

## I Presenting the Model to Improvement the Skill and Quality of Work from the Profession and Employer's Point of View<sup>1</sup>

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### INTRODUCTION

The consequential events of the global financial crises and other trouble-making happenings in recent years have led to several criticisms made by auditing organizations regarding the significance of credible and high-quality financial reporting. Nowadays the role and importance of authenticity in auditing services have been focused on and the experts believe it is correlated with the genuineness of financial reporting and the credibility of the auditing process. Therefore, the auditor plays a vital role in supporting the quality of financial reporting in capital markets both in the private and public sectors.

Therewithal with the increasing competition in this area of activity, auditing organizations have perceived the necessity of providing excellence in their service to their clients, and to compete in something other than auditing fees, these institutions are looking for distinguishing their services to their clients. The managers of auditing institutions have empirically understood that one of the effective ways to provide a unique experience for clients is to elevate the quality of service in terms of veracity and precision by employing auditors with proficient marketing and communicational skills so that it can result in attracting customers (Safarzadeh, 2020). In other words, auditors should seek excellence in their work to maintain their status and raise their professional reputation

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(Namazi, Bayazdi, Kangarlooyi, 2010). Hence, because of the auditors' endeavor to overtake their rivals in the market and also the enforcement of accuracy in financial reporting made by supervisory institutions, researchers and scholars in the field of auditing are looking for effective attributes on the quality of auditing and ways to mentor the auditors to elevate the level of their expertise.

As a pioneer in defining the distinctive characteristics of auditors, Kelkner brings up the following features as essential elements of a successful auditing career and helps the auditor to provide an ever-improving service to their clients: curiosity, intuition, comprehension of the commerce world, communicational skills, problem-solving skills, and the ability and inclination to make trailblazing judgments. (Kelkner, 1985).

These features have changed ever since, and factors such as our understanding of mathematics, ability to attain and organize data, critical thinking, reporting by the legal framework, and decision modeling and risk analysis can be also to this list.

However, this was not the end and the world of finance has been continuing to evolve. Environmental changes, the emergence of modern global trade, and the inclination of commercial agencies to digital finance alongside the progress in other sciences such as management, Information Technology, and statistics have given rise to the need for supplemental skills and knowledge which seem to be essential to achieve success in the auditing business. The capability of strategic planning, team management, and complying with the latest accounting rules and regulations are some of these new requirements. In 2013, Kelly and Owsy carried out research in Tunisia to analyze the awareness of the students of finance about the required skills for their future job, and get them close to the expectations of their employers. The following seven factors were focused on: technical skills, management skills, IT skills, physical condition, cognitive skills, teamwork, and personal skills. The investigation on other criteria continues to be carried out.

The purpose of this research is to identify the effective factors in the quality of auditing according to environmental conditions and circumstances of the economy in Iran and present appropriate solutions that can affect the ability of auditors in a positive way. For this purpose, not only the expectations of the employers but also the opinions of the employees have been investigated. Ultimately this study will establish several priorities that will enable auditors to improve their quality of work and skills.

## **MATERIALS AND METHODS**

This research is an effort to find an appropriate answer to the questions below:

- Which skills are necessary for an auditor from the viewpoint of the association of official accountants?
- Which skills are necessary for an auditor from the viewpoint of employers?
- What are the standards for improving the expertise of an auditor?

Since this research has focused on examining the influential factors in ameliorating the auditor's performance from the approach of the people working in this profession and also the employers, it is a practical investigation in terms of its goal and objectives. Moreover, this research uses a mixed method of conducting surveys and exploratory examination of the data. To gather the literature and identify the necessary scientific variables, archival studies have been carried out. For gathering data about the necessary characteristics of a credible auditor and weighing them, field research and certain questionnaires based on the Likert scale are used. The required information for the variables of the research will be collected by questionnaires given to the members of the association of official accountants, and also the financial managers of companies registered in the stock market. Confirmatory factor analysis has been conducted to approve the responses to the questions and for the ranking and answering the inquiries of this research, the t-test is employed.

