Learning to play the game? Junior auditors and a standpoint perspective on audit quality in a Big-4 accounting firm

Abstract

Following numerous high-profile scandals and corporate failures, the issue of audit quality continues to be subject to extensive debate among practitioners, policy makers and academics. Meanwhile, a growing 'cross-paradigm' literature has developed, seeking to better understand audit failure at the level of the audit team, and through the range of cultures and working practices in accounting firms. In this paper, we conduct a standpoint analysis of audit quality from the perspective of junior auditors with a view to making the following contributions. First, we suggest a retheorisation of audit quality via a critical performativity (Lukka and Becker, 2023) framework, suggesting that a critical perspective, drawn from those who do not hold strong vested interests, might provide for a stronger and more meaningful basis from which to intervene in audit practice. Second, drawing on this framework, we make an empirical contribution via a multi-method qualitative study, finding that a firmwide initiative to address high profile audit failure exacerbated existing problems relating to overwork, deadline pressure, and a culture of getting the job done at all costs. We find that the audit quality initiative focused attention on producing 'auditable' documentation trails rather than genuine scrutiny of the client or greater operational independence. Ultimately, we conclude that the current regime for 'audit quality' was in fact marginalising critical voices and embedding a culture in which audit quality and audit failure came to be reconstructed as one and the same phenomenon.

1. Introduction

More than a decade on since the high-profile collapses of Northern Rock, Lehman Brothers, and others, there appears to have been no let-up in the regularity or scale of audit scandal in the United Kingdom or around the world. From accounting scandals at Bankia, Hewlett-Packard, and Tesco, to further high-profile corporate collapses at Carillion, BHS, and Thomas Cook, the audit industry and the Big-4, in particular, have remained in the spotlight. Recent statutory reviews in the UK have included the Competition and Market Authority's (2019) review into the structure of the audit market, the Kingman Review (2018) of audit regulation, and the Brydon Report (2019) on the effectiveness of audit practices. More recently, the UK government have announced the dissolution of the Financial Reporting Council (FRC) as market regulator, with its replacement set to have greater statutory powers to penalise firms. This, together with ongoing challenges over recruiting and retaining staff (Khavis and Krishnan, 2021) and worldwide scrutiny over audit regulation (Shah, 2023), has contributed to a prolonged sense of 'crisis' within the audit profession.

Against this backdrop, this paper draws on the experiences of early career auditors in a UK Big-4 firm using a standpoint approach to explore how audit failure and audit quality came to be reconstructed in the aftermath of a firm wide audit quality initiative. We make the case that understanding 'audit quality' as a situated knowledge claim and exploring audit quality practices from the perspective of junior auditors, can help us better understand the seemingly widespread phenomena of audit failure. With reference to the growing literature on critical performativity and performative ontology (Lukka and Becker, 2023), we examine the backstage construction of 'objective' knowledge in the audit arena to explore how systemic issues that lead to audit failures are embedded within and reproduced by many of the concepts, measurement practices, and review processes that construct 'audit quality' as we know it.

Our contribution is therefore on two fronts: we find considerable support for issues of overwork, mental and physical distress, and aggressive performance culture identified in prior literature; however, unlike prior literature, we link these experiences to specific 'reducing audit quality practices' (RAQPs) and the wider phenomenon of audit failure via an extensive multi-method qualitative study. This contributes to the growing 'cross-paradigm' discussion in the audit quality literature that is increasingly looking to qualitative methods to shed light on audit practice (Canning et al., 2018; Malsch and Salterio, 2016), and brings this literature into closer conversation with existing sociological and critical perspectives on audit (Power and Gendron, 2015; Humphrey, 2008). Secondly, we extend prior theorisations of audit quality by framing 'audit quality' as a situated material-discursive knowledge claim. Using this approach, we look to synthesise prior cross-paradigm literature to better understand how we can, as critical scholars, make more active interventions into policy and public interest debates on audit practice.

In addressing this latter aim, we follow on from Lukka and Becker's (2023) recent call for critical performativity research that takes up more practical 'interventionist' concerns at the technical level, but we also extend this discussion by addressing some of the methodological issues that such an approach poses. Specifically, we draw on standpoint methodology (Harding, 1991; Brown, 2009; Cockburn, 2015) to justify our emphasis on the 'partial perspective' (Haraway, 1991, pg.183) of junior auditors, and suggest reasons why conducting research in a manner that self-consciously avoids potentially vested interests via a diversity of research participants – what Sandra Harding describes as 'outsiders within' (Harding, 1991, pg.150) – might give us 'stronger' results. This, in turn, draws out important issues of reflexivity, learning, and agency that present opportunities for reshaping how the profession understands and improves 'audit quality' in the wider public interest (Brackley, 2024).

Our findings draw on 27 semi-structured interviews, and are supplemented by an analysis of 99 self-reflective diaries, two focus group discussions, and a small-scale survey of our research participants, in a field study that took place longitudinally over four years, from 2018 to 2022. We followed up our analysis by presenting our findings to leading professional institutes and taking feedback from practice. All data was collected from participants in one Big-4 firm who, in 2018, embarked on an ambitious audit quality initiative (the 'AQDS') following considerable criticism from the national regulator, the FRC. We found, from the perspective of junior auditors, that the initiative was conducted via a 'top-down' imposition of methodologies, standardised working papers, and an excessive focus on documentation. In turn, we found that these firm-wide responses were mediated via client relationships, performance management arrangements, and considerable workload and deadline pressures. While seemingly improving audit documentation, the initiative was found to embed dysfunctional practices such as the scoping out of errors, documenting away difficult issues, increasing performance pressures towards 'getting the job done' at all costs, and suppressing critical perspectives and auditor judgment among our junior auditor cohort. Values of professional independence, scrutiny, and challenge were increasingly marginalised as auditors were either socialised into firm wide ways of working or, ultimately, managed out of the firm.

To address these issues, we go on to suggest that there needs to be greater focus on critical accounting education, 'operational independence' (Guénin-Paracini et al., 2015), and the fostering of a sense of self-preservation and agency among early career auditors. While many of our findings present a somewhat negative picture of the experiences of junior auditors, we were encouraged by the reflexivity and critical thinking demonstrated by the majority of our participants, and suggest that junior auditors could be part of a grass roots approach to improving audit quality that more self-consciously embeds wider public values and societal interests (Vollmer, 2021; Brackley, 2024) into the epistemology of audit practice.

In the following sections we introduce our theoretical framework (section 2.) and discuss the importance of synthesising prior 'cross-paradigm' literature in critical interdisciplinary audit research. In section 3. we introduce our research design and research methods, summarising the interview, survey, diary, and other documentary and observational data drawn together in this study. We then present our findings and our concluding discussion in the remainder of the paper (sections 4. and 5.).

2. Theoretical framework and literature review

The past decade has seen a growth in the so called 'cross-paradigm' empirical research into audit quality, variously employing quantitative, qualitative, and mixed method designs. There has been a marked increase in quantitative studies in traditionally qualitative or critical journals such as Accounting Organizations and Society (Ettredge et al., 2014; Shepardson, 2019; Christensen et al., 2021; Knechel and Jong Park, 2022) and Critical Perspectives on Accounting (Cipriano et al., 2017), but also, concurrently, a growth in qualitative and mixed methods studies in journals such as Auditing: A Journal of Practice and Theory (Guénin-Paracini et al., 2015; Commerford et al., 2016; Cohen et al., 2020), including a recent special issue on 'cross-paradigm' approaches to audit change (Canning et al., 2018). This follows Power and Gendron's (2015) call for a plurality or 'multi-culturalism' of quantitative and qualitative methods, Malsch and Salterio's (2016) paper exploring practical approaches to qualitative audit field research, and earlier criticisms of the 'disciplinary divide' in audit research (Humphrey, 2008).

Despite this growth in cross-paradigm research, coverage of the audit quality problem remains partial – particularly with regards to how we might intervene more actively, and from a critical perspective. Similarly, and perhaps relatedly, there remains relatively little synthesis across and between studies

of subjective experiences or 'socialisation' (Durocher et al., 2016) of junior auditors in practice, and the increasingly cross-paradigm approaches to the question of audit quality and audit failure. Underlying this divide, which we explore below, are crucial differences in how 'audit quality' is conceptualised. Positivist approaches typically consider 'audit quality' as the joint probability that auditors will both detect and report a misstatement (Di Angelo, 1981), a value that can then be 'proxied' via reported misstatements, abnormal accruals, or other archival information (see Rajgopal et al., 2021). Thus, quantitative scholars typically seek to estimate by proxy the *intrinsic reality* of audit quality via extrinsic measures, in a disinterested scientific manner.

Conversely, more critical contributions typically place audit practices and processes as socially constructed with no intrinsic nature as such, and instead our attention is drawn towards an analysis of how audit is constructed to serve certain interests or enhance the legitimacy of the profession (Power, 1997, pg.69; Sikka et al., 1998; Carrington, 2010; Whittle et al., 2014). Such contributions highlight audit quality as a myth constructed via various discursive and quasi-scientific practices designed to protect the reputation of the audit industry, territorialise new professional spaces, and enhance, or at least protect, commercial interests. These are of course useful perspectives, but they typically lack either an analysis of, or a theoretical or methodological basis for, how we *intervene* in practice. This goes to the heart of what Alvesson and Spicer (2012) (cited by Lukka and Becker, 2023) call 'critical performativity' – suggesting that it is not enough to deconstruct the performative effects of accounting knowledge claims, we need to consider what alternatives might exist and how the felicitous conditions for such alternatives might be realised.

