

The effects of audit value added on audit survival : Evidence from CPAs of Thailand

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Keywords

Audit Value Added, Audit Best Practice, Audit Continuous Learning, Professional Ethic Awareness, Financial Information Transparency, Stakeholder Acceptance, Audit Survival, Stakeholder Pressure, Audit Regulation Change, Business Environment Climate

Abstract

The purposes of this study are to investigate the relationship between antecedents and consequences of audit value added (AVA). AVA is performance of the auditors who work with dedication and commitment to quality work and usefulness for user. AVA composes three dimensions as well as audit best practice, audit continuous learning, and professional ethic awareness. The results from the questionnaire survey of 135 CPAs in Thailand. The findings identified that only two dimensions of AVA has positive relationship with all consequences as well as audit continuous learning and professional ethic awareness. Which the consequences of this study are financial information transparency, stakeholder acceptance, and audit survival. In addition, the finding shows the relationship between antecedence and audit value added are positive significant. Which the antecedence of this study are Stakeholder pressure, audit regulation change, and business environment climate. Surprisingly, have not significant the relationship between audit best practice that dimensions of audit value added and consequences. The summary of this paper not only provides theoretical and managerial contributions but also suggestions and directions of the future research are elaborate.

1. Introduction

Financial statements are the main source of accountability of management performance by the shareholders. However, as the management is responsible for the preparation of financial statements, shareholders have to rely on external verification by auditors in order to gain reasonable assurance that the accounts are free from material misstatements and can therefore be relied upon to be presenting true and fair view of the affairs of the company. Financial audit is intended to provide a 'reasonable' assurance over the accuracy of financial statements. It therefore does not provide absolute assurance that the financial statements are free from all misstatements. Moreover, the purpose of audit is confined to provide reasonable assurance in order to avoid excessive time and cost in the performance of the audit that may outweigh any benefit that may be derived from the enhanced assurance. Absolute assurance is also impossible to guarantee in most cases due to the inherent limitations of audit (Salleh and Jasmani, 2014). Thus, auditors are as both insurance provider and information intermediary that provide independent verification of manager-prepared financial statement, audit performance contributes to the reliability and quality of financial reporting.

Prior researches attempt to seek the element for audit performance and how about audit survival in market. However, previous auditing researches show that the variety of elements has an impact on audit performance and to survived including ability to use standard and core principle for audit work (Kunt, 2008), consciousness of professional ethical in job and environmental auditing change (Struweg and Meintjies, 2008; Dittenhofer, 2010). Thus, the way to audit survival in the market has increase the audit value added into their work. Hence, this research attempts to suggest the element of audit value added for survival of auditors in the competitive environment. Survival of auditor or audit survival refers to client satisfaction in audit performance that shows as clients acceptance and revenue increasing.

Thus, the first aim of this research is to explore the relationship among audit value added, antecedence, and consequence. The second aim is examine the influence of mediating effect on the relationship between audit value added and audit survival by financial information transparency

and stakeholder acceptance. This research is organized as follows; the first session reviews the relevant literature on audit value added, explains the theoretical framework to describe the conceptual model and the relationship among the different variables, and develops the related hypotheses for testing. The second session clarifies exact examination of the research methods, including sample selection and data collection procedure, the variable measurement of each construct, the instrumental verification, the statistics and equations to test the hypotheses. The third session explicitly exhibits the empirical results and discussion. Finally, the last session proposed the conclusion, theoretical and practical contributions, limitation, and directions for the future research.

2. Literature Review and Hypothesis Development

Contingency theory is the one that is frequently used in accounting research design as in accounting information systems (Change et al, 2003; Nicolaou, 2010); financial disclosure (Lopes and Rodrigues, 2007); strategic management accounting (Cadez and Guilding, 2008) and auditing (Crutis and Paye, 2008; Sikka, 2015). However, the theory is applied in the context of audit survival that identifies the specific contingent variables such as audit learning continuous, audit regulation change, stakeholder pressure, business environment climate. Moreover, this research attempts to use the structural contingency theory describe the relationships between the context and structure of audit value added and survival in this career. The assumption of contingency theory is that contingency factors may be influencing audit value added such as stakeholder pressure, audit regulation change, and business environment climate.

