

What do You Know About Audit Quality in Malaysian Small and Medium Audit Firms?

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ABSTRACT

Audit quality has been addressed and is being discussed globally, throughout the years. The Enron Corporation and WorldCom cases have affected the reputation of the audit profession. The credibility of auditors also has become more questionable as the auditors' function in identifying mistakes and fraud is being debated by the public. However, the issue of audit quality has only focused on big firms only. There is shortage of studies that focussed on audit quality in small and medium audit firms. In line with this issue, this study aimed to investigate the relationship between top management support, auditor's experience and auditor's accountability on audit quality amongst small-medium audit firms in Malaysia. By employing the Attribution Theory, the study utilised purposive sampling. The data used in this study was primary data obtained through questionnaires from external auditors in small and medium sized audit firms around Klang Valley. A total of 100 questionnaires were distributed and the number of usable questionnaires was 81. Findings indicate that auditor's experience and auditor's accountability have a significant effect on audit quality. This research thus contributes to standard setters, regulators, policymakers and other audit firms by providing evidence with regard to the determinants of audit quality judgment in Malaysian small and medium audit firms.

Keywords: audit quality, small and medium audit firms, audit judgments, accountability, audit experience.

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INTRODUCTION

In Malaysia, small and medium-sized audit firms are often thought to be the majority of auditors used by small and medium-sized enterprises (SMEs). Evidence and theory of scope indicate that SME owners and managers employ external guidance sources and support services primarily owing to their internally based resource gaps. In the new era of technology and globalization, SMEs need to be able to survive, as the acquisition of resources is a dominant way to guide their own survival and development. As SMEs must deal with this resource gap and to change the environment; it has generated a position for small and medium-sized practices (SMPs) as vital company consultants. SMPs are the accounting practices whose clients are predominantly SMEs and which use external sources to supplement limited internal development resources and have a limited number of qualified staff. However, small and medium audit firms are commonly associated with lower audit quality. In addition, complying with International Standard of Quality Control 1 implementation is a major hurdle to small and medium audit practitioners (Normah & Johari, 2007). Most audit quality research in the past typically supported that big audit businesses offer a high degree of audit quality. Hence, the firm size is often used as audit quality measurement (Baxter & Cotter, 2009; Adeyemi & Fagbemi, 2010). Dopuch and Simunic (1982) indicated that a higher quality of services are delivered by larger accounting firms, as they have a more significant reputation for protection. However, the crash of Arthur Andersen indicated that "big" may not always be better and could thus threaten the assertion that the high audit quality is linked to more significant auditors. Since Arthur Andersen's collapsed in 2002, small-medium audit firms are conducting audits for about 30% of publicly traded businesses and their market share has grown. There are also claims as to why the Big 4 and small-medium firms can serve a similar audit quality. Firstly, is because both the Big 4 auditors and SMPs conform to the same law and profession, and both types of audit firms must meet suitable standards of quality. Secondly, because the auditors in small-and medium-sized firms have a better knowledge of local and client market relations (Louis, 2005). Hence, these variables may allow them to detect irregularities better. The issue of audit quality occurs within SMEs when they lack powerful internal control systems, which is a prerequisite for an unqualified or clean audit opinion. Consequently, audit quality by auditors is a public issue. Research studies have indicated that auditors' accountability

has an impact on audit quality (Yuliyanti & Budiono (2006), Muliani Singgih (2010), Barzideh and Kheirrol-lahi (2012), Bustami (2013), Saripudin et al. (2012) and Singgih and Bawono (2010)). Hence, the essential objective of this research was thusly to differentiate the factors that could affect audit quality of SMPs in Malaysia, focusing on the top management support, experience and responsibility of the auditor.

