

The Impact of Professional Accounting Ethics on Quality Assurance in Audits in Malaysia

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ABSTRACT

This study examined the impact of ethical behaviour of professional accountants on audit quality assurance. Accounting ethics are measured using integrity, confidentiality, professional conduct, and objectivity and treated these variables as independent factors in this study. Also, audit quality assurance is considered as dependent variables. This study formulated four objectives and hypotheses. In order to give readers a comprehensive understanding of how professional accounting ethics impacts audit quality assurance; this study offered a thorough overview of the literature on each variable and integrates earlier research on the subject. This study adopted an explanatory research design in order to carry out a quantitative primary method of data collection. To collect information for this research, a questionnaire was created using Google Forms. The target population for this study includes individuals aged 16 and above with accounting backgrounds and knowledge. The questionnaire used a Likert scale of 1 to 5 to evaluate the integrity, confidentiality, professional behaviour, and objectivity on audit quality assurance in Malaysia. Following that, the questionnaire was distributed through online platforms such as e-mail, Instagram, Facebook, and WhatsApp. This study included a sample size of 123 participants. The data collected was then examined using IBM SPSS software to create a variety of analyses such as Descriptive Statistics, Normality Testing, Reliability Testing, Validity Testing, Correlation Matrix, and Regression Analysis. The study found that only Professional Behaviour and Objectivity have significantly positive impacts on audit quality assurance in Malaysia. Based on the findings, it is concluded that professional behaviour and objectivity are two key determinants of audit quality assurance. This means by enhancing professional behaviour and maintaining objectivity will improve audit quality assurance. Further research might be required to examine the important role that objectivity and professional behaviour play in audit quality assurance, as well as how these components might be improved and used in real-world scenarios. Future researcher could also look into the contextual or indirect function of confidentiality and integrity, as well as how organizational, cultural, and legal aspects affect audit quality assurance in Malaysia. Furthermore, research might examine how these ethical elements interact, evaluate more general quality assurance metrics, and carry out longitudinal studies to gauge the long-term efficacy of audit quality enhancements. This would offer a thorough grasp of how moral principles influence audit procedures in Malaysia and around the world.

Keyword (s): Professional Accounting Ethics; Integrity; Confidentiality; Professional Behaviour; Objectivity; Quality Assurance in Audits; Malaysia

1.0 INTRODUCTION

Because of the sensitive nature of the company's financial reporting nature, it is necessary to studying professional accounting ethics in the context of financial reporting, particularly in Malaysian context. Also, it is crucial component of the roles that accountants and auditors perform in preparing financial statements (Jaijairam, 2017). In general, ethics refers to morality or a set of rules that provide a clear framework for differentiating between right and wrong actions (Edi and Enzelin, 2022). A professional accountant's credibility may be damaged if they fail to use appropriate diligence when carrying out their duties. Also, the dishonesty may causes damage their credibility among the professional accountants (Mabil, 2019). As accounting fraud has become more common, ethics has been getting more attention recently and has been given more weight in the accounting field. In Malaysia, financial reporting fraud is on the rise, and experts predict that this fraud will continue to increase in the future (Khan and Hapiz, 2022). In order to increase public confidence towards the professional accountants, accountants and auditors are expected to maintain the highest standards of honesty, objectivity, professionalism, and confidentiality. Also, they need to be able to cope with client pressure or pressure arise from own self to maximise personal benefit. It was reported that public is constantly worried and concern about the auditor's and accountant's coping competences to tackle obstacles and maintain independence in their work and reporting (Jacob, 2022).

1.1 Research Problem

Accountants have to deal with issues such as corporate failures, failure with reporting laws, and business fraud. Professional accountants are responsible for the collapse of Enron, WorldCom, and Satyam Industry. This was because accountants did not take their clients seriously when they were found to be in errors or fraudulent behaviour (Kanjapathy, 2016). Furthermore, a lack of independence from auditors is a contributing

factor to a rise in accounting fraud. Auditors who prefer to satisfy all of their client's requirements by making adjustments, dressing the accounting in the manner desired by the customer, and non-compliance with Generally Accepted Accounting Principles (GAAP) have caused the public to lose confidence in accountants. Auditors must conduct their tasks with high integrity in order to prevent accounting problems such as fraud and dishonesty (Aripin et. al, 2022). Malaysia, being a developing country with unpredictable economic and political environment, is not immune from fraudulent financial reporting cases. Corruption and bribery have been increasingly prevalent in Malaysia over the years, both socially and economically (Aripin et.al, 2022). Malaysia has a history of taking action to fight bribery and corruption, but recent cases show no sign of slowing down the occurrence of such ethical problems. Cases such as 1MDB, the Immigration Department Scandal, the Port Klang Free Zone (PKFZ), and the Sabah Water Department show corruption and bribery in Malaysian political and government organisations (Nair, 2020). Corruption and bribery take many different forms and have a wide range of consequences for the economy and society. Professional ethics and morality, standards, political and economic environment, behaviours, traditions, and demographics are the most common causes of corruption and bribery. The past literature indicated that the number of studies on examining the influence of corruption and bribery on the economy and society are thoroughly done yet remains insufficient. As a result, corruption and bribery continue to inhibit Malaysia's economic progress and have a negative impact on business operations, investments, and employment. Furthermore, it decreases the efficiency of taxes and other funding programmes (Šumah, 2018). According to the Price Waterhouse Coopers (2020), cases of fraud in Malaysia remain extremely high. Fraud cases have increased from 41% in 2018 to 43% in 2020. Although the establishment of new rules and regulations, as well as governance