In additionally, social cognitive theory explains human psychosocial functioning in term of the interaction between behavior, cognitive and other personal factors and environment events. As a construct, cognitive style has been widely studied. It is defined as an individual' preferred way of gathering, processing, and evaluating information relating to creativity, problem-solving and decision making (Hayes and Allinson, 1998; Brinham and de Castro, 2003). However, within a social cognitive theory framework, environmental events can also influence people's cognitive and personal states (Zikic and Saks, 2009). In summary, the construct of cognitive is a human behavior for problem-solving and decision making to do something under personal factors and environmental events. Thus, this research uses cognitive theory as a framework to integrate and to explain the relationship between the variables in the present study. This research challenges to understand the audit value added which consider individual auditor factors such as knowledge, experience, practice, and learning that affect perceiving in problem-solving and develop audit task which leads to superior audit survival.

The research model of this study is shown in Figure 1 and indicates the premise of the three dimension of audit value added. The consequences are financial information transparency, stakeholder acceptance, and audit survival. The antecedents are stakeholder pressure, audit regulation change, and business environment climate. The objective of this research is to examine the relationship among audit value added, antecedence, and consequence in the context of CPAs of Thailand. Linkages of these constructs are indicated in Figure 1.

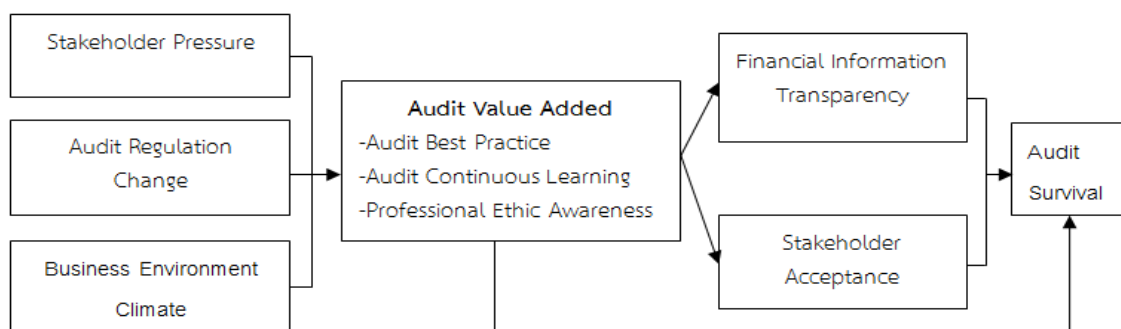


Figure 1 :The Effects of Audit Value Added on Audit Survival
: Evidence from CPAs of Thailand

2.1 Audit Value Added

Audit value added (AVA) is a main construct of this study, which refers to the increasing high performance of audit process that auditor shown in the audit report and has usefulness for user. Auditors are responsible to report honestly and provide assurance to the stakeholder concerning the reliability, compliance to regulatory body and accounting policy, reliability and the truth and fairness of the client's financial statement (Salleh and Jasmani, 2014). Thus, in this study audit value added is composing three dimension as well as audit best practice, audit continuous learning, and professional ethic awareness.

2.2 Audit Best Practice

Audit best practice refers to auditors' knowledge, experience, and expertise in audit task that the auditor each with different and it make to different audit outcome. Prior researches suggest knowledge and experience are the importance factor for audit quality (Ketchand and Strawser, 1998; Ye, Cheng and Gao, 2014, Salleh and Jasmani, 2014). In additionally, Maister (1993), knowledge is fundamental to professional skill. Moreover, Kaplan and others (2008) suggest the auditors have more experience in auditing they are likely to be strong in professional. In this research imply the auditors who have audit knowledge and audit experience to be best practice in audit work. Thus, the audit outcome such as audit report is reliability and usefulness for user. However, the auditor has high performance that shown in audit quality will be perceived by stakeholder and clients. Hence, these finding suggest the hypotheses below:

Hypothesis 1a : The audit best practice has a positive relationship with financial information transparency.

