

The Impact of Adopting the Joint Audit Method on the Quality of the Jordanian Certified Public Accountant Report

Kareem Hussein Nusseir

Accounting and Finance Department, Graduate School of Management, Management and Science University (MSU), Malaysia
Email: 012024020274@gms.msu.edu.my

Jamal Adel Sharairi

Professor, Al al-Bayt University, School of Business, Accounting Department, Mafraq, Jordan
Email: dr_jamalalsharairi@aabu.edu.jo

Ahmad Naji Husnieh

Accounting and Finance Department, Graduate School of Management, Management and Science University (MSU), Malaysia
Email: 012024020158@gsm.msu.edu.my

To Link this Article: <http://dx.doi.org/10.6007/IJARAFMS/v14-i3/22914> DOI:10.6007/IJARAFMS/v14-i3/22914

Published Online: 25 September 2024

Abstract

This study aimed to identify the impact of adopting the joint audit method (distribution and allocation of audit work, competition, experience and efficiency, professional performance and timing of issuing the report) on the quality of the Jordanian certified public accountant report. The study population consisted of all Jordanian certified public accountants practicing the auditing profession for the year (2023), who numbered (650) according to the website of the Jordanian Association of Certified Public Accountants. To achieve the main purpose of the study, (300) questionnaires were distributed, of which (265) questionnaires were analyzed, or a percentage of (88.3%) of the total questionnaires distributed. To analyze the data and test the hypotheses, the Statistical Package for the Social Sciences (SPSS. V26) program was used. The study found a positive impact of adopting the joint audit method (distribution and allocation of audit work, competition, experience and competence, professional performance and timing of issuing the report) on the quality of the Jordanian certified public accountant report. Based on the results of this study, researchers recommend adopting the joint audit approach due to its positive role in improving auditors' professional performance and distributing audit tasks more effectively and efficiently.

Keywords: Joint Audit, Quality Report, Jordanian Certified Public Accountant.

Introduction

Recently, the auditing profession in Jordan has been facing increasing regulatory and professional pressures that require compliance with international auditing standards, adherence to the professional and ethical rules issued by international bodies and organizations, and adaptation to rapid technological changes. These changes necessitate the application of modern analytical tools such as big data, smart automation techniques, and contemporary auditing trends like the joint audit approach. The joint audit approach plays a pivotal role in improving the quality of the auditing process by distributing tasks among auditors, exchanging expertise and skills, setting effective strategies for discussions between auditors, providing mechanisms for mutual supervision, sharing resources and overhead costs, saving time and effort for both the auditor and the client, obtaining different professional perspectives, and reducing the phenomenon of audit monopolies by certain organizations. Additionally, it addresses clients' continuous pressure for additional services, which ultimately enhances the external parties' trust in the fairness and objectivity of the Jordanian legal accountant's report. Therefore, this study aims to make a clear scientific and knowledge-based contribution by demonstrating the impact of adopting the joint audit method on the quality of the Jordanian certified public accountant report.

Study Problem

The study problem is that trust in the Jordanian auditor's report is considered a fundamental requirement for stakeholders in companies. A study by Alassuli (2023) emphasized that efforts should be made to increase the confidence of company owners subject to auditing by adopting a joint external audit method. Despite the fact that the auditing profession in Jordan suffers from several issues stemming from the negligence of some auditors in fulfilling their professional duties, which necessitates the adoption of a joint audit method, by reviewing previous studies related to the impact of joint auditing on the quality of the external auditor's report and the theoretical literature on the subject, and due to the external auditor's awareness of the audit risks that could lead to audit failure, whether through a material misstatement or through errors that ultimately result in a material impact on the financial statements, which may affect the external auditor's report, it has been observed that there are parties who do not trust the auditor's report and the audited financial statements. Based on the above, the researchers believe that the study problem can be formulated into the following main question:

- 1) Is there an impact of adopting the joint audit method on the quality of the Jordanian certified public accountant report? The following questions arise from it:
 - A. Is there an impact of allocating and distributing audit work on the quality of the Jordanian certified public accountant report?
 - B. Is there an impact of competition on the quality of the Jordanian certified public accountant report?
 - C. Is there an impact of experience and competence on the quality of the Jordanian certified public accountant report?
 - D. Is there an impact of professional performance on the quality of the Jordanian certified public accountant report?
 - E. Is there an impact of timing of issuing the report on quality of the Jordanian certified public accountant report?

Study Objectives

This study aimed to determine the impact of adopting the joint audit method on the quality of the Jordanian certified public accountant report. This is done by achieving the following objectives:

1) Explaining the impact of adopting the joint audit method on the quality of the Jordanian certified public accountant report.

The following sub-objectives emerge from the main objective:

A. Explaining the impact of allocating and distributing audit work on the quality of the Jordanian certified public accountant report.

B. Explaining the impact of competition on the quality of the Jordanian certified public accountant report.

C. Explaining the impact of experience and competence on the quality of the Jordanian certified public accountant report.

