African Journal of Accounting and Financial Research
ISSN: 2682-6690
Volume 8, Issue 4, 2025 (pp. 150-163)
www.abjournals.org

INFLUENCE OF SKEPTICAL MINDSET AND SKEPTICAL ATTITUDE ON AUDITOR PERFORMANCE: THE SIGNIFICANT DIFFERENCE OF AUDITOR FIRM SIZE

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Cite this article:

Evans O. N. D. Ocansey (2025), Influence of Skeptical Mindset and Skeptical Attitude on Auditor Performance: The Significant Difference of Auditor Firm Size. African Journal of Accounting and Financial Research 8(4), 150-163. DOI: 10.52589/AJAFR-GWVECF9K

Manuscript History

Received: 18 Sep 2025

Accepted: 20 Oct 2025

Published: 28 Oct 2025

ABSTRACT: *Poor audit work resulting in insufficient audit evidence is a worrying issue internationally and locally. It is also evident that auditors from big and small firms have expressed questionable opinions based on inadequate audit evidence and misstatement of financial statements, overlooking misstatements, non-adherence to standards and requirements, and failure to obtain enough audit evidence. This research therefore assessed the influence of skeptical mindset and attitude on auditor performance: the mean difference of auditor for size. This study used a quantitative, explanatory, and cross-sectional survey research design. A stratified sampling technique was employed to administer 310 copies of questionnaires and 285 were retrieved. Data collected were analyzed through correlation and regression. The results revealed that sceptical mindset and attitude have a significant positive correlation with auditor performance and can highly predict the performance of auditors. It is further revealed that the mean difference of auditor firm size has a significant influence on auditor performance. This study provides insight into the need to maintain professional scepticism at all levels of auditing and the need to continuously train auditors to have a skeptical mindset and exhibit sceptical attitude in the discharge of their work. This research finding also supports the need for smaller auditing firms to merge to be able to pool their resources together in order to attract and retain experienced auditors and big clients.*

KEYWORDS: Skeptical mindset, skeptical attitude, professional skepticism, auditor performance, auditor firm size.

Article DOI: 10.52589/AJAFR-GWVECF9K
DOI URL: https://doi.org/10.52589/AJAFR-GWVECF9K

INTRODUCTION

Poor audit work resulting in insufficient audit evidence is a worrying issue internationally and locally. It is also evident that auditors from big and small firms have expressed questionable opinions based on inadequate audit evidence and misstatement of financial statements, overlooking misstatements, non-adherence to standards and requirements, and failure to obtain enough audit evidence. These audit outcome challenges may be fueled by poor professional judgment, and inadequate exhibition of skeptical mindset and attitude, as in professional skepticism.

In the United Kingdom (UK), the Financial Reporting Council (industry regulator) supervises audit firms and auditors' activities and sometimes reviews their activities. In recent years, some poor audit work issues were revealed in companies though audited by some big audit firms. For instance, the UK Financial Reporting Council inspection in 2019 indicated that Patisserie, a chain cake dealer which Grant Thornton audited, found a fraudulent misstatement of £40 million. The review also revealed that Carillion, Ted Baker, and BT, audited by KPMG, Deloitte, and PwC, failed to identify risk in financial controls and misstated profit. They also compromised independence, failed to obtain reasonable evidence, audited incomplete financial statements, and failed to communicate related party transactions (The Guardian, 2019). These firms and, in some cases, partners were fined between the ranges of £800,000 to £6.5 million.

The demise of seven (7) banks in Ghana is casting a slur on auditors' reputations. It is questioning the effectiveness and efficiency of corporate governance arrangements and the supervisory role of regulators. Many Ghanaians are questioning the credibility, judgment, and integrity of audit works. Many asked why the auditors did not even discover the banks' going-concern issues or why they did not express that in their opinion. This is because many of these banks received a clean audit report and yet collapsed in less than a year. Some were even given an award for excellent performance but within the space of one year, collapsed. For instance, Mr. Alhassan Andani (President of Ghana Bankers) intimated that the auditors of the defunct banks failed everybody that relied on the financial statements of the banks (Ghana Talks Business, 2018). Mr. Daniel Y. Domelevo (the Auditor-General) added that all auditors (internal and external) who worked for the defunct UT and Capital banks, when found culpable, should be prosecuted. He also requested that the appointment of both external and internal auditors should not come from institutions they work for (Ghana Web, 2018).