PROBLEM STATEMENT

In the Enron scandal, Arthur Andersen, an auditor of Enron Corporation had abandoned its roles as an auditor by neglecting the improper accounting in the corporation's net income. This instance of a financial scandal shows that the review technique did not contemplate the potential areas of peril where misrepresentation could occur, where fraud could hamper audit quality. In Malaysia, the latest economic scandal relates to 1Malaysia Development Berhad (1MDB). 1MDB is a financial scandal allegedly involving a large sum of cash and placing Malaysia under government scrutiny (Ali, 2016). Audit independence is clearly a problem when an audit is performed that may affect the quality of an audit. Hence, all these corporate scandals have affected the reputation of the audit profession, and audit quality is being questioned strongly. The credibility of auditors also has become more and more questionable as the auditors' function in identifying mistakes and fraud is debated by the public. Over the years, only the big four companies have been discussed and debated in relation to the audit quality problem worldwide. There is a lack of audit literature among small-medium audit firms that discuss audit quality problems. However in Malaysia, there are cases that involve Malaysia small-medium firms such as Aiwanan Manage Assets Sdn Bhd where the company's former director, Wahid Ali, was charged with three charges of omitting to state a material fact relating to the investment of Aiwanan's client, Eastern Pacific Industrial Corporation Bhd (EPIC). This shows that not only the big firms are involved in audit quality issues but also the small-medium firms. However, the Big audit firms do have internal checking and monitoring to control the audit quality of the firm but for small-medium firms there is no specific regulations or bodies that will track and monitor audit quality. The Malaysian Institute of Accountants (MIA) introduced the International Quality Control Standards 1 (ISQC 1) as part of Malaysia's approved audit standard in 2006. However,

evidence has shown that ISQC 1 implementation in Malaysian small and medium-sized audit firms is somewhat limited (Omar & Mohd Alwi, 2007). Small and medium-sized audit firms tend to function based on non-standard operating procedures, which are fundamentally inconsistent with the ISQC 1. Furthermore, compliance with the ISQC 1 implementation is a significant obstacle for small and medium audit practitioners (Omar & Mohd Alwi, 2007). Research on the audit quality of small and medium audit practitioners is therefore essential in ensuring that all-important risks are examined and that public trust in the auditing profession is fixed. It also enables small-medium audit firms to attain accountability and integrity, enhance activities, and instil confidence among people and stakeholders. Therefore, a research gap to be filled by this study is on variables that could have a substantial effect on the audit quality of Malaysia's small-medium practitioners. This research aimed to tackle the gap in the Malaysian context by defining the main characteristics that determine audit quality amongst small-medium audit firms in Malaysia. The research objectives were; 1) To investigate the relationship between top management support and audit quality in small and medium audit firm; 2) To examine the relationship between auditor's experience and audit quality of small and medium audit firms and; 3) To examine the relationship between auditor's accountability and audit quality of small and medium audit firms.

LITERATURE REVIEW AND THEORETICAL UNDERPINNING

The word 'audit quality' has different meanings around the world. However, there is no meaning in all of them, in achieving a globally recognized definition status. This is something that is complicated and therefore, it may be challenging to evaluate the quality of an audit. According to DeFond and Zhang (2014), audit quality can be defined as better assurance that the financial reports reflect the underlying economics faithfully and depends on their financial reporting and innate features. Crucean et al. (2019) said that one approach of defining the quality of an audit is the adequacy of the auditors' report. Did the auditor give a clean view when there was an error? Sailendra et al. (2019) defined audit quality as the probability of an auditors finding the customer's accounting system incompatible, when it is necessary to ensure professional and independent auditing commitment to users.

According to the Financial Reporting Council (2006), audit quality is a complex concept, and there is no single agreed definition. Bedard, Johnstone, and Smith (2010) illustrated that “even seasoned professionals convening to discuss the notion of audit quality have difficulty agreeing on a common definition”. As for Duff (2004), there is no proper definition of audit quality, although research on audit quality has been extensive. Quality audits involve auditors who apply a rigorous audit process and quality control procedures in accordance with applicable laws, regulations and standards. Auditors are responsible for conducting quality audits of financial statements. However, audit quality is best achieved in an environment where the supply chain of financial reporting provides support and appropriate interactions between participants. Each stakeholder plays an essential role in supporting high-quality financial reporting and how they interact can affect the quality of an audit. The underpinning theory for this study is the Attribution Theory which is a social psychological theory that clarifies how individuals explain phenomena based on circumstances and logical results and how their motivation is influenced. This Theory refers to how someone explains the causes of the behavior of others or themselves which will be determined from whether it is internal such as nature, character, attitude, etc. or external such as the pressure of certain situations or circumstances that influence individual behavior (Heider, 1958). Therefore, the association of this theory with this study is that an auditor’s behavior, which is the experience and accountability will best influence the level of the quality of the audit.