improvements to combat fraudulent financial reporting, it was found that fraud continues to grow with time (Aripin et. al, 2022)

1.2 Research Significance

The contribution of this study lies in its ability to enhance awareness among accountants, auditors, and the general public about the crucial role of professional accounting ethics in ensuring high-quality audits in Malaysia. The study emphasizes the importance of ethical conduct, such as integrity, confidentiality, professional behavior, and objectivity, as foundational principles in the auditing profession. By highlighting the significance of adhering to ethical standards and regulations, the research underscores how these ethics contribute to audit quality assurance. Furthermore, the study contributes to the broader understanding of how ethical behaviour fosters trust between auditors and clients, ensuring that audits are conducted with competence, independence, and integrity, which ultimately supports the regulatory framework's objectives and public confidence in the auditing process.

1.3 Research Scope

The researchers of this paper collected over 100 responses from a broader demographic ranging from high school students to doctoral students. In addition, to obtain accurate findings, the researcher covered additional factors that affect audit quality, such as objectivity, confidentiality, and professional behaviours. Furthermore, the previous research used a random sample method to gather respondents, and many of them were audit juniors, which might have influenced the results. The sample also included only auditors who worked in Klang Valley and were chosen at random (Johari, Hairudin, and Dawood, 2022). To improve the final results, the researcher of this paper expanded the coverage by choosing individuals with accounting backgrounds or knowledge across Malaysia rather than just auditors in the Klang Valley area. This allows the researcher to obtain a more generalised result.

1.4 Research Objectives

Within the scope of this investigation, four (4) research objectives have been formulated, and they are as follows: -

- To examine the impact of integrity on quality assurance in audits in Malaysia.
- To examine the impact of confidentiality on quality assurance in audits in Malaysia.
- To examine the impact of professional behaviour on quality assurance in audits in Malaysia.
- To examine the impact of objectivity on quality assurance in audits in Malaysia.

2.0 LITERATURE REVIEW

In this section, the researcher studied the literature on "The Impact of Professional Accounting Ethics on Quality Assurance in Audits in Malaysia". The key concepts, theories and models, empirical studies, literature gaps, conceptual framework, and hypothesis development were all examined by the researcher in this section. This part of the study is supported by a large number of previous studies, the majority of which were published in the last five (5) years.

2.1 Professional Accounting Ethics

Professional accounting ethics serves as an applied ethics area that is related to human and business ethics. Furthermore, it is a subset of the study of moral values and decisions, since both are related to accounting (Zhao, 2017). Accounting has now been implemented by government departments, professional organisations, and businesses (Global, 2021). People must acknowledge that accounting has significant effects on almost every aspect of their daily life. Although many people are unaware of it, accounting can have an impact on individuals' personal and professional lives. This is particularly true when it comes to professional accounting ethics (Onuora & Okegbe, 2015). As a result, accountants have to know the importance of professional accounting ethics and comply with professional accounting standards at all times. It is

unethical for an accountant to modify any data or information to fulfil particular needs. Alternatively, one small modification can set off a chain reaction of negative effects that may disrupt normal people's lives (Kanjapathy, 2016).

2.2 Integrity

Accountants, like many other professionals, follow a set of regulations that govern their work. The general public expects the accounting industry to be ethical in order for the economy to run properly. Accounting ethics, like air, is most noticeable when it is absent (Whitmire, 2020). The accounting profession involves a high level of integrity. Professional accountants must be sincere, honest, and straightforward with their clients' financial information in order to maintain their integrity. Accountants should avoid taking advantage of sensitive information for personal gain or benefit (Huberts, 2018). Even if there are mistakes or conflicts about the applicability of accounting principles, professional accountants should prevent deliberate misleading and modification of financial information (Vitez, 2019). Integrity is more than strictly following the regulations; it acts in a manner that entirely complies with the purposes of the law. Integrity includes aligning behaviour honestly and openly with the foundation of internal ethical standards (Monga, 2016). Also, integrity implies being willing to face defeat or failure when things are not going well. This means being straightforward and truthful although making an error (Onuora & Okegbe, 2015).