A thorough review of comments of standards setters and regulators reveal that the lack of a skeptical mindset and attitude is one of the root causes of poor auditor performance. According to a survey of nine hundred and eighteen (918) public companies and one hundred and twenty (120) audit firms in both US and UK, auditors usually fail to assess the reasonableness of assumptions used by management as well as inconsistent evidence (PCAOB, 2018). Further, the survey indicated that auditors fail to obtain sufficient and persuasive evidence. This research, therefore, seeks to assess the influence of skeptical mindset and attitude on auditor performance: the mean difference of auditor for size.

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LITERATURE REVIEW

Skeptical Mindset

Professional skepticism includes a questioning mind and a critical assessment of audit information (International Standards on Auditing, ISA, 2017). Nolder and Kadous (2018) explain that auditors' skepticism is demonstrated in their thinking and/or processing of audit information. The mindset is reflected in their openness, objectivity, and critical thinking about auditing issues. There are several aspects of mindset. These are holistic and piecemeal, abstract and concrete, deliberative, and implemental. The holistic mindset uses procedures to see the big picture, but the piecemeal mindset employs recognizable parts of information to solve a problem (Higgins & Chaires, 1980, cited in Nolder & Kadous, 2018). Abstract mindset encourages the evaluation and making of a decision based on one's principles, but a concrete mindset attends to immediate problems (Freitas et al., 2004, cited in Nolder & Kadous, 2018). The deliberative mindset aids the identification of the best action, but the implemental mindset facilitates the efficient completion of a chosen course of action (Gollwitzer, 1990, cited in Nolder & Kadous, 2018).

Thus, the mindset of a person influences his/her decision quality. Griffith, Kadous and Young (2016) affirmed that there is a relationship between decision making quality and the mindset and the task at hand to be performed. In other words, even the type of mindset of auditors influences the audit information they gather. Due to the critical importance of a skeptical mindset, several audit regulations require auditors to be alert to the possibility of fraud, management bias, contradictory evidence, and evidence that has questionable reliability (O' et al., 2017).

A deliberative mindset is relevant because it encourages questioning, critical evaluation, and alertness to evidence. It uses procedures that will consider all relevant situations and information and a broader spectrum of attention before taking action. A deliberative mindset is needed to evaluate situations, and its interventions can encourage auditor professional skepticism (Olsen & Stuart, 2017), that is, deliberative mindset improves the level of professional skepticism and is appropriate for assessing the sufficiency of audit information. They also indicated that an implemental mindset could reduce over-reliance on management assertions and improve auditor skepticism.

Simply put, the frame of mind and extent of processing inform decision outcomes. Auditors may usually use an implemental mindset because of the pressure to complete their audits efficiently (Olsen & Stuart, 2017), that is, implemental mindset focuses on the procedures that will efficiently complete an audit task at hand. Thus, professional skepticism relating to mindset is the mindset that encourages critical thinking and processing of audit information that is used as audit evidence. It also covers the procedures and approaches to use to assess audit evidence.

Professional skepticism is also said to be influenced by both social and individual factors. Social factors cover the culture of the firm, pressure from the client, auditing standards, and methodology used by the firm. The individual factors include the personal traits of auditors, knowledge, ability, and motivation.

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Skeptical Attitude

People's attitudes towards objects, people, and events cannot be easily observed, but their expression of beliefs and feelings can potentially influence the explanation and prediction of human behavior (Nolder & Kadous, 2018). Some academics perceive professional skepticism as an attitude (Hardies & Janssen, 2017; Nolder & Kadous, 2017). Hardies and Janssen (2017) also describe professional skepticism as a trait (individual characteristics) and a state (cognitive and motivational). For instance, the trait of suspending or deferring conclusion until enough evidence is provided. Professional skepticism as a state can be developed over a period and based on situational needs.