Hypothesis 2a : The audit best practice has a positive relationship with stakeholder acceptance.

Hypothesis 3a : The audit best practice has a positive relationship with audit survival.

2.3 Audit Continuous Learning

Audit continuous learning refers to auditors' development in audit task via training and pursue in relevant news such as accounting and auditing standard announcement, professional regulation, and economic change which improves audit performance. Training is very important profession, generally for profession such as nurse, engineer, lawyer, and doctor. Which necessary take course before they take on the profession. Especially, audit professional have to fulfill training required by International Federation of Accountings (IFAC) by International Accounting Education Standard Board (IAESB) regulated competence requirement for audit professional (IES8) that regulate the guidance for auditor improvement suggest as audit requires all professional audit to take steps to ensure that they, and those working under their authority in a professional capacity, have appropriate training and supervision and are competent to undertake the work they perform. Thus, the following hypotheses are proposed

Hypothesis 1b : The audit continuous learning has a positive relationship with financial information transparency.

Hypothesis 2b : The audit continuous learning has a positive relationship with stakeholder acceptance.

Hypothesis 3b : The audit continuous learning has a positive relationship with audit survival.

2.4 Professional Ethical Awareness

Prior research on auditing has largely concentrate either on code of conduct or professional ethic which affects audit report judgment and shows responsibility of auditors. Various factors relate to professional ethic of audit such as audit independence and relationship between auditor and client (Dopuch and King, 1991; Schatzberg and Sevcik, 1994; Salleh and Jasmani, 2014). Moreover, the prior research suggests when external auditor exercise independent judgment about financial statement, they are engaging in what is tantamount to an ethical act (Thorne, 2000; Massey 2002). That show professional ethic awareness is very important for auditor. In this research, professional ethic awareness refers to consciences of accountability and responsibility of professional moral and principle which effect on stakeholder, financial users, and themselves. This implies that the auditor who has more professional ethic awareness will have high financial information transparency, stakeholder acceptance, and audit survival, the following hypotheses are proposed;

Hypothesis1c : The professional ethic awareness has a positive relationship with financial information transparency.

Hypothesis2c : The professional ethic awareness has a positive relationship with stakeholder acceptance.

Hypothesis3c : The professional ethic awareness has a positive relationship with audit survival.

2.5 Financial Information Transparency and Stakeholder Acceptance

Titman and Trueman (1986) propose that a good auditor provides precise information regarding the firm's value, because the purpose of an audit is to provide assurance and regards the financial statement. Moreover, Al-Ajmi (2009) suggests the audit quality come from the role of audit opinion reflects the true findings of audit engagement. This research defines the financial information transparency as the fairness and integrity of audit process. In additionally, transparency of financial statement has shown the independence judgement of auditor to financial statement. Moreover, when auditor shown the performance on audit report, they will receive feedback form stakeholder. Stakeholder acceptance refers to client perceived value for audit performance. The clients believe in auditor' ability show by trustworthiness, advisory, and work credibility in audit report (Ferris and their, 2007). Additionally, the auditor accepted by form client can add up new client and make more revenue from audit service. Hence, the below hypotheses are proposed:

Hypothesis 4 : The financial information transparency has positive relationship with audit survival.

Hypothesis 5 : The stakeholder acceptance has positive relationship with audit survival.

2.6 Stakeholder Pressure Audit Regulation Change and Business Environment Climate

Stakeholder pressure refers to individual auditor perceived the role of financial users (shareholders, employee, investors, government agencies etc.) for information reliability and audit report responsibility which affect decision making usefulness. Hence, independent auditor should be concerned with the role of insurance provider and information intermediary that independent verification of manager-prepared financial statements which achieve to creditability of financial statement. Supporting the response in human beings relating perceived to something and effect on performance that explain by cognitive frame (Andeerson, 2001). Then, professional regulator had increased and developed the new standard both accounting and auditing that consist with environment change as guideline to audit practice. Furthermore, increasing and developing of regulation control and improve profession perform. Burtlett (2005) suggest that new regulation may also threaten efficiency by creating additional audit work. Thus, the auditor have to update the newly regulation that affect to their work and it make auditor has good knowledge and practice. Hence, the below hypotheses are proposed:

Hypotheses 6a-c : The stakeholder pressure has positive relationship with (a) audit best practice, (b) audit continuous learning, and (c) professional ethic awareness.