2.3 Confidentiality

Confidentiality is the concept and habit of keeping sensitive data private unless the owner allows it to be disclosed to another party. Also, confidentiality mean the need to comply with standards and principles (Amponsah et al., 2016). Owners of sensitive data use rules that regulate different types of data that need protection in order to maintain confidentiality. These rules include employees being trained and educated, investing

in and maintaining data storage, and tracking the transmission of sensitive information (Al-Dlabih, 2018). Accounting is an industry that relies on money, so there should be confidentiality between the customer and the accountant. Accountants must understand with whom they can and cannot share customer data (Amponash, et al., 2016). The business relationship between the customer and the accountant is confidential under the state's laws. As a result, when accountants handle a bank account of someone or money, they should refrain from informing everyone how much money is in every account (Nordmeyer, 2018). The rule of confidentiality requires accountants to preserve all data and information received and treat it confidentially. This implies that a professional accountant must maintain the confidentiality of data gathered through professional and business interactions (Sepasi, 2019). Professional accountants are not allowed to share any data with others without proper approval unless there is a legal or professional responsibility to do so. Confidential data collected through professional and business relationships cannot be used for personal gain or the benefit of third parties (Amponash, et al., 2016).

2.4 Professional Behaviour

Professional behaviour is a form of manners suitable for those in business or who interact with others. Individuals must be open, sincere, and dedicated to the company's goal, as well as understand other people's requirements, ideas, and feelings (Menbarrow, 2021). Keeping professional behaviour is critical in daily activities. Accountants must practise professionalism and keep a polite attitude throughout all times (Sepasi, 2019). Professional accountants have a responsibility to comply with the guidelines of professional conduct, which include adhering to the relevant regulations and laws. Furthermore, professional accountants should avoid practices that might damage their professional reputation. Professional accountants should not participate in any profession, business, or activities that breach the fundamental principles

and will harm their professional reputation (Onuora & Okegbe, 2015). Accounting is usually monitored by federal regulation, which must conform to high professionalism and ethical standards. Professional accountants have a duty to act on behalf of their employers or customers in the most professional manner possible. This is because they interact with the lifeblood of companies - the finances. Knowing the basic principles of accounting is an essential part of accounting education (Chitom & Cheluchi, 2017).

2.5 Objectivity

The concept of objectivity requires professional accountants to avoid compromising their business or professional judgment influenced by bias, conflicts of interest, or influence from others (Edi & Enzelin, 2022). Professional accountants may come across conditions that harm their objectivity, and it is impossible to recognise and provide solutions to all of these scenarios. As a result, if a situation or relationship has a biased influence on the accountant's professional judgement of the service, the professional accountant is allowed to choose not to offer the professional services (Onuora & Okegbe, 2015). In the accounting industry, the number of services that public accounting companies or individual certified public accountants (CPAs) could offer to customers is typically limited. Accounting services include basic taxation, accounting, auditing, and management consulting. Accountants that serve clients with more than one of these services may harm their objectiveness and independence, lowering the objectivity of accountants (Vitez, 2019). For example, an accountant who manages general accounting obligations and afterwards audits this information is reviewing the work in which the accountant might be able to cover up negative financial data of the business. Objectivity is an important ethical characteristic in the accounting industry. Failure to retain objectivity could affect an accountant's ability to provide a true assessment of an individual's or a company's financial data. Additionally, objectivity is also an important moral

value for auditors (Vitez, 2019).

2.6 Audit Quality Assurance

Audit quality assurance seeks to evaluate whether a company complies with the rules and standards, as well as the requirements of its customers (Chitom & Cheluchi, 2017). Quality assurance and auditing are two different components, but when combined, they form a synergistic impact that gives a powerful tool for enhancing the company's consistency, reliability, and performance (Hut-Mossel et al., 2021). According to Grol and Wensing (1995), there are three (3) forms of quality assurance in audits. The process audit is the first type of quality assurance in audits. Process auditing involves evaluating processes, as well as the resources involved and the requirements determined within such procedures. The product audit is the second form. A product audit looks at products and/or services to check if they fulfil standards of quality. The system audit is the third type of quality assurance in audits, and it examines the quality management system to determine if it meets the quality criteria. Quality assurance audits serve as a benchmark for evaluating the current condition of process performance. After assessing the existing level of process performance, it will be apparent which areas require improvements or modifications, from the procedure itself to more general shortcomings such as employee skills and quality of manufacture (Kumar, 2017).

The researcher used the Agency Theory to analyse the impact of professional accounting ethics on quality assurance in audits in order to conduct in-depth research. The agency theory has served as a general framework for auditing. Additionally, this research also uses the auditors' Theory of Inspired Confidence as a theoretical foundation for developing an empirical framework.