D. Explaining the impact of professional performance on the quality of the Jordanian certified public accountant report.

E. Explaining the impact of the timing of issuing the report on the quality of the Jordanian certified public accountant report.

Study Importance

The importance of the study comes from two main aspects:

- **Theoretical importance:** This study is considered a scientific addition to Arab and foreign libraries that are interested in studying the impact of adopting the joint auditing method on the quality of the Jordanian certified public accountant report, as the study is considered one of the first studies that seeks to reveal the impact of adopting the joint auditing method on the quality of the Jordanian certified public accountant report.

- **Practical importance:** The importance of the study lies in highlighting the impact of adopting the joint auditing method on the quality of the Jordanian certified public accountant report, through allocating and distributing the audit work in the audit process, which helps to complete the work more quickly, reduce costs and increase the accuracy of the audit operations, and the audit work also leads to The subscriber receives the audit report in a timely manner and this contributes to making appropriate decisions.

Hypotheses of the Study

Main hypothesis (H0): There is no effect of adopting the joint audit method on the quality of the Jordanian certified public accountant report.

Five sub-hypotheses branch out from this hypothesis, as follows:

– **The first sub-hypothesis (H01):** There is no effect of allocating and distributing audit work on the quality of the Jordanian certified public accountant report.

– **The second sub-hypothesis (H02):** There is no effect of competition on the quality of the Jordanian certified public accountant report.

– **The third sub-hypothesis (H03):** There is no effect of experience and competence on the quality of the Jordanian certified public accountant report.

– **The fourth sub-hypothesis (H04):** There is no effect of professional performance on the quality of the Jordanian certified public accountant report.

- **The fifth sub-hypothesis (H05):** There is no effect of the timing of issuing the report on the quality of the Jordanian certified public accountant report.

Research Framework

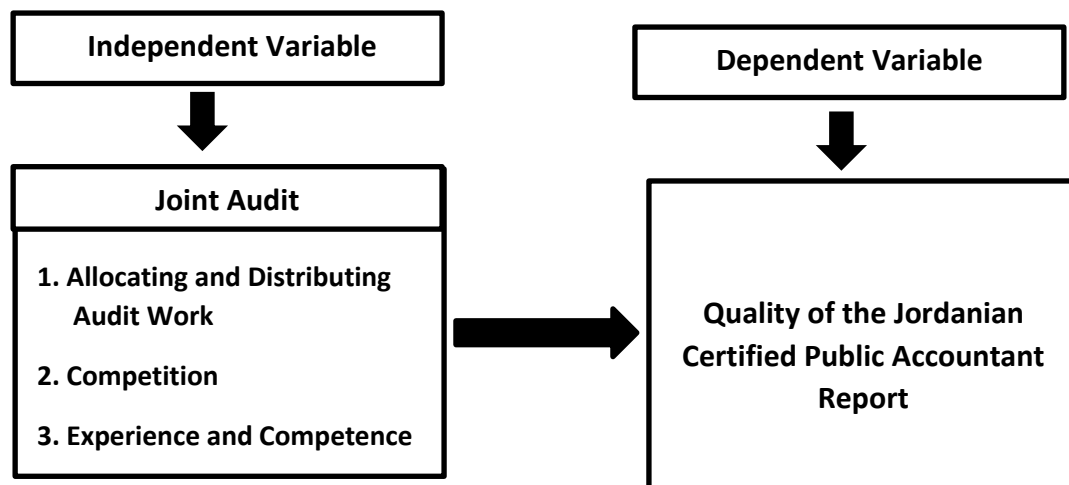


Figure1: Prepared by researchers based on the study (Aqab & Toubal, 2022).

Literature Review

Previous studies were arranged chronologically from newest to oldest:

The study by Alassuli (2023) aimed to demonstrate the impact of integrating the joint external audit method and the external auditor's opinion on information asymmetry in industrial companies listed on the Amman Stock Exchange, totaling (228) companies, during the period from (2015 to 2019). The study used the annual financial data of (46) companies representing the study sample and relied on the descriptive and analytical approach. The study found that using the joint external audit method had a positive effect on the opinion of the Jordanian external auditor. Conversely, it was found that this approach had a negative effect on information asymmetry in these companies. The researcher recommended conducting more studies to determine the impact of adopting standardized external auditing on the opinion of the Jordanian external auditor and its reflection on information asymmetry in Jordanian industrial companies. The current study contributed to formulating the research problem and clarifying its dimensions.

The study by Aqab & Toubal (2022), aims to measure the impact of factors included in the joint audit method (expertise and competence, timing of audit report issuance, allocation and distribution of audit tasks, professional performance, and competition) on audit costs in the Algerian banking sector. The study followed a descriptive and analytical approach. To analyze the data collected through a questionnaire from a sample of (48) individuals from the study population, the researchers used the statistical analysis program (SPSS.V26). The study found a significant positive impact of the joint audit method on audit costs in Algerian commercial banks, attributed to the competition factor. This study was utilized in formulating the independent variable elements to construct the model of the current study.

