2018). *Auditors' Constitution of Performance: a study on the duality of performance in the auditing profession*. Doctoral dissertation, Stockholm University, Stockholm Business School.
- Lopes, C. S., Rodrigues, L. C., & Sichieri, R. (1996). The lack of selection bias in a snowball sampled case-control study on drug abuse. *International Journal of Epidemiology*, 25(6), 1267-1270.
- MacLulich, K.K. (2003). The emperor's "new" clothes? New auditing regimes: Insights from Foucault's technologies of the self. *Critical Perspectives on Accounting*, 14, 791–811.
- Malhotra, N. K., & Birks, D. F. (2003). *Marketing research: An applied approach*. Harlow: Pearson Education Limited.
- Manson, S., McCartney, S., & Sherer, M. (2001). The value of management letters to unlisted companies. *British Accounting Review*, 33(4), 549-568.
- Marton, J. (2018). Min uppmaning till branschen är att tänka om [My call for the industry is to reconsider]. *Tidningen Balans*, (3), p. 38.
- McEnroe, J. E., & Martens, S. C. (2001). Auditors' and investors' perceptions of the "expectation gap". *Accounting Horizons*, 15(4), 345-358.
- Mennicken, A. (2008). Connecting worlds: The translation of international auditing standards into post-Soviet audit practice. *Accounting, Organizations and Society*, 33(4-5), 384-414.
- Mills, C. W. (1940). Situated actions and vocabularies of motive. *American sociological review*, 5(6), 904-913.
- Molloy, T., & Graham, T. (2013). Trustee companies in with a chance of making celibacy hereditary: from the old Rule in Strong v Bird to the new science of cryopreservation via a vital distinction obvious to osculating schoolboys but not to the normally perceptive Courts of Jersey and the Isle of Man. Whether 'piercing the corporate veil' is the only way of piercing the corporate veil. *Trusts & Trustees*, 19(2), 115-120.
- Morgan, D. L. (2014). Pragmatism as a paradigm for social research. *Qualitative Inquiry*, 20(8), 1045-1053.
- Morris, M. H., & Nichols, W. D. (1988). Consistency Exceptions: materiality judgments and audit firm structure. *The Accounting Review*, 63(2), 237–254.

- Moyes, G. D., Shao, L. P., & Newsome, M. (2008). Comparative analysis of employee job satisfaction in the accounting profession. *Journal of Business & Economics Research*, 6(2), 65-82.
- Nanay, B. (2013). *Between perception and action*. Oxford University Press.
- Nelson, M. W., & Tan, H-T., (2005). Judgment and decision-making research in auditing: A task, person, and interpersonal interaction perspective. *Auditing: A Journal of Practice & Theory*, 24 (Supplement), 41-71.
- Nouri, H., & Parker, R.J. (2013). Career growth opportunities and employee turnover intentions in public accounting firms. *The British Accounting Review*, 45(2), 138-148.
- Onwuegbuzie, A. J., & Johnson, R. B. (2006). The validity issue in mixed research. *Research in the Schools*, 13(1), 48-63.
- O'Reilly, D. M., Leitch, R. A., & Tuttle, B. (2006). An experimental test of the interaction of the insurance and information-signaling hypotheses in auditing. *Contemporary Accounting Research*, 23(1), 267-289.
- Parker, R.J., & Kohlmeyer, J.M. (2005). Organizational justice and turnover in public accounting firms: a research note. *Accounting, Organizations and Society*, 30(4), 357-369.
- Patel, R., & Davidson, B. (2011). *Forskningsmetodikens grunder: att planera, genomföra och rapportera en undersökning*. (4th Ed.). Lund: Studentlitteratur AB.
- Pentland, B. T. (1993). Getting comfortable with numbers: auditing and the micro-production of macro-order. *Accounting, Organizations and Society*, 18(7-8), 605-620.
- Philips, C.R., & Crain, J.L. (1996). Job duties and responsibilities in public accounting: are student expectations unrealistic? *Education+ Training*, 38(9), 21-26.
- Power, M. K. (2003). Auditing and the production of legitimacy. *Accounting, Organizations and Society*, 28(4), 379-394.
- Power, M. K., & Gendron, Y. (2015). Qualitative research in auditing: A methodological roadmap. *Auditing: A Journal of Practice & Theory*, 34(2), 147-165.
- Pratt, M. G. (2009). From the editors: For the lack of a boilerplate: Tips on writing up (and reviewing) qualitative research. *The Academy of Management Journal*, 52(5), 856-862.