2.7 Agency Theory

According to Colbert & Jahera (1988), agency theory aims to explain the loss of money or value that occurs when one party serves as an agent for another. In a standard business, management (the

agent) is appointed to run a business for shareholders (the principals). Historically, the relationship of agency between managers and shareholders has been described as the basis for the establishment of an audit, either internal or external, since the interaction between shareholders and managers tends to be conflictive (Jensen & Meckling, 1976). The separation between property and control functions can lead to agency conflicts, which can become worse by the opportunistic behaviour of managers in the context of knowledge asymmetries. As a result, the desire for higher-quality audits in response to agency conflicts is always in the spotlight (Fossung et al., 2022). According to Lai and Liu (2018), the audit quality demand differs based on agency problems and the equity capital's cost. Many studies have found that external audit quality increases the accuracy of financial reporting and data asymmetry, reduces the capital equity's cost, and, in especially, minimises agency expenses (Watts & Zimmerman, 1986; Corten et al., 2017; Houque et al., 2017). Agency theory is used throughout this study to resolve the conflict of interest that describes the manager-shareholder interaction. An external auditor is required to remove information asymmetry between the principal and the agent, consequently reducing conflicts of interest (SE, 2014). This is due to external auditors' desire to maintain the reliability of a company's financial statements by carrying out the audit following international auditing standards (Al-Dalabih, 2018). These actions improve the quality of audits, boost the trust of investors, and minimise potential agency conflicts (Fossung et al., 2022). Through an examination performed by the auditor, the audit quality can be analysed as either good or bad. The audit quality can be determined by how successfully an audit is done in comparison to the established standards while doing its work (SE, 2014). As a result, agency theory is a realistic economic concept of accountability that can be used to describe the evolution of the quality of audits (Fossung and Verges, 2022). Internal and external auditors should remain independent

views and follow professional accounting ethics when conducting audits, thereby improving audit assurance quality.

2.8 Theoretical Framework

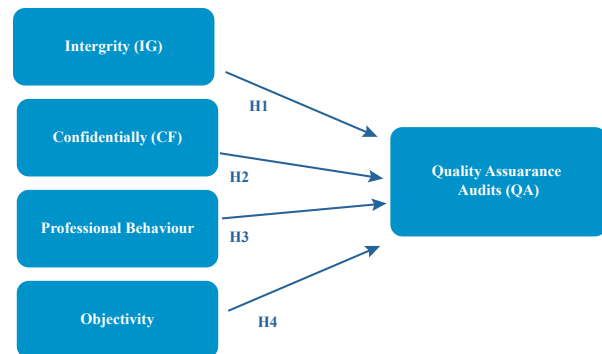


Figure 1. Theoretical Framework

The hypotheses are grounded in these theories.

H1: *Integrity has a positive and significant impact on quality assurance in audits in Malaysia.*

H2: *Confidentiality has a positive and significant impact on quality assurance in audits in Malaysia*

H3: *Professional behaviour has a positive and significant impact on quality assurance in audits in Malaysia.*

H4: *Objectivity has a positive and significant impact on quality assurance in audits in Malaysia*

3.0 MATERIALS AND METHODS

Since the purpose of this research is to investigate the impact of professional accounting ethics on quality assurance in audits in Malaysia, this research targeted individuals from all around Malaysia who have an accounting background or knowledge, rather than just those from the Klang Valley. By broadening the investigation beyond Klang Valley, the researcher is able to acquire a more generalised outcome and a more thorough perspective. Furthermore, in order to ensure reliability and credibility, only individuals aged 16 and above are allowed to fill out the questionnaire. There are no limits based on gender or race. Men, women, Malays, Chinese, and Indians are all invited to take part in the questionnaire survey as

long as they have audit or accounting background. In terms of data collection methods, because this is a quantitative primary study, the researcher uses online questionnaires to collect data.

3.1 Questionnaire Development and Validity

This part consists of the development of questionnaires for each variable as well as the outcome variable and newly developed questions are displayed in the last part of this section.

3.1.1 Integrity Level

Integrity is the first independent variable. In order to measure the variable under research, a total of five (5) questions were developed for this research (Alsughayer, 2021).

Table 3.1.1 Integrity Level Questions

Questions	Sources
The principle of independence of the auditor enhances the integrity and must be maintained to achieve audit quality.	Alsughayer (2021)
Auditors should have open communication on integrity violations and how they are dealt with to maintain audit quality.	
Auditors shall maintain the integrity by not knowingly being a party to any illegal activity or engaging in discreditable acts to the auditing profession or the company.	
The auditor's ability to freely report any errors in the financial reports reflects the auditor's integrity and audit quality.	
Auditor's honesty, diligence, responsibility, and objectivity enhance the integrity and must be maintained to achieve audit quality.	

3.1.2 Confidentiality Level

The second independent variable, called confidentiality. In order to measure the variable under research, five (5) questions were taken and modified (Alsughayer, 2021; Octaviani, Jaswadi, and Ekasari, 2020; Onuora and Okegbe, 2015).

