


NEW INSIGHTS ON AUDIT QUALITY: A SOCIAL DYNAMICS PERSPECTIVE

IT'S AN HONOUR TO BE HERE & TALK TO YOU

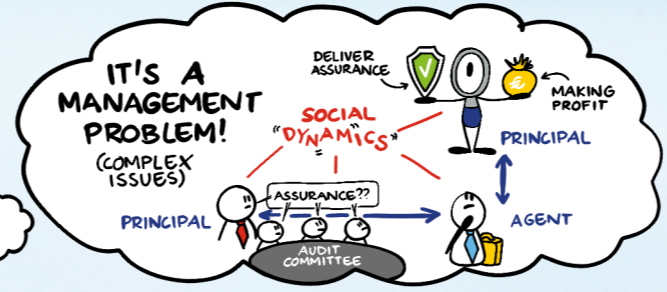


EDDY CARDINAELS
TILBURG UNIVERSITY & KU LEUVEN

CULTURE
CAN INFLUENCE THE
SOCIAL DYNAMICS
OF PEOPLE

I'VE BROUGHT SOME **HOT SAUCE** FOR YOU...

THAT'S A SUBJECT ON ITSELF!



WE ARE SOCIAL CREATURES, SO STUDY THE **SOCIAL DYNAMICS:** THEY CAN EXPLAIN OUR BEHAVIOUR!



THIS IS QUITE IMPORTANT!

PEOPLE LIKE TO BOND (SOCIAL TIES)

IMITATION CAN HELP ME

INCLUSIVITY: I CAN FIT IN

STATUS MATTERS, OF COURSE!

WE PEOPLE LIKE TO GROUP!

DOESN'T MATTER THAT I'M THE CEO & THESE GUYS ARE IN MY AUDIT COMMITTEE, WE ALL LOVE EACH OTHER! AND FRIENDS CAN TELL EACH OTHER EVERYTHING, RIGHT?

OH NO! BE AWARE!

EDDY SAYS THAT AUDIT QUALITY IS NEGATIVELY AFFECTED IF PEOPLE BOND TOO MUCH!

SIGH!

SIMILARITY BREEDS OUR CONNECTION

WORK EXPERIENCE, RELIGION, AGE, HOME TOWN, GENDER

CEO AC

MONKEY (SEE) MONKEY DO!

ROLE MODEL

HERE'S A "PROMOTION" IF YOU DO WELL, AUDIT MONKEY!

MONKEYS CAN SOLVE THE LACK OF RESOURCES IN AUDITING. ALL WE NEED IS A BUNCH OF GOOD ROLE MODELS & WELL DOCUMENTED WORKING PAPERS...

IN GERMANY, WE KNOCK AFTER AN ACADEMIC PRESENTATION

THIS WORKING PAPER IS SO BAD, I DON'T HAVE TIME TO COPY. THE LAUGHTER IS TAKING TOO MUCH TIME!

NOW, BE SERIOUS: EDDY SAYS COPYING HAS A NEGATIVE INFLUENCE ON AUDIT QUALITY!

WE ALL COPY & IMITATE... BUT BE SKEPTICAL & WORK ON YOUR SKILLS!

I'M HUNGRY!

RESTAURANT LEFT

RESTAURANT RIGHT

COME IN!

NO THANKS, I CHOOSE THIS ONE! (CONFORMITY)

THIS COULD BE THE CASE IN AUDIT TEAMS AS WELL...

WE ALL HAVE A NEED FOR BELONGING...

... SO FIRST MAKE SURE PEOPLE FEEL PART OF THE TEAM!

VS.

MAKE SURE TO CREATE AN INCLUSIVE ORGANIZATION

AFTER I FEEL PART OF THE TEAM, THEN FOCUS ON MY AUTHENTICITY!

BELONGING (EMPHASIZING THE TEAM) VS. **AUTHENTICITY** (EMPHASIZING THE INDIVIDUAL)

AND THERE IS A DIFFERENCE IN GENDER... (AT BELGIUM AUDITORS)

I LIKE TO SPECIALIZE & FOCUS!

MORE CLIENTS, MORE PROFIT!

AND MAYBE I'M MORE RISK AVERSE...

I LIKE TO COMPETE, I GUESS I'M MORE OVERCONFIDENT AT TIMES...

WHO WORKS HARDER?

WHAT WORKLOAD IS ACCEPTABLE? WHO HAS THE LARGEST NUMBER OF CLIENTS?

TOO MANY CLIENTS HAS A NEGATIVE EFFECT ON AUDIT QUALITY!

THESE ARE ALL MANAGEMENT CONTROL PROBLEMS: AUDITING IS ALSO A MANAGEMENT CONTROL PROBLEM WITH SOCIAL DYNAMIC INTERACTIONS



FOUNDATION FOR **AUDITING RESEARCH** | SEMINAR **AUDIT CULTURE AND BEYOND**

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