A central difficulty in such an approach, and a point of departure for such a 'critical' approach from interpretative research that sits in the more descriptive tradition (see Lukka and Modell, 2017), is in identifying the collective interests that could reasonably form a basis for such critical interventionist research. Lukka and Becker (2023), with reference to Gibson-Graham (2020), suggest that such interests could be identified by locating ourselves in a standpoint perspective, via a methodology that is emancipatory (Gallhofer and Haslam, 2019), reflexive (Parker and Thomas, 2011), and takes an ethical stance towards the topics and domains of interest (Gendron, 2018). This is within a broader framework for research that adopts a 'performative ontology' (Gibson-Graham, 2008), which means we conduct research that is aimed at intervening in the world with a view to changing it rather than adopting descriptive or positivist approaches. This, ultimately, frees up our research to comment specifically on what functions audit can and should play in society, and what an audit practice that serves those wider interests might look like. As we will discuss further in section 3., this has important implications for how we collect data, whose voices we include and exclude, and how we draw conclusions from our analysis.

In developing the call made by Lukka and Becker (2023), and in search of more practical direction in how such research should be conducted, we turn to two seminal contributions in the feminist science studies literature: Sandra Harding's (1991) 'Whose science? Whose knowledge?' and Donna Haraway's (1991) 'Simians, cyborgs and women: the reinvention of nature', together with standpoint methods texts in designing our methods in section 3. In short, a 'standpoint' approach means simply to collect data from and in the interests of a collective (Cockburn, 2015). Whether the standpoint adopted be that of women (Harding, 1991), the broader intersectional interests of marginalised groups (Harding, 2008, pg.114), or the subjects of capitalism (Haraway, 1991, pg.127-148), the search for 'emancipation' is intimately linked with the identification and boundaries of collective interest (see also Edwards, 2010, pg.295). This, in turn, links to Harding's (1991, pg.161) concept of 'strong reflexivity', in which she similarly calls on researchers to consider what social assumptions and biases are reproduced in their work and what emancipatory or dominating interests their knowledge might

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serve. All of which might seem somewhat alien to readers trained in more descriptive social science methods, where we are often encouraged to avoid bias or take a neutral stance. However, Harding (1991) argues that this necessarily reduces our findings to what she refers to as a 'weak' form of objectivity that fails to fully account for the biases and interests that are inevitably built into our categories of measurement, choice of participants, and exclusion of marginalised voices. Similarly, and relatedly, interpretive research in the descriptive tradition that fails to account for the positionality of collective interests of participants are said to fall into the category of 'weak' subjectivity (Harding, 1991, pg.151) in which the 'equality' of positioning amounts to 'a denial of responsibility and critical enquiry' (Haraway, 1991, pg.191).

Bringing this discussion back to the study of audit quality and audit failure, we suggest junior auditors might represent one group who have a well-defined collective interest in terms of their working conditions, mental health, and future career prospects, and also include many auditors who fit Harding's (1991, pg.150) definition of 'outsiders within' who might be better positioned to give more reflexive and critical accounts of audit practice. As we discuss in the following section, there is good evidence in the existing literature to suggest that findings based on data from senior audit partners gives a very different picture to data gathered from early career auditors such that the failure to account for positionality in the literature to date appears to be a major omission. We outline in section 3. how our multi-method standpoint research design attempts to address this issue by attempting to both cover a broad range of views that are representative of early career auditors in the firm while also drawing out the views of those who feel marginalised, disenfranchised, or left behind. In the closing discussion in section 5. we go on to suggest that these voices not only give us greater insight into the examples of audit failure highlighted in the introduction, but also give us a basis from which to understand and intervene in audit practice[1].

Having introduced our overall conceptual framework, above, we structure the remainder of our literature review as follows. We begin with an overview of the 'disciplinary divide' (Humphrey, 2008) and go into some further detail on how a critical performative framework can help us develop an actively critical perspective from which we can more meaningfully intervene in practice (2.1). Having laid this ground, we then review the recent quantitative, qualitative and mixed methods empirical literature on the audit quality phenomenon (2.2) before summarising gaps that aim to contribute to in this literature (2.3).

2.1 Auditing research: a review across the disciplinary divide
The title of this subsection calls back to Christopher Humphrey's (2008) classic paper in which he reiterates a view expressed by Power (2003, p.379, as cited by Humphrey, 2008) that despite the large volume of archival and experimental studies into audit quality, we knew relatively little about the complex 'back-stage' of audit practice at that time. Meanwhile, widely cited studies in the quantitative tradition that suggested audit quality was well understood (see for example reviews by Francis, 2004 and 2006, as cited by Humphrey, 2008), typically providing favourable interpretations on self-regulation, non-audit services, and auditor tenure, are criticised for their bias towards the profession (Ibid.). As discussed above, several papers have since called for either more qualitative field studies into the underlying processes driving audit quality, addressing questions not easily answered by quantitative studies (Khalifa et al., 2007; Carrington, 2010; Malsch & Salterio, 2016), or for more

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[1] Note we define 'audit failure' here in terms of the standard definition of audit risk - i.e. with reference to various high profile audit scandals, the risk that the auditor gives an incorrect audit opinion or fails to disclose key matters in the audit report. This relies on a very significant architecture of audit standards and regulation, the boundaries of which are subject to review and criticism. The aim of this paper, however, is to explore why audit practice fails on its own terms rather than to explore alternatives to current regulatory frameworks.

nuanced quantitative research that better disaggregates the underlying determinants of audit quality (Christensen et al., 2016; Khavis & Krishnan, 2021).

While these contributions no doubt advance the field of enquiry in many respects, they reproduce perspectives that are critiqued in the wider social studies of science. The first criticism is in relation to what Harding (1991, pg.48) describes as the empiricist response to 'bad science', which saw attempts to correct androcentric, racist, and classist assumptions in modern science through the better development of hypotheses and the opening-up of research programmes to incorporate a wider range of questions. While certainly positive steps forward, more careful development of hypotheses and analysis of our results cannot, according to Harding (Ibid.), rescue science in the enlightenment tradition. Such research, even where it self-consciously attempts to broaden out its research objectives and reconsider the inputs to complex social problems, necessarily reinscribes new sets of norms and values, emerges from a particular social and historical context, and necessarily serves certain interests. With reference to Gibson-Graham (2008), it is not enough to simply open up our research to a greater range of possible causal factors, we must recognise that our methods, choice of questions, and research outputs are ontologically performative as they intervene (or seek to intervene) in the reality they purport to study.

Drawing this back to the audit literature, Power and Gendron (2015) provide an excellent overview of the recent theoretical developments in audit field research since Humphrey's (2008) contribution. They similarly identify that our methodological preferences reproduce assumptions about the nature of our objects of study and call for a 'multiculturalism' of methods that draws on and across both qualitative and quantitative studies to help us better understand audit practice in its social context. Importantly, such an approach helps the research community develop the methods to ask a wider range of questions (Ibid.). This points to a need for better research methods training in doctoral programmes and a wider appreciation of the broader range of research questions that can be answered via methodological pluralism (Power and Gendron, 2015; Malsch & Salterio, 2016; Canning et al., 2018). Despite such calls, however, we note that the existing qualitative and mixed methods research specifically into audit quality remains largely descriptive, and sits somewhat separately to the critical literature that has followed the ways in which auditors are socialised into firm wide ways of working (Durocher et al., 2016), the disciplinary effects of performance appraisal practices (Covaleski et al., 1998; Kornberger et al., 2011; Carter and Spence, 2014; Daoust and Malsch, 2019), gender dynamics (Storm and Muhr, 2022), client or commercial relationships (Broberg et al., 2018; Parker & Schmitz, 2022), and what we know about professional identity (Broberg et al., 2018; Dermarkar and Hazgui, 2022). Similarly, this latter literature, while focusing on subjective experience has largely avoided drawing links to high profile audit failure, policy recommendations, or interventionist concerns on the more technical level.

In the following sections, we therefore read these literatures through and with one another, with a view to synthesizing the extant literature towards a critical perspective on audit quality.

2.2 The growing 'cross-paradigm' audit quality literature

As suggested above, over the past decade a number of scholars have called for future studies to further break down the traditional dependent variables in the quantitative literature, such as non-audit services, firm size, fees, and auditor tenure, and to instead place greater emphasis on lower-level inputs such as the audit office or the audit team (for example Christensen et al., 2016, and Christensen et al., 2021). Other studies have sought to follow up their quantitative analysis with qualitative data to further validate their experimental or archival results (see for example Bennett and Hatfield, 2017, or Donelson et al., 2020, respectively).

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Such studies provide a more complex picture, in which excessive workload (Christensen et al., 2021), deadline pressures (Lambert et al., 2017; Bennett and Hatfield, 2017), poor work-life balance (Khavis and Krishnan, 2021), and an emphasis on client or commercial interests (Cipriano et al., 2017; Broberg et al., 2018; Donelson et al., 2020) are seen to damage audit quality, and where audit quality regulation can be ineffectual due to political influences (Knechel and Jong Park, 2022). Cipriano et al. (2017) for example cite the vast discrepancy between qualified audit reports and subsequent GAAP restatements to theorise a 'system of compromise' in which auditors, seemingly routinely, allow misstatements to remain in the accounts. Meanwhile, Christensen et al. (2021) suggest a tipping point when the workloads of auditors exceed 60 hours per week, beyond which we see increasingly severe negative impacts on audit quality, and Bennett and Hatfield (2017) find that auditors will adjust materiality levels and scope out work when faced with tight deadlines.

Qualitative studies can enhance this picture by exploring the complex 'back-stage' of audit practice (Power, 2003). They have shown how 'getting the job done' and income generation, as opposed to technical competence or professional values, have become major drivers of promotion (Carter and Spence, 2014; Storm and Muhr, 2022). Storm and Muhr (2022), for example, conclude their extensive analysis of gender dynamics in the Big-4 by stating that 'what counts for getting ahead is visibly working a lot and generating income. Particularly toward higher positions, promotions appear to be decoupled from talent, skill, or potential'.