HYPOTHESIS DEVELOPMENT

The Effect of Top Management Support on Audit Quality

The top management prior studies is vague and is not consistent (Dong et al., 2009). Most argue that top management support is a set of important actions stemming from top management behaviours (Manfreda & Stemberger, 2014). Other arguments for perceptions of management (Leonard-Barton & Deschamps, 1988). Some even argue for both but have failed to draw many supporters (Basellier & Pinsonneault, 1998). This decision makes the state of the definition unclear. It is, therefore, apparent that it is never adequately studied (Butler & Fitzgerald, 1999). Literature indicates a high risk of improved performance at an organizational level

when senior managers extend support (Williams & Ramaprasad, 1996). The most logical reason for the most common behavioural top management support is that it is accessible through the management or by the company, which require supporting actions, to track and report on the actions. Recent literature shows management interaction influences the perceptions of employees regarding support, providing the employees with a sense of value and a contribution to the company that improves the quality of employees (Neves & Eisenberger, 2012). Extensive research suggests that organizational interaction often relates to job efficiency. The perceptions of individuals of the strength of these factors relate adversely to conduct that reduces auditing quality and provides further potential auditing quality (Malone & Roberts, 1996). Audit quality is positively impacted by open and direct interaction between top management and the auditor (Sarens & De Beelde, 2006). The quality of an audit is significantly and positively affected by top management support, whilst budget availability, autonomy in audit technique, promotion and rewards, training and development have no effect on audit quality (Masood & Afzal, 2016). Dawuda et al. (2017) revealed that management support services have shown a strong impact on the auditor's performance where the support will lead to risk prediction and serve management with approaches to avoid or mitigate the impacts of the risk. Organizational with strong loyalty and ethical culture support in attaining audit quality (Indrayati et al., 2021). According to Abate (2020), in her study on How Management Contributes to Audit Quality shows that the auditing process involves the management, the audit committee and the auditor. It is most effective, as in any relationship, if all partners are involved. A more streamlined, efficient and high-quality audit will come from planning, teamwork and open communication from all parties. Crucean et al. (2019), concluded that it must also be a constant worry for audit company managers who need to underline how significant their personnel training programmes are to improve the audit. It may be expected that an excellent training course will enable financial auditors to evaluate qualitatively all the phases of the audit procedure.

Additional factors such as incentives, motivation and good communication between the auditor and top management may also affect audit work (Masood & Lodhi, 2015). Based on the literature review, the following hypothesis was proposed:

H₁: Top Management Support positively influences audit quality in small and medium audit firms in Malaysia