Hypotheses 7a-c :The audit regulation change has positive relationship with (a) audit best practice, (b) audit continuous learning, and (c) professional ethic awareness.

Hypotheses 8a-c : The business environment climate has positive relationship with (a) audit best practice, (b) audit continuous learning, and (c) professional ethic awareness.

3. Research Methods

3.1 Sample Selection and Data Collection Procedure

This research attempts to investigate the relationship among audit value added, antecedence, and consequence the evidence it Thailand. Thus, key participant of this research is independent auditor who received the Certified Public Accountant (CPA) in Thailand. The data base of auditor in Thailand is Federation of Accounting Professions under the Royal Patronage of His Majesty the King data base online (www.fap.go.th). A mail survey procedure via the questionnaire was used for data collection to 375 CPAs were selected for sample from 11,207 of population. However, we received 135 responses that 36% response rate of sample.

To verify the non-response bias that suggested by Armstrong and Overton (1977) the t-test statistic was assessed to compare between two groups by using the demographics information such as gender, age, and education. The result indicates that there is no significant relation between early and late responses. Therefore, the non-response bias is not a problem in this research.

3.2 Questionnaire Development

This research employs a mailed questionnaire as the instrument for collecting data and questionnaire has eight parts. Part one is check-list questions for personal information of the key informants such as gender, age, marital status, education level, work experience, average revenues per month. Part two through part eight to measure each of constructs in the conceptual model, which are composed 36 items in total. These items are five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

3.3 Variable

To measure each construct in the conceptual model, all variables gained from survey are measured by five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). The variable measurements of this research are developed as a new scale and are modified from prior research. Then, the variables measurements of dependent variables, independent variables, and mediating variable of this research explained as follows;

3.3.1 Dependent Variable

Audit Survival

Audit survival defined as the stakeholder and clients perceived value for audit performance. The client and stakeholder believe in auditor' ability shows by trustworthiness, advisory, and work credibility in audit report.

3.3.2 Independent Variable

This study is composing eight independent variables: audit value added, financial information transparency, stakeholder acceptance, stakeholder pressure, audit regulation change, and business environment. Thus, all independent variables are elaborated as following.

Audit value added

Audit value added (AVA) is a main construct of this study, which refers to the increasing high performance of audit process that auditor shown in the audit report and has usefulness for user. In this study audit value added is composing three dimension as well as audit best practice, audit continuous learning, and professional ethic awareness.

Audit best practice

Audit best practice (ABP) is measured by three items including the audit experience, experts to use audit technique for difference case. Moreover, best knowledge in audit standard and able to applied to use for work. This construct is developed as a new scale.

Audit continuous learning

Audit continuous learning (ACL) is measured by four items including the together of development and improvement for select to use audit technique until new technique for audit work.

Professional ethic awareness

Professional ethic awareness (PEA) is measured by three items including the auditor perceived for value of audit work. Moreover, the construct of professional ethic awareness is covering the role of audit work under the code of conduct and mindset to work on the responsibility and accountability for all group of user.

Financial information transparency

Financial information transparency (FIT) is evaluated via four items related to fairness and integrity of audit process. In additionally, transparency of financial statement has shown the independence judgement of auditor to financial statement.

Stakeholder acceptance

Stakeholder acceptance (STA) is measured by four items related to client perceived value for audit performance

Audit regulation change

Audit regulation change (ARC) is evaluated via four items including the auditors perceived develop and announce the newly accounting and auditing standard that influence on audit performance.