Such studies similarly help us understand *how* excessive workloads, poor work-life balance, deadline pressures, and client relationships undermine audit quality on a day-to-day basis. Seckler et al. (2017) and Amyar et al. (2019) explore the operationalisation of audit quality and audit failure with reference to 'reducing audit quality practices' (RAQPs), with Seckler et al. (2017) noting the 'ubiquity' of errors during the typical audit engagement. Meanwhile, Cohen et al. (2020) observe how standardisation of the audit processes, linked to regulatory review, can produce a 'box-ticking' mentality. RAQPs then occur as auditors cut corners, embed mistakes, or scope out errors, with these operational issues being either mitigated or exacerbated by a range of team and organisational level resilience practices and error prevention measures (Seckler et al., 2017).

More widely, other audit field studies highlight performance management, promotion, and graduate recruitment practices as all having strongly formative effects on early career auditors (Covaleski et al., 1998; Anderson-Gough et al., 2000; Kornberger et al., 2011; Carter and Spence, 2014; Daoust and Malsch, 2019; Gebreiter, 2019). While these more critical studies do not typically address the question of audit failure directly, they evidence a growing commercialism in the profession (Kornberger et al., 2011; Carter and Spence, 2014), or, as both Broberg et al. (2018) and Dermarkar and Hazgui (2022) highlight, a redefining of professional identity such that commercialism has become entangled and foregrounded in the identity of the idealised audit practitioner. This can be deeply problematic and has been linked by some to reduced audit quality, particularly as auditors are faced with an impossible dilemma between client relationships and genuine, 'operational' independence (Guénin-Paracini et al., 2015).

By drawing together this somewhat diverse literature into both audit quality and audit practice, we therefore suggest that there is growing evidence in relation to the negative impacts of a recent growth in commercialism, the need to foster client relationships, excessive workloads and poor work-life balance on both audit quality as measured by proxy and on the deterioration in day-to-day operational independence. Similarly, there appears to be some evidence of the limitations of external quality review (Cohen et al., 2020) together with a wider policy literature that suggests that audit regulation is variously contradictory, unfit for purpose, or in need of serious reform (Holm and Zaman, 2012; Sikka, 2022).

2.3 The experiences of junior auditors and the possibilities for a standpoint approach

The highly formative 'socialization' process through which junior auditors learn the norms and values of practice have been well studied, with knowledge management systems, discourses of efficiency and commercialism, and the recording and charging of time having proven to be highly coercive in the early stages of an auditor's career (Covaleski et al., 1998; Anderson-Gough et al., 2000; Kornberger, 2011). Most of these studies have focused on the Big-4, and together give a powerfully structuralist explanation of audit practice, although, as Covaleski et al. (1998) point out, this is not just via explicit coercion, but also via internalisation of firm values or, with reference to Foucault, 'technologies of the self'.

In recent years, the extent to which this top-down picture sufficiently explains audit practice has become a subject of debate, with Durocher et al. (2016) suggesting that audit practice is shaped via a 'two-way' socialisation process in which firms also respond to the needs of early career auditors in the face of wider crisis of legitimacy and difficulties with recruitment. Others have emphasised that audit quality, such as it is, is the product of bottom-up flexibility and resilience at the level of the audit team (Seckler et al., 2017) or that it relies upon low level auditors 'struggling, strategizing, manipulating, or negotiating' (Guénin-Paracini et al., 2015). So that the subjective identity and expertise of auditors, and, implicitly or explicitly, the consequent micro-practices associated with audit quality arise out of both top-down coercive structures and bottom-up processes of experiential learning.

However, the extent to which early career auditors' actions in practice really reflect examples of 'agency' on their part is questionable. De Vries et al. (2022) build upon the work of Guenin Paracini et al. (2014) to demonstrate that the audit process is emotionally fraught, dominated by 'suffering', fear of failure, exhaustion, despair, and frustration. Drawing on 430 self-reflective diary entries of first year auditors they find that junior auditors very rarely show open criticism or resistance to practices they find problematic, and where this does take place, they are punished via the appraisal process. To such an extent that the two-way process of socialisation is said to be 'far removed' from reality.

This suggests at least two critical perspectives we should therefore consider in relation to the empirical study of audit quality. Firstly, auditors themselves may have an ambivalent relationship to their own experience. This is well drawn out by Daoust and Malsch (2019) in their study investigating the collective memories of auditors several years after leaving practice – they find that on the one hand auditors experience 'communicative' memories, referring to day to day ethical conflicts, being undervalued, and to a sense that their work was 'meaningless'. On the other hand, auditors experience 'cultural' memories, in which they reconstruct their past as a 'glorious period during which they forged invaluable relationships, earned high recognition for their expertise, and entered the ranks of a professional elite' (Ibid.). Secondly, qualitative data on audit practice is highly sensitive to whose views we take into account and the reflexivity of participants, with more senior auditors having already been socialized into firm methodologies and practices seemingly giving more favourable accounts[2].

We should therefore be aware that there may be a complex picture underlying the construction of audit quality requiring careful methodological and theoretical interpretation. While early career

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[2] See for example De Vries et al. (2022), who drew entirely on first year auditors' internal reflections on practice, taking issue with the findings Durocher et al. (2016), who drew on interviews with audit partners and senior HR professionals, in relation to 'two-way' socialisation. Or, similarly, the findings of Cohen et al. (2020) or Commerford et al. (2015) who drew primarily on partner level data to give a broadly favourable analysis of audit practice, compared with Carlisle et al. (2022) whose interviews with junior and mid-level auditors paint a much more negative picture.

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auditors experience a highly coercive and formative environment, they also demonstrate agency when operationalising audit practice (Guénin-Paracini et al., 2015). But then again, in turn, this agency may variously represent genuine challenge or resistance, or, alternatively, a further internalising of firm wide logics and problematic power relations, particularly with respect to the audit client (De Vries et al., 2022; Carlisle et al., 2022). This creates a complex system in which audit quality practices are maintained (Seckler et al., 2017), or, as we argue, through which a system of audit failure is established.

3. Methods and data

This project draws on qualitative data from professionals working experiences during a five-year degree-linked training contract in a Big-4 firm. The junior auditors would study intensely for one term at University then work full time in practice for the other two terms of the academic year, so that by their final term of study, at the end of the fourth year of their contract, they typically had a similar level of practical experience to a fully qualified accountant on completing a graduate training program. While our participants were 'junior' auditors, they had built up considerable practical experience through this time. Most participants had worked on approximately 30 to 40 full year end audit engagements and the large majority had 'in-charged' (or led) multiple engagements and line managed other auditors. The final cohort of interviews, the follow up interviews, and the two pilot interviews were conducted with fully exam qualified auditors, while the remaining participants from the 2018 and 2019 cohorts had only their final advanced exams remaining in the Autumn, shortly after the interviews were conducted (see Appendix B).

Following the spirit of Harding's (1991) standpoint approach, and following institutional ethics approval, we sought to openly discuss the project's aims and themes with our participants in this final term of study. We did this across three cohorts in consecutive years, 2018, 2019, and 2020, so that in the second and third years of the study we were able to discuss prior year results with the participants, both individually and via group discussions. Lastly, to further emphasise the experience of our participants, the interviews with the 2020 cohort were conducted in the Spring of 2021 so that these participants had also been through a further 'busy season' (typically January to April). We also conducted two interviews with more experienced early career auditors in the first year of study and one follow up interview in 2022. A detailed summary of our data collection is provided in Appendix B.

The Big-4 degree linked recruitment programme itself had initially been designed in 2012 to improve diversity in the firm, with an emphasis in the programme materials on race, gender, and socio economic background. To aid in our overall assessment of the cohort, and to help target our interviews, we conducted a cohort survey to ensure we included a range of diverse voices in our qualitative dataset. This similarly included diversity along the lines of race, gender, and socio-economic backgrounds, as well as disability. We also ensured a mix of participants who were both more positive and more negative about staying in the firm beyond the end of their five-year contract. We included the link to the cohort survey with our participant information, which had been developed on the back of the first round of interviews in 2018. We also included a request to draw on a set of self-reflective diaries that the participants had previously completed in the research project. In total, we conducted 27 interviews, totalling 31 hours, we analysed 99 self-reflective diaries across the 2018, 2019, and 2020 participant cohorts, and collected 68 responses to the survey across the 2019 and 2020 cohorts.

Given that we were drawing on data from students at our own institution, we were careful to emphasise that participation was entirely optional, and to only invite participants to interview *after* completing their programme of study. We also emphasised that participants could withdraw at any

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time (UKRI, 2022). The group discussions, meanwhile, were covered by a separate consent sheet, and were observed by an independent note taker (again, with consent). In 2019 and 2020 the overall results of the survey were then presented back to the participants, followed by an informal discussion. This was not recorded or transcribed but did help us understand and contextualise results. In 2019 and 2020 we then used the survey to ensure a good mix of participants by gender, ethnicity and social background in our interview data, supplementing the data already gathered in 2018. Similarly, the results of the survey and an initial review of the self-reflective diaries informed our interview questions. The table below summarises the data collected by cohort (see Appendix B for further detail):

Cohort	Number of interviews	Total transcribed data
2018 cohort	7 interviews	5 hours 48 minutes
2019 cohort	11 interviews	14 hours 57
2020 cohort	8 interviews	9 hours 29 minutes
Follow ups	1 interview	53 minutes
	27 interviews with 26 participants	**31 hours 7 minutes**

With a view towards building up a 'stronger' (Harding, 2008, pg.114) picture of both the views of participants and the phenomenon of audit quality we used a range of methods to both refine our questions and initiate two-way discussion and reflection among our cohorts. The group discussions, in particular, became a prompt for collective discussion within the cohorts on their experiences and future prospects within the firm. The interviews were then led by a member of the research team who had not been involved in the teaching delivery and were semi-structured (Kvale, 2007, pg.10) and exploratory (Kvale, 2007, pg.57) in nature. Our objective was to understand the latest developments in the firm in relation to audit quality, and to explore these through the particular experiences of the participants. This was with reference to their line of service, office location, gender, race, disability, social background, and any other particular or unique experiences or characteristic such as workplace dynamics or other personal circumstances. This led to a rich picture as to the construction of audit quality, together with a wide range of interrelated findings on career perspectives, workload and work-life balance, the impact of Covid-19, socialisation and identity, performance appraisal, interactions with the client and so on.