The variables that have been utilized in this research include 33 indicators that are either related to auditing skills or influence the quality of auditing as dependent variables, and they are categorized into 6 main criteria. The identification and classification of these variables have been carried out according to the research undertaken by Kliye and Osi (2013) and Uar and Gan Gormes (2013). After confirming these with the working atmosphere of Iran, the following variables and codes have been selected: Personality skills (P) including the given 6 variables below:

- work commitments (P1),
- moral awareness (P2),
- perseverance (P3),
- social values (P4),
- problem-solving (P5),
- work experience (P6)

Communicational skills (C) including the following 4 variables:

- public communication (C1),
- written correspondence (C2),
- relationship management (C3),
- Teamwork (C4)

Leadership skills (L) including 5 variables below:

- Leadership capabilities (L1),
- Decision-making (L2),

- Crisis management (L3),
- Change management (L4),
- Strategic management (L5)

Analytical, research, and design skills (ARD) including the 5 variables given below:

- Financial management (ARD1),
- Literacy in academic and specialized articles (ARD2),
- Research (ARD3),
- interdisciplinary awareness of different fields of science (ARD4),
- analytics (ARC5)

The required skills to enhance your capabilities (A) including the 7 variables given below:

- creativity (A1),
- constant learning (A2),
- intellectual independence (A3),
- critical thinking (A4),
- flexibility (A5),
- attendance to workshops and courses (A6),
- awareness of the latest economic issues (A7)

Basic auditing skills (EA) including the following 7 variables:

Project management (EA1),  
Computer skills in accounting (EA2),  
Risk-taking abilities (EA3),  
Specialized accounting and bookkeeping skills (EA4),  
Compliance with the regulations of the association of accountants (EA5)  
Following the auditing timetables (EA6)

## **RESULTS AND DISCUSSION**

For the analysis of the data gathered by this research, the simple t-test has been applied in SPSS24 software. These data have been presented based on the answers given by the employers and auditing experts and their average, standard deviation and standard error have also been extracted and taken into account separately.

Ranking each of the indicators related to each influential factor from the perspective of professionals and employers was carried out separately by using the t-test in SPSS24 software and the results have been demonstrated in the table given below:

## **Conclusion**

According to the results of the data analysis, from the outlook of the professionals, the basic auditing skills including specialized accounting

and bookkeeping skills, accounting computer skills, compliance with the regulations of the association, following the auditing timetable, risk-taking, and project management are the most important skills that the job applicants in the field of auditing should master before their entrance to this occupation. This can be rooted in the necessity to acquire and utilize these competencies to perform the auditing task in its most meticulous way. Kelly and Osi (2013) and Uar and Gan Gormes (2013) reached very similar conclusions in their research. Furthermore, communicational skills, personality traits, analytical skills, research and design, leadership, and the skills to enhance professional capabilities were placed in the lower priorities respectively. Because of the importance of personality traits in the results of similar international investigations such as Ahadiat and Martin (2015), it can be inferred that these skills have not still acknowledged and interpreted. It is noteworthy that from the view of the employers, the basic auditing skills, communicational skills, personality traits, analytical skills, research and design skills, leadership, and the skills required to enhance an auditor's professional capabilities hold greater importance among the aforementioned skills. This may be mostly because both groups of respondents had almost identical priorities which is the outcome of the demands of the time and the circumstances of auditors in Iran.

What is deduced from the conclusion of this research is the emphasis of both groups of respondents on the importance of basic auditing skills in the first place which suggests their accentuation on the minimum requirements of a proper auditor. In other words, auditors are struggling to provide basic services which can only be solved by the persistence and diligence of academics in universities and scientific centers to present the totality of the necessary contents and topics in the field of auditing.

**Keyword:** Auditor Quality, Auditor Skill, Profession, Employer.

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