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DETERMINANTS OF AUDIT QUALITY IN NIGERIA

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ABSTRACT

This study examines the relationship between audit attributes and audit quality in Nigeria. This study used correlational research design. The aim of the study is to ascertain whether auditor's work experience, auditor's professionalism, auditor's knowledge, auditor's integrity, auditor's objectivity and auditor's independence have relationship with audit quality. The population of this study was 400 auditors working in audit firms regulated by professional bodies in Abuja, Nigeria. Sample size of 80 was ascertained using Yamane Taro sample size technique, out of which 75 responses were received from the respondents. An ordinal regression data analysis method via Statistical Package for the Social Sciences (SPSS) was used as the technique for data analysis. Findings revealed that auditor's work experience, auditor's professionalism, auditor's knowledge, auditor's integrity and auditor's independence have statistical significant positive relationship with audit quality while auditor's objectivity has a statistical significant negative relationship with audit quality. This study recommends that accounting profession should promote joint audit so as to improve the experience of the inexperienced external auditors.

Keywords: Auditor's Independence, Auditor's Professionalism, Audit Quality, Auditor's Integrity

Introduction

The scandal and subsequent failure of Intercontinental Bank, Fin Bank, Afri-Bank, and Oceanic Bank is still fresh in the minds of its shareholders in Nigeria. The auditors of Intercontinental and Oceanic Bank had issued an unqualified report that was forwarded to Central Bank of Nigeria (CBN) in 2009, shortly after the unqualified report by the external auditors, these banks failed and were acquired by other banks based on CBN intervention. Afri-Bank failed in 2011 and the licence revoked while for Fin Bank, it was liquidated 2012.

On the global front, Wirecard AG in Germany had increased its earnings by €1.9 billion, this was discovered by Ernst & Young, the external auditor of which an unqualified report was issued. In June 2020 the company announced that €1.9 billion amount likely did not exist. It owed €3.2 billion in debt. From investigation, it was discovered that the allegations of accounting malpractices had trailed the company since the early days of its incorporation, reaching a peak in 2019. On 25 June 2020, Wirecard AG filed for insolvency.

Accounting profession is a profession of public trust, hence, the work of the auditor is to provide reasonable assurance regarding the financial statements (Ramdin, 2023; Ugochukwu & Esona, 2020, Kartini, Pontoh & Yolanda, 2021; Bantie, 2017). This work comes with a great

responsibility towards the public mostly because of the competence and the integrity of the auditor. The public expects free and impartial assessment of the information presented by the company's management in the financial statements (Ramlah, Syah & Dara, 2018; Okechukwu, Jimba & Kayode, 2022; Asmara, 2016; Chersan, 2019; Amahalu, 2017).

Auditor's knowledge is a function of education and work experience. Integrity requires that an auditor should be honest and straightforward in all his professional dealings, and that the auditor is not affected, and is not seen to be affected, by conflicts of interest. Objectivity is a personal behavioural characteristic concerning the auditor's state of mind, independence relates to the circumstances surrounding the audit, including the financial, employment, business and personal relationships between the auditor and the audited entity and its connected parties. Professionalism entails that an auditor must not do anything that will bring the profession to disrepute. This implies that an auditor should not embark on discreditable acts to the auditing profession.

Alsughayer (2021) posit that auditor's professional competence relates to the auditor's ability to practically and skillfully apply gained knowledge and possessed experience in performing the auditing process objectively, carefully, and accurately. The study of Aliu, Okpanachi and Mohammed (2018) argued that auditor's independence represents the means by which an auditor demonstrates that he can perform his task in an objective manner. If doubts are sometimes expressed regarding the independence of external auditors as most auditors could reach audit opinions and judgments that are heavily influenced by the wish to maintain good relations with the client company. Shareholders may not rely on their opinion because the auditors can no longer be said to be independent (Okechukwu & Ene, 2023)

As at August 2008, the Intercontinental Bank had total asset base of ₦1.7 trillion, liquid asset of ₦1.6 billion, paid-up capital of ₦230 billion, 330 branches across Nigeria and 10 subsidiaries. What could have been the cause of the failure and subsequent takeover of these banks? This study seeks to unravel, in practice, first, whether there is a nexus between audit attributes and audit quality. Secondly, empirically studies have been conducted to ascertain the effect of audit attributes on audit quality. The study of Takdir, Ode and Novitasari (2023), Zahmatkesh and Rezazadeh (2017), Asri and Suariedewi (2023), Dewi, Kadir and Indrijawati (2021), Ramadhani and Eliada (2020), Ramlah, Syah and Dara (2018), Dianeke, Prabowo and Suhartini (2021), Bouhawia, Irianto and Baridwan (2015), Arifin, July and Wilsa (2022), Habibi, Ibrahim and Fahlevi (2020), Aljaaidi, Abidin, Hassan (2021), Aliu et al. (2018) were conducted to ascertain whether auditor's work experience, auditor's professionalism, auditor's knowledge, auditor's integrity, auditor's objectivity and auditor's independence have relationship with audit quality, they all agreed that there is a positive and significant relationship between auditor's attribute and audit quality. On the contrary, the study of Effendi, Gamal, Purwoko and Jalil (2020), Ramdin (2023), Dania, Wardayati, Wahyuni, Arianto and Ningsih (2019) documented an insignificant negative relationship between audit attributes and audit quality.