The Effect of an Auditor's Experience on Audit Quality

The experience of an auditor affects audit quality and this may enhance the knowledge of the auditor to become more developed and the auditor always carries out audits according to the knowledge he/she auditor possesses. That qualifies the resulting audit report (Haeridistia & Agustin, 2019). Study by Kuntari et al. (2017) and Jatiningasih and Purwaningtyas (2019) showed that an auditor's experience is one of the determinant factors that can affect audit quality where the experience is defined based on the duration of work in auditing and the number of tasks of inspection performed. Prasanti et al. (2019) found that experienced auditors may easily detect any misstatements. The auditor will use all the expertise acquired to conduct the next work well so that the results of the audit will be better than before. Anggrainy et al. (2018) stated that an auditor's experience has a significant effect on audit quality. Crucean et al. (2019) deduce that the auditor's experience raises audit quality with the mandate of the auditor, while the auditor obtains a greater understanding of the system, the environment of the business, the client's industry and internal controls. While according to Mulyani (2020), an auditor's experience partially had a significant effect on audit quality. Kolodner's (1996) argued that experience is one of the significant variables to improve quality in carrying out a job. Experienced auditors can significantly influence producing better audits compared to inexperienced auditors, and it will shape an auditor's personality, which will make him/her wiser both in thinking and acting. This is in line with the findings of DeFond and Francis (2005), Smith (2009), Wang et al. (2012) and Kuntari et al. (2017). Zahmatkesha and Rezazadeh (2017) revealed that an auditor's experience positively affects audit quality. The study identified that a high audit quality was influenced by more experienced employee/staff. Bouhawia et al. (2015) supported the notion that an auditor's experience has a significant impact on the quality of audit results when it relates to the company's working environment. However, it contradicts with Kertarajasa et al. (2019) whereby experience did not have a significant effect on audit quality. Experience has no critical impact on the quality of the audit. Latercia et al. (2020) and Dewi et al. (2019), stated that experience does not significantly affect audit quality. This shows that the higher the experience

of the auditor when auditing does not guarantee a higher quality audit, it can be caused by several things, such as task deadlines and the number of audit tasks being carried out. This outcome also supports the findings of Ashton (1990), Singgih and Bawano (2010), Suyono (2012), Samsi et al. (2013), and Furiady and Kurnia (2015) who showed that experience does not influence the quality of an audit but does not support the study results from Sukriah et al. (2009), Ramadhanis (2012), Saripudin et al. (2012), Parasayu and Rohman (2014), Cahan and Sun (2015), Pandoyo (2016), Wardayanti (2016), Dwitariani and Suputra (2016), Oktarini and Ramantha (2016), Rahayu and Suryono (2016), Ningrum and Budiarta (2017), showing that experience has a positive effect on audit quality. Based on the literature review, the following hypothesis was proposed:

H₂: Auditor's experience positively influences audit quality in small and medium audit firms in Malaysia

Effect of Auditor's Accountability on Audit Quality

Accountability from the auditor in completing the audit work likewise influences audit quality. Cloyd (1997) analysed the relationship between accountability and audit quality where accountability includes three measurements, which are motivation, dedication to the profession and social obligation, where these measurements positively effect audit quality in general. Ilmiyati and Suhardjo (2012) also revealed that accountability and competence of auditor's positively affect audit quality. Furiady and Kurnia (2015) supports the notion that competency, accountability and objectivity has a significant effect on audit quality. Accountability has a massive impact on audit quality where he demonstrates that when an auditor can finish the audit function admirably and on schedule, persuaded that his work is deliberately inspected and checked on by the supervisor, and being accountable to the business will increase the quality of an audit (Zahmatkesha & Rezazadeh, 2017). According to Sangkala et al. (2018), the level of individual accountability in executing a job dictates how information is processed and the outcome will influence the response, decision or action to be done to influence the quality of the work of auditors. Hedar and Grahita (2018) have shown a considerable impact on audit quality where motivation reflects the auditor's commitment to deliver the audit results at phases. Putra et al. (2019) showed that the quality of the results of the audit is affected by

accountability. The higher the accountability, the higher the quality of the audit results. Muslim and Hajering (2020) revealed that accountability has a positive and significant effect on audit quality in which the formulation of the accountability variable, motivation is the most dominating indicator and the social responsibility indicator offers the least percentage. Increasing auditor accountability to investors without financial accountability to managers boosts audit quality significantly and offers possible benefits in eliminating management control over the auditor selection process (Hurley et al., 2018). This is supported by previous research that accountability has a positive effect on audit quality. Yuliyanti and Budiono (2006), Muliani Singgih (2010), Barzideh and Kheirolah (2012), Bustami (2013), Saripudin et al. (2012) and Singgih and Bawono (2010). Therefore, based on these arguments, the following hypothesis was proposed:

H₃: Auditor’s Accountability positively influences audit quality in small and medium audit firms in Malaysia

RESEARCH FRAMEWORK

The discussed factors are illustrated in Figure 1.0.; specifically, top-level management support, auditor’s experience and auditor’s accountability (independent variable) that affect audit quality (dependent variable) of small and medium-sized auditors.