The survey and self-reflective diaries were used to provide descriptive data on the cohort and to help us understand the landscape of issues facing our participants prior to interview. The self-reflective diaries asked for three 1,000 word diary entries reflecting on key learning experiences in the firm, with reference to literature on self-reflective writing and the audit industry. As these were not specifically designed for this research project they were primarily used to identify the key formative experiences and challenges facing our participants and guide the development of our interview questionnaire. The survey, similarly, was initially envisioned to provide us with a somewhat broader view of the entire cohort and to help identify quantitatively overall job satisfaction, career ambitions, and perspectives on the firm among the cohort. The first half of the survey was mapped to the UK-wide Understanding Society survey (Understanding Society, 2022), a longitudinal study of 40,000 households in the UK, with questions relating to participant's daily experiences of work. However, we do not attempt a statistical analysis of these results in this paper. Instead, the survey was used to provide basic level descriptive data as a prompt for the group discussions and to inform our qualitative data collection. The second half of the survey then asked for information on gender, ethnicity, disability, socio-economic background, and prior links to the big-4, which we used to ensure that our participants

represented a diversity of backgrounds and experiences within the firm. The overall results from the question on how long participants intended to remain within the firm are provided in Appendix A.

In analysing our qualitative interview data we transcribed the interviews and coded in Nvivo. This was done following the interview schedule, which split our data into two sections: the personal experiences, background, career perspectives of the participants; followed by a discussion of audit quality within the firm. This data was then categorised and coded thematically (Richards, 1999, pg.56) in order to collate our findings and establish recuring issues and clear trends in the data, and to draw out how the diversity of backgrounds and experiences influenced the perspectives provided. Our findings are introduced in the following section.

4. Findings

The analysis draws on the experiences of early career auditors in a UK Big-4 firm following the newly implemented AQDS. The analysis walks the reader through the perspectives we gathered on the reconstruction of audit quality – we start with the self-reflective journals (4.1), which reflected back on early formative experiences in the firm, evidence from the cohort surveys, and feedback from the group discussions, in order to familiarise the reader with the cohort. Drawing on our interview data, we then move on to an exploration of how auditors were variously socialised into firm wide ways of working and the implementation of the AQDS (4.2). In particular, we explore in this section how efforts to enhance audit quality in the firm focused excessively on documentation and standardisation of audit practice. In the following section (4.3) we then explore in more depth the crisis in workload and working conditions, and the reconstruction of audit quality through and with RAQPs and audit failure. We then conclude our analysis with a discussion of the developing critical perspectives among junior auditors (4.4).

4.1 Early formative experiences as an auditor

The self-reflective diaries documented the participants' reflections on key formative experiences during their first three years to four years with the firm. Across 298 diary entries, from the 99 participants who gave consent, there were a number of themes that reinforce findings from prior literature on the highly coercive and deeply formative nature of working in the Big-4 (Covaleski et al., 1998; Anderson-Gough et al., 2000; Kornberger et al., 2011; Carter and Spence, 2014). The most common examples cited by participants were: adapting to difficult or excessive workloads, often with reference to learning the importance of workload management and good organisation; managing a difficult manager or 'managing expectations'; people skills and confidence, often with reference to managing the client, working in teams, or communicating with the audit partner; developing audit or accounting expertise and successfully applying this knowledge in difficult situations; learning to manage mental or physical health issues, or sometimes other forms of discrimination in the workplace.

These early experiences in the firm were variously described as 'scary' or 'terrifying', but equally as contributing to a steep learning curve that quickly developed confidence, problem solving skills, and an ability to work independently:

> I don't think anything can really prepare you for the nature of the work or how intense the environment is. I didn't think that so early on I would have such big responsibility […] they throw you in the deep end – you're straight in from the offset. (Self-reflective journal, Audit junior #11, 2019)

The diaries brought out the strong internalising processes through which participants rebuilt their sense of self as a professional in a Big-4 firm – mental and physical health issues were reframed in

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terms of personal resilience; discrimination was reframed in terms of being more accommodating of different perspectives or learning to get over or overcome an inherent disadvantage; workload challenges were reframed as needing to get better at organisation and coping with deadlines, and so on. The issues were typically framed and captured in the sense of 'professionalism' of meeting deadlines or getting the job done, obtaining positive feedback, pleasing or at least accommodating the client, or satisfying the partner on review. In short, the problems identified were largely internalised in order to meet the demands and objectives of the firm.

This appears to support the findings in prior literature in relation to the highly formative effects of practice on early career auditors, from recruitment through to promotion (Covaleski et al., 1998; Anderson-Gough et al., 2000; Kornberger et al., 2011; Carter and Spence, 2014; Daoust and Malsch; 2019; Gebreiter, 2019). Similarly, the emphasis on business objectives and the client as being the primary drivers of this early identity work appears to support findings in relation to the primacy of commercialism in the profession (Kornberger et al., 2011; Carter and Spence, 2014; Broberg et al., 2018; Dermarkar and Hazgui, 2022). However, we were also interested in developing these findings based on the wider debate between top-down and bottom-up 'socialisation' processes (Durocher et al., 2016; De Vries et al., 2022), and in particular, whether participants also held critical perspectives on such processes and their implications for audit quality.

Concurrently, the cohort survey conducted with the 2019 and 2020 cohorts (n=68) showed some interesting results in light of prior literature on workload and references to recruitment and retention issues in the Big-4 (Christensen et al, 2021; Khavis and Krishnan, 2021). Using a simple two-tailed T-test, we found that a number of the measured variables showed our cohort experiencing significantly worse working conditions compared to the wider UK workforce. These included feeling significantly more 'under strain at work', 'downhearted and depressed', and 'lost sleep over worrying about work'.

Following these surveys, we presented initial findings to the participants in both 2019 and 2020. This collective discussion seemed to bring out more critical perspectives on the firm that had not been included in the self-reflective diaries, particularly in response to the result that the large majority of participants intended to leave the firm either immediately upon qualifying (59%) or within 5 years (93%). Together with the initial interviews conducted in 2018 we began to build a picture of a diversity of experiences with some key features in common – stress, burnout, overwork, a sense of not being well remunerated for the work and personal risk at stake, a sense of the industry being 'under fire', and a widespread desire to leave the firm. In the following sections we explore the experience of these cohorts of audit quality and audit failure, and in particular the introduction of a firm wide 'Audit Quality Development Strategy' (AQDS). We used the findings described above to guide and refine the interview questionnaire and to help ensure we included a wide diversity of participants in our analysis.

4.2 Learning the rules of the game: socialising auditors into audit failure

We begin this section with an overview of the firm wide AQDS, which was introduced into audits from 2018 onwards, and other evidence of technical, methodological, and discursive reforms and audit quality improvement initiatives within the firm. We then draw out the particular examples of 'reducing audit quality practices' (RAQPs) observed by our participants, and explore how junior auditors were socialised into a regime of audit failure and compromise, following the various contradictions and ethical dilemmas this process threw up along the way.

4.2.1 The implementation and development of the AQDS

The AQDS was first referenced in the firm's 2018 FRC audit quality review response to help address the wide ranging audit issues identified by the FRC. Over several years, the FRC had identified evidence of insufficient challenge in relation to the audit of long-term contracts, going concern, provisions,

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valuations, and impairment reviews, together with other audit issues including insufficient work on identified significant risks, materiality assessments, defined benefit pension schemes, controls, and revenue testing, and this to name but a few of the more prominent and pervasive findings. From 2018 onwards, the firm regularly cited the AQDS in their annual responses to the FRC reviews. The plan was also summarised on a public facing webpage, with a link to the firm's transparency report.

Participants in our project cited the criticism from the FRC and several high-profile audit scandals as being major internal issues within the firm, with regular all staff emails updating staff on the latest developments and the firm-wide roll out of the AQDS. In the first round of interviews, with the 2018 cohort, there was a widely reported sense among participants that the firm relied more heavily on auditor 'judgment' than other big-4 firms and that this placed them as something of an outlier in the eyes of the FRC. However, the reliance on judgment in some areas, for example, materiality assessments, sample sizes, testing procedures, and selection of significant risks without proper reference to 'standardised' methodologies was described by some participants as both leading to auditors 'cutting corners' and exposing their standard of documentation to criticism. Among this first cohort, there was a clear consensus that the firm needed to somehow improve quality and a broad acceptance in principle that increased standardisation would help address issues raised by the FRC. Precise examples reported by participants from this first cohort included a firm wide ban on substantive analytical procedure in the audit of revenue, instead increasing the emphasis on tests of details, and new methodology on sample sizes, which increased the number of items to be tested. In 2019 participants also reported new guidance on journals testing, going concern, and then in 2020 a new standardised judgments and estimates working paper on every audit. One such comment summarises the atmosphere within the firm and the breadth of the AQDS initiative:

> *Without a doubt, since our more negative audit quality reviews recently there has been a drive from central communications and head office for audit quality to be improved. They've issued a ton of standardised work papers to increase continuity across clients and across audits regardless of their sector, and they've increased some mandatory deadlines for certain pieces of work, minimum review requirements, and in general, there is a lot of pressure from head office and senior leadership for [the firm] to improve audit quality (Audit junior #8, 2019)*