Nolder and Kadous (2018) explain that auditors' skeptical attitude captures their evaluation of evidence and assertions of client management. Thus, auditors' feelings and beliefs concerning the information provided by their clients' management affect actions taken by the auditor. For example, when auditors believe that evidence provided by management is insufficient, they are likely to collect more information. Critical thinking of auditors encourages more processing effort of audit evidence. Skeptical attitudes may also include resistance to change, persistence over time, subsequent information processing, and correlation with behavior (Nolder & Kadous, 2018). Krosnick and Petty (1995), as cited in Nolder and Kadous (2018), added that the emotional feelings of auditors could also influence their choice of procedures to perform in response to the identified risk.

Ciolek (2017) intimated that a skeptical attitude influences auditors' interpretation and audit procedures. Saying it differently, auditors' skeptical attitude informs their behavior and evaluation of information received from clients. According to Nolder and Kadous (2018), attitude theory explains that feelings play a role in the reaction of auditors to the audit evidence they receive. Hence, the attitude of auditors can influence their performance. Skeptical attitude may also be reflected in the feelings of auditors' response to risk or potential misstatement of audit evidence regarding its sufficiency and/or appropriateness.

Professional skepticism is an attitude that includes a questioning mind and a critical assessment of audit evidence (ISA, 2017). Some academics also perceive it as an attitude (Hardies & Janssen, 2017; Nolder & Kadous, 2017). Hardies and Janssen (2017) also describe professional skepticism as a trait (individual characteristics) and a state (cognitive and motivational). For instance, the trait of suspending or deferring conclusion until enough evidence is provided. Professional skepticism as a state can be developed over some time and based on situational needs. In summary, professional skepticism as an attitude is the trait or behavior of evaluating the sufficiency and appropriateness of audit evidence based on beliefs or feelings. This behavior covers the suspension decision and resistance to change until there is enough evidence.

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Professional Skepticism and Auditor Performance

Professional skepticism is associated with experienced auditors as they turn to conduct more inquiries and use additional procedures to assess fraud risk during audit evidence evaluation (Olsen, 2017). Similarly, survey research found that red flags and professional skepticism positively influence fraud detection, but work experience had no significant influence on professional skepticism. Nonetheless, professional skepticism significantly affects the relationship between red flags and work experience on fraud detection (Rahim et al., 2019).

The use of professional skepticism in questioning and critically assessing audit evidence can help uncover management bias (IAASB, 2017). It helps in reducing the risk of ignoring unusual situations, inappropriate assumptions, wrong generalizations, and flawed conclusions from audit work (Nolder & Kadous, 2018), that is, professional skepticism drives auditors to identify probable errors and irregularities, which can lead to misstatements.

Professional skepticism is pertinent in auditing, but it is challenging to assess its characteristics and measurement. Ciolek (2017) affirmed that professional skepticism is difficult to define and measure and an indication of the lack of it. Ciolek, therefore, reviewed literature on professional skepticism and provided six attributes. These attributes are “a questioning mind, suspension of judgment, a search for knowledge, interpersonal understanding, self-esteem, and autonomy” (Ciolek, 2017, p. 33). According to Murdock (2018), professional skepticism consists of attributes (knowledge, skills, and abilities), mindset (integrity, good faith, honesty), and action (robust risk assessment). Thus, in auditing financial statements, clients can hide or deceive; hence, auditors must be vigilant from the beginning to the end of the audit process to uncover deceit and manipulation. The accuracy of the auditor’s assessment and judgment could be influenced by professional skepticism.

The ISA 200 (2017, para. A20-A24) indicates that “the auditor shall plan and perform an audit with professional skepticism recognizing that circumstances may exist that can cause the financial statements to be materially misstated” (p. 86). Thus, the standard requires that auditors exhibit professional skepticism by being alert for contradictory audit evidence, questionable documents, responses, the possibility of fraud, and situations that need audit procedures. The standard further requires auditors to maintain professional skepticism throughout the audit and should not overlook usual circumstances, avoid over-generalization and inappropriate assumptions. Therefore, questioning audit evidence and documents’ reliability, responses to inquiries is essential. Moreover, the reliability of the information used as audit evidence must be questioned. Hence, auditors must not consider the experience of honesty and integrity of management to be enough for obtaining reasonable assurance.

