

The Impact of a Proposed Quantitative Approach to Audit Office Quality on Tax Examination in Saudi Arabia

Azza Helmy Mahmoud Shalaby¹, Fahad Sulaiman Mohammed Al-Nafea^{2,*}

¹Department of Accounting, College of Business Administration at Alrass Qassim University

²Department of Accounting, College of Business and Economics, Qassim University,

P.O.Box: 6640, Buraidah, 51452, Saudi Arabia

*Corresponding author: nafa@qu.edu.sa

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Abstract This paper aims to explore the impact of quantitative entries on the development of tax examination by applying the Audit Office's quality of performance control criteria to satisfy the relevant parties, as the source of the audit report is the Audit Office, which begins with the communication process, and affects the tax inspector's perceptions with the degree of trust and credibility of the source, through the external audit office's awareness of its duties towards the tax examination through a quantitative approach, and all this through conducting a theoretical study and testing the research hypotheses by conducting a field study based on 173 samples from the study population, using multiple regression methods, the researcher concluded the importance of applying a clear approach that addresses the various dimensions of quantitative measurement to recognize the quality of performance, the credibility of the auditor's report, through a proposed quantifiable entrance, its inputs are a set of variables affecting the quality of the audit office, And its outputs reflect the quality level in order to achieve the objectives of the relevant parties - the tax examiner - and the expected objectives of the audit office's quality.

Keywords: external auditors, quality control, quantitative measurement approach, tax examination

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1. Introduction

The rapid growth in the global economic environment has greatly and effectively increased the importance of the earnings management study (EM) due to the growing need for reliable and transparent financial information, which helps external users improve their understanding of the company's future performance. However, EM is considered an opportunist, if managers act innovatively with accounting figures for purposes other than those related to improving honest reporting [1], Financial records are the primary source of information on the financial stability, economic activity and financial health of any business. Therefore, the information provided in the misleading financial reports, whether unintentional error or deliberate activity to conceal information about the actual economic activity and financial stability of the company has a negative impact on all stakeholders, and is a violation of applicable legislation. [2], so The way in which relevant information and earnings quality are communicated to external users to help them better

understand the company's current or future performance [1].

Accounting communications relay on the users of the communication process, either from the auditors' views on the financial statements or from that of other beneficiaries, The external auditor affects the decisions of users of financial reports, such as the relationship between the external auditor and the zakat examiner [3], that's why the need in this study to know the effect of applying a quantitative approach on a set of variables that differ in performance and affect the quality of the audit office, which is reflected adversely or positively on the audit office and as a result on the tax examination, and The rest of this paper is organized as follow: the second section presents our literature review and hypotheses development. In addition, the third Section describes our methodology.

The current treatment of tax examination is inappropriate with money companies due to their large size, multiple operations, long time, complexity of procedures and increased burdens, As a result of the accumulation of years of tax accounting, some cases were subject to a statute of limitations, thus delaying the availability of renewed State revenue, hence the need for a

quantitative approach that reduces the cost of the proceeds, eliminates tax arrears, maintains the stability of financial and legal positions for financiers, and creates an investment climate. This research contribution aims to assist the tax examiner in judging the quality of the audit office through a set of indicators on which this proposed quantitative model is built.

2. Literature Review and Hypothesis Development

2.1. Literature Review

Many studies have addressed standards, components and entry points that affect audit quality control standards as a tool that helps beneficiaries understand the role of the external audit office. The objective of the Drojalast study is to examine the continuous scrutiny of the digital age from the perspective of the audit company's employees, as well as the techniques that can be used to implement it. The sample consisted of 105 individuals working in Greece's largest audit institutions. The data were analyzed through multiple regression. This study found that technological advances are indispensable for creating an effective digital audit system. (Drogas et al. 2020), also, Matrood study aims to provide factors that affect the quality of the external auditor's performance in Iraqi auditing companies. It is an analytical study that conducted a survey of 102 questionnaires distributed to a number of audit offices in Iraq. Reaching the need for audit offices to abide to the quality control system (peer review) and to be completely independent from the customer, thus, encourage trust in the auditor's report by all sides transacting with the entity. (Matrood et al. 2019), Martiniet's paper also added the impact of the audit period and the rotation of the audit on audit. This effect varies for rotation between the big four and non-big four company. The results showed that the relationship between the auditor's tenure and the audit quality is not significant. The turnover of the audit company positively affects the audit quality, and the positive effect is less than the big four. In non-big four, the rotation of the audit company can improve the audit quality. Because they have enough partners to do a quality review [4]. While Nguyen's article focuses on the pressure on the certified and reliable financial information is a key challenge to stimulate auditors to improve audit quality, The study analyze 102 responses (CPA and independent auditors), The research model shows that there are six factors affecting the audit quality. They are (1) professional ethics of auditors, (2) professional capacity of auditors, (3) quality of external control, (4) internal factors belong to auditing firms, (5) audit fees and (6) size of auditing firms' [16]. According to the Gunn & Michas study the audit quality is stronger when the auditor has experience in conducting global group audits, has special experience in the country where the client has an important subsidiary, or has both types of experience in engagement. Results suggest that the challenge of conducting multinational audits can be more easily met by auditors with experience in these types of engagements. [5], Berglund's study explained that larger auditors will be more likely to issue a going concern