Review of Conceptual Literature

Auditor's competence can be seen from the dimensions of knowledge and experience (Ramlah et al., 2018; Crucean & Hategan, 2019; Asmara, Putra & Yendrawati, 2021). Takdir, Ode and Novitasari (2023) opined that auditor competence is a skill that an auditor obtain to conduct

audits objectively as measured by experience, education, attitudes, skills and knowledge of facts and procedures. Zahmatkesh and Rezazadeh (2017) define work experience as a learning process and increase of potential development of good behaviour from formal and non-formal education; they consider it a process of bringing a person to a higher behaviour pattern. An employee having high work experience will have advantages to detect, understand and look for what causes the error. Ramlah, Syah and Dara (2018) opined that a competent person is a person who with his skills, does the job easily, quickly, intuitively and very rarely or never make mistakes.

Iryani (2017) opined that professionalism is the attitude or spirit required by an accountant to uphold the profession's public image and pursue the science and substance of work in that field.

According to Mathur (2016), professionalism refers to the identification and involvement of individuals towards moral and ethical values. Bouhawia, Irianto and Baridwan (2015) noted that integrity requires not just honesty but quality-related attribute such as justice, honesty, courage, intellectual honesty and confidentiality. Integrity requires that the auditor is not affected, and it does not look affected, with conflicting interests of certain parties. The Public Accountant Professional Code of Ethics 2020 as cited in the study of Dianeke, Prabowo and Suhartini (2021) argued that integrity is a way of being straightforward and honest in all professional and business relationships.

According to Asmara (2016) audit objectivity refers to the impartiality of the auditor's judgment. This is achieved by having the appropriate skills and experience to make objective judgments about the situation being assessed. This implies that an auditor does not take sides in a dispute. Auditors are expected to remain impartial, and the audit is done based on facts. Habibi, Ibrahim and Fahlevi (2020) infer that audit objectivity involves the ability of an auditor to provide an opinion that is not biased on financial report issued by a client. Self interest threat, self review threat, familiarity, intimidation and advocacy threat impair auditor's objectivity. Aliu et al. (2018) refers to auditor's independence as the ability of the external auditor to act with integrity and impartiality during his auditing functions.

Empirical Review

The empirical review conducted in this study centered on auditor's work experience, auditor's professionalism, auditor's knowledge, auditor's integrity, auditor's objectivity and auditor's independence.

Auditor's Work Experience and Audit Quality

According to Bouhawia, Irianto and Baridwan (2015), audit experience is related to how long the auditor works and to how many audit engagements have been completed. Technically, the audit expertise will increase with more experience in doing audit tasks.

The study of Zahmatkesh and Rezazadeh (2017) was to ascertain the effect of work experience on audit quality. Data were collected using questionnaire from all the listed companies in Iran for year 2016. The regression analysis revealed that audit work experience has a significant and positive effect on audit quality. This implies that if people with high experience are employed, it will increase audit quality, as auditor's experience increase, an auditor gain a

deeper knowledge and better judgment to achieve audit quality. Takdir et al., (2023) examined the effect of competence on audit quality of 49 government internal supervisors at Kendari City Inspectorate. Competence was measured using experience. The analytical method used was Partial Least Square (PLS). Finding revealed that competence has a positive and significant effect on audit quality.

Effendi et al., (2020) examined auditor's competence and audit quality of 44 auditors from public accounting firms in Batam, Indonesia. Auditor's competence was proxied by auditor's experience. Data were generated through distributed questionnaires. Multiple linear regression was used for data analysis and it was discovered that auditor's experience has an insignificant negative effect on audit quality. The study of Wakidin (2018) was to determine the effect of auditor competence proxied by auditor's work experience in the Manado City Inspectorate. The study administered questionnaire to 30 auditors at the Manado City Inspectorate. Data were analysed using multiple regression analysis. It was discovered that auditor's work experience has a negative significant effect on audit quality.

H_{o1}: Auditor's work experience has no significant relationship with audit quality.