Moreover, Septiani and Sukartha (2017) research indicated that lack of professional skepticism negatively influences dysfunctional audit behavior and, eventually, audit performance. In other words, professional skepticism improves auditor performance. Professional skepticism can influence an auditor’s ability to interrogate obtained audit evidence’s appropriateness and sufficiency. Professional skepticism consists of a questioning attitude (Olsen, 2017) and assists auditors in evaluating risk and making a decision. This suspicious mindset can improve an auditor’s ability to identify and select appropriate evidence.

Further, Grant et al. (2019) indicated that a deliberative and inquisitive mindset enhances the ability to identify unreasonable estimates and recognize inconsistencies in complex estimates. The study of Ashari (2017) also confirmed that auditors with a higher inquisitive mindset tend

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to look for more evidence and this attitude deepens their assessment of material misstatement and inappropriate estimates. Professional skepticism encourages auditors to seek more information to understand the complex situation (Pramana et al., 2016) and can enhance auditors' ability to evaluate material misstatement risk relating to financial statements (Sayed-Hussin et al., 2017).

The study of Knechel et al. (2018) revealed that professional skepticism is a desirable trait in auditing firms, and therefore it is positively associated with compensation in the big-4 auditing firms, but much value is not placed on it in the other firms. It is also found to influence auditor decisions concerning audit reports. Haris' (2019) research in Indonesia also found that professional skepticism influences auditor performance. They added that a skeptical mindset could improve the detection of fraud and mistakes in financial statements.

Sayed-Hussin et al. (2017) also discovered that professional skepticism and experience are positively associated with risk assessment by auditors, that is, auditors' assessment of fraud is influenced by professional skepticism. Moreover, for auditors to successfully conduct an audit and give a reliable opinion, they must possess professional skepticism.

Farag and Elias (2016) and Christina and Tjaraka (2017) further affirmed that professional skepticism is necessary for achieving successful audit performance.

However, the survey study of Husnianto et al. (2017) on the influence of professional skepticism on audit performance with 124 auditors revealed that professional skepticism does not significantly influence audit performance, but professional judgment has significant influence.

The auditor's performance is influenced by a series of factors, including engagement factors, planning, audit process, and result reporting. Audit performance is also influenced by professional skepticism. Sayed-Hussin et al. (2017) describe professional skepticism as the glue of audit procedures outlined in an audit program. Beebe (2018) also explains that professional skepticism assists in assessing critical risks and decisions of auditors. Sayed-Hussin et al. (2017) added that skepticism could aid in client choice, audit method selection, appropriate audit technique to use, and assessment of collected audit evidence. Many audit works have been criticized for lacking sufficient audit evidence. Hence, professional skepticism can enhance the sufficiency or reasonableness of audit evidence. Therefore, some studies indicated that large auditing firms reward professional skepticism, but small firms do not (Knechel et al., 2018; Sayed-Hussin et al., 2017).

According to the International Accounting Education Standard Board's (2017) continental survey, professional skepticism covers factors relating to knowledge, behavior, competence, and environment. Umeren and Asogwa (2017) surveyed auditor skepticism and the Nigerian financial crisis. It was found that professional skepticism factor lapses in the areas of the engagement team, audit firm, and individual levels contributed to the Nigerian financial crisis.

In examining the role of time budget pressure in influencing auditors' professional skepticism and competence on fraud detection, it was discovered that auditors with high professional skepticism and competence have a high probability of detecting fraud. Also, the study indicated that high professional skeptic auditors might not detect fraud if they are constrained by budget pressure (Said & Munandar, 2018).

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More so, investigating the relationship of auditor independence, professionalism, and skepticism regarding audit performance and its procedures, it was found that independence and professional skepticism are significant and positively associated with audit performance (Mardijuworno & Subianto, 2018). Christina and Tjaraka (2017) added that professional skepticism has a relationship with audit results. However, Kusumawati and Syamuddin (2017) discovered that professional skepticism did not mediate the relationship between auditors' performance and auditor competence. Further, Akbar and Suraida's (2017) survey study found that, simultaneously, auditor competence and professional skepticism significantly influence information technology audits. Professional skepticism and experience positively influence material misstatement risk assessment in the big four audit firms (Sayed-Hussin et al., 2017). More so, it was discovered that auditor professional skepticism, experience, and independence are associated with detecting fraud (Pramana et al., 2016).