opinion to a struggling customer, This study demonstrate a positive relationship between auditor size and the propensity to issue a going concern opinion and, compared to other auditors, the Big four are less likely to issue false-positive (Type I error) going concern opinions. [6], The Bouwens study noted that positive spillover effects occur when companies combine audit with advisory services. However, unspecified levels of advisory services (not tax advice or financial information systems) may have a negative impact on audit quality [7]. The study explained by Simunic et al a measure to capture an audit firm's competitive position in a local audit market based on the transaction costs of changing audit firms included in DeAngelo's (1981) multi-period audit pricing model This study found that audit fees of a client decrease as this size difference increases. This result suggests that smaller audit firms charge lower audit fees because of their competitive disadvantage to the local largest firm. (Simunic et al. 2018), other study analyze the cost-benefit tradeoffs of two audit team production characteristics, client-specific expertise and year-round auditing, and find that both are associated with more effective audits and higher fees. and found that middle management team members' production characteristics explain audit effectiveness and higher fees, and relatively more so than the characteristics of lead/EQR partners. [8], The study [9], indicates that The examination is an activity for the objective, professional collection, processing of data and evidence in accordance with the terms of the audit that aimed at testing compliance with tax obligations and the implementation of regulations and instructions. However, this study assumes the objectivity of the examination and therefore the cost of the examination process, and that procedure is no more than that of the other parties, where the tax examiner overapplies the maximum in the executive instructions to be far from the multiple control authorities, Other studies indicates that the concept of audit quality represents fulfilling the standards and rules of professional conduct set by the American Society of Certified Public Accountants (AICPA), which include general standards, fieldwork standards, reporting standards, as well as professional conduct and professional ethics. [10], Some pointed out that the quality of the audit is the reader's awareness of possible errors in the financial statements in the light of the reference performing the necessary tests in accordance with standard auditing and issuing the reference opinion and the issuance of the auditor's opinion [11], The audit profession has been subject to a lot of criticism by professional organizations, and with the users' need for more reliable financial reports, to help maintain performance improvement and monitoring programs for institutions that maintain quality of performance. [12], Thus, providing early warning of the shortcomings and weaknesses in the auditor's performance, which it will have to correct before any subsequent audits Which is a prerequisite for all parties involved in the audit results Randell, R., Brown, J. M., & Jayne, D. G. (2017), The efficiency and quality of external audit can be ensured only when certain criteria are established. These standards are audit standards "GAAS", which are the minimum required standards to be followed during audit activities. [13], To ensure that the profession meets its minimum responsibilities vis-à-vis all the different parties. obtaining

expected values that are accurate, neutral, consistent and sufficient, where important inputs and outputs are summarized in a particular process to facilitate experimentation and appropriate decision-making [14]. As honest representation means that all information included in the financial report must be faithfully represented, to achieve this all economic information and phenomena included in the annual reports must be complete, accurate, impartial and free from prejudice and errors. [15], the researcher believes that it represents a guarantee that these offices comply with generally accepted auditing standards.