Auditor's Professionalism and Audit Quality

Trust, accountability and timely completion of work are among the determinants established in audit standards that improve audit quality for auditors. Asri and Suariedewi (2023) used 50 respondents from questionnaire distributed to determine the effect of professionalism on audit quality. Structural Equation Modeling-Partial Least Square (SEM-PLS) was used to analyse the data. Finding showed that professionalism has a positive and significant effect on audit quality. The study of Iryani (2017) was to determine the effect of auditor's professionalism on audit quality. 97 respondents from 18 Public Accountant Firm in South Jakarta were used to conduct the study. Multiple linear regression analysis was used to determine the effect and it was discovered that auditor's professionalism has a significant and positive effect on audit quality.

Mathur (2016) studied the direct effect of professionalism of auditor on audit quality. The study used Structural Equation Modelling (SEM) as the tool for analysis and the sample size was 250 internal auditors who works with the Central Government in Jakarta were used. Finding showed that auditor's professionalism has a significant and positive effect on audit quality. The study of Dewi et al. (2021) was to determine the effect of auditor's professionalism on audit quality. The study administered questionnaire to 54 respondents who worked as an auditor for more than 2 years at the inspectorate office of West Sulawesi Province. From the survey research design, it was discovered that auditor's professionalism has a positive and significant effect on audit quality. On the contrary, the study of Ramadhani and Eliada (2020) found that auditor's professionalism has a positive but an insignificant effect on audit quality.

H_{o2}: Auditor's professionalism has no significant relationship with audit quality.

Auditor's Knowledge and Audit Quality

Ramlah et al., (2018) used 31 auditors who work at the Makassar city public accountant office to ascertain whether auditor's competence measured by auditor's knowledge affect audit quality. The result from the multiple linear regression revealed that there is a significant and

positive effect of auditor's knowledge on audit quality. The study of Ramlah, Sappewali, Ishak, Dwiyanti and Pontoh (2019) was to find out whether educational knowledge affects auditor's quality. The study used primary data obtained from questionnaires, 37 auditors from Inspectorate office of Selayar islands were used. From the multiple linear regression, it was discovered that auditor's educational knowledge has significant and positive effect on audit quality.

Ramadhani and Eliada (2020) examined factors that affect audit quality, one the factors examined was auditor's knowledge. The study made used of 89 auditors from public accounting firm in Jakarta. Data was collected using questionnaire and multiple linear regression was used to analyse the data. The result of the study indicated that knowledge has a positive and significant effect on audit quality. An opposing finding from the study of Ramdin (2023) was to ascertain the effect auditor's competence proxied by auditor's education on audit quality of selected listed companies on the Surinamese Stock Exchange from 2013 to 2019. Finding showed that there is an insignificant negative effect of auditor's education on audit quality.

H_{O3}: Auditor's knowledge has no significant relationship with audit quality.

Auditor's Integrity and Audit Quality

Integrity principle requires that auditors should be honest, courageous, wise, and should be responsible to build confidence that leads to reliable decisions. Alsughayer (2021) examined impact of auditor's integrity on audit quality. 102 questionnaires were distributed to auditors in auditing firms in Saudi Arabia. The result revealed that integrity has significant impact on audit quality. The study of Bouhawia et al., (2015) used 82 auditors as respondents from quoted companies in Libya to examine how integrity affects audit quality. The regression analysis showed that integrity has a significant influence on audit quality.

Dianeke et al., (2021) conducted a study to ascertain whether auditor's integrity affect audit quality. 36 auditors at public accounting firms in Surabaya were used to ascertain the effect. Data were analyzed using SmartPLS and it was discovered that auditor's integrity has significant positive effect on audit quality. Contrary, Dania et al., (2019) examined the effect of auditor's integrity on the quality of audit results at internal control unit of Jember University using multiple linear regression analysis. The respondents are all functional auditors who work in the Internal Control Unit of Jember University. Finding revealed a negative and insignificant effect of auditor's integrity on audit quality.

H_{O4}: Auditor's integrity has no significant relationship with audit quality.

Auditor's Objectivity and Audit Quality

Audit objectivity refers to the fact that an auditor's professional judgment is not influenced by personal interest or bias (Asmara, 2016). According to Dania et al., (2019), the principle of objectivity requires members to be fair, impartial, honest, not biased, and free from conflicts of interest or under the influence of other parties. Habibi et al., (2020) examined the extent to which objectivity influence audit quality. 73 auditors working in Pidie and Pidie Jaya districts' inspectorate offices in 2017 was used as the sample size. Multiple linear regression was used

to analyse the data. The results showed that objectivity has a significant positive effect on audit quality.

The study of Ginting, Muda and Absah (2022) used 48 auditors and functional officials in the Inspectorate Office of Karo Regency to ascertain the effect of auditor's objectivity on audit quality. Data was analyzed using Partial Least Square (PLS) approach. Finding showed that auditor's objectivity has a negative and statistical significant effect on audit quality. An opposing study conducted by Arifin et al., (2022) analyzed the effect of auditor's objectivity on the quality of audit report. The study administered questionnaire to 70 auditors working at BPKP from the Financial and Development Supervisory Agency of North Sumatra. The analytical technique used was multiple linear regression analysis. Finding revealed that auditor's objectivity has significant and positive effect on audit quality.

H_{O5}: Auditor's objectivity has no significant relationship with audit quality.

Auditor's Independence and Audit Quality

Difference studies had arrived at opposing result on whether audit fees enhance audit quality. This study used audit fees to measure auditor's independence. The study of Aliu et al. (2018) examined the effect of auditor's independence proxied by audit fees on audit quality of 9 listed oil and gas companies on the Nigeria Stock Exchange from 2007 to 2016. Panel data were analyzed using binary logit regression technique. Finding revealed that there is a significant positive relationship between audit fees and audit quality. Aljaaidi et al., (2021) examined the association between audit fees and audit quality using a total of 212 non-financial companies listed on the Stock Exchanges of the five members of the Gulf Cooperation Council (Saudi Arabia, Oman, Qatar, Bahrain, and The United Arab Emirates) between 2005–2010. From the ordinary least square regression, the result showed that there is a significant positive association between audit fees and audit quality.

Audit fees depend on the risk of the assignment, the complexity of the services provided, the level of expertise required to carry out these services. Yuniarti, Novriela and Rahmadona (2021) studied the effect of audit fees on audit quality of 11 manufacturing companies listed on the Indonesia Stock Exchange for the period 2017-2020. Data analysis technique was logistic regression analysis. It was discovered from the study that audit fees have an insignificant but positive effect on audit quality. The study of Hoitash, Markelevich and Barragato (2007) examined the relationship between fees paid to auditors and audit quality from 2000 to 2003. The study documented a statistically significant negative association between total audit fees and audit quality.

H_{O6}: Auditor's independence has no significant relationship with audit quality.

Theoretical Framework

Two theories such as theory of reasoned action and stakeholder theory are applicable to this study

Theory of Reasoned Action

TRA was developed by Ajzen and Fishbein (1980), they postulated that the intention to perform a behaviour follows reasonably (but not necessarily rationally) from specific beliefs

that people hold about the behaviour, and that people act on their intentions when they have the required skills and when situational factors do not impede behavioural performance. According to Asri and Suariedewi (2023), TRA consists of three general variables, namely behavioural intention, attitude, and subjective norm. What this means is that person's behavioural intention depends on a person's attitude about behaviour and subjective norms (Trafimow, 2009).

Stakeholder Theory

Edward Freeman was the first to publish on stakeholder theory in 1984. He argued that a firm should create value for all stakeholders and not just shareholders. Actions and decisions of companies and auditors affect several agents, these agents and their interest must be protected. Company's management always has personal interests that conflict with the interests of investors as company stakeholders (Ramadhani & Eliada, 2020). Auditor must uphold public trust by being objective and independent in expressing audit opinion, an audit of financial statement by an auditor is to reduce the conflict, promote audit quality and above all provide an assurance to the stakeholders that the company's operations comply with the relevant laws and regulation. The significance of TRA and stakeholder theory to audit quality is that the intention and behaviour of an auditor must be for the greater benefit of the public (stakeholder), which is to uphold public trust.

Research Methodology

This study adopts correlational research design. Data was collected through a self-designed questionnaire using Google online form. The questionnaire included an introductory cover outlining the research objectives and the author's assurance of confidentiality of information to encourage participants to answer freely and gain high response rate. The questionnaire was structured in seven concise sections to collect information from auditors in accounting firms and address the research hypotheses. The first section covers general information. Sections two to seven cover the six hypotheses of this study which include auditor's experience, knowledge, integrity, professionalism, objectivity and independence. Five-point Likert scale were administered to respondents ranging from 5 = Strongly Agree, 4 = Agree, 3 = Undecided, 2 = Disagree and 1= Strongly Disagree.

The population of this study was 400 auditors working in audit firms regulated by professional bodies in Abuja, Nigeria. Sample size was 80 and it was ascertained using Yamane Taro sample size technique.

$$n = \frac{N}{1 + N(e)^2}$$

Description:
n = sample size
N = population
e = degree of error is within tolerable limits, this study used 10 % .
Based on the Yamane Taro formula, the sample size is calculated as follows:

$$n = \frac{400}{1 + 400(0.1)^2} = 80$$

This study used ordinal regression data analysis method from SPSS version 16.0 to ascertain the effect of auditor's attributes on audit quality. A total of 80 copies of the questionnaires were administered via Google online form, out of which 75 responses were received. This represents 93% response rate and compares favourable with prior studies that have employed similar data collection method. For instance, in the study of Zahmatkesh and Rezazadeh (2017), only 102 completed copies of questionnaires were received from 200 questionnaires administered, representing a response rate of about 51%. Asri and Suariedewi (2023), administered 70 questionnaires and received 50 of the questionnaires representing 71%. Finally, the study of Ramadhani and Eliada (2020) administered 91 questionnaires out of which, 89 were completed by the respondents representing 98%.

The model below represents the regression equation used in this study

$AUQ = F(AWE, APR, AKN, AIT, AOB, AID, \mu)$..... (1)
The above model can also be written as
$AUQ = \beta_0 + \beta_1 AWE + \beta_2 APR + \beta_3 AKN + \beta_4 AIT + \beta_5 AOB + \beta_6 AID\ \mu$.....(2)

Where
AUQ = Audit Quality
AWE = Auditor's Work Experience
APR = Auditor's Professionalism
AKN = Auditor's Knowledge
AIT = Auditor's Integrity
AOB = Auditor's Objectivity
AID = Auditor's Independence
β = coefficient of the parameter
it = Time coefficient
μ = error term

Characteristics of respondents
Table 1 below summarizes the characteristics of the respondents using the respondents' gender, age, experience, accounting firm type, position and professional qualification.

Table 1: Demographic of respondents

		Frequency	Percentage			Frequency	Percentage
Gender	Male	50	66.7	Accounting Firm Type	Local	57	76
	Female	25	33.3		International	18	24
	Total	**75**	**100**		**Total**	**75**	**100**
	18-34	15	20	Position	Managing Partner	6	8
	35-49	47	62.7		Audit Manager	31	41.3

Age	50-69	9	12		Audit Senior	26	34.7
	70 and Above	4	5.3		Audit Assistant	12	16
	Total	**75**	**100**		**Total**	**75**	**100**
Experience	0-5	10	13.3	Professional Qualification	Not Qualified	8	10.7
	6-10	37	49.3		Partly Qualified	20	26.6
	11 and Above	28	37.4		Qualified	47	62.7
	Total	**75**	**100**		**Total**	**75**	**100**
Education	Higher Diploma	11	14.7				
	Bachelor	38	50.7				
	Masters	20	26.6				
	PhD	6	8				
	Total	**75**	**100**				

Source: Author's Compilation

66.7% were male respondents, this evidence a call for a greater female participation in accounting profession in Nigeria, 62.7% of the respondents were between 35 and 49 years this clearly shows youthful dominance of accounting profession which is significant in the sustainability of any profession. 49.3% of the respondents have experience of up to ten years while 37.4% of the respondents have experience above 11 years.

Majority of the respondents representing 76% work in locally owned audit firms in Nigeria while 24% work with the Big 4 audit firms operating in Nigeria. The respondents from the locally owned audit firm strongly represent the local content that will enrich this study. 41.3% of the respondents and 34.7% of the respondents were audit manager and audit senior respectively, this justifies the validity of the respondents since major field audit are carried out by audit manager and audit senior, Again, this makes the data more realistic and robust. The demographic of the respondents showed that 62.7% are professional accountants while 26.6% are in the process of becoming a chartered accountants, this implies that majority of the respondents already have background knowledge of accounting and the content of the questionnaire from an auditing perspective is not strange to the respondents. 50.7% of the respondents have Bachelor degree, this indicates that majority of the respondents have relevant rudiment knowledge in the area of the study as captured in the questionnaire. 26.6% of the respondents have Master degree which again strengthens the postulation that the survey were administered to the right respondents.

Diagnostic Test

The diagnostic tests conducted in this study include cronbach's Alpha, descriptive statistics, tests of normality, model fitting information, goodness of fit, Pseudo R-Square, spearman rank correlation and test of parallel lines. If the likert scale data is normally distributed, a parametric method is adopted, linear regression and pearson correlation test should be conducted. If it is otherwise, that is, the likert scale data is not normally distributed, a non parametric method is adopted, ordinal regression and spearman rank correlation should be conducted.

Table 2: Cronbach's Alpha

Variable	Cronbach's Alpha	Decision
Auditor's Work Experience	0.65	Reliable
Auditor's Professionalism	0.72	Reliable
Auditor's Knowledge	0.68	Reliable
Auditor's Integrity	0.79	Reliable
Auditor's Objectivity	0.81	Reliable
Auditor's Independence	0.85	Reliable

Source: SPSS 16.0

Cronbach's alpha tests to see if multiple-question Likert scale surveys are reliable. Cronbach's alpha is a measure used to assess the reliability, or internal consistency, of a set of scale or test items. Cronbach's alpha is one way of measuring the strength of that consistency. The study of Alsughayer (2021), Bouhawia et al. (2015) opined that 60% and above is a reliable and hence an acceptable reliability coefficient level.

Table 3: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
AUQ	75	0.30	1.30	0.8213	0.34371	.032	.277	-1.774	.548
AWE	75	0.00	0.01	0.0057	0.00091	-.627	.277	-.889	.548
APR	75	2.00	3.18	2.9015	0.31866	-1.596	.277	1.505	.548
AKN	75	3.00	4.00	3.6400	0.48323	-.595	.277	-1.691	.548
AIT	75	1.00	1.40	1.1694	0.10622	-.008	.277	-.537	.548
AOB	75	0.61	0.84	0.7337	0.05804	.301	.277	-1.064	.548
AID	75	4.24	6.74	5.7640	0.46326	-.104	.277	.156	.548
Valid N (listwise)	75								

Source: SPSS 16.0

Table 3 shows the descriptive statistics, this study is interested on the skewness and kurtosis. Divide the statistic of the skewness by the standard error, likewise for kurtosis, divide the statistic by the standard error, if all the answer lies between -1.96 and +1.96, it means that the data is normally distributed. The skewness and kurtosis shows that the data is not normally distributed and the tests of normality further proved that the data is not normally distributed. Hence, ordinal regression analysis is used to test relationship for data that is not normally distributed.

Table 4: Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
AUQ	0.272	75	0.000	0.815	75	0.000
AWE	0.182	75	0.000	0.887	75	0.000
APR	0.230	75	0.000	0.758	75	0.000
AKN	0.412	75	0.000	0.607	75	0.000
AIT	0.205	75	0.000	0.923	75	0.000
AOB	0.133	75	0.002	0.934	75	0.001
AID	0.097	75	0.079	0.950	75	0.005
a. Lilliefors Significance Correction						

Source: SPSS 16.0

Test of normality in table 4 is used to ascertain whether data is normally distributed or not. Kolmogorov-Smirnov is used for data set that is above sample of 100 while Shapiro-Wilk is used for data set that is below sample size of 100. Since the data set in this study is below sample size of 100, the emphasis will be on Shapiro-Wilk. From the table above, it shows that Shapiro-Wilk is statistically significant, hence the data is not normal distributed. This is a further proof that the study should adopt the ordinal regression analysis.

Table 5: Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	274.5			
Final	230.924	43.576	6	0.000
Link function: Logit.				

Source: SPSS 16.0

The model fitting information explains how well the model fit the data. It is statistically significant at 0.00, this means that the model fit the data.

Table 6: Goodness of Fit

	Chi-Square	df	Sig.
Pearson	418.483	512	0.999
Deviance	230.924	512	1.000
Link function: Logit.			

Source: SPSS 16.0

The Goodness of Fit of table 6 contains the Pearson and Deviance Chi-Square test which are used to determine whether a model exhibit good fit to the data, non significant result signifies that the model fit the data very well. From the table above, Pearson showed a 0.999 which is higher than 0.05 and Deviance revealed a 1.000 which is also higher than 0.05. Both Pearson and Deviance showed a non significant value, this clearly means that the model fit the data.

Table 7: Pseudo R-Square

Cox and Snell	0.626
Nagelkerke	0.627
McFadden	0.117
Link function: Logit.	

Source: SPSS 16.0

Emphasis on the Pseudo R-Square from table 7 is on the Nagelkerke. Unlike the adjusted R-Square for a linear regression, in ordinal regression, Pseudo R-Square is used. 0.627 indicate that 62.70% change in audit quality is as a result of auditor's work experience, auditor's knowledge, auditor's integrity, auditor's professionalism, auditor's objectivity and auditor's independence. This means that 62.70% change of the dependent variable is as a result of the independent variable.

Table 8: Spearman Rank Correlation

			AUQ	AWE	APR	AKN	AIT	AOB	AID
Spearman's rho	AUQ	Correlation Coefficient	1.000						
		Sig. (2-tailed)	.						
		N	75						
	AWE	Correlation Coefficient	0.422**	1.000					
		Sig. (2-tailed)	0.000	.					
		N	75	75					
	APR	Correlation Coefficient	0.498**	0.722**	1.000				
		Sig. (2-tailed)	0.000	0.000	.				
		N	75	75	75				
	AKN	Correlation Coefficient	-0.069	0.036	0.032	1.000			
		Sig. (2-tailed)	0.558	0.760	0.788	.			
		N	75	75	75	75			
	AIT	Correlation Coefficient	-0.014	0.048	0.231*	-0.129	1.000		
		Sig. (2-tailed)	0.903	0.681	0.046	0.269	.		
		N	75	75	75	75	75		

	AOB	Correlation Coefficient	-0.244*	0.029	-0.201	0.188	0.229*	1.000	
		Sig. (2-tailed)	0.035	0.802	0.084	0.106	0.048	.	
		N	75	75	75	75	75	75	
	AID	Correlation Coefficient	0.329**	-0.123	0.206	-0.017	-0.04	-0.312**	1.000
		Sig. (2-tailed)	0.004	0.294	0.077	0.883	0.736	0.006	.
		N	75	75	75	75	75	75	75
**. Correlation is significant at the 0.01 level (2-tailed).									
*. Correlation is significant at the 0.05 level (2-tailed).									

Source: SPSS 16.0

A not normally distributed likert scale data means that non parametric method should be adopted which give rise to ordinal regression and spearman rank correlation. Table 8 above shows the spearman rank correlation. The spearman rank correlation findings suggest that there is moderate relationship between auditor's professionalism and audit quality at 0.498, while between auditor's work experience, auditor's knowledge, auditor's integrity, auditor's objectivity, auditor's independence and audit quality, there was no relationship.

Table 9: Test of parallel Lines

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Null Hypothesis	230.924			
General	204.716[a]	26.208[b]	36	0.885

Source: SPSS 16.0

Test of parallel lines from table 9 test for the assumption of proportional odds, this is to ensure that the test of parallel lines has not been violated. This test the null hypothesis that the odds of each explanatory variable are consistent or are the same across different threshold of the outcome variable. The test should not be statistically significant in order to be sure that the study has not violated the assumption of the proportion odds. Since the Sig. value of 0.885 is higher than 0.05, it means that the study has not violated the assumption of the proportion odds.

Table 10: Parameter Estimates

		Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
							Lower Bound	Upper Bound
Threshold	[AUQ = .30]	7.548	5.269	2.052	1	0.152	-2.779	17.876
	[AUQ = .48]	10.650	5.359	3.949	1	0.047	0.146	21.154
	[AUQ = .60]	12.048	5.394	4.989	1	0.026	1.476	22.620
	[AUQ = 1.08]	12.505	5.404	5.355	1	0.021	1.914	23.097

	[AUQ = 1.11]	12.659	5.407	5.481	1	0.019	2.061	23.257
	[AUQ = 1.18]	14.212	5.439	6.826	1	0.009	3.550	24.873
	[AUQ = 1.23]	16.042	5.487	8.548	1	0.003	5.288	26.796
Location	AWE	519.975	335.892	2.396	1	0.022	1178.31	138.361
	APR	5.886	1.321	19.848	1	0.000	3.297	8.476
	AKN	0.399	0.466	0.735	1	0.031	0.514	1.312
	AIT	1.398	2.299	0.370	1	0.043	5.903	3.107
	AOB	-6.566	4.256	2.380	1	0.023	-14.908	1.775
	AID	0.455	0.522	0.760	1	0.033	-0.568	1.478
Link function: Logit.								

Source: SPSS 16.0

Discussion of Findings

There is a statistical positive significant relationship between auditor's work experience and audit quality as explained by the Sig. value of 0.022 and the Estimate of 519.975. This revealed that a one unit increase on auditor's work experience lead to 519.975 increase in audit quality. This implies that auditor's work experience is associated with audit quality. Based on the empirical evidence in respect of auditor's work experience, the null hypothesis of the study which states that auditor's work experience has no significant relationship with audit quality is rejected and the alternative hypothesis that states that auditor's work experience has significant relationship with audit quality is accepted. This finding is consistent with the findings of Takdir, Ode and Novitasari (2023), Zahmatkesh and Rezazadeh (2017) who documented a significant positive relationship between auditor's work experience and audit quality. This finding is however inconsistent with the study of Effendi, Gamal, Purwoko and Jalil (2020) who documented an insignificant negative relationship between auditor's work experience and audit quality.

Auditor's professionalism has a statistical significant positive relationship with audit quality. This is because the Sig. value is 0.000 and the Estimate is 5.886. For every one unit increase in auditor's professionalism, there is a predicted increase of 5.886 on audit quality. This means that auditor's professionalism is associated with audit quality. Based on this result, the null hypothesis which states that auditor's professionalism has no significant relationship with audit quality is rejected and the alternative hypothesis that state that auditor's professionalism has significant relationship with audit quality is accepted. This result is consistent with the finding of Iryani (2017), Mathur (2016), Dewi, Kadir and Indrijawati (2021). This result is inconsistent with the finding of Ramadhani and Eliada (2020) who found that auditor's professionalism has a positive but an insignificant effect on audit quality.

Auditor's knowledge from continuing profession education has statistical significant positive relationship with audit quality from the Sig. value of 0.031 and the Estimate of 0.399. For every one unit increase in auditor's knowledge from continuing profession education, there is a predicted increase of 0.031 on audit quality. This means auditor's knowledge is associated with audit quality. From this result, the null hypothesis which states that auditor's knowledge has no significant relationship with audit quality is rejected and the alternative hypothesis that state that auditor's knowledge has significant relationship with audit quality is accepted. This finding agrees with the study of Ramlah et al. (2019), Ramadhani and Eliada (2020), Ramlah et al. (2018) who found that auditor's integrity has significant and positive effect on

audit quality. In contrast, the study of Ramdin (2023) found an insignificant negative effect of auditor's knowledge on audit quality.