Table 3.1.2 Confidentiality Level Questions

Questions	Sources
Auditor's respect for the confidentiality of information enhances audit quality.	Alsughayer (2021)
Higher confidentiality improves significantly the audit quality.	Octaviani, Jaswadi, and Ekasari (2020)
Confidentiality is essential in quality assurance in audit as it enhance independent of auditor.	Onuora and Okegbe (2015)
Auditor's knowledge of professional auditing standards, regulations, and producers leads to significant and positively affects audit quality.	Alsughayer (2021)
Professional ethics should be monitored and controlled through implemented policies and procedures to assure adherence to the code of ethics and consequently achieve a quality audit.	Alsughayer (2021)

3.1.3 Professional Behaviour Level

Professional behaviour is the third independent variable. In order to measure the variable under research, five (5) questions were adopted and modified (Alsughayer, 2021).

Table 3.1.3 Professional Behaviour Level Questions

Questions	Sources
Auditor's continuous improvement and training programs enhance his professional behaviour and audit quality.	Alsughayer (2021)
Professional behaviour increases the ability to discover material errors in the financial reports hence enhancing audit quality.	
The educational qualification of an auditor directly affects his professional behaviour and, consequently, audit quality.	
Auditor's professional behaviour indicates his commitment to the code of ethics and, consequently, audit quality.	
Auditor's professional behaviour by complying with relevant regulations and avoidance of actions that discredits the profession enhances audit quality.	

3.1.4 Objectivity Level

In order to measure the variable under research, five (5) questions were adjusted and adopted (Alsughayer, 2021; Onuora and Okegbe, 2015).

Table 3.1.4 Objectivity Level's Questions

Questions	Sources
Auditor's objectivity by avoiding conflict of interest, bias, or undue influence of others to override professional or business judgments assures audit quality.	Alsughayer (2021)
Objectivity forms a clear financial image of a business and allows manager to make informed decisions.	Onuora and Okegbe (2015)
Compliance of auditors to audit code of conduct enhances the objectivity and results in audit quality.	Alsughayer (2021)
Auditor's professional certification enhances his objectivity and audit quality.	Alsughayer (2021)
For an auditor to produce a quality result, the experience of objectivity should be of most important.	Onuora and Okegbe (2015)

3.1.5 Quality Assurance in Audit

The dependent variable is quality assurance in audits, In order to measure the variable under research, five (5) questions were revised (Onuora and Okegbe, 2015; Alsughayer, 2021).

Table 3.1.5 Quality Assurance in Audit's Questions

Questions	Sources
Quality assurance in audit improve the professional ethics.	Onuora and Okegbe (2015)
Quality assurance in audit enhances reliability of financial statement.	Onuora and Okegbe (2015)
Quality assurance in audit enhance the credibility and acceptance in audited accounts.	Onuora and Okegbe (2015)
More confidence is being attracted to the quality assurance in audited accounts.	Onuora and Okegbe (2015)
Auditor's compliance with the code of ethics results in a quality audit.	Alsughayer (2021)

3.2 Target Population

The researcher received a total of 123 usable responses in this research. The purposive sampling technique was used in this study. Purposive sampling involves choosing individuals who have specific qualities or backgrounds that are related to the research topic. This strategy is effective when researchers are looking for individuals who have particular characteristics (Heath, 2023). Aside from that, purposive sampling is a non-probability sampling technique. Unlike probability sampling, purposive sampling is a non-sampling method in which not all individuals in the population have the same chance to participate in the research. Simply put, not everyone is allowed to answer the questionnaire (Pace, 2021). This is because, in order to acquire reliable and useful results, only individuals aged 16 and above with an accounting background or knowledge are allowed to answer the questionnaire.

4.0 FINDINGS

This section defines the outcomes of the survey and the techniques used to analyze them. The sample size and results of the survey are reported. Data was collected from 213 respondents using Google Forms. The demographic data of the respondents were examined using descriptive analysis. The data were evaluated using IBM SPSS Statistics version 29. The findings of the data analysis are detailed in the sections that follow.

4.1 Normality Test

According to the table below, IG stands for Integrity, CF stands for Confidentiality, PB stands for Professional Behaviour, OB stands for Objectivity, and QA stands for Quality Assurance in Audits.

Table 4.1 normality testing

Tests of Normality						
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
IG	.193	123	<.001	.826	123	<.001
CF	.152	123	<.001	.905	123	<.001
PB	.152	123	<.001	.888	123	<.001
OB	.158	123	<.001	.860	123	<.001
QA	.169	123	<.001	.890	123	<.001

a. Lilliefors Significance Correction

For continuous data, the test of normality is a key step in determining measures of central tendency and statistical approaches for data analysis (Gupta et al., 2019). The purpose of the normality test is to determine whether the regression model, dependent variable, and independent variable all have a normal distribution (Indria & Wakidin, 2018). The primary methods for determining normality include the Kolmogorov-Smirnov (K-S) test, the Anderson-Darling test, the Lilliefors corrected K-S test, the D'Agostino skewness test, the Shapiro-Wilk test, the Anscombe-Glynn kurtosis test, the Cramer-von Mises test, and the D'Agostino-Pearson omnibus test (Ghasemi & Zahediasl, 2012).