It is therefore notable that the public responses to the FRC and the rhetoric of improving quality were indeed coupled to backstage communications, the introduction of new and more prescriptive working papers, increased internal review, and changes to methodologies. How well the AQDS reforms were received by participants in our project, however, was more mixed. Positive comments tended towards having greater guidance on the 'right' way to document, and the new more extensive checklists as being useful in ensuring all procedures were addressed and that nothing was missed. Criticisms, however, were more predominant and focused on the additional workload, the overemphasis on documentation as opposed to actually changing or improving practice, and the more standardised approach both driving a 'boxing ticking' mentality that was often not client specific. The poor understanding of what the working papers should include or how they should be addressed was especially prevalent, with some describing how they were making it up as they went along or copying documentation across from other clients:

> *You'll get a lot of managers saying, "Oh, we need to do this paper just to say we've done it," and then they'll send you one from another client and they'll be, "Oh, can you just copy that." And it's like what's the point? I'm not really sure I'm seeing the point in a lot of the stuff that they're bringing in. (Audit junior #11, 2019)*

Or similarly, on the implementation of ATQP working papers and the new "judgments and estimates" working paper in particular:

I mean I know the whole point of these work papers is meant to improve quality but I'd question whether they actually do – a lot of the time you fill it in and then you don't know what you're doing, you just have a guess and then the in charge or the manager will go "Well we don't know the answer, just have a guess. (Audit junior #19, 2020)

Ask anyone who's done the estimates work paper. We just don't understand it. (Audit junior #25, 2020)

4.2.2. Documentation and standardisation: detaching audit quality from audit practice

Following the above, our data showed that the AQDS largely focused on documentation, to such an extent that it was having an appreciable impact on workload, and was being implemented in a top-down one-size-fits-all manner. One might anticipate that some of these issues would resolve as new standards of documentation became more widely understood and a new culture of practice emerged. However, this did not seem to be the case in the three years of our analysis and the widespread scepticism as to whether the additional documentation was having any impact on 'actual' audit quality continued. Indicative of this separation between audit quality as preventing misstatements versus audit quality as good documentation was the following on 'good audit language':

There was something recently which was called 'Good Audit Language' and it was basically going through a lot of things that auditors would say on workpapers – 'seems reasonable', being one of them, 'we have audited' being another one. And explaining why those terms are not effective and why you shouldn't use them and what would be a better term to use. (Audit junior #21, 2020)

Again, this appeared to evidence how the firm was conducting a close analysis of the FRC quality review findings and attempting to revise its documentation practices rather than focusing on challenging their clients or issuing more corrections to the accounts. This was similarly the case in the associated AQDS training sessions, which focused on good documentation practices with walk through examples and analysis of FRC feedback, but included little on challenging the client or the potential vested interests of the audit partners or directors within the firm.

Despite the AQDS training sessions, there remained considerable methodological confusion in relation to some of the fundamentals of audit. We asked each participant if there were any areas of audit methodology they felt were not well understood, and in addition to confusion over the new AQDS working papers, participants described concerns over the integrity of listings provided by the client, confusion over sample sizes and materiality assessments, which were often considered arbitrary, and confusion of audit risk assessments at the assertion level. On the one hand it appeared that auditors craved a methodological certainty and rationale for their approach, with reference to automation, software, templates, and so on, but on the other hand they would regularly cherry pick among possible approaches to suit given resource limitations or the general norms and culture of practice in relation to sampling and testing:

Going back to your question before about some methods being questionable – I feel picking a threshold randomly based on the total value of the listing doesn't make sense to me. So, when the manager says to you just pick payments over £50,000, there's no reason behind it, it's like this is what we did last year. It's based on something else but it's not like a legit reason as to why. (Audit junior #9, 2019)

Or similarly:

For example, if we're picking a testing sample we will pick any items over a fifth of PM, but then when you pick those items it only brings out two, or it brings out 50, someone will say change because that's too few or too many. (Audit junior #13, 2019)

While the overall feedback on the AQDS was mixed, what we found most interesting were the fundamental contradictions that the process appeared to pull upon. Concerns between having a 'right'

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and 'wrong' approach against the need to tailor the audit approach to the client; the need for ever more elaborate documentation against the need to generate a recovery (or profit) on the job; and the need for methodological certainty in a practice underlined by judgment, cultural norms, and experiential learning.

In addition to the AQDS initiatives, another crucial element in the construction of audit quality was internal and external file review. Following our questions on the implementation of standardised working papers under the AQDS, we asked participants about the file review process and how effective it was for them as a learning point. Participants described internal file review as highly variable, depending on the reviewer, and as generally being more comprehensive on public interest audits subject to external FRC or PCAOB inspection. Once again, a heavy emphasis was on improving documentation, which was also where internal line manager review was found to be most helpful. However, internal review points would rarely challenge or change the audit testing approach, which had typically been agreed in advance within the audit team or rolled forward from prior years.

Review was therefore important to the learning process, but only where the review points were properly explained, and, ideally, accompanied by a coaching conversation. However, this was rarely the case and review points would often be less helpful, with comments such as 'Can we do more of this?' or 'Fix this'. Such reviews were described as very common and as being done as part of a 'tick box' culture, just to show that the item had been reviewed, so that the potential of good internal review to spot errors or improve understanding was often missed. The following comment was typical of the views among our participants:

You get some that literally just add a review point for the sake of it. I think they just want to do that so it looks like they've reviewed it. But yeah – the most constructive review points are when […] the manager will send you an email […] where it's talked through and discusses a plan for it. But you know, a lot of them will sort of give you a review point and then you'd ask them about it and they didn't even know what they meant by leaving it. I think because they do it in such a rush. (Audit junior #20, 2020)

A number of participants also pointed out that internal review points would only be posted much later on, once staff had rolled off the job. This was linked to RAQPs as issues were then only spotted very close to signing, with reviews being done last minute just to get them recorded on the file. This would make it difficult to extend testing or change the approach in light of a failed test. As a result, managers would ask audit juniors to document away issues:

And on the bigger clients, you know, the day you sign you have to have no review points then you get close to midnight and in those last few hours of the day they're just frantically putting anything on the file and you're sort of asking them [about the review points], and they go, "well we should have done this but there's not time so I'll just clear it, so it doesn't matter...". (Audit junior #20, 2020)

Thus, internal file review remains an important tool in improving audit quality, and was seen to be extended under the AQDS, but would often be undermined by time constraints and deadline pressure, or, worse, provide the opportunity for client relationships within the firm to influence the documentation of audit errors. Nonetheless, such review could and should catch basic errors or misunderstandings at the junior level, often over crucial areas of the file. Leaving these reviews until the final days prior to signing off the audit file, especially on a larger listed client with a hard reporting deadline, is therefore highly risky and likely to lead to audit failing on its own terms. With reference to external quality review, one participant put this as follows:

For the people that take pride in doing their work to the best quality, a lot of people aren't surprised by them. It's definitely more of an, "Oh, God, they got caught," rather than, "how could this happen in the first place," because there's a lot of – if every single one of our audit files got reviewed, there would be

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very little of them that I believe would meet the required quality standards. And I think the firm is very aware of that. (Audit junior #8, 2019)

However, the potential problems with audit quality run deeper even than this. Due to the focus on secondary measures, such as quality of documentation, firm level quality controls, and governance, in external quality review, such reviews appear unlikely to identify problems where the auditor has effectively documented around the issue in the first place. When asking our participants about potential poor practice this was where a lot of the responses focused. One participant summarised this quite aptly:

My perception before I came to audit is "we look at things and when they're wrong, they're wrong and we make them change it," whereas what actually happens a lot of the time is you look at things and they're wrong and you make it work so that they're not wrong anymore. (Audit junior #7, 2018)

Once again, this pulls at another contradiction, this time between reported audit quality and the risk of being exposed to audit failure, on the one hand, and the commercialism or client relationships on the other. By shoring up documentation practices to meet FRC demands under the AQDS, the firm could potentially have it both ways. In a later follow up interview, one more experienced auditor reflected back on one such issue in which an audit issue was documented away:

I was working on rebates [which] is really, really complicated, has lots of estimates, and at first we assessed RoMM as high, which I agreed with, because it's very technical and very sensitive. We sent some samples out. They were like, "we can't provide all of this". So the senior manager said to me, "change RoMM to 'moderate'." I was like, "What will be the rationale for changing it? We can't just change it just because they can't provide evidence." He said, he was going to talk to the director about it. So we changed it, sent some more samples. They said they don't have evidence. So he was like, "change it to 'low'." I was like, "we can't do this. It makes no sense." We had a bit of a back and forth and he was like, "Just park it for now." And the next thing I know, in the next catch-up meeting we had, he was like, "rebates is out of scope. (Audit junior #25 follow up, 2022)

This example is perhaps doubly shocking given the recent high profile audit failure at Tesco Plc, which led to a £129m fine from the Serious Fraud Office (Ruddick and Kollewe, 2017) relating exactly to the fraudulent overstatement of supplier rebates to the sum of £250m per year by 2014 (Barrett et al., 2014). Several other similar examples appeared in our dataset in relation to scoping out or redesigning tests to avoid possible audit issues, and in one case reportedly documenting away undisclosed bank accounts. In relation to challenging such approaches, other participants expressed worries but did not challenge their manager to the same extent as in the example provided above. Often linking this to a lack of confidence in their own abilities or being intimidated by the client. Reflecting back on the work they did as very junior auditors, one participant summarised this as follows:

It wasn't a material balance but we found it too late after the audit. Like the report had been [signed] so we were told, I was told not to chase it [...] I was surprised because it looked really bad on our part [...] it wasn't a material balance but it was a significantly large balance. I saw it at the lower grade, and now knowing more about audit and having the audit [module] and [...] especially with like Carillion – I wouldn't have done it now [...] as [a junior auditor] sometimes you don't really understand what you're doing. (Audit junior #4, 2018)

Many such issues were closely linked to time pressure, lack of resourcing, or audit deadlines, and particularly where these factors interacted with a lack of experience. Similarly, many participants described the issue of rolling forward the approach from prior years which in turn made challenging issues that had been previously missed more difficult. Some participants did suggest that the new AQDS tests and working papers were challenging this, particularly where new tests that had not been previously performed, such as journals testing or more extensive tests of detail, became mandatory.

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In the following section (5.3) we further examine the wide-ranging issues and working practices that impacted on audit quality, most notably what we describe as a workload crisis, mental and physical ill health, and critical disillusionment in the Big-4 dream as sold to junior auditors. We then conclude this section with a review of the different learning practices within the firm (5.4) and the potential for developing critical independence at the junior levels.

4.3 "Oh God, what have I got myself into?": a crisis in working conditions

The purpose of this section is to give a sense of the immediacy of the problem and to explore the mechanisms through which the issues faced by our participants were impacting upon audit quality. We will discuss further in the concluding remarks section the extent to which the evidence presented here demonstrates a new 'crisis', above and beyond what has been previously reported in the literature.

Starting with working hours and working patterns, these appeared to vary across the firm, but were clearly excessive in many cases; most notably in London, in the Financial Services sector, and throughout busy season across most sectors and regions. Many commented that the traditional 'busy season', running January to April and relating to the reporting deadlines for listed company would extend to six months as staff were rolled immediately onto Public Sector audits with 31 March year ends or to meet staffing shortages elsewhere. Many contributors highlighted the steadily increasing workloads as auditors progress to in-charging jobs and then to Manager, often in response to questions on why they intended to leave the firm. When asking about workload and work-life balance the following responses were very typical:

> *I've averaged around, I'd say more than 65 hours at work a week. And then – that's average because in January I'd say we're sort of working 9am till 7/8pm, maybe 9pm, but by the time you get to sort of April, well end of March, you're sort of doing however many hours you can fit in. And there's a lot of weeks where, like you work weekends as well. So you do the normal during the week, and then you'll get up at 9 o'clock on Saturday morning, probably work from home but sort of 9 to 5 on Saturday and 9 to 5 on Sunday. Sometimes whatever hours they require to get you a client. (Audit junior #14, 2019)*

> *So you stay and you have dinner with the team every night and you order your Deliveroo when you stay there until 11 o'clock, it's just what you do. I know it's bad thinking about it like that but I guess just get on with it, because the rest of the team has to do it so you have to do it. […] I was on another client where we stayed until the small hours of the morning. (Audit junior #16, 2019)*

One respondent went on to describe what was referred to in the firm as the 'magic roundabout' where the team would leave the audit room in the early hours, go home, take a shower and a change of clothes, and then head straight back to the audit room for 7am the following day. As described in the quote above, such practices were often linked to peer pressure and a heavy emphasis in performance appraisal on getting the job done at all costs.

Participants described the 5-point grading system in which all associates of the firm were given ratings, with a fixed percentage of every cohort in each office receiving each level on the grading structure. Grade 1 and 2 being the highest, with auditors receiving those grades getting an additional year end bonus and being well placed for promotion. These grades were entirely based on qualitative feedback from the line manager.

As has been reported in the literature previously (Storm & Muhr, 2022), this feedback system created a strong asymmetry between those providing the feedback, often Managers or In-Charges, and the more junior members of the team. Furthering such findings, we were able to observe how such dynamics were reproduced – as junior auditors progressed to 'In-Charge' their first jobs, they would have to learn to be 'tough' with more junior members of the team, otherwise excessive workloads

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would invariably fall back on them as the sign-off deadline approached. Even where auditors had themselves experienced what they felt was unfair feedback or excessive workloads, they were nonetheless reproducing a disciplinary culture around performance management through sheer self-preservation. One participant put this struggle as follows:

As an in-charge you're like right well I need to get this done but do I really want to ask my whole team to stay? Is that fair? Is that, I don't know, is that a nice thing to do to someone else? Would someone else do that to me? So I think sometimes, it's a balance from thinking about other people but also being selfish because you will screw yourself over if you try and please everyone. (Audit junior #16, 2019)

This was often a major driver for auditors wanting to leave audit practice or the firm altogether. It also had major consequences for those struggling with physical and mental health issues, and contributed to the reproduction of problematic social dynamics such as a reported 'drinking culture' as participants felt forced to either fit in or fall behind. One participant described the interrelation between their health issues and the performance appraisal system:

I feel like it's an inconvenience to them. Earlier on this year, on top of my mental health issues, I had a bout of facial paralysis, so half of my face paralysed itself due to one of my nerves becoming compressed, and I was very poorly. I was in the emergency department; I couldn't see out of one of my eyes. It was really painful, and a really upsetting time for me. I had managers during that time emailing me asking me to still do work for them, asking me why X, Y and Z hadn't been done. There wasn't really any care for how I was in myself. It was very much, "You need to do this. Why haven't you done this? Is this complete? Is that not complete?" […] And when I tried to push back and explain, "This hasn't been done because I've not had enough time, I'm trying not to overwork myself, to keep myself balanced, I'm trying to keep you updated and you've ignored my emails," I was then quite bluntly told that I wasn't meeting my expectations. (Audit junior #8, 2019)

Other participants described their personal struggles, and several described how family members would sometimes feel the need to get involved due to the visible stress and long working hours. The following were quite typical of the daily struggles during some of the busier times of the year:

I can just remember walking into this environment where I didn't really know what I was doing, I had my in-charges shouting at me. I can remember being upset at work because people were just expecting so much, and they were clearly very stressed in themselves, that they'd take that out on the more junior members of staff. And yeah, my first few months were horrific – I can remember thinking, "Oh, God, what have I got myself into?" (Audit junior #8, 2019)

"There's been occasions where I've been having many dreams about audit and things like that, and this is not nice. It doesn't help with when you don't give people the time to sleep and things like that, and see their family and just sit down for dinner and stuff like that." (Audit junior #15, 2019)

On their mental health issues, another participant described how they struggled to deal with things personally, saying that 'I cried to my mum' because the work was 'making me feel like crap', concluding that they did not deal with it at all well personally but that they 'got it done in the end professionally'. Such examples highlight a 'get it done at all costs' culture in which professionalism and promotion were closely associated with working the longest possible hours, being well known in the office, and building networks within the firm.

Other participants expressed worries about progressing to In-Charge and leading jobs as senior colleagues left at the end of their training contracts as they would not know who to talk to, with one participant saying 'I don't think I'd ever tell my manager' about their mental health issues. Given the range of participants making these comments, from across service lines and office locations, it does appear that quite serious difficulties were facing junior auditors across the firm. Especially where

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those auditors struggle with some form of disability or did not feel like they 'fitted in' with the working culture of the firm.

A number of explicit examples of how excessive workloads and deadline pressures produced RAQPs were provided by participants, and listening to their experiences it would perhaps have been far more surprising if participants had reported no link between the working culture of the firm and audit quality. Some of these have been touched upon above in relation to file review and acute deadline pressures leading to issues being 'documented away'. However, the specific issues in relation to deadlines existed against a backdrop of overwork, disillusionment in the firm and wider industry, and a privileging of client relationships. One participant summarised well what they felt the feeling was among their cohort, and the seemingly common-sense view that such extreme workload would inevitably impact upon concentration and quality of work:

> *I think it has a negative impact on both [quality and people wanting to leave]. I don't think that my brain operates the same at 2:00 AM that it does at 10:00 AM the next morning. And I think it's something that I raised even when I was on like certain clients, you know, I think it's something that's voiced amongst all E grades, that we shouldn't be expected to be there at 2am, and then turn up again the next day, because even the next day, if you add in travel times, you're averaging like five hours of sleep realistically […] I think that definitely has an impact on audit when we've been pulling those hours" (Audit junior #24, 2020)*

This did appear to have been an issue that was acknowledged by the firm, whether for reasons of audit quality or for other practical reasons, such as retaining staff, as several participants reported a firm wide drive to drop jobs that were 'sucking up resources' and instead focus on profitable work. Similarly, several participants reported firm wide communications on staffing, the need to recruit, and the need to retain staff at the ends of their contracts, often acknowledging that the firm had not got the balance entirely right. However, as many respondents also pointed out, none of this seems to have been considered during the implementation of the AQDS, which was often described as requiring very specific amounts of resource but was not budgeted for at the level of individual audits.

4.4 Critical perspectives among early career auditors

In the final part of our analysis, we look at how and to what extent auditors developed a critical perspective, a point often overlooked in the prior literature. Consistent with reports of a resourcing crisis in the firm, our survey showed that 59% of the 2019 and 2020 cohorts intended to leave the firm immediately upon completion of their training contract, rising to 93% expecting to leave within 5 years. Leaving only 7% of our cohorts who saw a longer-term career in the firm. Linked to these results, our interview data showed that early career auditors were often highly sceptical about the firm, their own work, and the wider audit industry. This was particularly prevalent among participants from more working class backgrounds or where participants had experienced some combination of either direct or indirect discrimination in the work place. Participants also described how their perspectives developed through their experience, and while this did involve some of the classic elements of 'top-down socialisation' (De Vries et al., 2022) such as normative understandings of 'professionalism' or audit quality being equated with good documentation, there was also increasing awareness of where corners were being cut, frustrations with the lack of challenge around key audit issues, and appreciation of the ethical dilemmas faced in practice.