- Prawitt, D. F. (1995). Staffing assignments for judgment-oriented audit tasks: the effects of structured audit technology and environment. *The Accounting Review*, 70(3), 443-465.
- Prop. (2015/16:162). *Revisorer och revision [Auditors and auditing]*. Available: <http://www.regeringen.se/rattsdokument/proposition/2016/04/prop.-201516162/>
- Quick, R. (2020). The audit expectation gap: A review of the academic literature. *Maandblad Voor Accountancy en Bedrijfseconomie*, 94(1/2), 5-25.
- Ratzinger-Sakel, N. V. S., & Schönberger, M. W. (2015). Restricting non-audit services in Europe – The potential (lack of) impact of a blacklist and a fee cap on auditor independence and audit quality. *Accounting in Europe*, 12(1), 61-86.
- RI. (2017). Den framtida revisionen: Morgondagens kompetenskrav - nya föreskrifter om utbildning och prov [The future audit: Tomorrow's competence requirements - new regulations on education and tests]. Available: <https://www.revisorsinspektionen.se/globalassets/webbplatsen/om-oss/framtida-revisionen/kompetenskrav/utbildningskrav-och-larandemal/pm-revisorsinspektionen.pdf>
- RI. (2020). About the Swedish Inspectorate of Auditors (SIA). Retrieved 2020-06-01 from <https://www.revisorsinspektionen.se/en/English/>
- RIFS 2018:1. *Revisorsinspektionens föreskrifter (RIFS 2018:1) om revisorsexamen [Swedish Inspectorate of Auditors regulation (RIFS 2018:1) on auditor exam]*. Stockholm: Per Johansson. Retrieved from Revisorsinspektionen: <https://www.revisorsinspektionen.se/globalassets/webbplatsen/regelverk/rifskonsoliderade-senaste-lydelsen/rifs-2018-1.pdf>
- Robinson, D. (2008). Auditor independence and auditor-provided tax service: Evidence from going-concern audit opinions prior to bankruptcy filings. *Auditing: A Journal of Practice & Theory*, 27(4), 31-54.
- Robson, K., Humphrey, C., Khalifa, R., & Jones, J. (2007). Transforming audit technologies: Business risk audit methodologies and the audit field. *Accounting, Organizations and Society*, 32(4), 409-438.
- Rooney, D., Hearn, G., & Kastle, T. (2012). Knowledge is people doing things, knowledge economies are people doing things with better outcomes for more people.

Handbook on the knowledge economy, volume two. Edward Elgar, Cheltenham and Northampton, 1-14.

Ryan, R. M., & Deci, E. L. (2000). Intrinsic and extrinsic motivation: Classic definitions and new directions. *Contemporary Educational Psychology*, 25(1), 54-67.

Sanusi, Z. M., Iskandar, T. M., Monroe, G. S., & Saleh, N. M. (2018). Effects of goal orientation, self-efficacy and task complexity on the audit judgement performance of Malaysian auditors. *Accounting, Auditing & Accountability Journal*, 31(1), 75-95.

Sarapaivanich, N., & Patterson, P. G. (2016). A contingency model of client repatronage in a financial auditing services context. *Accounting Research Journal*, 29(1), 106-130.

Sarstedt, M., Diamantopoulos, A., Salzberger, T., & Baumgartner, P. (2016). Selecting single items to measure doubly concrete constructs: A cautionary tale. *Journal of Business Research*, 69(8), 3159-3167.

Saunders, M., Lewis, P., & Thornhill, A. (2000). *Research methods for business students*. Harlow: Financial Times/Prentice Hall.

Schroeder, G. R., Reinstein, A., & Schwartz N. B. (1996). Audit technology structures' effect on probabilistic judgement. *Managerial Auditing Journal*, 11(3), 17-24.

Sekhar, C., Patwardhan, M., & Singh, R. K. (2013). A literature review on motivation. *Global Business Perspectives*, 1(4), 471-487.

SFS. (2001:883). *Revisorslag [The Auditors Act]*. Stockholm: Justitiedepartementet.

SFS. (2005:551). *Aktibolagslagen [The Companies Act]*. Stockholm: Justitiedepartementet.

Shafer, W. (2009). Ethical climate, organizational-professional conflict and organizational commitment: a study of Chinese auditors. *Accounting, Auditing and Accountability Journal*, 22(7), 1087-1110.

Sheeran, P. (2002). Intention-behavior relations: A conceptual and empirical review. *European Review of Social Psychology*, 12(1), 1-36.

Smith, M., Fiedler, B., Brown, B., & Kestel, J. (2001). Structure versus judgement in the audit process: a test of Kinney's classification. *Managerial Auditing Journal*, 16(1/2), 40-49.