The study by Hasoon & Zbaeen (2021) explored the impact of using a joint audit method on narrowing the expectations gap from the perspective of external auditors. The study

population consisted of all Iraqi external auditors, totaling (291) auditors. The sample included (165) auditors, who were selected using a systematic random sampling method. To collect the necessary data, (165) questionnaires were distributed, and 129 were retrieved, of which (90) were valid for analysis, with a response rate of (70.76%) of the total distributed questionnaires. The study reached several theoretical conclusions, the most important being that the joint audit method is an advanced model of traditional auditing practices. It aims to improve the overall quality of the audit process, enhance the quality of financial reports, and increase the efficiency of external auditors. The practical results of the study indicated a significant impact of the quality of the audit process resulting from the application of the joint audit method on enhancing professional competence. This positively reflects on meeting user expectations and reducing the expectations gap from the perspective of Iraqi external auditors. The study recommended the need for legislation and auditing regulations that support the application of the joint audit method in the Iraqi environment due to its success in improving the quality of the audit process, increasing the neutrality and independence of external auditors, and enhancing their ability to detect fraud and significant errors in several neighboring environments. This study was beneficial to the current research in understanding the historical background of the joint audit method.

The study by Khersiat (2020), aims to demonstrate the impact of joint auditing on enhancing financial fraud detection procedures, including (understanding management and the board of directors, relationships with related parties, industrial and financial companies, financial results, and operational processes) from the perspective of Jordanian certified public accountants. The study used the statistical analysis program (SPSS) to analyze the data collected through a questionnaire. The study results showed no impact of joint auditing on enhancing financial fraud detection procedures. The researcher recommended relying on single auditing instead of joint auditing for detecting financial fraud, as joint auditing may cause conflicts between auditing firms, negatively affecting the quality and independence of the auditing process. This study contributed to the current research by enriching the theoretical literature and providing more knowledge about the potential application of joint auditing in the Jordanian environment.

The study by Omer et al (2019), aimed to investigate the impact of joint auditing including (task division, audit planning, and joint reporting) on the quality of the Sudanese auditor's report. To achieve its objectives, the study employed a descriptive and analytical approach. The study population consisted of (160) Sudanese chartered accountants, and data was collected using a questionnaire designed to gather information on the study variables. The findings revealed a positive impact of joint auditing on the quality of the Sudanese auditor's report. This study contributed to the current research by enriching the theoretical literature and providing more knowledge about joint auditing and the quality of the auditor's report in the Sudanese environment.

The study by Abdul-Qawi et al (2018), focused on measuring the impact of joint auditing on the level of conservatism in the external auditor's report compared to single auditing in the Egyptian environment. The study analyzed annual audit reports from (115) companies listed on the Egyptian stock exchange, which represented the study sample. Among these companies, (38) applied joint auditing (11) of which were required to do so by law, and (37)

voluntarily applied joint auditing—while the remaining (77) companies used single auditing. The study found that the joint auditing method contributes to issuing more conservative and independent audit reports compared to single auditing, which in turn increases user confidence in the quality of the auditing process. This study contributed to the current research by enriching the theoretical literature and providing more knowledge about joint auditing and the quality of the auditor's report in the Egyptian environment.

By reviewing the latest previous studies, the researchers found that there is a research gap related to the scarcity of studies that addressed the relationship between joint auditing and the quality of the external auditor's report in Arab and foreign environments, in addition to the lack of previous studies that addressed this relationship in the Jordanian environment, as most previous studies were limited to knowing the pros and cons. The joint audit method in enhancing the quality of the audit process, while the current study was distinguished in that it dealt with the adopting the joint audit method represented by (allocation and distribution of audit work, competition, experience, efficiency, professional performance, timing of issuing the report) and studying its impact on the quality of the Jordanian certified public accountant report.

Theoretical Literature

First: Joint Audit

The joint audit is considered a product of an advanced level of interactive professional relationships between audit firms, where this method was mandatorily applied for the first time in Denmark from the beginning of (1930) until the end of (2004). After that, it was applied optionally in some developed and developing countries around the world (Hasoon & Zbaeen, 2021).

It is defined as the participation of two or more independent and separate audit offices and companies, and there is no connection between them, in auditing the accounts of a particular company subject to audit on a mandatory or optional basis. They often plan jointly to enhance the audit process, and divide the field work in a balanced manner according to the size of the office and professional and scientific experience. To auditors in audit offices and companies to ensure that audit tasks are not repeated, with the issuance of a joint audit report that they all sign and under which they bear joint responsibility for the audit opinion issued (Zakar & Dhanoon, 2021).

It was also defined as an audit involving two independent auditors working together on a single audit task, where both auditors share responsibility for the final report (Hegazy & Ebrahim, 2022). A joint audit is when two or more independent auditors from separate audit firms are appointed to evaluate the financial statements of the audit client. The idea of a joint audit is distinct from a double audit, which calls for a single auditor to complete the audit work twice. and a dual audit, which entails two independent auditors performing the audit and issuing separate reports that are then used by a third auditor who eventually reports on the entity (Mohanty, 2023).

