

The effect of Moral Intensity of reduced audit quality Acts in Nigeria

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Abstract

Reduced Audit Quality (RAQ) has become one of the biggest threats to the auditing profession because of its negative effects on the reliability of audited financial statements. The objective of this study is to examine the effect of moral intensity on RAQ acts. 415 copies of structured questionnaires were distributed to respondents in four geo-political zones in Nigeria. The study employed Sweeney and Costello (2009) two factors moral intensity model against three of RAQ acts. The data were analysed using multivariate regression analysis and the non-parametric t-test. The results showed that perceived harm has a negative relationship with RAQ acts; while perceived pressure has a positive relationship with RAQ acts. Further, the findings revealed a significant difference between the moral intensity of perceived pressure and perceived harm. The study recommends that auditors in Nigeria are advised to be enlightened on the negative consequences of RAQ acts in the auditing profession.

Keywords: Moral intensity, Reduced Audit Quality acts, Perceived harm, Perceived pressure

أثر الضغوط الأخلاقية على انخفاض جودة الأداء المهني لأعمال التدقيق في نيجيريا

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ملخص

إن انخفاض جودة الأداء المهني لأعمال التدقيق هو أحد أكبر التهديدات التي تواجه المهنة بسبب آثاره السلبية على درجة الاعتماد على التقارير المالية المنشورة. تسعى هذه الدراسة إلى اختبار العلاقة بين الضغوط الأخلاقية من جهة وجودة أعمال التدقيق من جهة أخرى. تم توزيع 415 استبانة على المستجيبين في أربع مناطق جغرافية في نيجيريا. كما استخدمت الدراسة نموذج (Sweeney and Costello) والذي يعتمد على دراسة العلاقة بين عاملين من عوامل الضغوط الأخلاقية وثلاثة عوامل تتعلق بانخفاض جودة الأداء المهني لأعمال التدقيق. تم تحليل البيانات باستخدام أسلوب الانحدار المتعدد والأختبار غير المعلمي T-Test والذي لا يعتمد على وحدة القياس. تشير نتائج الدراسة إلى أن عامل الضرر المتوقع يرتبط سلبيا مع انخفاض جودة الأداء المهني لأعمال التدقيق. كما أظهرت النتائج أن هناك علاقة ذات دلالة إحصائية بين الضغوط الأخلاقية من ناحية وعاملين من عوامل نموذج (Sweeney and Costello) وهما الضغط المتوقع والضرر المتوقع. وأخيرا أوصت الدراسة بضرورة زيادة وعي وإدراك المدققين في نيجيريا بالآثار السلبية لانخفاض جودة الأداء المهني لأعمال التدقيق.

الكلمات المفتاحية: الضغوط الاخلاقية - خفض جودة الاداء المهني لأعمال التدقيق - الضرر المتوقع - الضغط المتوقع.

Introduction

Auditing over the years has been used as a tool for resolving conflict of interests arising among shareholders, investors and managers. DeAngelo (2000) opines that the demand for audit can be traced back to 1200AD after industrial revolution which led to the expansion of businesses and the separation of ownership from management. Watts and Zimmerman (1986) document that audit as a monitoring mechanism helps to reduce information asymmetry and protect the interests of the principal. They further report that audit provides reasonable assurance that the financial statements prepared by management are free from material misstatements. The argument that is brought to the fore is that despite the engagement of the services of auditors for quality assurance there have been reported cases of audit failures globally in recent times. These various audit failures that took place sporadically across globe in the last two decades placed auditing research in the accounting spotlight and it has become both compelling and imperative for accounting scholars to veer into this grey area of study in order to ascertain the factors responsible for these monumental audit failures. Coram et al. (2008) report that factors that led to audit failure are as follows: failure of the auditor to pursue questionable items, not testing all items in a sample, failure to research a technical issue, accepting weak client explanations, false sign off, superficial review of client documents and rejecting awkward-looking items for a sample. Frey (2010) categorises the factors listed by Coram et al. (2008) as Reduce Audit Quality Behaviours (RAQB). He further posits that the manner in which individuals respond to moral issues reflects the nature or moral intensity of that issue. In other words as the intensity or severity of a component increases, the perceived total “ethical heat” of the issue also increases.

Some schools of thought argue that moral intensity of an act affects the RAQB of the auditor (Agoglia *et al.*, 2011; Akers and Qianhua, 2010; Kingori, 2003; Margheim, Tim, and Pattison, 2005). Some other scholars (Paino and Ismail, 2012; Robins and Wayne, 2004; Soobaroyen and Chengabroyan, 2006; Yuen, Law, Lu, and Guan, 2011; Yuniarti, 2012) argue that RAQB thrives in an environment where time budget pressure is mounted on the auditor. In order to meet deadlines the auditor simply exhibits RAQB for him not be found wanting.

Sweeney (2016) on the contrary argues that external factors like audit tenure, organizational and professional commitment, prior involvement in client and client importance are determinants of reduce audit quality acts. Coram et al. (2008) asserts that reduced audit quality acts differ in terms of their “moral intensity” and this tends to explain why some acts are more prevalent than others. Paino *et al.*

(2012) state that auditors whose firms have strong organizational commitment are unlikely to exhibit reduced audit quality behaviours .

This study is aimed at ascertaining the effects of moral intensity on reduced audit acts in Nigeria using the two-factor model. To the best of researchers' knowledge this study is the first indigenous study that examines the moral intensity of reduce audit quality acts using the two factor model.

Background

a. Reduced audit quality acts

Public Oversight Board (2008) defines Reduced Audit Quality Acts (RAQA) as the intentional actions taken by an auditor that reduce evidence gathering inappropriately. Herrbach (2001) also defines reduced audit quality act as a form of dysfunctional audit behaviour. The author defines RAQA as a poor execution of an audit procedure that reduces the level of evidence gathered for the audit, which makes the collected evidence unreliable, false, or inadequate quantitatively or qualitatively.

Malone and Robert (1996) defines reduced audit quality acts as the failure of auditors to perform audit steps properly. Khan *et al.* (2013) define it as various unethical behaviours, such as premature sign-off and replacing the audit procedures with discretion.

b. Moral Intensity and its Dimensions

Jones (1991) described moral issues as those "where a person's actions, when freely perform may harm or benefit others." RAQ acts can be classified as moral issues based on motive of the auditor. For instance, an auditors under tight time budget pressure may intentionally under perform an audit procedure and be seen as a just act. The Jones model (1991) formulates a six components moral intensity which include: the magnitude of consequences; the level of social consensus about the moral law; the probability of effect; temporal immediacy; proximity; and concentration of effect. A situation with high values on several dimensions is regarded as morally intense. Social consensus is defined as the "degree of social agreement that a proposed act is evil (or good). Magnitude of consequences is defined as the sum of the harms (or benefits) done to the victims (or beneficiaries). Probability of effect is the probability that the act in question will actually take place and it will actually cause the harm (or benefit)

predicted. Temporal immediacy is the elapsed time between when an act was committed and when its consequences will be felt. Temporal immediacy could be explained by either human attribution processes, where the causal attribution becomes difficult when cause and effect are far apart, or the notion of discounting future benefits

Proximity is defined as a feeling of “nearness” that the moral agent has towards the victim of the unethical act. “Nearness” can be social, cultural, psychological, or physical.

Concentration of effect. According to Jones (1991), “cheating an individual or small group of individuals out of a given sum has a more concentrated effect than cheating an institutional entity, such as a corporation or government agency, out of the same sum.

The value on one dimension can be low and another can be high independently of each other. The resulting moral intensity is the compound of six dimensions, which are supposed by Jones (1991) to be relatively independent of each other. Some studies have demonstrated that the six components can be reduced to a one, two, or three dimensional construct. Sweeney and Costello (2009) conducted a study on accounting and other business students and factor analysis revealed that the six factors could be reduced to two factors– ‘perceived potential harm’ and ‘perceived social pressure’. Perceived potential harm consist of magnitude of consequences, probability of effect, temporal immediacy and concentration of effect. The perceived social pressure is composed of social consensus and proximity.

Valentine and Silver (2010) also followed up the study of May and Pauli (2002) and grouped the moral intensity construct into four categories: moral intensity and moral recognition, moral intensity and moral evaluation, moral intensity and moral intension, moral intensity and the issues- contingency ethical decision making framework.

Literature review

Kelley and Margheim(1990) perform a study to ascertain the impact of time budget pressure, personality and leadership variables on Dysfunctional Auditor Behaviour. Their results show that auditors underreport and also engage in other audit quality reduction acts when they are under audit time pressure. The study also identifies time budget as a major cause for the dysfunctional audit behaviours.

Raghunathan (1991) performs a study on moral intensity of reduce audit quality using survey research design. The study finds that perceived outcome of an act has significant impact on premature sign offs.

Malone and Roberts(1996) examine the impact of auditors professional and personality characteristics, audit firms quality review procedures, audit firm structure and auditors perception of time budget pressure on RAQ behaviours. The result shows that auditor perceptions of budget pressure significantly influence RAQ behaviour of auditor.

Otley and Pierce (1996) use four RAQ acts to examine the effect of organizational factors on the level of RAQ behaviours. The results ranked superficial review of client's document as the top most RAQ behaviour exhibited by auditors while accepting weak client explanation was rated the least RAQ behaviour.

Robin and Wayne (2004) examine the factors associated with dysfunctional audit behaviour. Their findings reveal that time pressure and other dysfunctional audit behaviours are problems in the audit process. However, the results show that there is no significant relationship between dysfunctional audit behaviour with age, gender, moral reasoning and values.

Cohen and Bennie (2006) examine moral intensity dimensions of auditors' ethical decisions. The study investigated whether the six dimensions of moral intensity were considered pertinent and important at various stages of the ethical decision making process, and whether auditors' perceptions were affected by different issues or scenarios. Their findings reveal that moral intensity of an action influences the decision making process.

Coram et al. (2008) investigate the underlying attributes of Reduced Audit Quality (RAQ) acts. They examine whether auditors perceive seven different RAQ acts differ on three components of Jones' model (social consensus, magnitude of consequences, and probability of effect). Their results show that there is a little variation in the social consensus dimension which implies that auditors perceive that all acts are not equally unethical. Their results also show that there are significant differences in perceptions about the RAQ acts with regard to the probability of effect and the magnitude of consequences. Their result provides empirical support for Jones' model by showing, in an audit context, that moral intensity factors vary with the moral issue.

Gerald et al. (2013) carry out about the application of reduced audit quality behaviours among auditors in Uganda. Data were collected from 351 certified public accountants (CPA's) practicing as external auditors in Uganda. Results

show that reduced audit quality behaviours is a widespread problem in Uganda. The study reveals that the highest rated reduced audit quality act is accepting client explanation as a substitute for other evidence that would be readily available while the least rated reduced audit quality act is extending the scope of examination when suspicious transactions are detected. Royae et al. (2013) investigate the relationship between moral philosophy of individual auditors and audit quality reduction behaviours using survey research design. Copies of questionnaire were administered to selected CPAs in Iran. Theoretical framework on their study is based on of Forsyth (1980) model of ethical ideology. Their results show that auditors Personal Moral Philosophy has an impact on unprofessionalism and reduced audit quality behaviours

Kasigwa (2014) performs a study to ascertain the structure of reduced audit quality behaviour. The study collected data from 351 certified public accountants (CPA's) practicing as external auditors in Uganda. Exploratory factor Analysis was used to produce a five factor model. The result implies that reduced audit quality acts can be measured by two dimensions- quick review and examination.

Gabriel (2016) performs a study to ascertain the determinants of time pressures amongst the Maltese auditors, working within an audit firm. The study assesses the significance of the consequences that arise from time pressures on the time reported by the Maltese auditors, and the audit quality of an audit engagement. Online copies of questionnaire were sent to 164 auditors in Malta. Their results show that time pressure exist in Maltese audit industry is a result from competition between audit firms, engagement team rotation and auditor's personal factors. The study concludes that time pressure does not have any effect on the quality of an audit, but it can be mitigated by the ethical culture endorsed by the audit firms, especially, tone at the top and communication.

Sweyne (2016) investigates the relationship between the incidence of RAQ behaviours and auditors' personality characteristics, auditors' professional characteristics, auditing firms' quality control and review procedures, auditing firm structure and auditors' perceptions of time budget pressure. Their results show that auditors' perceived strength of their firm's quality control and review procedures and auditors' perceived strength of their firm's penalties for committing RAQ acts are inversely related to incidences of RAQ behaviours. The study further reveals that there is no significant relationships between RAQ behaviours and other potential explanatory factors.

Smith and Emerson (2017) examine the relationship between individual resilience levels and Reduced Audit Quality Practices (RAQP) within the context

of an expanded role stress model. The reduction in RAQP is hypothesized to be a consequence of resilience serving as an attenuating influence on the other factors. A sample of 258 auditors from 10 largest US accounting firms was used. Their findings show that higher levels of resilience are associated with lower reported levels of RAQP, as well as decreases in both stress arousal and burnout tendencies

Rachma and Grogot (2017) Carryout a study to test the effect of State Audit Agency (SAA) auditor's personal character on the reduced audit quality behaviour (RAQB), using two moderator variables namely quality control as a variable to strengthen and budget pressure to weaken. They employed survey method to collect data from SAA auditor in Eastern Indonesia, Kalimantan, Sulawesi and Maluku. The moderation regression analysis (MRA) model was used to answer the hypotheses. The research findings reveal that good auditor's personal character could dramatically lower the chances of reduced audit quality behaviours. Their results further show that budget pressure can weaken the effect of the personal characters on lowering the reduced audit quality behaviour.

Research hypotheses:

Based on the previous review of the literature the following hypotheses are developed.

H1: Perceived harm has no significant relationship with Reduce Audit Quality acts in Nigeria

H2: Perceived pressure has no significant relationship with Reduce Audit Quality acts in Nigeria.

H3: There is no significance difference in intensity of perceived harm and perceived pressure.

Methodology

This study employed the Ordinary Least Square (OLS) regression technique to ascertain the impact perceived pressure and perceived harm on RAQ. OLS is appropriate because it is the best tool that explains the linear relationship between two or more variables. ANOVA was used to ascertain the difference the means of the samples. Some preliminary and diagnostic statistical tests such as descriptive statistics, Cronbach alpha, VIF and normality test were performed. .

a. Population and sample size

The population of study includes all the 102 registered non-big 4 auditing firm in Nigeria. A sample of 52 auditing firms were selected using stratified random sampling and simple random sampling technique. Thirteen firms were randomly selected from each of the four geo-political zones in Nigeria. Copies of questionnaire (520) were administered to the selected firms. Only 415 copies of questionnaires were properly filled and returned.

b. Source of data

The data used for this research were generated through primary sources using a carefully designed questionnaire. This is in line with the fact that the study deals with "Morality" which is a function of people's values and perception. The questionnaire is carefully designed to obtain relevant information from the respondents such as relevant personal information as well as responses that are needed for the purpose of the research. This was achieved by using open ended questions. Moral intensity is measured with Sweeney and Costello (2009) two factors model. These factor are perceived harm and perceived pressure.

c. Reliability and Validity

To ensure validity and reliability of the questionnaire a test and pre-test was out carried. The research instrument was checked by calculating its content validity index (CVI).The questionnaire was first given to an expert to perform a pilot test. The study used content validity method developed by Lawshe (1975). This method is essential used for gauging agreement among raters or judges regarding how important a particular item is. The study measured CVI by relying on the knowledge of people who are familiar with the construct being measured. The independent ratings of each subject-matter expert are then compared and analyzed to determine the degree of content validity that exists for each question. The item ratings are typically on a 5-point ordinal scale

Then, for each item, the CVI is computed as the number of experts giving a rating of either 3 or 4 (thus dichotomizing the ordinal scale into relevant and not relevant), divided by the total number of experts. For example, an item that was rated as quite or highly relevant by four out of five judges would have an I-CVI of .80.

Similarly, the successfully retrieved questionnaires are subjected to series of test to correct anomaly that may arise from questionnaire retrieved questionnaire. The questions that fail the test are modified. To ensure reliability of the instrument and to build confidence that the instrument will yield good results, cronbach's alpha tests was performed on the Likert scales instrument all the results are above 0.7 which implies that the instrument is reliable.

d. Model specification

Jones (1991) assert that there are some pertinent variables that effect RAQ. He summarized the factors, into six - Concentration of effect, Proximity, Temporal immediacy, Probability of effect, magnitude of consequence

RAQ= (Concentration of effect, Proximity, Temporal immediacy, Probability of effect, magnitude of consequence, Social consensus)

Mathematically written as

$$RAQ=+++++€ \dots\dots\dots(1)$$

Where:

RAQ= Reduced Audit Quality

COEF= Concentration of Effect

PROM= Proximity

TEMI= Temporal Immediacy

PROE= Probability of Effect,

TMAGC= Magnitude of Consequence

SOCC= Social Consensus

PERHAR= Perceived Harm

PERPRES= Perceived Pressure

In the same vein, Sweeney and Costello (2009) modified Jones model. The six factors were summarised into two factors. The relationship can be shown below:

$$RAQ =f(\text{Perceived harm, Perceived pressure})$$

$$ACAS=+PERPRES+€ \dots\dots\dots(2)$$

This study adopted Sweeney and Costello (2009) two factor model

Results and Discussion

Table 1 below presents the summary statistics of the variables: the mean response scores, standard deviation and the normality test for the variables.

Table 1. Summary Statistics of Variables

H₁ Perceived Harm		Mean	SD	Normality
1	The tendency to employ premature sign off is high when the auditor perceives that the cause and effect of his actions are far apart	2.31	0.85	7.4
2	The magnitude of harm influences auditors' decision whether to underreport or not	3.62	2.17	
3	The tendency that an auditor under time budget pressure will shabbily review vital documents is high	1.32	2.11	
4	The auditor does not consider premature sign as an option when they perceive that his action will lead to loss	4.31	0.83	
5	The degree of underreporting for a corporation or government agency is higher than that of private institutions	4.17	1.24	
H₂ Perceived pressure				
6	Moral value placed on an action affects the auditor's decision either to employ premature sign off or not	2.19	0.92	
7	When faced with challenges the opinion of majority about an act will determinant whether the auditor will or will not address technical issue properly	3.22	0.95	
8	Accepting weak client explanation as substitute for objective evidence of transactions is permissive when the auditor is under pressure	1.29	2.20	
9	Proximity effect influences the auditor's decision whether to expand audit scope or not	3.48	0.77	
10	Ethics demand that auditors should not spend extra time to follow designated audit procedures when they perceive that their action will not lead to significant loss	1.99	0.91	

Perceived harm is measured with four factors namely, magnitude of consequences, probability of effect, temporal immediacy and concentration of effect. Perceived pressure is measured with two factors namely, proximity and social consensus. The mean response score has value of 2.31 for statement

1, which indicates that on the most of the respondents “agreed” that temporal immediacy influences RAQ acts. The mean response score of 3.62 for statement 2 implies that most the disagreed that time budget pressure influences RAQ acts. The mean response scores of 1.32 for statement 3 implies that most of the respondents agree that probability effect influences RAQ acts. The mean response scores of 4.31 for statement 4 indicates that most of the respondents disagreed that concentration effect influence auditor decision to employ RAQ behaviour.

The normality value of 7.53 confirms that the responses are normally distributed. The mean value of 2.19 for statement 6 indicates that most of the respondents agreed that perceived pressure has influence RAQ decision of an auditor. The mean value of 3.48 and 3.22 for statements 7 and 9 respectively indicate that most of the respondents are not certain about the effect of perceived pressure on RAQ acts. Finally, the mean value of 1.99 implies that most of the respondents agreed that social consensus influences RAQ acts

Regression Analysis

In this section, we conducted the regression analysis based on research objectives. The ordinal nature of the data was transformed into factor scores for each of the categories. Transformation of questionnaire variables into factor scores addresses the multicollinearity problem. The variables were exposed to factor analysis and factors with greater than one are used. The kolmogorov-simirnov normality test was applied to ensure that the results can be generalized beyond the sample. Table 2 below shows the regression results.

Table 2: Regression Result

<i>Dependent</i>	<i>= Variable Aprori sign</i>	<i>RAQ VIF</i>
<i>C</i>		0.468491 (10.0400) {0.0000}
<i>PERHAR</i>	+	*1.57 0.03113 (-3.0646) {0.0023}
<i>PERPRES</i>	-	*1.57 0.03293 (12.0845) {0.0000}
Model summary		
<i>R²</i>		0.433
<i>Adj R²</i>		0.431
<i>F-Stat</i>		157.4
<i>(P(f-stat</i>		0.000
<i>D.W</i>		1.807

RAQ=Reduced Audit quality, PERHAR= Perceived harm, PERPRES= Perceived pressure

Table 2, shows the relationship between the dependent variable and the independent variables. The R^2 for the model is very impressive at 0.43 which suggests that the explanatory variables explain about 43.3% of the systematic variations in the dependent variable. The F-stat is 157.4 (p-value = 0.00) and significant at 5% this suggests that the model is well specified and can be used to explain the linear relationship between the dependent and independent variables. It is also indicative of the joint statistical significance of the model. The D. W statistics of 1.80 indicates the likely absence of stochastic dependence in the model. The result shows that the PERHAR has a negative influence on RAQ at 5% (p=0.000, t=-3.06) and this implies that as perceived harm increases the likelihood of the auditor exhibiting reduced audit quality behaviour decreases. The result shows that perceived pressure has a positive effect on RAQ acts at 5%

($p=0.551, t=12.08$). This implies that as perceived pressure increases RAQ acts also increases.