Auditor Firm Size

Audit firms in Ghana have been categorized into six (A1, A, B1, B, C, and D) based on their size and revenue levels (Institute of Chartered Accountants-Ghana, 2025). The size and revenue level of audit firms determine the client they can audit. This may be due to different levels of audit risks that may come with different client sizes. It appears that little research has been done on the audit performance of these different categories of audit firms in Ghana. In other words, big audit firms render higher audit performance as these firms have efficient audit software and competent human resources for effective audit performance. They also have more resources and perform robust tests that generate accurate information.

Additionally, big audit firms engage more specialized and experienced auditors to work in specific industries. Further, these firms are more dependable than smaller ones. Furthermore, big audit firms seek to provide high audit judgment and skepticism to protect their reputation and the portfolio of clients.

Further, some studies affirmed that the size of audit firms and the revenue levels of their clients could also influence auditor performance. For instance, Suttipnum (2021) indicated that audit firms' size, corporate governance, and independence significantly influence auditor performance. He added that these variables also influence audit report quality. Small audit firms are likely to compromise their professional judgment and skepticism than the larger ones. Thus, audit firms that depend on several clients and their clients' monies are relatively small to the total income of the audit firm will hardly compromise in the work they do. In other words, larger audit firms may have several sources of income available to them and may not be easily influenced by their big clients. Further literature review suggests that auditor performance can be influenced by the size and income level of audit firms. However, larger audit firms are not immune to compromising in their work.

The study of Thuy (2017) in Vietnam indicated that auditors in smaller auditing firms provide better auditing services than those in bigger ones. This result means that auditing firm size has no significant effect on auditor performance in emerging economies like Vietnam. The study of Armanda and Adi (2018) contends that audit firm size can predict audit report quality.

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METHODOLOGY

This study used a quantitative, explanatory, and cross-sectional survey research design to assess the relationship and predictive power of sceptical mindset and attitude on auditor performance and the mean difference of auditor firm size. This approach supports research questions and the testing of hypotheses.

The study population comprises audit managers from all auditing firms in Ghana. According to ICAG (2025), there are three hundred and sixty audit firms (excluding branches) in Ghana. This number of audit firms is the sampling frame for the study. These firms have been categorized into A1, A, B1, B, C, and D. The audit firms are categorized for license fees application based on their revenue levels, the number of partners, and staff. The total number of audit managers in each auditing firm and category is unknown. However, the total number of partners for all the auditing firms is 677 (Institute Chartered Accountants-Ghana, 2025). The institute further indicated the total number of partners for each auditing firm category. Hence, the proportional stratified sampling technique is used to sample audit managers based on the total number of audit partners in each auditing firm category. The number of audit partners is used as a benchmark for audit managers because the regulator indicated that the bigger auditing firms have more partners and audit managers. Since the total number of audit managers is unknown, the total number of audit partners was used to determine the number of audit managers in the auditing firms.

Based on the Cochran sampling formula, 278 audit managers were randomly and proportionally selected according to the categories of the audit firms. The researcher distributed the questionnaires to 310 auditing firms and retrieved 285 copies. A structured questionnaire was used, consisting of a 5-point Likert scale ranging from Never (1) to Always (5) for professional skepticism, and Strongly Disagree (1) to Strongly Agree (5) for audit evidence quality and audit reporting quality.

The researcher submitted the questionnaire to seven experts with a specialization or knowledge in the area of the research to validate it. Three laymen also validated the questionnaire. After the questionnaire was validated, the researcher incorporated all their comments. The researcher then conducted a pilot study to determine the reliability of the questionnaire items. A pilot study was thereafter conducted to test the reliability of the questionnaire items and all the variables exceeded 0.70.

The researcher obtained permission from the Ethical Review Board (ERB) of the Adventist University of the Philippines (AUP). Also, the respondents and their firms were assured of their confidentiality and anonymity in the collection of data. Thus, the respondents were encouraged to participate voluntarily and could withdraw from the study if they wished to do so. Responses from the respondents were delivered with codes. Names of respondents and/or their firms were not collected.