Worryingly, participants who expressed the most scepticism and challenge in our project, and all of the participants who were able to give examples of them having personally challenged RAQPs, were auditors who had either made a decision to leave the firm as soon as their training contract expired, or, in two cases, had already left either the firm or the audit practice within the firm. We also saw how this sense of challenge and personal responsibility developed with their understanding of the audit

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process, and how this in turn was linked to auditors giving up on the performance appraisal system to instead refocus on their own personal ethical position:

> *I would say that my attitude on how to deal with [Managers] questioning my audit work is very different now than it was two years ago. Two years ago, I was very much, oh, I have to please the Manager, I have to say "yes", I have to do what they want. Whereas now, I will stand my ground, and defend my work and argue with them if I don't think something's right. And usually, it's where I think more work needs to be done, or I think something needs to be investigated further, or something's not OK, and the manager will be pressuring me to say, "No, that's enough. That's fine. Just leave it." (Audit junior #8, 2019)*

While admirable, several participants felt that raising issues would have a potentially negative impact on their performance assessments so that it was left to those auditors who had, effectively, nothing left to gain by 'playing the game' to raise issues and challenge the approach:

> *What I find, and a couple of my colleagues I work for have a similar opinion, is that the time it takes to do our job properly, to the required quality standards, and to really audit to the best of our ability as the standards would expect us to, is a lot more than the time we are allocated, and the time that managers are willing to let you charge to a code [...] some [managers] definitely care more about the amount of time you've spent doing something than the quality of your output. (Audit junior #8, 2019)*

Others linked examples of where they had questioned or challenged the audit approach to a wider scepticism about the firm, audit scandal, and the role audit was playing in society, with several respondents citing these issues as drivers for them looking to leave audit, or leave the big-4, or both. This is of course worrying, as those who prioritise quality over expediency, or hold a healthy scepticism of audit failure, or question the role audit firms ought to play in society are therefore less likely to remain in the firm or get promoted to senior positions. This dynamic appeared to strongly socialise audit failure into the structures of the firm – not just at the technical or discursive level, but also by creating a strong selection bias among those likely to reach the higher ranks.

5. Discussion and concluding remarks

In this paper we have drawn on the standpoint methodology (Harding 1991, pg.106; Brown, 2009; Cockburn, 2015) and the concepts of 'strong reflexivity' (Harding, 1991, pg.161), 'strong objectivity' (Harding, 1991, pg.138), 'outsiders within' (Harding, 1991, pg.150), and 'partial perspective' (Haraway, 1991, pg.183-201) to suggest that drawing on the views of junior auditors and those without vested interests in existing power structures can give both more insightful data and a basis from which to propose interventions in audit practice. We argued that this elaborates a practical methodology for accounting research that seeks to be 'critically performative' (Lukka and Becker, 2023); that is, accounting research that seeks to actively intervene in the world in areas of ethical, collective, or public interest. In our case, our motivating interest was in the widespread and high-profile phenomenon of audit failure, while we suggested that the perspectives of junior auditors provided for a collective through which we can generate more interesting, useful, and critical knowledge of audit practice. We also emphasised in our methods section the experience of our 'junior' auditor cohort – which was considerable, with all of our participants having four to six years' experience, and all having taken significant leadership of audit engagements – and our iterative, multi-method approach to data collection.

In providing this standpoint contribution to the growing body of research into the 'backstage' construction of audit quality (Power, 2003; Humphreys, 2008), we followed a firmwide implementation of an audit quality initiative in a Big-4 firm over four years (2018 to 2022). Working through the experiences and perspectives of junior auditors, we evidence how audit failures are embedded within and reproduced by many of the micro concepts, measurement practices, and review

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processes that construct 'audit quality' as we know it. In particular, we extend prior literature by linking the well documented issues of overwork, mental and physical distress, and aggressive performance culture to specific 'reducing audit quality practices' (RAQPs) that undermine audit quality. This contributes to the growing 'cross-paradigm' discussion in the audit quality literature that is increasingly looking to qualitative methods to shed light on audit practice (Canning et al., 2018; Malsch and Salterio, 2016). Drawing on our standpoint approach, we also provide important methodological clarification in a field of study in which participants have potentially vested interests and show evidence of pre-selection biases at the more senior levels in the prior literature.

With regards to our empirics, our participants provided extensive feedback on a UK Big-4 firm under intense scrutiny, during the implementation of a firm-wide 'Audit Quality Development Strategy' (AQDS). This uncovered significant evidence of overwork, demoralisation, and scepticism about the audit industry among early career auditors, and, importantly, we found that the implementation of the plan itself was exacerbating many of the issues linked to audit failure. This tension appeared to result from a reconceptualisation of audit quality, with audit quality reframed under the AQDS as 'auditable' documentation trails, subject to FRC review, as opposed to genuine challenge, operational independence (Guénin-Paracini et al., 2015) or professional scepticism. Over time, this allowed 'audit quality' to incorporate and reproduce audit failure, so long as the audit approach was sufficiently well-documented or where, in some cases, poor practice had been effectively concealed. The tension between these two competing approaches to audit quality compounded one another as ever-more documentation was required in a context of ever-tighter resource constraint, leading to a performance culture that prioritised getting the job done at any cost. Extending the classic cost-quality trade-off (Power, 1997; Lee, 2002), we show that not only is time-pressure becoming ever more pervasive, but that the rules of the game are being re-written such that, in effect, audit failure has become a structural consequence of audit quality practices.

By telling this story through and with the perspectives of junior auditors, we hope to provide practitioners, professional institutes, policy makers, and educators with a resource with which we can intervene in the future of audit practice. Audit quality, as an objective phenomenon, holds only within a given socio-material context. As we have shown, this context can and does shift over time. We were greatly encouraged by the critical perspectives shown by many junior auditors contributing to this project, and we believe that they constitute a collective that can be greater supported, whose working conditions can be improved, and whose learning can incorporate not just a technical knowledge of audit standards, but a reflexive knowledge of how to push back against bad practice, how to challenge a difficult client, or how to question the audit approach. We do not go so far as to provide specific recommendations in this paper, but we do hope that the findings we identify can be a starting point for more meaningful, and much needed, change in the profession.

5.1 Empirical and methodological contributions to prior literature
The detailed findings presented in this paper support and extend prior literature in several respects. We find that the appraisal process, competition among peers, and firm-wide cultures were highly coercive and disciplinary in nature (Anderson-Gough et al., 2000; Kornberger, 2011), with promotion being strongly linked to problematic work-based cultures around working hours and the reproduction of social norms; they were only loosely linked, if at all, to technical competence or genuine operational independence (Carter and Spence, 2014; Storm and Muhr, 2022). Our findings confirm that workload, deadline, and work-life balance issues are becoming an increasingly serious problem in the Big-4 (Khavis and Krishnan, 2021) and we here extend such findings to the UK context. We also find direct evidence across our interviews that significant workload pressures were impacting negatively on audit quality, both due to tight reporting deadlines compromising the internal review process and by driving

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a performance culture that prioritised getting the job done at all costs. This finding was in parallel to and consistent with a strong emphasis on client relationships (Cipriano et al., 2017; Broberg et al., 2018; Donelson et al., 2020) in the performance and appraisal process, and, in some cases, in practice as senior auditors made interventions on behalf of the client to suppress audit issues as they were being raised. There was a consistent theme that, in order to get ahead, auditors needed to 'play the game', baking-in RAQPs and leading to many values-driven auditors looking to leave.

On the experiences of junior auditors, our project supports the highly top-down, coercive picture described by many others in the literature, particularly in relation to the recording and charging of time, performance appraisal, promotion, and other asymmetric power dynamics (Covaleski et al., 1998; Anderson-Gough et al., 2001; Kornberger, 2011; De Vries et al., 2022). While our initial findings based on diary entries supported prior literature in relation to junior auditors internalising many of the daily challenges, discourses, and ethical dilemmas of audit work (De Vries et al., 2022), we extend this literature by documenting how these perspectives developed into a more self-aware and critical outlook as auditors gained experience, confidence, and reflected back on the critical elements of their audit education.

Relatedly, as our participants approached the end of their training contract, our cohort survey (n=68) showed that only 7% of our wider cohorts were considering remaining at the firm for more than 5 years, and our interview data showed a similarly small percentage who were correspondingly uncritical of the firm or the role of the Big-4 in widespread audit failure by this point in their professional development. Furthermore, our data, and particularly our two-way interactions with participants via group discussions and interviews suggests that it may be possible to foster critical perspectives and self-awareness among junior auditors in light of potential personal liability (see for example recent reports on the Carillion tribunal, FRC, 2022), widespread dissatisfaction with working practices, and a sense of personal ethics. We see, for example, a worrying theme in our data that it is only once participants have made a firm decision to leave the practice that they feel more able to challenge the audit approach or push back against overt RAQPs, which suggests the firm was 'managing out' those not prepared to play the game. This is a point we may not have picked up had we not emphasised diversity in our dataset and triangulated multiple forms of data collection before designing our interview questionnaires.

In sum, our work contributes to the gap in the literature in relation to the impact regulatory responses to audit quality review are having on the ground (Holm and Zaman, 2012) and how audit quality is reconstructed in practice as a system of audit failure. We find that the firm-wide AQDS response was implemented in a 'top-down' manner through the imposition of 'one-size-fits-all' methodologies and standardised working papers. While seemingly improving, or at least standardising, audit documentation, the AQDS was found to embed dysfunctional practices such as the scoping out of errors, documenting away difficult issues, and increasing performance pressures towards 'getting the job done at all costs'. Furthermore, and exacerbated by the AQDS, we found that the firm was suppressing critical perspectives and auditor judgment, with the values of professional independence, scrutiny, and challenge being increasingly marginalised as auditors were either socialised into firm-wide ways of working or forced out of the firm.

5.2 Theoretical development and implications for further research

This paper has drawn upon the experiences and views of early career auditors on the question of audit quality. By applying a diversity of research methods, and seeking a diversity of participants in the spirit of the standpoint approach (Harding, 1991; Brown, 2009; Cockburn, 2015), we argue that we are able to produce a more authentic analysis of audit quality as it exists in practice. Leading us to the conclusion that the current system of audit quality amounts to a system of compromise (Cipriano et

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al., 2017) through which audit quality and audit failure come to be entangled as one and the same phenomena. In justifying our approach, we refer to Harding's concepts of 'strong objectivity' and 'strong reflexivity' (1991), through which objective conclusions can be reached via an appreciation for context, a diversity of perspectives, and ultimately, a strongly reflexive approach to the collective interests at stake in the knowledge construction process. With reference to Gibson-Graham (2008), we must recognise that our methods, choice of questions, and research outputs are ontologically performative as they intervene in the reality we study. This in turn moves us away from a knowledge that is constraining and tightly bound to existing power structures, towards a knowledge that is more emancipatory. A knowledge not just of what 'is' but a knowledge of what might be 'possible'.

Throughout this project we have noted that much of the critical contributions to the audit literature have focused on subjective experience, in the tradition of social constructivism. This has drawn us towards an analysis of how audit practice is constructed to serve client or commercial interests or to enhance the legitimacy of the profession (Power, 1997, pg.69; Sikka et al., 1998; Carrington, 2010; Whittle et al., 2014; Van Brenk et al., 2022), or is a powerful 'myth' constructed through 'rituals of verification' (Power, 1997). In the spirit, perhaps, of Miller (1992), who suggests that the 'objectivity' of accounting is always programmatic; part of the necessary illusion that accountancy is required to maintain in order to remain effective in the organising economic life. Meanwhile, much of the qualitative literature that more specifically takes up the empirical question of audit quality remains 'descriptive' (Lukka and Modell, 2017), without explicitly critical or interventionist intent and with little focus on how our choice of participants can influence our findings.

In attempting to move this discussion further, we have drawn in this paper on two classic texts in the feminist science studies literature – Harding's (1991) 'Whose Science? Whose Knowledge', and Haraway's (1991) 'Simians, Cyborgs, and Women: The Reinvention of Nature'. This was useful given the broad focus and mixed methods nature of this study, with participants from a range of social backgrounds, different office locations, and different service lines within the firm addressing a firm wide issue (the AQDS). In extending such theorisations, one could look to the considerable literature that has since developed in the feminist science studies (Harding, 2008; Rivers, 2019) and similarly across what is sometimes referred to as feminist New Materialisms (see Coole and Frost, 2010). With sufficient access to working papers and audit methodologies, such approaches could provide a methodological apparatus to explore the knowledge construction process across areas of the file under particular regulatory scrutiny (for example the audit of revenue, provisions, judgements and estimates, Going Concern, journals testing, controls, and so on). Furthermore, drawing on more foundational contributions at the ontological level (Barad, 2003, 2007) one could follow the distributed material-discursive agency, agential cuts, and performative iterations (Scott and Orlikowski, 2012) through which the phenomenon of audit quality is produced at the financial statement line item and assertion level. Or, similarly, following the reconstruction of the evidence base or specific testing methodologies through and with the reconstruction of professional identity and ethics (Brackley et al., 2021).

The adoption of such approaches in future critical accounting research would emphasise the political aspects of knowledge production, and the various vested interests and social relations that currently embed conflicts of interests – the wider public interest versus the economic interests of audit partners – into the existing regime of audit quality. This study suggests that these conflicts are already understood by many in the industry, and that there is a critical potential among junior auditors that could be developed into more serious operational independence (Guénin-Paracini et al., 2015), reflexivity, and challenge. Such a shift will, however, likely require greater resource flexibility when audit issues are identified, a re-shaping of client expectations (Carlisle et al., 2022), and a re-coupling

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of audit quality with performance management practices and career progression opportunities (Carter and Spence, 2014). Further research is needed to conceptualise, address, and analyse the relationships between regulatory reforms and the potential unintended consequences of such reforms – for example, the outcomes of the AQDS documented in this study.

Finally, we have left somewhat open in this paper what we mean by the wider public interest and, consequently, what we mean by audit failure, choosing to stick closely to well established understandings of audit failure as documented in examples provided in the opening paragraph of this paper. That is to say, audit failure as auditors providing the incorrect audit opinion, in the context of the international standards on audit, external quality review, and the existing (rather complex) system of statutory and non-statutory regulation in the UK. This has provided a picture of why it is audit appears to be failing on its own terms. With reference to Vollmer (2021), Sikka (2015), or others, however, we could, look to the move in the critical accounting field towards the opening-up of our research to wider agential, political, and planetary concerns. For example, looking at how public and planetary concerns are served by the new sustainability assurance requirements (IAASB, 2023), or other non-statutory performance and public value audits reproduce or conflict with notions of the public interest. Such questions are beyond the scope of this paper, but appear to be well worthy of further study via a critical interventionist approach.

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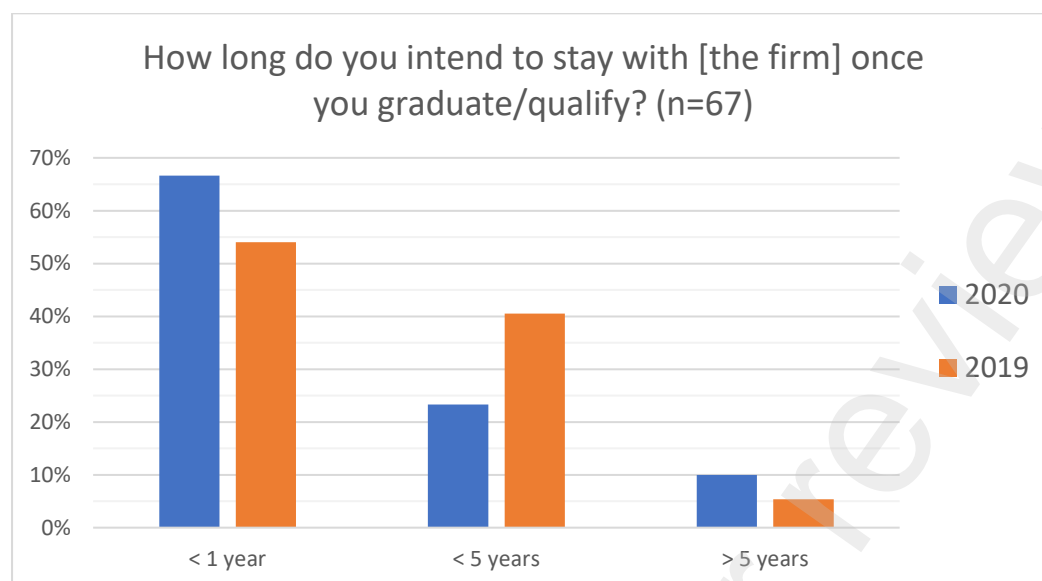
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Appendix A

How long do you intend to stay with [the firm] once you graduate/qualify? (n=67)

*For 2020 n=30. For 2019 n=37 with one non-response.

Appendix B

Participant code	Length of interview	Years of experience	Professional exam status
Audit junior #1, 2018	55 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #2, 2018	49 minutes	5 years	Professional & Advanced stage completed.
Audit junior #3, 2018	43 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #4, 2018	42 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #5, 2018	60 minutes	5 years	Professional & Advanced stage completed.
Audit junior #6, 2018	56 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #7, 2018	43 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #8, 2019	75 minutes	5 years	Professional stage completed. Advanced stage remaining.
Audit junior #9, 2019	94 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #10, 2019	58 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #11, 2019	61 minutes	4 years	Professional stage completed. Advanced stage remaining.

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Audit junior #12, 2019	59 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #13, 2019	89 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #14, 2019	82 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #15, 2019	71 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #16, 2019	127 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #17, 2019	100 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #18, 2019	81 minutes	4 years	Professional stage completed. Advanced stage remaining.
Audit junior #19, 2020	81 minutes	4 years 7 months	Professional & Advanced stage completed.
Audit junior #20, 2020	63 minutes	4 years 7 months	Professional & Advanced stage completed.
Audit junior #21, 2020	52 minutes	4 years 7 months	Professional & Advanced stage completed.
Audit junior #22, 2020	61 minutes	4 years 7 months	Professional & Advanced stage completed.
Audit junior #23, 2020	75 minutes	4 years 7 months	Professional & Advanced stage completed.
Audit junior #24, 2020	82 minutes	4 years 7 months	Professional & Advanced stage completed.
Audit junior #25, 2020	78 minutes	4 years 7 months	Professional & Advanced stage completed.
Audit junior #26, 2020	77 minutes	4 years 7 months	Professional & Advanced stage completed.
Audit junior #25, follow-up 2020	53 minutes	5 years 10 months	Professional & Advanced stage completed.
	31 hours 7 minutes		

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Learning to play the game? Junior auditors and a standpoint perspective on audit quality in a Big-4 accounting firm

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Abstract

Following numerous high-profile scandals and corporate failures, the issue of audit quality continues to be subject to extensive debate among practitioners, policy makers and academics. Meanwhile, a growing 'cross-paradigm' literature has developed, seeking to better understand audit failure at the level of the audit team, and through the range of cultures and working practices in accounting firms. In this paper, we conduct a standpoint analysis of audit quality from the perspective of junior auditors with a view to making the following contributions. First, we suggest a retheorisation of audit quality via a critical performativity (Lukka and Becker, 2023) framework, suggesting that a critical perspective, drawn from those who do not hold strong vested interests, might provide for a stronger and more meaningful basis from which to intervene in audit practice. Second, drawing on this framework, we make an empirical contribution via a multi-method qualitative study, finding that a firmwide initiative to address high profile audit failure exacerbated existing problems relating to overwork, deadline pressure, and a culture of getting the job done at all costs. We find that the audit quality initiative focused attention on producing 'auditable' documentation trails rather than genuine scrutiny of the client or greater operational independence. Ultimately, we conclude that the current regime for 'audit quality' was in fact marginalising critical voices and embedding a culture in which audit quality and audit failure came to be reconstructed as one and the same phenomenon.