Attitude toward business environment of auditing, corporate governance and balance between auditing and marketing

Una mirada al entorno empresarial de auditoría, gobierno corporativo y equilibrio entre auditoría y mercadotecnia

Gholamhossein Mahdavi\textsuperscript{a,\textdagger}, Abbas Ali Daryaei\textsuperscript{b}

\textsuperscript{a} Shiraz University, Iran
\textsuperscript{b} Imam Khomeini International University, Iran

Received 7 March 2016; accepted 12 December 2016

Abstract

The aim of this study was to evaluate the attitude of Iranian auditors toward balance between auditing and marketing with respect to two important components of audit process such as business environment of auditing and corporate governance. The analysis is based on survey data from 257 respondents. To achieve the research aims, we specified four hypotheses based on social theories. The results of this study show that the auditors having positive attitude toward marketing and those who consider it as significant are able, to a large extent, balance spent time for inherent auditing tasks and marketing activities. In addition, the results show that an increase by a unit for the attitude toward business environment results in 0.489 unit increase in attitude toward balance of time spent on marketing and auditing activities, of which 0.396 is direct impact and 0.093 is indirect impact.

Keywords: Business environment of auditing; Corporate governance; Social theories; Auditing marketing

JEL classification: M42; G34

\textdagger Corresponding author.
E-mail address: ghmahdavi@rose.shirazu.ac.ir (G. Mahdavi).
Peer Review under the responsibility of Universidad Nacional Autónoma de México.
Resumen

El objetivo de este estudio consiste en evaluar la actitud de los auditores iraníes hacia el equilibrio temporal entre la auditoría y el marketing con respecto a dos importantes factores del proceso de auditoría, es decir, el entorno empresarial de auditoría y el gobierno corporativo. El siguiente análisis está basado en datos obtenidos por medio de encuestas a 257 personas. A fin de alcanzar los objetivos de la investigación, se especificaron cuatro hipótesis basadas en teorías sociales. Los resultados de este estudio muestran que los auditores que tienen una actitud positiva hacia el marketing y los que la consideran significativa son capaces, en gran medida, de mantener un equilibrio entre el tiempo dedicado a las tareas inherentes de auditoría y las actividades de marketing. Además, los resultados demuestran que, si se cambia una unidad, la actitud hacia el entorno empresarial da como resultado un aumento de 0.489 unidades en la actitud hacia el equilibrio del tiempo dedicado a actividades de marketing y auditoría, de los cuales 0.396 es impacto directo y 0.093 impacto indirecto.

© 2016 Universidad Nacional Autónoma de México, Facultad de Contaduría y Administración. Este es un artículo Open Access bajo la licencia CC BY-NC-ND (http://creativecommons.org/licenses/by-nc-nd/4.0/).

Palabras clave: Entorno empresarial de auditoría; Gobierno corporativo; Teoría social; Auditoría de marketing

Códigos JEL: M42; G34

Introduction

Owing to the nature of activities of audit firms, they have always been in the judgment position and have always being mixed with concepts such as justice, fairness and independence. So, professional behavior regulations in several countries have prohibited auditors from advertising their abilities and reputation while maintaining independence so as to obtain a larger share in the market. Nevertheless, by comparing auditors’ tendencies for marketing in 1993 with year 2004, Clow, Stevens, Mconkey, and Loudon (2009) revealed that negative perceptions of auditors toward marketing has turned into positive tendencies. This change in auditors’ tendency toward marketing was intensified via more usage of marketing activities and auditors enhanced their relationships with clients.

According to agency theory, auditors in explaining their relationship with other stakeholders should consider the interests of all, and even their own interests. Thus if marketing process, that is the subject matter of this study is able to continue the same concept, audit marketing is not prohibited only from the standpoint of agency theory, but it leads to the business development of auditors and as a result, reduction of their dependence on a specific client, which will lay the ground for increasing auditing quality. Emphasis on good corporate governance can have an impact on the enhancement of the relationship as well. Given that the quality of financial reporting is effective on strengthening corporate governance mechanisms (Kent & Stewart, 2008), it seems that this issue potentially affects the auditor’s decisions and judgments in various stages of audit work and vice versa. Moreover, based on the transaction cost theory, if we consider the audit firms as commercial-profit entities, via business development, then involvement of more actors in the business and ultimately increasing audit firms, the necessity to determine the fees by institutions is felt more than ever. This is because in a healthy world of competition, the institutions should determine the fees, although there might be a risk of breaking the risk,
دریافت فوری
متن کامل مقاله

امکان دانلود نسخه تمام متن مقالات انگلیسی
امکان دانلود نسخه ترجمه شده مقالات
پذیرش سفارش ترجمه تخصصی
امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
امکان دانلود رایگان ۲ صفحه اول هر مقاله
امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
دانلود فوری مقاله پس از پرداخت آنلاین
پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات