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Can Emotional Intelligence Help in Reducing Auditor's Engagement in Quality Threatening Behaviours?

Muhammad Amir *

Azman Hashim International Business School, Universiti Teknologi Malaysia, Kuala Lumpur
Malaysia
Hailey College of Commerce, University of the Punjab, Lahore
Pakistan

Siti Zaleha Abdul Rasid

Azman Hashim International Business School, Universiti Teknologi Malaysia, Kuala Lumpur
Malaysia

Shathees Baskaran

Azman Hashim International Business School, Universiti Teknologi Malaysia, Kuala Lumpur
Malaysia

Fadillah Binti Ismail

Faculty of Technology Management & Business, Universiti Tun Hussein Onn Malaysia, Batu Pahat
Malaysia

Faiza Manzoor

Faculty of Technology Management & Business, Universiti Tun Hussein Onn Malaysia, Batu Pahat
Malaysia

**Corresponding author's Email: aamir@hcc.edu.pk*

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lat 306 Savoy Residencia, Block 3 F11/1, 44000 Islamabad. Pakistan,
info@readersinsight.net*

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Research Highlights

Quality Threatening Behaviours (QTBs) in auditing are associated with reduced audit quality and are under the focus of researchers and practitioners for the last two decades following the major corporate failures around the globe. QTBs are a constant threat for audit profession and lawmakers, regulatory bodies, practitioners and researchers are striving to reduce auditors' engagement in these undesirable behaviours. Existing literature advocates that emotional intelligence (EI) meaningfully affects workplace behaviours. Wong and Law (2002) affirm that emotional intelligence is linked to job performance. Emotionally intelligent individuals respond to negative issues related to work in a better way (Greenidge, Devonish, & Alleyne, 2014). On the other hand, individuals who score low on emotional intelligence face problems in regulating emotions instigated by negative work practices reacting in a manner that can be detrimental for the organization and its members (Quebbeman and Rozell, 2002). Emotional intelligence is equally important for individuals in the accounting profession (Daff, de Lange, & Jackling, 2012). Akers and Porter (2003) proclaim that "EI skills are critical for the success of the accounting profession" (p. 65). Auditing is a frantic occupation that causes pressure on auditors (Fisher, 2001) that fetch damaging outcomes. Negative behaviours of auditors are caused by different pressures and lessen the quality of audit, emotional intelligence ability can help auditors in avoiding indulgence in these behaviours (Yang, Brink, & Wier, 2018). Grounding on the role of emotional intelligence at work across different contexts and its ability to negatively affect harmful workplace behaviours, it can be inferred that emotional intelligence can reduce auditors engagement in quality threatening audit behaviours.

Research Objectives

There is a scarcity of research on the relationship between emotional intelligence and quality threatening behaviours. This conceptual paper efforts to comprehend the concept of quality threatening behaviours and emotional intelligence. Additionally, the relationship between emotional intelligence and quality threatening behaviours is also explored. A conceptual relationship between the two constructs is conjectured. Lastly, the study recommends further empirical investigation on the ignored relationship between emotional intelligence and quality threatening behaviours for the better understanding.





Methodology

This study is a review of the literature on the concept of quality threatening behaviours, emotional intelligence, different models of emotional intelligence presented by scholars and the relationship between emotional intelligence and QTBs. Previous literature documented in well-known databases, high ranked journals, conference proceedings etc is comprehensively reviewed and is summarized. Previous studies on quality threatening behaviours, the notion of emotional intelligence, different models of emotional intelligence and association between emotional intelligence and quality threatening behaviours are explicated. Theoretical and practical implications of the study for regulatory bodies, practitioners, researchers and other stakeholders are given in the end.

Findings

The aim of this paper was to understand the notion of quality threatening behaviours of auditors, emotional intelligence and to examine the probable relationship between these two constructs. Review of the archival research suggests that emotional intelligence plays a pivotal role in human functioning. This study proposes further empirical inquiry on the relationship between emotional intelligence and auditor's quality threatening behaviours. Furthermore, results of the anticipated study are expected to be of significant importance for the regulatory bodies, professional, academicians and other stakeholders. Based on the anticipated results of this study, concerned authorities can endeavour for the development of emotional intelligence among auditors that will not only help them avoid engagement in quality threatening audit behaviours but also contribute positively towards their overall performance. Wong and Law (2002) declare that emotional intelligence is essential for recruitment, accounting firms ought to employ emotionally intelligent individuals and potential accountants should make effort to be emotionally intelligent for improving their chance of employment. Moreover, emotional intelligence by assisting auditors in defying undesirable workplace behaviours can aid auditors for a better performance assessment ensuing manifold rewards.





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