There is a positive and statistical significant relationship between auditor's integrity and audit quality as captured in the Sig of 0.043 and 1.398 for the Estimate. This revealed that a one unit increase on auditor's integrity lead to 1.398 increase in audit quality. What this means is that auditor's integrity is associated with enhance audit quality. Based on the empirical evidence in respect of auditor's integrity, the null hypothesis of the study which states that auditor's integrity has no significant relationship on audit quality is rejected, while alternative hypothesis that states that auditor's integrity has significant relationship on audit quality is accepted. This finding aligns with the finding of Dianeke et al. (2021), Bouhawia et al. (2015), Alsughayer (2021) who found a statistical positive relationship between auditor's integrity and audit quality. It is inconsistent with the study of Dania et al. (2019) who found an insignificant negative effect of auditor's integrity on audit quality.

There is a negative and statistical significant relationship between auditor's objectivity and audit quality, this stems from the Estimate of -6.566 and a Sig. of 0.023. This result negates a priori expectations which predicted a positive relationship between auditor's objectivity and audit quality. The negative Estimate implies that a one unit increase on auditor's objectivity will lead to 6.566 decreases on audit quality. Based on this result, the null hypothesis of the study which states that auditor's objectivity has no significant relationship on audit quality is rejected, while the alternative hypothesis that states that auditor's objectivity has significant relationship on audit quality is accepted. This finding is consistent with the study of Ginting et al. (2022) who found negative and statistically significant effect of auditor's objectivity on audit quality. This result is inconsistent with the study of Arifin et al. (2022), Habibi et al. (2020) who documented that auditor's objectivity has a significant positive effect on audit quality.

Auditor's independence has a statistical positive significant relationship with audit quality. This is because the Sig. value is 0.033 and the Estimate is 0.455. For every one unit increase in auditor's independence, there is a predicted increase of 0.455 on audit quality. This implies that auditor's independence is associated with audit quality. Based on the empirical evidence in respect of auditor's independence, the null hypothesis of the study which states that auditor's independence has no significant relationship with audit quality is rejected and the alternative hypothesis that states that auditor's independence has significant relationship with audit quality is accepted. This finding is consistent with the finding of Aljaaidi et al. (2021), Aliu et al. (2018) who documented that there is a significant positive association between auditor's independence measured by audit fees and audit quality. In contrast, the study of Hoitash et al. (2007) found a significant negative association between auditor's independence and audit quality.

Conclusion and Recommendations

This study there conclude that auditor's work experience, auditor's professionalism, auditor's knowledge, auditor's integrity and auditor's independence have statistical significant positive relationship with audit quality while auditor's objectivity has a statistical significant negative relationship with audit quality.

Below are the recommendations from this study:

1. Auditor's work experience is germane to audit quality, accounting profession must also not ignore the fact that those experienced auditors were once inexperienced, hence this study recommend that accounting profession should promote joint audit so as to improve the experience of the inexperienced external auditors.
2. An accountant will uphold the profession's public image to the letter if he belongs to a professional body, this is because, professional bodies have punitive measures to discipline its members, therefore companies should ensure that it is only those accountants affiliated to a professional body are hired. The proliferation of accounting professional bodies which is even promulgated by law in Nigeria is worrisome and unsatisfactory, as this could propel public distrust as a result of the unscrupulous behavior of some the accountants.
3. Continuing profession education is essential to auditor's knowledge, professional bodies over the years has made it mandatory for its members to attend continuing profession education and other seminars, again without any stringent punitive measure for defaulters, revocation of practicing license could send a strong signal of how continuing profession education is of importance to audit quality.
4. Auditor's must be seen to display integrity during an audit exercise, this is crucial so as to preserve the sanctity of public trust, any accountant found wanting should be dealt with but most importantly, professional bodies should organize seminars at least once every year to sensitize all members of the importance to uphold integrity.
5. Auditor's should not be bias in gathering audit evidence and expression of audit opinion. Financial Reporting Council (FRC) of Nigeria has been mandated by (FRC) of Nigeria Act to promote the highest standards among auditors. The council should on an annual basis disclose erring auditors and measures taken against them, this will serve as a deterrent to other auditors who are bias during an audit.
6. Some professional bodies such as Institute of Chartered Accountants of Nigeria established minimum scale of professional fees in 2011 in other to enhance auditor's independence. Clients in negotiating with the external auditors must comply with this minimum scale of professional fees. Professional bodies should review how clients arrive at audit fees, where it is inconsistent with the minimum scale of professional fees, ask the auditor to withdraw from the audit exercise.

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