Stakeholder pressure

Stakeholder pressure (STP) is measured by four items including the essentials of financial statement users such as shareholder, creditor, regulator, and employee etc. that use for decision making to invests or operates in business.

3.4 Methods

The estimation of scale reliability was evaluated by using Cronbach's alpha coefficient that would be more prominent than 0.70 (Nunnally and Bernstein, 1994) which shows satisfactory reliability. Moreover, a confirmatory factor analysis (CFA) was used to test the construct validity by examining the relationship of the large number of items and determining whether they can be diminished to a small set of elements. Because of constrained perception, factor analysis was executed independently on every arrangement of the items representing a specific scale. Likewise, factor loading tested of each construct should be statistically significant and greater than the 0.4 cut-off which is the acceptable criterion (Nunnally and Bernstein, 1994). Acceptable reliability and validity found in this study are appropriate for further analysis. The results are shown in Table 1 as below;

| Items | Factor Loading | Cronbach's Alpha |
|--|----------------|------------------|
| Audit Best Practice (ABP) | 0.767-0.867 | 0.784 |
| Audit Continuous Learning (ACL) | 0.762-0.841 | 0.815 |
| Professional Ethic Awareness (PEA) | 0.783-0.851 | 0.732 |
| Financial Information Transparency (FIT) | 0.819-0.926 | 0.899 |
| Stakeholder Acceptance (STA) | 0.852-0.909 | 0.907 |
| Audit Survival (AUS) | 0.744-0.919 | 0.902 |
| Stakeholder Pressure (STP) | 0.823-0.948 | 0.929 |
| Audit Regulation Change (ARC) | 0.854-0.934 | 0.910 |
| Business Environment Climate (BEC) | 0.876-0.920 | 0.912 |

Table 1: Results of Measure Validation

3.5 Statistical Techniques

The ordinary least squares (OLS) regression analysis is used to test all postulated hypotheses following the conceptual model. OLS is appropriate to examine the relationship between dependent and independent variable of which all variables are categorical and interval data (Hair et al., 2010). Moreover, we check for outlier, normality, linearity, and homoscedasticity to satisfy the underlining assumption of multivariate data (Hair et al. 2010). With the need to understand the relationships in this research, the models of aforementioned relationships are depicted as shown below;

$$\text{Equation 1: FIT} = \beta_{01} + \beta_{11}\text{ABP} + \beta_{21}\text{ACL} + \beta_{31}\text{PEA} + \varepsilon_1$$

$$\text{Equation 2: STA} = \beta_{02} + \beta_{41}\text{ABP} + \beta_{51}\text{ACL} + \beta_{61}\text{PEA} + \varepsilon_2$$

$$\text{Equation 3: AUS} = \beta_{03} + \beta_{71}\text{ABP} + \beta_{81}\text{ACL} + \beta_{91}\text{PEA} + \varepsilon_3$$

$$\text{Equation 4: AUS} = \beta_{04} + \beta_{10}\text{FIT} + \beta_{11}\text{STA} + \varepsilon_4$$

$$\text{Equation 5: ABP} = \beta_{05} + \beta_{12}\text{STP} + \beta_{13}\text{ARC} + \beta_{14}\text{BEC} + \varepsilon_5$$

$$\text{Equation 6: ACL} = \beta_{06} + \beta_{15}\text{STP} + \beta_{16}\text{ARC} + \beta_{17}\text{BEC} + \varepsilon_6$$

$$\text{Equation 7: PEA} = \beta_{07} + \beta_{18}\text{STP} + \beta_{19}\text{ARC} + \beta_{20}\text{BEC} + \varepsilon_7$$

4. Results and Discussion

Table 2 presents the descriptive statistic and correlation matrix for all variables. As indicated by the concern of multicollinearity among independent variables, Variance Inflation Factors (VIF's)

was used to prove this problem. The range of VIFs is from 1.04 to 5.28, which was below the cut-off value of 10 as recommended (Hair, Black, Babin, Anderson, and Tatham, 2006). Therefore, it can be concluded that the multicollinearity varies may affect the weights of the explanatory variables in the model that is not a serious problem in this study.

| Variables | ABP | ACL | PEA | FIT | STA | AUS | STP | ARC | BEC |
|-----------|-------|--------|--------|--------|--------|--------|--------|--------|------|
| Mean | 4.27 | 3.89 | 4.31 | 3.92 | 3.95 | 3.96 | 3.96 | 4.11 | 4.01 |
| S.D. | 0.48 | 0.60 | 0.50 | 0.71 | 0.69 | 0.68 | 0.78 | 0.69 | 0.63 |
| ABP | | | | | | | | | |
| ACL | .133 | | | | | | | | |
| PEA | -.019 | .567** | | | | | | | |
| FIT | .099 | .703** | .565** | | | | | | |
| STA | .075 | .728** | .715** | .782** | | | | | |
| AUS | .065 | .796** | .648** | .723** | .805** | | | | |
| STP | .062 | .512** | .599** | .459** | .597** | .764** | | | |
| ARC | -.024 | .654** | .743** | .558** | .660** | .823** | .767** | | |
| BEC | .047 | .730** | .778** | .646** | .664** | .747** | .581** | .782** | |

*p<0.1, **p<0.05

Table 2: Descriptive Statistic and Correlation Matrix

Table 3 presents the results of OLS regression analysis of relationships among the antecedence and consequence of audit value added. Three dimensions of audit value added are audit best practice, audit continuous learning and professional ethic awareness. Antecedences of research are stakeholder pressure, Audit regulation change, and business environment climate. Additionally, consequences of research are financial information transparency, stakeholder acceptance, and audit survival. Firstly, the relationships between audit best practices have no significant with financial information transparency, stakeholder acceptance, and audit survival. **Hence, hypotheses 1a, 1b, and 1c are not supported.**

Secondly, the relationships between audit continuous learning are positive significant with financial information transparency ($\beta_2=0.558$, $p<0.01$), stakeholder acceptance ($\beta_5=0.472$, $p<0.01$), and audit survival ($\beta_8=0.635$, $p<0.01$). The results are consistent with prior researches that indicated the financial information argues that the auditor should take more responsibility for audit process that more clearly and transparent (De Bellis, 2011; Salleh and Jasmani, 2014). **Thus, hypothesis 2a, 2b, and 2c are supported.**

Thirdly, the relationships between professional ethic awareness are positive significant financial information transparency ($\beta_3=0.249$, $p<0.05$), stakeholder acceptance ($\beta_6=0.447$, $p<0.01$), and audit survival ($\beta_9=0.228$, $p<0.01$). The results are consistent with Sikka (2015) that indicated the auditors are assumed to be eyes and ears of stakeholder thus they should give clearly and reliable information to user under code of professional ethic. **Hence, hypothesis 3a, 3b, and 3c are supported.**

Fourthly, the financial information transparency ($\beta_{10}=0.241$, $p<0.01$) and stakeholder acceptance ($\beta_{11}=0.616$, $p<0.05$) are significant positive relate with audit survival. The results are consistent with prior researches indicated audit reputation is associated with audit service and influenced by clients or stakeholder. The clients or stakeholder believe in audit or ability shows by trustworthiness, advisory, and work credibility in audit report (Mazzola and others, 2006; Ferris and others, 2007). **Hence, hypothesis 4 and 5 are supported.**

In additionally, Table 3 shown the results of OLS regression analysis of relationships between the antecedence and audit value added. The antecedents are stakeholder pressure, audit regulation change, and business environment climate. The relationships between stakeholder pressures have positive significant with audit best practice, audit continuous learning and professional ethic awareness. **Thus, hypothesis 6a, 6b, and 6c are not supported.**

The relationships between audit regulation changes has positive significant with professional ethic awareness ($\beta_{15}=0.272$, $p<0.05$). The results consistent with Abreu (2015) that indicated the auditor take legal responsibilities and the degree of confidence is supported on the climate of rising level of expectation of the citizen that sue the statutory audit report, which the auditor is confronted daily. Surprisingly, the relationships between regulation change has negative significant with audit best practice ($\beta_{13}=-0.321$, $p<0.1$). However, the relationships between audit

regulations change has no significant with audit continuous learning. **Thus, the hypothesis 7a and 7c are supported, 7b is not supported.**