2.2. The Proposed Quantitative Approach to Audit Quality Control Standards and Its Impact on the Audit Office and Tax Inspection

According to the researcher, the existence of a quantitative approach to measure the quality of the audit office increases confidence and the credibility of the information of the audit office, and the financial report is considered the basis for that information in analyzing undesirable

events to occur, especially in the field of taxation, and the degree of reliance on it in the tax examination process. Accurate controls and indicators are used to judge the credibility of the proposed approach in applying the proposed approach entry through - a relative weight of each indicator, determining the degree of credibility or risk in the audit office where the indicator is available, and a statement of its impact on the audit office and the tax examiner., For example, the size of Audit Office is an element that affects audit quality, and can be measured on the basis of the number of professionals in the audit office or company. If the size of the audit office is large, it is expected to have a positive impact, unlike the size of the office if it is small, This entry integrates these elements into a multidimensional function, that may have a positive or negative impact so that its inputs are variables that affect the quality of the audit process. Its output is a scale, indicator, ratio or rate that reflects the degree of quality of the audit, and thus its impact by negative or positive on the tax examiner. The following is a table shows the proposed entry and the interrelationships between the components of this entry. The entry contains variables and measurement elements that affect the quality of the audit office and reflect its impact on the tax examination.

Table 1.

Quantification of variables affecting quality	The expected effect of the variable on acceptance of audit quality	The expected effect on the tax examination
The use of modern technological		
The number of automated audits at the office	Increased number of automated audits	
The number of automated training programs	Increasing the number of automated training programs	Provide greater assurance
Reputation and fame of the audit office		
Cost and number of litigation cases	small cost& Limited number of cases	
Office customer growth rate	High growth rate of office customers	
Contracts entered into by audit offices.	Increased contracting by audit offices	Confidence in technical opinion
Audit office size		
Number of clients Audit Office	Large number of office clients	
Audit office revenue	Increasing audit office revenue	
Number of branches of the audit office at home and abroad	Increasing the number of office branches	
Measuring Customer size and financial strength		
Number and amount of audits Natural logarithm of audit fees	Increased number and amount of audits Increased logarithm of the Audit Office's annual revenue	Reduce tax disputes
Provide tax advisory services to the same client		
Ratio of consulting fees to total fees	Large ratio of consultancy fees to total fees	
Compliance with generally accepted auditing standards		
Audit observations and recommendation	Decreasing number of Audit Observations and Recommendations	
Audit office experience		
Multiple divisions and internal departments of the office	Increasing divisions and internal departments of the office	Reduce misunderstanding
Years of practice	Increase the years of practice	
Diversity in specialization.	Increasing diversity in specialization	
Intensive competition between audit firms		
The Proportion of Office Clients to Customers Community	Increasing the proportion of office clients	Increasing tax revenue
The Proportion of Office Fees to The Average Audit Fees	Increasing the proportion in office fees	
Ratio of customer investment to average investment in society	Increasing the value ratio of clients' investments	
Cost-benefit analysis of audit firms' application of the audit quality control		
The degree of risks surrounding the profession.	Low degree of occupational risks surrounding the profession.	Reducing cases& Arrears
Quantity and value of cases and judicial disputes	Reducing Quantity and value of cases and judicial disputes	
The financial value of the audit office	Increasing the financial value of the audit office	
the price of the company's shares	The increasing in the price of the company's shares	

As a result of the above, the study hypotheses can be formulated as follows:

H1: There is no relationship between applying the proposed quantitative approach in audit quality control standards at the Audit office (as an independent variable) and the development of tax inspection (as a dependent variable) Study methodology.

H2: The return of applying the proposed quantitative input in the audit quality control standards system at audit office does not exceed the costs of applying it.

3. Research Methodology

This study relied on the descriptive and analytical approach, in its theoretical and field styles, where the researcher used methods of collecting primary data from the accounting literature related to the research topic. The researcher used the field method to collect data from primary sources by developing a questionnaire that serves the study's objectives, which was distributed to the study population members.

The applied study relied on designing and distributing a survey list for partners in audit offices, as well as managers of funds companies registered in the Saudi Stock Exchange and some employees of the General Authority for Zakat and Income in Saudi Arabia. The questionnaires used in the statistical analysis were (173) questionnaire. Most of the sample members are those with academic qualifications from university education and used closed interviews to overcome these differences, whether cultural, educational, intellectual, or other.

4. Data Analysis and Results

The study tool

The researcher divided the questionnaire into a set of general inquiries relating to the problem of research, and a set of inquiries relating to the hypothetical test research, and using a Likert Scale to answer the questionnaire paragraphs.

The Cronbach Alpha test was used to verify the stability of the study tool, and To test the hypothesis of the study. The researcher used the SPSS program and the Minitab program, where the linear regression methods were used to test the relationship between the dependent variable and a set of independent variables. As well as Kruskal Wallis Test regarded to three group, in addition to the use of the statistical alpha Cronbach test, Durbin-Watson To illustrate the link between the variables and The correlation matrix between Independent variable and Dependent variable.