Data collected for this study were analyzed quantitatively with the aid of Smart PLS. Inferential statistical analyses were used. Research Questions Two and Three were assessed through Pearson correlation. Finally, Research Questions Four and Five were assessed through regression analysis.

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RESULTS AND DISCUSSION OF FINDINGS

In determining the relationship between sceptical mindset and auditor performance, it was found that, skeptical mindset has a *high* association with auditor performance *(r = .726, Sig.= .000)*. The positive association between skeptical mindset and auditor performance implies that, skeptical mindset moves in the same direction with auditor performance. It was further found that a skeptical attitude has a *high* association with auditor performance *(r = .617, Sig. = .000)*. This implies that the exhibition of a skeptical attitude works with high auditor performance.

Table 1

Relationship between Skeptical Mindset and Attitude, and Auditor Performance

	Auditor Performance		
	R^2	Sig.	Verbal Interpretation
Sceptical Mindset	.726**	.000	Significant
Sceptical Attitude	.617**	.000	Significant

***. Correlation is significant at the 0.01 level (2-tailed).*

These research findings are consistent with the studies which found that professional skepticism is positively associated with auditor performance and influences auditing results (Christina & Tjaraka, 2017; Mardijuworno & Subianto, 2018; Sayed-Hussin et al., 2017). However, the survey study of Husnianto et al. (2017) revealed that professional skepticism does not have a significant association with audit performance.

Table 2

Predictors of Auditor Performance

Independent Variables	B	t-value	p-value	Verbal Interpretation
Constant	.964	4.211	.000	Significant
Sceptical Mindset	.756	6.327	.000	Significant
Sceptical Attitude	.742	6.468	.000	Significant

R-Square= .785;   F= 64.322;   P. Value= .000

The linear regression test results in Table 2 also show that, significantly, a skeptical mindset and a skeptical attitude predict auditor performance. The model indicates a total variance of *R-Square = .785, F = 64.322, p = .000*, as indicated in Table 2. These results imply that a skeptical mindset and a skeptical attitude can significantly explain auditor performance by 75.6% and 74.2% respectively, that is, both skeptical mindset and skeptical attitude can explain 78.5% of auditor performance. Hence, 78.5% of the variation in auditor performance can be explained by this study. These findings also imply that the research factors do not explain 21.5% of variance in auditor performance in this study. Also, all the unstandardized beta coefficients in Table 2 have a positive relationship with auditor performance. Hence, every unit of improvement in skeptical mindset and skeptical attitude can respectively improve auditor performance by .756 and .742 at a significant level of .000 with t-values of *6.327* and 6.468, respectively. Thus, the mindset of a person influences his/her decision quality. Therefore, auditors, auditing firms, and regulators should pay attention to a skeptical mindset and skeptical

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attitude in the discharge of their work at all levels. Other factors, such as independence, audit fees, provision of non-audit services, competence, and technology, can comprehensively improve auditor performance.

There are other research findings that are consistent with these research findings. Griffith, Kadous and Young (2016) affirmed that there is a relationship between decision making quality and the mindset, and the task at hand to be performed. In other words, even the type of mindset of auditors influences the audit information they gather. Due to the critical importance of a skeptical mindset, several audit regulations require auditors to be alert to the possibility of fraud, management bias, contradictory evidence, and evidence that has questionable reliability (O' et al., 2017).

Also, deliberative mindset, which encourages questioning, critical evaluation, and alertness to evidence, is pertinent to auditing. It is needed to evaluate situations, and its interventions can encourage auditor professional skepticism (Olsen & Stuart, 2017), that is, deliberative mindset improves the level of professional skepticism and is appropriate for assessing the sufficiency of audit information.

Simply put, the frame of mind and extent of processing inform decision outcomes. In other words, a skeptical mindset encourages critical thinking and processing of audit information that is used as audit evidence and naturally auditor performance. More so, some studies have found that professional skepticism has an influence on audit performance (Mardijuworno & Subianto, 2018; Sayed-Hussin et al., 2017; Septiani & Sukartha, 2017). Christina and Tjaraka (2017) added that professional skepticism is needed for successful audit performance. However, Kusumawati and Syamuddin (2017) found that professional skepticism does not significantly predict audit outcomes.