Finally, the relationship between business environment climate has positive significant with audit continuous learning ($\beta_{17} = 0.565$, $p < 0.01$) and professional ethic awareness ($\beta_{20} = 0.511$, $p < 0.01$). The results are consistent with prior research suggests under the concept of legitimacy, that the generalized perception of actions of the business, the financial institutions, the public entities and the organizations are desirable or appropriate and in accordance with the socially constructed context, it can be individual, institutional or social. However, the relationship between business environment climate has no significant with audit best practices. **Thus, the hypothesis 8b and 8c are supported, 8a is no supported.**

| Independent Variable | Dependent Variable | | | | | | |
|-------------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------------|---------------------|
| | Model 1 | Model 2 | Model 3 | Model 4 | Model 5 | Model 6 | Model 7 |
| | FIT | STA | AUS | AUS | ABP | ACL | PEA |
| ABP | 0.029 (0.060) | 0.021 (0.051) | -0.014 (0.049) | | | | |
| ACL | 0.558*** (0.073) | 0.472*** (0.062) | 0.635*** (0.060) | | | | |
| PEA | 0.249** (0.073) | 0.447*** (0.062) | 0.288*** (0.059) | | | | |
| FIT | | | | 0.241*** (0.080) | | | |
| STA | | | | 0.616** (0.080) | | | |
| STP | | | | | 0.204 (0.134) | 0.051 (0.091) | 0.093 (0.080) |
| ARC | | | | | -0.321* (0.176) | 0.173 (0.119) | 0.272** (0.105) |
| BEC | | | | | 0.179 (0.138) | 0.565*** (0.094) | 0.511*** (0.082) |
| Adjusted R ² | 0.525 | 0.658 | 0.684 | 0.665 | 0.006 | 0.542 | 0.648 |

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$ • Beta coefficients with standard errors in parenthesis

Table 3: Results of OLS Regression Analysis •

5. Contribution and Direction for Future Research

5.1 Theoretical Contribution and Direction for Future Research

This research provides a clearly understanding of the relationship among audit value added, antecedence, and consequence. Which audit value added is the main construct that composing three dimension as audit best practice, audit continuous learning, and professional ethic awareness. There are new dimension as develop based on prior research. However the results shown the only two dimension of audit value added as audit continuous learning and professional ethic awareness have positive significant related with consequents. Thus, the finding is concern based on prior research, but surprisingly about the relationship between audit best practice is no significant with consequents. That shows something wrong in literature review or context of CPAs of Thailand. Hence, the future research should develop the instrument to investigate the surprising result by another method.

5.2 Practical Contributions

For another implication for independent auditors, this research helps auditors to understand how to achieve and survive in audit market. Auditors should acquire appending another ways in order to continuous learning and aware in code of conduct. Moreover, auditors should be aware in professional environment change such as audit regulation, stakeholder pressure, and business environment climate which have an effect on survival in audit work.

6. Conclusion

This research investigates the relationship among audit value added, antecedence, and consequence. Which audit value added is the main construct that composing three dimension as audit best practice, audit continuous learning, and professional ethic awareness. The antecedents are stakeholder pressure, audit regulation change, and business environment climate. The consequents are financial information transparency, stakeholder acceptance, and audit survival. The results from the questionnaire survey of 135 CPAs in Thailand. The findings identified that only two dimensions

of audit value added have positive relationship with all consequences as well as audit continuous learning and professional ethic awareness. Which the consequences of this study are financial information transparency, stakeholder acceptance, and audit survival. In addition, the finding shows the relationship between antecedence and audit value added are positive significant, which the antecedents are stakeholder pressure, audit regulation change, and business environment climate. Surprisingly, have not significant the relationship between audit best practice that dimensions of audit value added and consequences. Then, the future research should develop the instrument to investigate the surprising result by another method such as in-depth interview.

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