4.1. Validity and Reliability of the Study Instrument

Table 2 shows that The Cronbach Alpha test was used to ensure the study tool's stability. The value of Cronbach's alpha coefficient for the study variables ranged between (0.8007-0.8562), which means that there is a large degree of reliability in the answers. Therefore, the results of the study can be generalized to the study population, and Table 1 shows the most noticeable effects of this test.

Table 2. Reliability coefficients for the study tool according to the internal consistency method (Cronbach Alpha)

Questions	The desired goal	Number of paragraphs	Tax examiner	Corporate managers	External auditor
Force search	H1	6	0.8156	0.8007	0.8215
	H2	7	0.8404	0.8478	0.8562

4.2. Statistical Methods Used to Analyze the Data

4.2.1. General Notes

The statements are answering using Curt's pentagonal scale by selecting the respondent for one of the appropriate proportions Here we have Yes = 1, No = 2 somewhat = 3

Y: represents the dependent variable

- X1 X2 X3 X4 X5 and X6 represent to the group of independent variants.

Table 3. The degree of the relative importance of the dependent variable, Development of tax examination, in light of Policies and procedures used to apply the proposed approach to audit quality control standards (independent variable)

	Tax examiner			Corporate managers			External auditor		
	Yes	No	somewhat	Yes	No	somewhat	Yes	No	somewhat
degree of the relative importance of the dependent variable, Development of tax examination	110	18	45	117	9	47	122	9	42

It is evident from the previous Table 3 that the difference of opinion has achieved relative importance in clarifying the extent to which the Development of tax examination is affected by the proposed approach to audit quality control standards

Table 4. The statement of the impact that the application of policies and procedures used for Applying the proposed approach to audit quality control standards (independent variable) To develop a tax examination (dependent variable)

	Tax examiner			Corporate managers			External auditor		
	Yes	No	somewhat	Yes	No	somewhat	Yes	No	somewhat
Standard of impartiality, integrity and objectivity	124	12	37	128	12	33	124	13	36
Personnel management.	104	31	38	82	52	39	96	43	34
Acceptance and Continuance of Clients and Engagements	118	11	44	114	22	37	119	18	36
Implementation for performance auditing	104	27	42	138	7	28	105	28	40
Monitoring and Follow-Up	136	7	30	80	42	51	136	6	31

According to the above table, it is clear that the standards of Monitoring and Follow-Up and Standard of Impartiality, integrity and objectivity are of the highest importance from the perspective of Tax examiner, Standards of implementation for performance auditing and standards of impartiality, integrity and objectivity are also of the utmost importance from the perspective of corporate managers.

The standards of Monitoring and Follow-Up and the Standard of impartiality, integrity and objectivity also represent the highest importance from the point of view of the External Auditor.

The researcher explains that the audit office's sense of integrity and objectivity in its work and not being subject to the whims and desires of others is reflected in the quality, which in turn increases confidence in the technical opinion of the examining officer.

Table 5. The relative importance of the positive effects of applying the proposed quantitative approach in the control standards on the quality of the audit office in terms of cost and return from it

	Tax examiner			Corporate managers			External auditor		
	Yes	No	somewhat	Yes	No	somewhat	Yes	No	somewhat
- Reducing the degree of risks surrounding the office and increasing the financial value of the audit office	114	18	41	116	18	39	116	8	49

It is evident from the previous Table 5 that the difference of opinion has achieved relative importance in clarifying the extent to which the Development of tax examination is affected by the proposed approach to audit quality control standards.

Table 6. The positive effects of applying the proposed quantitative approach applying the proposed quantitative input in audit quality control standards at the audit office (independent variable) on the examining officer (dependent variable) in terms of cost and return from it

	Tax examiner			Corporate managers			External auditor		
	Yes	No	somewhat	Yes	No	somewhat	Yes	No	somewhat
Provide sound and complete databases for the tax payer	126	12	35	126	11	36	126	11	36
Accuracy of determining business results and profit ratios	82	51	40	81	53	39	80	53	40
Reduced uncertainty, reduced misunderstanding, and increased trust	117	8	48	116	9	48	112	19	42
Providing the external audit office with information about the examining officer's expectations.	103	27	43	103	28	42	102	29	42
Reduction cases referred to the appeals commission and the courts	138	7	28	137	8	28	138	7	28
Provision of renewable State revenue and reduction of tax time	81	40	52	79	42	52	78	42	53

According to the above table, it is clear that Reduction cases referred to the appeals commission and the courts, Provide sound and complete databases for the tax payer, reduced uncertainty, reduced misunderstanding, and increased trust and Provide the External Audit Office with information about the Examining Officer's expectations accepted by most interviewees.