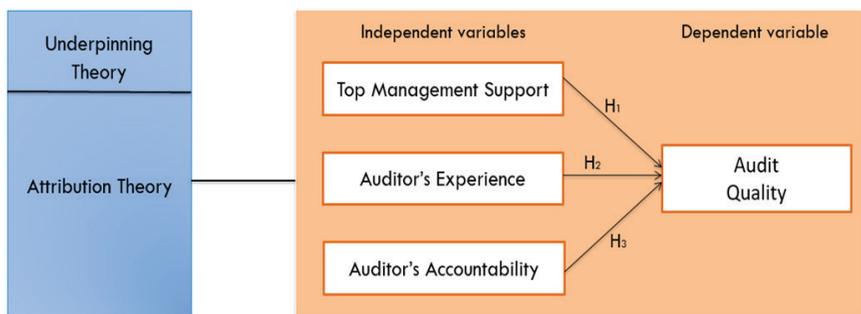


Figure 1.0: The Influence of Top Management Support, Experience and Accountability on Audit Quality amongst Small-Medium Sized Audit Firms in Malaysia

Figure 1.0 signifies the independent variables, which are top management support, auditor's experience and auditor's accountability, might influence the dependent variable, which is audit quality.

RESEARCH METHODOLOGY

Population and Sample of the Study

The population of this study was the auditors from small-medium sized audit firms registered as MIA members. As of 31 May 2019, there were 1482 registered member firms providing audit services. The sample respondents in this research were narrowed to auditors who worked in small-medium audit firm around the Klang Valley as it is the region with the highest number of small-medium audit firms in Malaysia with the total number of 505 audit firms. The Klang Valley comprises Federal Territory and Selangor. The sampling method of this research was purposive sampling in which the samples were chosen based on the aim of the study. This technique was appropriate for this research since the objective was to explore the connection between the quality of the audit and the top management support, the experience of the auditors as well as the accountability of the auditor among small-medium size audit firms. The auditors in the selected firms are, therefore, suitable respondents in this research to provide feedback on factors influencing audit quality of the SMPs. The level and position of auditors chosen to engage in this research were Partners, Managers, Assistant Managers, Senior Auditors and Staff Auditors from small and medium-sized audit firms who possessed specific expertise, professional skills, and vast experience in the audit process so that they will be able to provide accurate data required for this research. The sample size of the study was justified accordingly based on Bartlett, Kotrlik, and Higgins (2001), who indicated that for continuous data with a margin error of 0.03 and an alpha level of 0.05 as well as a population of 600, the sample size should be approximately 100 respondents.

Measurement of Variables and instrument for the study

The instrument used to collect the data was the questionnaire survey method. The questionnaires were distributed to 100 auditors working in small and medium-sized audit firms in the Klang Valley. The survey

contained five parts. Section A referred to demographic information; top management support measured was covered by Section B; the audit experience measurements were captured by Section C; the auditor's accountability measurement was covered in Section D, and the last section was audit quality measurement. The measurement of variables was based on a 5-point Likert scale ranging from Strongly Disagree–1 to Strongly Agree–5. Five respondents ranging from Partners, Managers, Assistant Managers, Senior Auditors and Staff Auditors with expertise, skills and audit experience were invited to join the pilot test. This pilot test was aligned with Hasnah et al. (2016) who used five auditors from the MIA list for pre-testing the questionnaire. Feedback and comments identified from the questionnaires and other potential weaknesses, were recorded and improvements were made accordingly. Table 1.0 illustrates a review of the previous literature on the estimation of the variables in this analysis.