Joint auditing derives its importance from its ability to create new investment opportunities for companies that rely on joint auditors for their financial audits. It contributes to improving

the efficiency of the three planning stages of the audit process by providing a reasonable level of assurance regarding the quality of the audit to the client companies' management. Additionally, joint auditing enhances the credibility and reliability of these companies' financial statements, leading to an increase in their stock value, maximizing their market value, and consequently reducing the legal risks they may face in the future (Samra et al., 2022).

The joint audit method aims to achieve several advantages, which can be outlined as follows: enhancing the external auditor's ability to detect material errors that affect the fairness of financial statements, improving the external auditor's independence, sharing skills and expertise, maintaining consistency of information between management and external parties interested in obtaining added value from financial statements, increasing user confidence in the information included in the external auditor's report, reducing the concentration of audit services provided to companies operating in the same market sector, clearly allocating tasks and responsibilities to both joint audit firms through balanced and effective work division, increasing the reliability of financial reports, and speeding up responsiveness by reducing the time spent on the audit process and improving the overall efficiency of the audit process (Alamory et al., 2023).

The objectives of joint auditing do not differ from those of single auditing. Generally, these objectives are as follows (Ibrahim & Yaqoop, 2020):

1. To obtain reasonable assurance that the financial statements are free from material misstatements and that they have been prepared in accordance with generally accepted accounting principles.
2. To express a neutral professional opinion on the financial statements based on the results of the joint audit in the audit report.

Finally, it is necessary to point out the most important disadvantages of the joint audit method by some users and investors, which are: increased conflicts between audit offices, high costs of the audit process, lack of accountability between joint auditors, and inability to manage risks (Mohammad, 2024; Mohanty, 2023).

Second: Quality of the Jordanian Certified Public Accountant Report

And the Jordanian certified public accountant is a person who meets the regulatory requirements set by the Jordanian Association of Certified Public Accountants, provided that he passes the JCPA exam to obtain a certificate to practice the profession of external auditing in Jordan (Jordanian Association of Certified Public Accountants, 2023).

International Auditing Standard No (700) explained that the auditor's report is a means of communicating with various users of the financial statements, and the opinion paragraph is considered the most important part and falls within the first paragraphs of the report (IFAC, 2017, 1SA no700).

Audit reports act as a link between the auditor and the users of the financial statements, and they help users make informed decisions about a specific activity, and they must understand the content of the report in order to apply it successfully (Oyedjeji et al., 2017).

The auditor's report is the channel through which auditors issue their judgment on the true and fair view of the company's financial statements, primarily for the benefit of shareholders, but also other stakeholders also know it as the audit report (Efiong et al., 2017).

According to Khamloul & Bouderbala (2022) the importance of the auditor's report lies in the following:

1. It serves as evidence that the task has been completed.
2. It provides a basis for linking taxes with the company's financial performance.
3. It helps in formulating the company's future policies.
4. It is an important document for all parties interested in understanding the company's performance.

The external auditor's report is also extremely important because it informs various groups about the accuracy of the company's financial statements. This report is used by different groups, such as shareholders, investors, lenders, and government officials, to make decisions. These groups rely on the auditor to provide an accurate and trustworthy report. Their confidence increases with the presence of international and local auditing standards, which the auditor adheres to while performing their duties and auditing the financial statements (Nusseir & Al-Sharairi, 2023).

The characteristics of the auditor's report, as mentioned by Al-Marafi & Al-Hamaida (2020) highlight that there is consensus among various users that the external auditor's report should include certain attributes, such as (objectivity, clarity, and ease of understanding). Additionally, they agree that the report should be written in a proper and simple language, be flexible for modification as needed, accurate, and impartial. Lastly, the report should be available when needed.

The period of delay in issuing the auditor's report is defined as the period from the company's fiscal year to the date of issuing the auditor's report (Al-Marafi & Al-Hamaida, 2020).

According to some, financial information without an audit report is "essentially worthless" for investment purposes (Olatunji & Osho, 2020).

Nusseir & Al-Sharairi (2023) believe that the sooner the external auditor's report is issued, the greater the value of interest that investors can obtain in order to make decisions, and the longer the period of issuing the auditor's report, then these reports lose one of their characteristics, which is the property of timeliness, and thus the benefit desired by them decreases decision makers.

Method and Data Analysis

Research Design and Sample

This study employs a quantitative research design using a survey methodology to investigate the impact of adopting the joint audit method on the quality of the Jordanian certified public accountant report. The population for this study consists of all licensed auditors in Jordan. According to the Jordanian Association of Certified Public Accountants (JACPA), there were approximately (650) licensed auditors in Jordan as of 2023 (JACPA, 2023).

In this study, the participants were chosen randomly hence forming a random sample for the study. The sample size was determined using the following formula (Krejcie & Morgan, 1970): It is therefore $n = N / (1 + N(e)^2)$

Where: n = Sample size N = Population size e = Margin of error (5% or 0.05)

Using this formula with a population of 650 and a 5% margin of error, the calculated sample size is: 248 where $n = (650) / (1 + 650(0.05)^2)$

In order to handle the non-response bias, (300) questionnaires were thus filled and administered to auditors in Jordan. A total of (265) questionnaires were returned, out of which 265 were found to be usable, thus giving the investigation a response rate of 88.3%.