The Kolmogorov-Smirnov (K-S) and Shapiro-Wilk tests were used in Table 4.2 above. In terms of the Kolmogorov-Smirnov (K-S) test, it is a one-sample test that is used to assess the goodness of fit of a given set of data to a theoretical distribution (Berger and Zhou, 2014). The statistics, degrees of freedom (df), and significance level are the three (3) components of the K-S test. The researcher is only focused on the significance level as it is the probability of rejecting the null hypothesis when it is true. The most common significance levels are 0.05 and 0.01. However, as shown in Table 4.2, the significance levels for both the independent and dependent variables are <.001, which indicates that there is enough proof to reject the null hypothesis that the variable follows a normal distribution. Simply put, this means that the data is not distributed normally. The reason why the data is not distributed normally will be pointed out at the end of this part.

On the other hand, the Shapiro-Wilk test is based on the correlation between the data and the matching normal scores and has a higher accuracy than the K-S test (Gupta et al., 2019). Simply put, the Shapiro-Wilk test determines whether a sample fits a normal distribution. Similar to Kolmogorov-Smirnov, the Shapiro-Wilk also has three (3) components: statistics, degrees of freedom (df), and significance level. The researcher only looks at the significance level among these three (3) elements.

According to Table 4.2, all of the significance levels for the independent and dependent variables are $<.001$, indicating that the data departs significantly from a normal distribution. The reason why the data departs significantly from a normal distribution might be due to the types of variables that cannot be transformed into normality, such as discrete variables with only a limited number of possible outcomes, particularly category or discrete variables like education level (Box and Cox, 1964). However, because the questionnaire in this study included the education level, the result from this questionnaire was not turned into normality.

4.2 Correlation Matrix

According to the table below, IG stands for Integrity, CF stands for Confidentiality, PB stands for Professional Behaviour, OB stands for Objectivity, and QA stands for Quality Assurance in Audits.

Table 4.2 correlations matrix

		Correlations				
		IG	CF	PB	OB	QA
IG	Pearson Correlation	1	.441**	.492**	.446**	.402**
	Sig. (2-tailed)		$<.001$	$<.001$	$<.001$	$<.001$
	N	123	123	123	123	123
CF	Pearson Correlation	.441**	1	.441**	.381**	.330**
	Sig. (2-tailed)	$<.001$		$<.001$	$<.001$	$<.001$
	N	123	123	123	123	123
PB	Pearson Correlation	.492**	.441**	1	.531**	.578**
	Sig. (2-tailed)	$<.001$	$<.001$		$<.001$	$<.001$
	N	123	123	123	123	123
OB	Pearson Correlation	.446**	.381**	.531**	1	.670**
	Sig. (2-tailed)	$<.001$	$<.001$	$<.001$		$<.001$
	N	123	123	123	123	123
QA	Pearson Correlation	.402**	.330**	.578**	.670**	1
	Sig. (2-tailed)	$<.001$	$<.001$	$<.001$	$<.001$	
	N	123	123	123	123	123

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

Correlation is a measure of the relationship between two variables that is used to represent the direction and degree of the linear relationship between two variables (Senthilnathan, 2019). A correlation matrix is made up of three (3) elements: the Pearson correlation, the two-tailed p-value (Sig. 2-tailed), and the total number of respondents (N).

Pearson correlation is a set of values that measure the degree and direction of the linear relationship between two variables. The correlation coefficient can vary between -1 and +1. A perfect negative correlation is represented by -1, while a perfect positive correlation is represented by +1, indicating that the value of one variable may be completely

influenced by the other variable. A correlation of 0 shows that there is no relationship between the two variables. Notably, a variable that has a relationship with itself has a correlation coefficient of 1 (Zach, 2020). According to Table 4.5, the IG (Integrity) has a solid number of 1. The correlation with CF (Confidentiality) is .441, with PB (Professional Behaviour) is .492, with OB (Objectivity) is .446, and with QA (Quality Assurance in Audits) is .402. Since all the numbers are positive, this means that there is a positive correlation between these two variables. A high correlation indicates a strong relationship and strength between the two variables; a low correlation indicates a weak relationship and strength between the two variables (Senthilnathan, 2019). The correlation coefficients of the other variables can be found in Table 4.5

In the case of a two-tailed p-value (Sig. 2-tailed), it is the p-value linked to the correlation. Simply put, it tells the user whether two variables are statistically correlated (if $p < 0.05$). As can be seen in Table 4.5 above, all the two-tailed p-values (Sig. 2-tailed) are $<.001$, which is less than .05; this means that there is a statistically significant correlation between the two variables. In other words, a statistically significant correlation means that the correlation is strong enough to show that there is a true relationship between the variables being studied (Zach, 2020).