Table 1.0: Summary of the Development of the Research Instrument

	Variables of the Study	Source of Reference
Dependent Variable:	Audit Quality	Massod and Afzal (2016) Fuad Elmahedi H.Bashir (2013)
Independent Variable:	Top Management Support	PCAOB's (2013)
	Auditor's Experienced	Kamuruchi (2016)
	Auditor's Accountability	Reni Febriyanti (2014)

Data Collection and Analysis

This research used primary data sources specifically self-administered electronic questionnaires distributed randomly through email to the selected participants. A cover letter was enclosed to every questionnaire to protect the respondent's identity and clarify the objectives of the survey. Data collection took place from early September 2019 to early October 2019. A total of 81 questionnaires from 100 questionnaires distributed were returned to the researcher with a response rate of 81%. Data collected were coded and analyzed using Windows IBM SPSS version 22.

Data Analysis

Multiple Regression Analysis

The aim of this study was to examine the effect of top management support, auditor’s experience and auditor’s accountability in audit quality in Malaysian small and medium audit firms. Hence, a regression analysis was used to analyse the data.

$AQ = \alpha + \beta_1 AI + \beta_2 AE + \beta_3 AA + \varepsilon$ <p>Where:</p> <p>AQ : Audit Quality</p> <p>AI : Auditor’s Independence</p> <p>AC : Auditor’s Experience</p> <p>AA : Auditor’s Accountability</p> <p>α : Constant or intercept</p> <p>ε : Error</p>
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Reliability Test

Based on Table 2.0 below, the dimensions for Top Management Support, Auditor’s Experience and Auditor’s Accountability were in the range of .807, .888 and .881, respectively. The Cronbach’s alpha for the dependable variable overall was in the range of .875. Based on the Cronbach’s alpha for both the independent and dependent variables above, the score was higher than .75. Therefore, the values of Cronbach’s alpha for this study were considered reliable and valid. The items were further used for data analysis purpose.

Table 2.0: Cronbach’s Alpha Score for the Independent and Dependent Variable Dimensions (N= 81)

Section	Variables	No. of Statement	Cronbach’s alpha
B	TopManagement Support	10	.807
C	Auditor’s Experience	6	.888
D	Auditor’s Accountability	5	.881
E	Audit Quality	8	.875

Normality Test

Results of the normality test showed that for all the variables, the Skewness and Kurtosis were between -1.145 and 2.879. Distribution of Skewness and Kurtosis between -2 and +2 (George & Mallery, 2010) is considered as normal. It means that the average rating is normally distributed for Top Management Support, Auditor’s Experience, Auditor’s Accountability and Audit Quality.

Correlation Analysis

Based on the correlation analysis for all the variables as shown in Table 3.0, illustrate that all the three independent variables had a weak relationship and an insignificant correlation with audit quality.

Table 3.0: Correlation Analysis

Variables	Technology Complexity	Top Management Commitment	Industry Pressure	Technology Adoption
Technology Complexity	1			
Top Management Commitment	0.228*	1		
Industry Pressure	0.331**	0.429**	1	
Technology Adoption	-0.101	-0.226*	-0.306**	1

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Multiple Linear Regression

Table 4.0: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
(Constant)	1.940	.507	
Top Management Support	.127	.106	.132
Auditor Experience	.102	.109	.118
Auditor Accountability	.311	.107	.345

Dependent Variable: Audit Quality

The model showed a linear relationship between Top Management Support, Auditor’s Experience and the Auditor’s Accountability. This model was significant. As shown in Table 5.0 Top Management Support with a p-value= .232 >.05 and a significance level of ($\alpha=.05$.) revealed that Top Management Support did not have a significant impact on Audit Quality. Nonetheless, the p-value for Auditor’s Experience =.001 <.05, indicated that Audit Quality at the .05 significance level ($\alpha=.05$) was influenced by the Auditor’s Experience and Auditor’s Accountability. The study found a relationship between the coefficient of Top Management Support (0.132), Auditor’s Experience (0.118) and Auditor’s Accountability (0.345), meaning that an increase in Top Management Support, Auditor’s Experience and Auditor’s Accountability increases Audit Quality.