Research Instrument

The main source of collecting the data was through a survey and the tool used was a questionnaire which was designed based on the literature review of the studies conducted by Krait et al., (2017), Holm & Thinggaard (2016) and Zerni et al., (2012). It was structured in a way that it will assess the auditors' perception regarding the effect of joint audits on Quality of the Jordanian Certified Public Accountant Report.

The questionnaire consisted of two main sections:

- A. Demographic Information: This section obtained demographic information about gender, age, education, certification, experience, and job level in the firm.
- B. Joint Audit: This section comprised of (25) items grouped into five factors namely, a) Allocation and Distribution of Audit Work (5 items), b) Competition (5 items), c) Experience and Competence (5 items), d) Professional Performance (5 items) and e) Timing of Report Issuance (5 items).
- C. Quality of the Jordanian Certified Public Accountant Report: This section comprised of (7 items).

Respondents were asked to rate their level of agreement with each statement using a 5-point Likert scale, where 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree.

Validity and Reliability

To ensure content validity, the questionnaire was reviewed by five experts in auditing and accounting from Jordanian universities. Their feedback was incorporated to improve the clarity, relevance, and comprehensiveness of the instrument. Cronbach's alpha was used to assess the internal consistency of the questionnaire items. The results of the reliability analysis are presented in Table 1.

Table 1

Reliability Analysis Results

Dimension	Number of Items	Cronbach's Alpha
Allocating and Distributing Audit Work	5	0.87
Competition	5	0.84
Experience and Competence	5	0.86
Professional Performance	5	0.89
Timing of Issuing the Report	5	0.84
Quality of the Jordanian Certified Public Accountant Report	7	0.89
Overall Questionnaire	32	0.92

The Cronbach's alpha values for all dimensions and the overall questionnaire exceeds (0.80) indicating high internal consistency and reliability (Nunnally & Bernstein, 1994).

Data Collection Procedure

The data collection process took place over a period of three months, from June to August 2023. Questionnaires were distributed both electronically (via email and professional networking platforms) and in person at audit firms and professional events. Follow-up reminders were sent to non-respondents after two weeks to improve the response rate.

Data Analysis Techniques

The collected data were analyzed using IBM SPSS Statistics version 26. The following statistical techniques were employed:

- 1) Descriptive Statistics: Means, standard deviations, and frequencies were calculated to describe the sample characteristics and summarize responses to questionnaire items.
- 2) Inferential Statistics: Multiple regression analysis was used to test the hypotheses and examine the impact of joint audits on quality of the Jordanian Certified Public Accountant report.
- 3) Reliability Analysis: Cronbach's alpha was used to assess the internal consistency of the questionnaire items.
- 4) Validity Analysis: Factor analysis was conducted to assess the construct validity of the questionnaire.

Results and Analysis

Demographic Profile of Respondents

Table 2 presents the demographic characteristics of the study participants.

Table 2

Demographic Profile of Respondents (N = 265)

Characteristic	Frequency	Percentage
Gender		
Male	198	74.70%
Female	67	25.30%
Age		
25-35 years	82	30.90%
36-45 years	103	38.90%
46-55 years	61	23.00%
Above 55 years	19	7.20%
Educational Qualification		
Bachelor's degree	241	90.90%
Master's degree	18	6.80%
PhD	6	2.30%
Years of Experience		
Less than 5 years	17	6.40%
5-10 years	115	43.40%
11-15 years	97	36.60%
More than 15 years	36	13.60%
Position in Firm		
Junior Auditor	47	17.70%
Senior Auditor	92	34.70%
Manager	76	28.70%
Partner	50	18.90%

The demographic profile shows a diverse range of respondents, with a majority being male (74.7%), aged between (36-45) years (38.9%), holding a bachelor's degree (90.9%). Most respondents had (5-10) years of experience (43.4%) and held senior auditor positions (34.7%).

Descriptive Statistics

Table 3 presents the descriptive statistics for the five dimensions of joint audit impact and quality of the Jordanian Certified Public Accountant Report.

Table 3

Descriptive Statistics for Joint Audit and Quality of the Jordanian Certified Public Accountant Report

Dimension	Mean	Std. Deviation
Allocating and Distributing Audit Work	4.12	0.73
Competition	3.98	0.81
Experience and Competence	4.05	0.69
Professional Performance	4.21	0.62
Timing of Issuing the Report	4.03	0.78
Overall Joint Audit Impact	4.09	0.71
Quality of the Jordanian Certified Public Accountant Report	4.11	0.68

The results indicate that auditors generally perceive joint audits across all dimensions. The highest mean score was observed for "Professional Performance" (M = 4.21, SD = 0.62), while the lowest was for "Competition" (M = 3.98, SD = 0.81). These results suggest that auditors perceive joint audits to be particularly effective in areas such as allocating and distributing audit work, professional performance, and managing competition. Also, the results indicate that quality of the Jordanian Certified Public Accountant Report is high were (M = 4.11, SD = 0.68).