The variance inflation factor test for multicollinearity among the independent variables shows the absence of multicollinearity as VIF values less than 10 suggest the absence of serious collinearity issues (Hair et al. 2006).

b. Non-parametric T-test

The T-test compares two means and reveals if there is significant difference between them.

Table 3: T-test result (N= 414)

T-test: Paired Two Sample for Means		
	<i>PREHAR</i>	<i>PREPRES</i>
Mean	16.39372	15.823671
Hypothesized Mean Difference	0	
Df	413	
t Stat	3.570015	
P(T<=t) one-tail	0.000199	
t Critical one-tail	1.648551	
P(T<=t) two-tail	0.000399	
t Critical two-tail	1.965725	

The paired sample t-test for one tail test shows a p-values of 0.0002 for one tail test, while p-value for two tail test stood at a value of 0.0004. The critical value for one tail and two tail test stood at 1.6 and 1.96 respectively. This implies that there is a significant difference in moral intensity of RAQ acts. The results further show that PERHAR and PREPRES are positively correlated as depicted by coefficient value of 0.60.

c. Hypothesis test

Hypothesis 1 test:

H1: Perceived harm has no significant relationship with Reduce Audit Quality acts in Nigeria. The results show that there is a negative relationship between perceived harm with RAQ acts as portrayed by $p=-0.023$. Consequently, the null hypothesis of no significant relationship between perceived harm and RAQ acts was rejected. This result is line with *a priori* expectation and

corroborates Raghunathan (1991) which reveals that perceived outcome has significant relationship with RAQ behaviour

Hypothesis 2 test:

H2: Perceived pressure has no significant with Reduce Audit Quality acts in Nigeria.

The result shows that there is a positive relationship between perceived pressure and RAQ acts as depicted by $p=0.0000$. Consequently, the null hypothesis of no significant relationship between perceived pressure and RAQ acts was rejected. This result is in line Cohen and Bennie (2006) that reveals that moral intensity of an action influences the decision making process.

Hypothesis 3 test:

H3: There is no significance difference in intensity of perceived harm and perceived pressure

The result shows that there is significant difference in the intensity of the two factors. This depicted with p-values of 0.0002 and $p=$ value of 0.0004. Consequently, the null hypotheses of no significant difference between the intensity of perceived harm and perceived pressure was t rejected.

Conclusion and Recommendation

Reduced audit quality acts has become one of the biggest threats to the auditing profession. It advent has made users of financial report to cast on audited financial reports and at the same time heighten the criticisms of gross negligence levelled against the accounting profession by stakeholders. The objective of this study is to ascertain the moral intensity of RAQ acts in Nigeria. A structured questionnaire was administered to respondents in four geo-political zones in Nigeria. The study employed Sweeney and Costello (2009) two factors moral intensity model against three RAQ acts. Three RAQ acts used in this study are, premature sign off, accepting of clients' explanation rather than asking evidence and under reporting. The results show that, there is a negative relationship between perceived harm and RAQ acts. This implies that the auditor bear to heart the effect of the outcome of his action before engaging in any reduce audit quality act. In other words he considers the magnitude consequence of his

actions, the probability that the action will cause harm, the time lag between the cause and effect of the action and concentration effect of the action. The result simply suggests that the higher the perceived harm, the lower the auditor's desire to commit RAQ acts.

The results show also that perceived pressure has positive relationship with RAQ acts. This implies that the higher the moral consensus around an issue the higher the auditor's desire to commit RAQ acts. Finally, the results show that there is a significant difference in the moral intensity of perceived pressure and perceived harm. This that implies that the intensity of these two factors is significantly different. This suggests that auditors in Nigeria do not perceive these factors equally.

The study recommends that auditors in Nigeria should be enlightened on the negative consequences of RAQ acts on their profession. Moreover, researchers who intend to embark on this area of study in future, should introduce audit firm commitment as a moderating factor into the model used in this study.

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