Auditors' feelings and beliefs concerning the information provided by their clients' management affect actions taken by the auditor. Ciolek (2017) intimated that a skeptical attitude influences auditors' interpretation and audit procedures. Saying it differently, auditors' skeptical attitude informs their behavior and evaluation of information received from clients. Hence, the attitude of auditors can influence their performance. Skeptical attitude may also be reflected in the feelings of auditors' response to risk or potential misstatement of audit evidence regarding its sufficiency and/or appropriateness.

The study also assessed whether there is a significant mean difference when auditors are grouped by their firm size. It was found that there is a significant mean difference on auditor performance when auditors are grouped based on their auditing firm sizes. Table 3 reveals a mean of 4.32843, 4.1566 and 4.0364 for large, medium and small respectively. Thus, auditors' firm size significantly influences the performance.

Table 3

Mean Difference on Auditor Performance

	N	Mean	Std. Deviation	F	P-Value	V I
Large	50	4.3233	.34843			
Medium	116	4.1566	.51943	7.967	.000	S
Small	119	4.0364	.36634			
Total	285	4.1357	.44325			

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The study ran multiple comparisons among the groups (large, medium, and small); it was found that there is a significant mean difference between large and medium *(mean diff. =.1'6672, p =.024)*, and large and small *(mean diff. = .28692, p = .000)*. Also, comparing the means of medium to small, a significant difference in mean was found *(mean diff.= .12019, p= .034)*. These findings imply that auditors in different sizes of audit firms perform differently. In other words, auditors in large, medium and small discharge different levels of performance when it comes to auditing.

Table 4

Post Hoc Tests: Difference in Auditor Performance

(I) Firm Category	(J) Firm Category	Mean Difference (I-J)	Std. Error	P-Value	V I
Large	Medium	.16672	.07321	.024	S
	Small	.28692	.07293	.000	S
Medium	Small	.12019	.05646	.034	S

**The mean difference is significant at 0.05 level*

These differences may exist due to the fact that the more competent and experienced auditors are usually hired by large auditing firms. Also, most of the big auditing firms have international origin.Therefore, medium and small auditing firms in Ghana can pool their resources together by forming big firms to have more resources and attract more qualified and experienced auditors and big clients. There are over three hundred auditing firms in Ghana. Many of these firms are unable to attract and retain high qualified auditors. They are also unable to attract big clients that will give them more money. These research findings support the need for smaller auditing firms to merge to be able to pool their resources together in order to attract and retain experienced auditors and big clients.

Some studies affirmed that the size of audit firms and the revenue levels of their clients could also influence auditor performance. For instance, Suttipnum (2021) indicated that audit firms' size, corporate governance, and independence significantly influence auditor performance. Thus, audit firms that depend on several clients and their clients' monies are relatively small to the total revenue of the audit firm will hardly compromise in the work they do. In other words, larger audit firms may have several sources of income available to them and may not be easily influenced by their big clients. However, the study of Thuy (2017) indicated that auditors in smaller auditing firms provide better auditing services than those in bigger ones.

CONCLUSIONS AND RECOMMENDATIONS

The study concludes that both skeptical mindset and skeptical attitude, which are major components of professional skepticism, have *high* association with auditor performance and can predict the auditor performance as well. That means improvement in professional skepticism can improve audit outcomes. The mindsets and attitudes of auditors also influence the approach to performing audit tasks and the outcomes of assigned audit work.

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Since skeptical mindset and skeptical attitude influence auditor performance, auditors are encouraged to maintain *high* professional skepticism at all levels of their work. Consequently, audit firms should train their auditors on maintaining professional skepticism to improve audit outcomes. Besides, smaller auditing firms should consider merging with other smaller firms to enable them to improve their performance. Also, academic and professional training institutions can pay attention to incorporating professional skepticism in their curricula. More case studies on professional skepticism could be introduced in the teaching and learning of students reading accounting and auditing programs. Also, academicians and professionals could collaborate and write current and relevant case studies about Ghanaian and African businesses to promote professional skepticism. Future researchers can use case studies to assess the influence of professional skepticism on audit outcomes. This can provide some insightful findings.

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