Hypothesis Testing

To test the hypotheses, multiple regression analysis was conducted. The dependent variable was the overall perception of joint audit effectiveness in Quality of the Jordanian Certified Public Accountant Report, while the independent variables were the five dimensions of joint audit impact. The results of the regression analysis are presented in Table 4.

Table 4

Multiple Regression Analysis Results

Variable	B	Std. Error	Beta	T	Sig.	VIF
(Constant)	0.682	0.218	-	3.128	0.002	-
Allocating and Distributing Audit Work	0.245	0.059	0.253	4.152	0.000	1.843
Competition	0.187	0.054	0.214	3.463	0.001	1.917
Experience and Competence	0.203	0.062	0.198	3.274	0.001	1.762
Professional Performance	0.278	0.068	0.244	4.088	0.000	1.689
Timing of Issuing the Report	0.273	0.054	0.243	5.056	0.000	1.611
Model Summary:						
R: 0.723						
R²: 0.523						
Adjusted R²: 0.516						
F: 71.284						
p: < 0.001						

The regression model explains (52.3%) of the variance in the perceived effectiveness of joint audits in quality of the Jordanian Certified Public Accountant Report ($R^2 = 0.523$). The F-statistic ($F = 71.284$, $p < 0.001$) indicates that the model is statistically significant.

All five independent variables have positive and statistically significant relationships with the dependent variable ($p < 0.05$). The Variance Inflation Factor (VIF) values are all below 5, indicating no significant multicollinearity issues (Hair et al., 2010).

Based on these results, we can address each hypothesis:

Main hypothesis H0: There is no statistically significant impact of joint audit on quality of the Jordanian Certified Public Accountant Report.

Given that all sub-hypotheses are rejected, and the overall regression model is statistically significant, we can also reject the main null hypothesis. The results provide strong evidence that joint audits have a significant positive impact on quality of the Jordanian Certified Public Accountant Report.

H01: There is no statistically significant impact of Allocating and Distributing Audit Work on the quality of the Jordanian Certified Public Accountant Report.

This hypothesis is rejected. The regression coefficient for "Allocating and Distributing Audit Work" is positive and statistically significant ($\beta = 0.253$, $p < 0.001$), indicating that Allocating and Distributing Audit Work have a significant positive impact on quality of the Jordanian Certified Public Accountant Report.

H02: There is no statistically significant impact of Competition on quality of the Jordanian Certified Public Accountant Report.

This hypothesis is rejected. The regression coefficient for "Competition" is positive and statistically significant ($\beta = 0.214$, $p = 0.001$), suggesting that competition significantly improve quality of the Jordanian Certified Public Accountant Report.

H03: There is no statistically significant impact of Experience and Competence on quality of the Jordanian Certified Public Accountant Report.

This hypothesis is rejected. The regression coefficient for "Experience and Competence" is positive and statistically significant ($\beta = 0.198$, $p = 0.001$), indicating that Experience and

Competence significantly enhance the quality of the Jordanian Certified Public Accountant Report.

H04: There is no statistically significant impact of Professional Performance on quality of the Jordanian Certified Public Accountant Report.

This hypothesis is rejected. The regression coefficient for "Professional Performance" is positive and statistically significant ($\beta = 0.244$, $p < 0.001$), suggesting that Professional Performance significantly improve the quality of the Jordanian Certified Public Accountant Report.

H05: There is no statistically significant impact of Timing of Issuing the Report on quality of the Jordanian Certified Public Accountant Report.

This hypothesis is rejected. The regression coefficient for "Timing of Issuing the Report" is positive and statistically significant ($\beta = 0.243$, $p < 0.001$), suggesting that Timing of Issuing the Report significantly improve the quality of the Jordanian Certified Public Accountant Report.

Additional Analysis

To further explore the relationships between variables, a correlation analysis was conducted. Table 5 presents the correlation matrix for the study variables.

Table 5

Correlation Matrix

Variable	1	2	3	4	5	6
Overall Joint Audit Effectiveness	1.000					
Allocating and Distributing Audit Work	0.648**	1.000				
Competition	0.612**	0.573**	1.000			
Experience and Competence	0.587**	0.521**	0.498**	1.000		
Professional Performance	0.671**	0.589**	0.542**	0.511**	1.000	
Timing of Issuing the Report	0.592**	0.553**	0.542**	0.587**	0.612**	1.000

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

The correlation analysis reveals moderate to strong positive correlations between all variables, with coefficients ranging from (0.498) to (0.671). All correlations are statistically significant at the (0.01) level. The strongest correlation is observed between "Professional Performance" and "Overall Joint Audit Effectiveness" ($r = 0.671$), which aligns with the regression results showing this dimension as having the largest impact on quality of the Jordanian Certified Public Accountant Report.