4.3. Hypotheses Testing Using Multiple Regression Analysis

4.3.1. H1 Testing Using Multiple Regression Analysis

The statement of the impact that the application of policies and procedures used for Applying the proposed approach to audit quality control standards (independent variable) To develop a tax examination (dependent variable)

Y: The degree of the relative importance of the dependent variable, Development of tax examination, in light of Policies and procedures used to apply the proposed approach to audit quality control standards to find out the effect of the following independent variables

X1 Standard of impartiality, integrity and objectivity

X2 Personnel management.

X3 Acceptance and Continuance of Clients and Engagements

X4 Implementation for performance auditing.

X5 Monitoring and Follow-Up

Table 7. The correlation matrix between Independent variable and Dependent variable

Y	Tax examiner	Corporate managers	External auditor
X ₁	0.496**	0.350**	0.457**
X ₂	0.455**	0.610**	0.516**
X ₃	0.737**	0.841**	0.766**
X ₄	0.643**	0.162*	0.670**
X ₅	0.376**	0.338**	0.510**

** Correlation is Significant at level 1%

* Correlation is Significant at level 5%

Table 7 shows that there is a significant correlation between Standard of impartiality, integrity and objectivity... and Development of tax examination at level of confidence 99% for External auditor group with correlation value between -

0.376, 0.737. and significant correlation at level of confidence 99% for corporate managers group except X4 at 95% confidence with correlation value between 0.162, 0.841 also, significant correlation at level of confidence 99% in corporate managers group with correlation value between 0.457, 0.766.

Table 8. The impact that the application of policies and procedures used for Applying the proposed approach to audit quality control standards (independent variable) To develop a tax examination (dependent variable)

group	Variable	B	Beta	t	Sig.	VIF	R	R Square	Adjusted R Square	Durbin-Watson	F Test	Sig.
Tax examiner	(Constant)	-.131		-1.11	0.267							
	X ₁	.139	.132	2.09	0.038	1.92						
	X ₂	.160	.151	2.96	0.004	1.26						
	X ₃	.413	.412	5.93	0.000	2.33	.808	.653	.643	1.7	62.94	.000
	X ₄	.268	.261	3.92	0.000	2.13						
	X ₅	.144	.126	2.14	0.034	1.68						
Corporate managers	(Constant)	-.063		-0.67	0.504							
	X ₁	.341	.306	5.20	0.000	2.83						
	X ₂	.298	.269	5.76	0.000	1.78						
	X ₃	.762	.707	17.45	0.000	1.35	.892	.796	.790	1.6	130.50	.000
	X ₄	-.258	-.217	-3.82	0.000	2.66						
	X ₅	-.105	-.101	-2.37	0.019	1.49						
External auditor	(Constant)	-.371		-3.76	0.000							
	X ₁	.217	.207	4.67	0.000	1.30						
	X ₂	.149	.137	3.03	0.003	1.35						
	X ₃	.478	.456	8.72	0.000	1.81	.865	.747	.740	1.8	98.87	.000
	X ₄	.264	.257	5.02	0.000	1.73						
	X ₅	.132	.119	2.50	0.013	1.50						

Based on Table 8 above, it is clear that the total correlation (R) for the tax examiner is equal to % 80.8 which is very strong. Also, The explanatory variables explain % 65.3 of variations in the dependent variable and the coefficient of determination adj (R square adj) is equal to % 64.3, which indicates that the regression model is statistically significant at the level of confidence 99% when the F calculated was 62.937 greater than F tabulated.

The results of the regression model demonstrated that there was a significant relationship between explanatory variables and dependent variables which can be inferred from the t value and its associated p value of the model variables statistically significant at a confidence level 99% (T calculated absolute between 2.14, 5.93) that greater than 2, then we reject the null hypothesis and accept the alternative hypothesis that the dimension of independent variables (x1, x2, x3, x4, x5, x6) have real value coefficients are different from zero, concerned parties (understudy). Furthermore, the table shows that the Durbin-Watson coefficient is 1.7, therefore there is no serial correlation between errors. In addition, a value of 2.0 indicates that no autocorrelation is detected in the sample, values of 1.7 pts for positive autocorrelation.