4.3 Regression Analysis

According to the table below, IG stands for Integrity, CF stands for Confidentiality, PB stands for Professional Behaviour, OB stands for Objectivity, and QA stands for Quality Assurance in Audits.

Table 4.6 Beta Coefficient Summary Model

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
	B	Std. Error			
1	(Constant)	.725	.389	1.863	.065
	IG	.038	.082	.037	.466
	CF	-.007	.078	-.007	.929
	PB	.314	.086	.298	3.633
	OB	.483	.076	.498	6.336

a. Dependent Variable: QA

Regression analysis is a set of statistical methods for estimating relationships between one or more independent variables and a dependent variable. It can also be used to measure the strength of the relationship between variables and to determine their future relationship (Taylor, 2022). Table 4.6 has five (5) columns: the model, unstandardized coefficients, standardised coefficients, t-value (t), and two-tailed p-value (Sig.).

In terms of the model column, it is the independent variable, which is integrity, confidentiality, professional behaviour, and objectivity. Whereas the column of unstandardised coefficients, it consists of two (2) elements which are B and standard error. These two elements are called unstandardised coefficients because they are measured in natural units. The numbers in column B represent the relationship between the independent variable and the dependent variable. A positive value of B means that the relationship is positive; a negative value of B means that the relationship is negative. On the other hand, the standard error is used to test whether the parameter is significantly different from 0, by dividing the parameter estimate by the standard error to obtain a t-value (ULCA, 2021). In terms of the standardized coefficients column, it consists of only one (1) element, which is the Beta. The Beta acts very similarly to the correlation coefficient. It ranges from 0 to 1 or 0 to -1, depending on the direction of the relationship. The closer the value is to 1 or -1, the stronger the relationship is. In addition, to support the hypothesis of this research, the Beta value must be positive; a negative Beta value means that the hypothesis of this research is not accepted. With the Beta, the user can compare variables to determine which independent variables had the strongest relationship with the dependent variable.

In terms of the t-value (t) and the two-tailed p-value (Sig.) columns, the t-value (t) is used to test the statistic that was calculated for the independent variable. It is then used to calculate the two-tailed p-value (Sig.). The two-tailed

p-value (Sig.) indicates whether the independent variable significantly affects the dependent variable. Generally, if the two-tailed p-value (Sig.) is below .05, it means that the value is considered significant and the hypothesis is supported; if the two-tailed p-value (Sig.) is above .05, it means that the hypothesis is rejected (Indria & Wakidin, 2018).

Based on Table 4.6 above, the main elements the researcher will focus on are the Standardized Coefficient Beta, t-value (t), and two-tailed p-value (Sig.). Simply put, this part will focus only on the last three (3) columns. This is because to determine whether the hypothesis of this paper is supported or rejected, these three (3) elements will be used to prove the hypothesis. In order to know whether the hypothesis in this study is supported, several requirements need to be fulfilled. Firstly, the Standardized Coefficient Beta must be positive. Secondly, the t-value (t) must be more than 1.96, and lastly, the two-tailed p-value (Sig.) must be less than 0.05. Based on these requirements, it can be seen that only two (2) independent variables meet the requirements, which are Professional Behaviour and Objectivity. The t-value (t) for Professional Behaviour is 3.633 with a two-tailed p-value (Sig.) of < .001. The t-value (t) for Objectivity is 6.336 with a two-tailed p-value (Sig.) of < 0.001, which means that the hypothesis for these two (2) independent variables is accepted.

5.0 Discussion and Conclusion

After the previous chapter's analysis is completed, this section will explain in detail the discussion of findings in order to determine whether the hypothesis created in the previous section's conceptual framework is supported or rejected. In addition, this section will discuss the theoretical and practical implications, limitations of this research, and future research directions. In the end, the researcher will draw a conclusion to this whole research and make some recommendations.

5.1 Discussion of Findings

Hypothesis 1: *Integrity has a positive and significant impact on quality assurance in audits in Malaysia. (REJECTED)*

The Beta value, collected from the standardised coefficient, indicates whether the independent variables have a positive or negative effect on the dependent variable. In addition, the accepted rule for an independent variable to be significant is that the t-value (t) must be more than 1.96 and the two-tailed p-value (Sig.) must be $< .05$. According to Table 4.6, it can be seen that the Beta value of "Integrity" is positive .037, which means that it has a positive effect on the dependent variable. However, the t-value (t) is .466 and the two-tailed p-value (Sig.) is .642, which indicates that both values do not meet the requirements of the accepted rules. Although there is a positive effect on the dependent variables, however, for the hypothesis to be accepted, three (3) requirements must be met, which are the Beta value must be positive, the t value (t) must be greater than 1.96 and the two-tailed p-value (Sig.) must be < 0.05 . As a result, it can be seen that Integrity has a positive but does not have a significant impact on quality assurance in audits in Malaysia.