Discussion

The findings of this study provide strong evidence for the positive impact of joint audits on the quality of the Jordanian Certified Public Accountant Report, as perceived by Jordanian auditors. All five dimensions examined - allocation and distribution of audit work, competition, experience and competence, professional performance, and timing of report issuance - were found to have significant positive relationships with the perceived quality of the Jordanian Certified Public Accountant Report.

The dimension of "Professional Performance" was the most significant factor that influences joint audit effectiveness in enhancing the quality of the report with the mean score of (4. 21).

This finding implies that the participation of joint audits may be most effective in increasing the professionalism of auditors. A joint audit which refers to the sharing of skills and equipment in audit practice may result in preparing better and quality audit reports. This is in consistent with the argument made by Holm and Thinggaard (2016) that pointed out that Joint audits tend to produce more thorough review of financial statements.

The 'Allocation and Distribution of Audit Work' which had a mean score of (4.12) also had a positive correlation with report quality. This means that joint audits may help in the better and more effective division of the audit work and hence provide better coverage and quality of work. Having two audit companies may provide a rather effective framework for splitting the tasks and monitoring the process which may be less effective in the case of one Audit Company.

As for all dimensions, all of them had positive correlations; however, the dimension of 'Competition' had the lowest mean of (3.98). This may mean that although joint audits contribute towards the enhancement of competition among the audit firms the auditors feel that this aspect is least likely to be affected by the joint audit system as compared to the other aspects.

The regression analysis indicated that all five dimensions of joint audits has a positive and significant effect on the quality of the Jordanian Certified Public Accountant Report. The model explained (52.3%). The study found that website quality explained the variation in report quality with all the dimensions being positively correlated at the (0.05) level. This gives a lot of credence to the usefulness of joint audits in improving report quality in all the aspects of the audit process.

However, it's important to note that these findings contrast with some previous research. For example, Deng et al (2012), concluded that individual audits might provide higher quality evidence than joint audits, recommending against the adoption of joint audits. The discrepancy between these findings and the current study's results could be attributed to differences in research contexts, methodologies, or evolving perceptions of joint audits over time. It may also reflect the specific focus of this study on the Jordanian context and the quality of certified public accountant reports, as opposed to overall audit quality in other jurisdictions.

Practical Implications

The findings of this study have several practical implications for the auditing profession and regulatory bodies in Jordan:

1. **Support for Joint Audit Implementation:** The overall positive perception of joint audits in enhancing the quality of the Jordanian Certified Public Accountant Report provides support for the implementation or expansion of joint audit practices. Regulatory bodies and professional organizations in Jordan might consider promoting joint audits as a means to strengthen audit report quality.
2. **Focus on Professional Performance:** Given the strong relationship between professional performance and report quality, audit firms and regulatory bodies should emphasize continuous professional development and performance standards in joint audit contexts.

3. **Efficient Allocation of Audit Work:** The positive impact of work allocation on report quality suggests that audit firms should develop robust methodologies for task distribution in joint audit engagements.
4. **Addressing Competition Concerns:** The relatively lower score for the competition dimension indicates a need for policies or guidelines that ensure joint audits foster healthy competition while maintaining audit quality.
5. **Timing of Report Issuance:** The significant impact of report timing on quality suggests that joint audit teams should pay particular attention to efficient processes that allow for timely report issuance without compromising quality.

Limitations and Future Research

While this study provides valuable insights into the perceived impact of joint audits on the quality of the Jordanian Certified Public Accountant Report, it is not without limitations:

- **Perceptual Data:** The study relies on auditors' perceptions rather than objective measures of report quality. Future research could complement these findings with studies examining actual report quality metrics in joint versus single audit contexts.
- **Geographical Limitation:** The study is limited to the Jordanian context. Replication in other countries would help establish the generalizability of these findings across different regulatory and cultural environments.
- **Cross-sectional Design:** The cross-sectional nature of the study doesn't allow for the examination of changes in perceptions over time. Longitudinal studies could provide insights into how perceptions of joint audit effectiveness evolve as auditors gain more experience with this approach.

Based on these Limitations and the Study's Findings, Several Avenues for Future Research Emerge

- **Objective Measures:** Studies using archival data to compare report quality metrics between companies with joint audits versus single audits could provide more objective evidence of effectiveness.
- **Cost-Benefit Analysis:** While this study focused on perceived effectiveness, future research could examine the cost-effectiveness of joint audits in improving report quality, weighing the benefits against the potentially higher costs.
- **Audit Team Dynamics:** Research into how different combinations of audit firms (e.g., Big 4 paired with smaller firms) affect report quality could provide insights for optimizing joint audit arrangements.
- **Regulatory Impact:** Studies examining how different regulatory frameworks influence the effectiveness of joint audits in improving report quality could inform policy decisions in Jordan and beyond.