- Sori, Z. M., Karbhari, Y., & Mohamad, S. (2010). Commercialization of accounting profession: The case of non-audit services. *International Journal of Economics and Management*, 4(2), 212-242.
- Suddaby, R., Gendron, Y., & Lam, H. (2009). The organizational context of professionalism in accounting. *Accounting, organizations and society*, 34(3-4), 409-427.
- Sutton, S. (1998). Predicting and explaining intentions and behavior: how well are we doing? *Journal of Applied Social Psychology*, 28(15), 1317-1338.
- Svanberg, J., & Öhman, P. (2015). Auditors' identification with their clients: Effects on audit quality. *The British accounting review*, 47(4), 395-408.
- Svanström, T. (2008). *Revision och rådgivning - Efterfrågan, kvalitet och oberoende [Auditing and consulting - Demand, quality and independence]*. Doctoral Dissertation, Umeå University, Umeå School of Business.
- Svanström, T., & Sundgren, S. (2012). The demand for non-audit services and auditor–client relationships: evidence from Swedish small and medium-sized enterprises. *International Journal of Auditing*, 16(1), 54-78.
- Sweeney, B., & McGarry, C. (2011). Commercial and professional audit goals: inculcation of audit seniors. *International Journal of Auditing*, 15(3), 316-332.
- Sweeney, B., & Pierce, B. (2004). Management control in audit firms: A qualitative examination. *Accounting, Auditing & Accountability Journal*, 17(5), 779-812.
- Sweeney, J. T., & Summers, S. L. (2002). The effect of the busy season workload on public accountants' job burnout. *Behavioral Research in Accounting*, 14(1), 223-245.
- Sylvander, J. (2020). *The influence of clients on the social identities within the audit profession - Studies on the Swedish audit arena*. Doctoral Dissertation, Linköping University, Department of Management and Engineering.
- Teck-Heang, L. E. E., & Ali, A. M. (2008). The evolution of auditing: An analysis of the historical development. *Journal of Modern Accounting and Auditing*, 4(12), 1-8.
- Tepalagul, N., & Lin, L. (2015). Auditor independence and audit quality: A literature review. *Journal of Accounting, Auditing & Finance*, 30(1), 101-121.

- Thomas, K. W. (2009). The four intrinsic rewards that drive employee engagement. *Ivey Business Journal*, 73(6), 1-12.
- Trotman, K. T., Wright, A. M., & Wright, S. (2005). Auditor negotiations: An examination of the efficacy of intervention methods. *The Accounting Review*, 80(1), 349–367.
- Van de Ven, A. H. (2007). *Engaged Scholarship: A guide for organizational and social research*. Oxford: Oxford University Press.
- Velte, P., & Stiglbauer, M. (2012). Audit market concentration and its influence on audit quality. *International Business Research*, 5(11), 146-161.
- Volcker, P. A. (2002). Accounting, accountants and accountability in an integrated world economy. [Remarks by Paul A. Volcker to the World Congress of Accountants, Hong Kong].
- Wang, K. J., & Tuttle, B. M. (2009). The impact of auditor rotation on auditor–client negotiation. *Accounting, Organizations and Society*, 34(2), 222-243.
- Warren, D. E., & Alzola, M. (2009) Ensuring independent auditors: Increasing the saliency of the professional identity. *Group decision and negotiation*, 18(1), 41-56.
- Watkins, D., & Gioia, D. (2015). *Mixed methods research*. New York: Oxford University Press.
- Westerdahl, S. (2005). “Vad har de för sig?” – Om revisorernas vardag och vad den betyder för etik och lärande, in Johansson, S-E., Häckner, E., & Wallerstedt, E. *Uppdrag revision*. Finland: SNS Förlag.
- Willekens, M., Dekeyser, S., & Simac, I. (2019). *EU statutory audit reform: Impact on costs, concentration and competition*, Study for the Committee on Economic and Monetary Affairs, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg.
- Ye, P., Carson, E., & Simnett, R. (2011). Threats to auditor independence: The impact of relationship and economic bonds. *Auditing: A Journal of Practice & Theory*, 30(1), 121-148.

- Zeff, S. A. (1987). Does the CPA belong to a profession?, *Accounting Horizons*, 1(June), 65-68.
- Zinkmund, W.g., Babin, B. J., Carr, J. C., & Griffin, M. (2013). *Business research methods*. Cengage Learning South-Western, Mason.
- Öhman, P. (2007). *Perspektiv på revision: tankemönster, förväntningsgap och dilemman* [*Perspective on auditing: thought patterns, expectancy gaps and dilemmas*]. Doctoral Dissertation, Mid Sweden University, Department of Social Sciences.
- Öhman, P., Häckner, E., Jansson, A.-M., & Tschudi, F. (2006). Swedish auditors' view of auditing: doing things right versus doing the right things. *European Accounting Review*, 15(1), 89-114.
- Öhman, P., Häckner, E., & Sörbom, D. (2012). Client satisfaction and usefulness to external stakeholders from an audit client perspective. *Managerial Auditing Journal*, 27(5), 477-499.
- Öhman, P., & Wallerstedt, E. (2012). Audit regulation and the development of the auditing profession: The case of Sweden. *Accounting History*, 17(2), 241-257.

Papers

Papers

The papers associated with this thesis have been removed for copyright reasons. For more details about these see:

<http://urn.kb.se/resolve?urn=urn:nbn:se:liu:diva-173565>

FACULTY OF ART AND SCIENCE

FiF-avhandling No. 126, 2021
Department of Management and Engineering

Linköping University
SE-581 83 Linköping, Sweden

www.liu.se