According to the results in Table 4.6, Hypothesis 1 is rejected. Based on the results of this research, it is possible to conclude that in Malaysia, quality assurance in audits can still be maintained in the absence of auditors' or accountants' Integrity. The result of this Integrity differs from the previous research (Alsughayer, 2021; Octaviani, Jaswadi & Ekasari, 2020; Onuora & Okegbe, 2015). According to previous studies, Integrity has a positive and significant impact on audit quality assurance. Hypothesis 1 may have been rejected due to respondents believing that without Integrity, standards and procedures would be sufficient to ensure quality assurance in audits. Furthermore, respondents may lack knowledge and awareness regarding how Integrity affects the overall quality assurance of audits, leading them to think that

Integrity is not important in audit quality.

H2: *Confidentiality has a positive and significant impact on quality assurance in audits in Malaysia. (REJECTED)*

From Table 4.6 above, it can be seen that the Beta value of Confidentiality is negative .007 which means that there is a negative impact on the dependent variable. In addition, the t-value (t) of Confidentiality is also negative .089; the two-tailed p-value (Sig.) is .929, indicating that neither value meets the accepted rules. As a result, Hypothesis 2 is rejected, implying that Confidentiality has a negative and non-significant impact on quality assurance in audits in Malaysia. This shows that greater Confidentiality cannot significantly improve the quality assurance in audits in Malaysia.

Hypothesis 2 could have been rejected because respondents place more emphasis on other characteristics such as auditors' and accountants' Professional Behaviour and Objectivity, considering that these qualities play a more essential role in audit quality assurance than Confidentiality. The result of Confidentiality in this research is the same as the prior study (Octaviani, Jaswadi, and Ekasari, 2020) which stated that Confidentiality has a negative and does not have a significant impact on quality assurance in audits.

H3: *Professional behaviour has a positive and significant impact on quality assurance in audits in Malaysia. (SUPPORTED)*

According to Table 4.6, Professional Behaviour has the second-highest Beta value of .298, which means that there is a positive effect on the dependent variable. In addition, Professional Behaviour has a t-value (t) of 3.633, and a two-tailed p-value (Sig.) of $< .001$, which indicates that both values are under the accepted rules. This result indicates that a majority of the participants recognize the importance of Professional Behaviour in audit quality assurance in Malaysia.

Being a professional is essential to becoming an auditor or accountant. The auditor and accountant

need to be prepared with the appropriate abilities and expertise to carry out the audit tasks in order to generate a high-quality audit report. The participants believe that training programs and continual improvement for auditors, typically result in a greater understanding of auditing regulations and producers, which are the most significant factors influencing audit quality assurance (Alsughayer, 2021). From the empirical results, it can be concluded that the higher the Professional Behaviour of auditors, the higher the audit quality assurance.

The results of this research on Professional Behaviour are consistent with the results of earlier studies (Octaviani, Jaswadi, & Ekasari, 2020; Yulianti et al., 2022), which found that Professional Behaviour has a positive and significant impact on quality assurance in audits.

H4: *Objectivity has a positive and significant impact on quality assurance in audits in Malaysia. (SUPPORTED)*

As shown in Table 4.6, Objectivity has the highest Beta value of .498, which means that Objectivity has a strong positive impact on the dependent variable. In addition, the t-value (t) of Objectivity is 6.336; the two-tailed p-value (Sig.) is <.001, which implies that objectivity is statistically significant. This result indicates that most of the respondents recognized the importance and significant positive impact of Objectivity on quality assurance in audits. Therefore, Hypothesis 4 is supported, that Objectivity has a positive and significant impact on quality assurance in audits in Malaysia.

The results of the research showed the positive impact of Objectivity on quality assurance in audits. Being objective towards clients and avoiding conflicts of interest is a requirement placed on all auditors and accountants; it is an indication that they fulfil their professional obligations. However, if the auditor continues to have conflicting interests with the customer or is not conducting the investigation objectively, it will be challenging to get high-

quality audit outcomes. A belief that adds value to auditing services is Objectivity. Objectivity is one quality that sets the accounting profession apart from other professions (Effendi et al., 2020). The result of this Objectivity is consistent with earlier research (Effendi et al., 2020), which found that Objectivity has a positive and significant impact on quality assurance in audits.

Table 5.1 Summary of Hypothesis

Questions	Beta	t-value (t)	Two-tailed p-value (Sig.)	Result
Hypothesis 1: Integrity has a positive and significant impact on quality assurance in audits in Malaysia.	.037	.466	.642	Rejected
Hypothesis 2: Confidentiality has a positive and significant impact on quality assurance in audits in Malaysia	-.007	-.089	.929	Rejected
Hypothesis 3: Professional behaviour has a positive and significant impact on quality assurance in audits in Malaysia.	.298	3.633	<.001	Supported
Hypothesis 4: Objectivity has a positive and significant impact on quality assurance in audits in Malaysia.	.498	6.336	<.001	Supported

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