References

- Alamory, Z. O., Bugauari, S. H., & Khaled, B. K. M. (2023). The trend towards joint audit as an input to mitigate audit risks. *Economic Studies Journal*, 6(3), 241–222.
- Alassuli, A. (2023). The Impact of Adopting the Joint External Audit Approach on the Auditor's Opinion and its Reflection on Information Asymmetry: An Applied Study at Firms Registered on Amman Stock Market Exchange, *WSEAS Transactions on Business and Economics*, vol. 20, pp. 836-847, DOI:10.37394/23207.2023.20.77
- Aqab, S., and Toubal, I. (2022). The impact of joint auditing on audit costs in Algerian commercial banks: A field study. *Journal of Humanities of the University of Oum El Bouaghi*, Vol. 9, No. 3, pp. 968-987.
- Deng, M., Lu, T., Simunic, D. A., & Ye, M. (2012). Do joint audits improve or impair audit quality?. *Journal of Accounting Research*, 52(5), 1029-1060.
- Efiong, E., Basse, B. E., Hadrain, A. Acha, Charles, A., & Golce, B. D. (2017). The Effects of Audit Evidence on the Audit Report of Commercial Banks in Nigeria. *Asian Journal of Business and Management*, 5(6). Retrieved from <https://www.ajouronline.com/index.php/AJBM/article/view/5115>
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis: A global perspective (7th ed.)*. Pearson.
- Hasoon, A. F., & Zbaeen, H. A. (2021). The effect of joint auditing in narrowing the expectations gap -an analytical study of the auditors' viewpoints. *Entrepreneurship Journal for Finance and Business*, 2(4), 199–209.
- Hegazy, M., & Ebrahim, H. (2022). Are joint audits associated with higher audit quality? *Corporate Ownership & Control*, 19(2), 204–216. <https://doi.org/10.22495/cocv19i2art16>
- Holm, C., & Thinggaard, F. (2016). Paying for joint or single audits? The importance of auditor pairings and differences in technology efficiency. *International Journal of Auditing*, 20(1), 1-16.
- Ibrahim, A. K., & Yaqoop, F. A., (2020). A Proposed Guide for Joint Audits of Financial Statements, *Journal of Madenat Al-Elam University College*, 12(2), 24-38.
- IFAC, (2017). "Hand Book of International Standards on Auditing and Quality". 2016- 2017 Edition, Part I, New York, USA.
- JACPA. (2023). Jordanian Association of Certified Public Accountants Annual Report. JACPA Publications.
- Khamloul, K., & Bouderbala, Hadda S. (2022). The Impact of Auditor's Report Modification on the Assessment of Continuity in the Organization According to International Auditing Standards, *Journal of Economic Studies*, 16(3), 272-287.
- Khersiat, O. M. (2020). The Impact of Joint Audit on Fraud Detection in Financial Statements from the Point of View of Auditors. *Research in World Economy*, 11(1), 153-160.
- Krait, H., Baaklini, G., & Khouri, R. (2017). The role of joint auditing in improving the accuracy of audit risk assessment. *Tishreen University Journal for Research and Scientific Studies-Economic and Legal Sciences Series*, 39(6), 221-240.
- Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement*, 30(3), 607-610.
- Mohammad, A. M. (2024). The impact of joint auditing in enhancing the reliability of accounting information for private banks. *Al Ku Journal of Economics and Administrative Sciences*, 16(50), 20-37.

- Mohanty, L. (2023). Impact of Joint Audit on Audit Quality—An Indian Scenario. *ICRRD Journal*, 4(3), 182-193.
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory (3rd ed.)*. McGraw-Hill.
- Olatunji, T. E., & Osho, A. E. (2020). The roles of auditors' report in investors' decision making in Nigeria. *KIU Interdisciplinary Journal of Humanities and Social Sciences*, 1(2), 390-405.
- Omar, A. M., Issa, M. A., & Muhammad, A. A. (2019). The Impact of the Joint Audit on the External Auditor Report in Sudanese Business Environment- Field Study. *Global Journal of Economics and Business*, 6 (2), 283-299. <https://doi.org/10.31559/GJEB2019.6.2.4>
- Oyedeji, L. Q., Okere, W., Ogundana, O., Adetula, D., & Adesanmi, D. (2017). Auditor's report and investment decisions in Nigeria: The standpoint of accounting academics. *Journal of Management & Administration*, 2017(1), 181-195.
- Samra, Y. M. A., Elzahar, H. M. A. & Fayed, H. M. A. (2022). The Impact of Joint Audit on Audit Planning Quality: A Field Study, *Scientific Journal for Financial and Commercial Studies and Research*, 3(1)1, 35-82.
- Zakar, A. M., & Dhanoon, A. A. (2021). The impact of a joint audit on the professional qualifications and experience of the auditor: An exploratory study of the opinions of a sample of independent auditors in Iraq. *Tikrit Journal of Administrative and Economic Sciences*, 17(56, 3), 92–109. <https://doi.org/10.25130/tjaes.17.56.3.6>
- Zerni, M., Haapamäki, E., Järvinen, T., & Niemi, L. (2012). Do joint audits improve audit quality? Evidence from voluntary joint audits. *European Accounting Review*, 21(4), 731-765.