Table 5.0: Estimated Regression Equation

Variable	Coefficient	t-value	p-value
Top Management Support	0.132	1.205	.232
Auditor’s Experience	0.118	0.934	.001*
Auditor’s Accountability	0.345	2.906	.005*
F		7.534	0.000*
R ²		.227	

* significant at 5% level (2-tailed)

DISCUSSION, LIMITATIONS AND FUTURE RESEARCH

The study predicted that auditor’s experience and auditor’s accountability have a positive influence on audit quality. The Attribution Theory was employed to see the relationship between the three independent and dependent variables. The theory suggests that auditor’s experience and accountability is important in determining audit quality. Therefore, the enhancement of audit quality is seen as the principal variable for the auditors in increasing public trust of their profession. Thus, maintaining accountability and experience are the cornerstone for auditors when providing reasonable assurance of audit quality. The first objective of this study was to examine the relationship between top management support

and audit quality. The results revealed that there was an insignificant and positive relationship between top management support and audit quality, however the results are not in similar to previous studies conducted by Igbaria and Greenhaus (1992), Sarens and De Beelde (2006), Pathirage, Jayawardena, and Rajapaksha (2012), Ismail, Majid, Roosli, and Ab Samah (2014), and Masood and Lodhi (2015). The outcomes are controverting, where the top management does not influence audit quality. Different sized firms have a different level of resources. In small and medium audit firms, people at the top level are lesser compared to big firms. Auditors from small and medium size firms are used to such situations where they are still being independent and accountable in producing audit reports, even though they have minimal resources. Audit quality would endure its quality with or without the presence of top management support. This substantiates that an auditor is still able to present an accurate and fair audit report systematically. The second objective of the study was to see the relationship between auditor's experience and audit quality. In this study, the second hypothesis was also supported, which corresponded to previous literature by Rahayu and Suryono (2016), and Ningrum and Budiarta (2017). The auditor needs further education, training and experience in order to acquire professional skills, which the auditor reflects as a professional profession (Burns & Haga, 1977). Problem solving knowledge is gained through specific and realistic experiences that goes to auditors who develop their knowledge and skills based on authentic experiences. The development of their knowledge will help them in auditing tasks and actual accounting. Therefore, in this study, the findings specified that the more experience the auditor, the better the audit quality. The argument that experienced auditors have positive effects on auditing quality was endorsed by Zahmatkesha and Rezazadeh (2017), who claimed that more exceptional audit quality was affected by experienced auditors. The findings also indicated that auditor's accountability seems to have a significant impact on audit quality. The last objective was to examine the relationship between auditor's accountability and audit quality. The findings were similar to Ilmiyati and Suhardjo (2012), where accountability and competency of auditors have positive effects on audit quality. Hence, the commitment and the implementation of social responsibility among the auditors would result in better quality audits provided by the auditors. If the auditor is accountable, work shall be completed with full effort in ensuring the auditors perform and complete the audit promptly, as stipulated by the audit standard. The auditor who is accountable will make the best effort in

auditing and is not influenced by other parties. Therefore, the auditors will be able to act justly in making a reasonable judgement based on their rational reasons. When they are accountable, they can produce high audit quality reports. Accountable auditors will also be responsible for all their actions. The third hypothesis was supported as higher an auditor's accountability, the higher the quality of the audit. This is consistent with the result by Rusman et al. (2018) where an auditor's accountability is to deliver results according to the stage, and the auditor commits himself to complete the audit work in accordance with the contract of work.

The overall findings specified that auditor's experience and auditor's accountability met the expectations of the research objectives and hypotheses. The results provided vital evidence that auditor's experience and auditor's accountability had a significant influence on audit quality in small and medium-sized audit firms in Malaysia. This might have happened due to an auditor's accountability and responsibility in providing an accurate and fair view of the financial statements. Hence, auditors will perform and execute a better-quality audit. Besides, when the auditors have more experience, they will have more comprehensive knowledge and skills to perform more quality audits and at the same time provide substantiated opinions on financial statements professionally. Consequently, this confirms the underpinning 'Attribution Theory' in the audit quality literature, which indicates that the more experience and accountable the auditors, the better the quality of the audit. Hence, users will gain more confidence in the financial statement and audit reports.

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