Moreover, the result showed that the VIF factor of the model was <3 indicating the nonexistence of the multi-collinear problem, As a result, there is no series correlation between errors. So, the results point to the following equation.

Regression Equation: $Y = -0.131 + 0.1393 X_1 + 0.1600 X_2 + 0.4127 X_3 + 0.2677 X_4 + 0.1436 X_5$

Based on Table 7 above, it is clear that the total correlation (R) for corporate managers is equal to % 89.2 which is very strong. Also, The explanatory variables

explain % 79.6 of variations in the dependent variable and The coefficient of determination adj (R square adj) is equal to %79, which indicates that the regression model is statistically significant at the level of confidence 99% when the F calculated was 130.501 greater than F tabulated.

The results of the regression model demonstrated that there was a significant relationship between explanatory variables and dependent variables which can be inferred from the t value and its associated p value of the model variables statistically significant at a confidence level 99% (T calculated absolute between -3.82, 17.45) that greater than 2, then we reject the null hypothesis and accept the alternative hypothesis that the dimension of independent variables (x1, x2, x3, x4, x5, x6) have real value coefficients are different from, concerned parties (understudy). Furthermore, the table shows that the Durbin-Watson coefficient is 1.6, therefore there is no serial correlation between errors. In addition, a value of 2.0 indicates that no autocorrelation is detected in the sample, values of 1.6 pts for positive autocorrelation.

Moreover, the result showed that the VIF factor of the model was <3 indicating the nonexistence of the multi-collinear problem, As a result, there is no series correlation between errors. So, the results point to the following equation.

Regression Equation: $Y = -0.0626 + 0.3411 X_1 + 0.2980 X_2 + 0.7624 X_3 - 0.2582 X_4 - 0.1048 X_5$

According to Table 7 above, the total correlation (R) for the external auditor is clearly equal to % 86.5 which is very strong. Also, The explanatory variables explain % 74.7 of variations in the dependent variable and The coefficient of determination adj (R square adj) is equal

to % 74, which indicates that the regression model is statistically significant at the level of confidence 99% when the F calculated was 98.866 greater than F tabulated.

The results of the regression model demonstrated that there was a significant relationship between explanatory variables and dependent variables which can be inferred from the t value and its associated p value of the model variables statistically significant at a confidence level 99% (T calculated absolute between 2.50 , 8.72) that greater than 2, then we reject the null hypothesis and accept the alternative hypothesis that the dimension of independent variables (x1, x2, x3, x4, x5, x6) have real value coefficients are different from zero, concerned parties (understudy). Furthermore, the table shows that the Durbin-Watson coefficient is 1.8, therefore there is no serial correlation between errors. In addition, a value of 2.0 indicates that no autocorrelation is detected in the sample, values of 1.8 pts for positive autocorrelation.

Moreover, the result showed that the VIF factor of the model was < 3 indicating the nonexistence of the multi-collinear problem, As a result, there is no series correlation between errors. So, the results point to the following equation.

Regression Equation: $Y = -0.3712 + 0.2175 X_1 + 0.1488 X_2 + 0.4784 X_3 + 0.2640 X_4 + 0.1321 X_5$.

Table 9. Kruskal Wallis Test regarded to three group

Variable	Tax examiner	Corporate managers	External auditor	Chi Test	P-value
X1	228.09	280.14	366.16	104.368	.000
X2	208.32	272.80	376.78	149.944	.000
X3	194.10	342.99	421.52	322.983	.000
X4	220.84	271.45	377.07	134.216	.000
X5	229.17	270.55	351.72	84.086	.000

Table 9 shows Kruskal Wallis Test between three groups for all variable, it is clear that there is a significant difference at confidence

4.3.2. H2 Testing Using Multiple Regression Analysis

Table 11. The positive effects of applying the proposed quantitative approach applying the proposed quantitative input in audit quality control standards at the audit office (independent variable) on the examining officer (dependent variable) in terms of cost and return from it

group	Variable	B	Beta	t	Sig.	VIF	R	R Square	Adjusted R Square	Durbin-Watson	F Test	Sig.
Tax examiner	(Constant)	.175		2.28	0.024							
	X ₁	-.233	-.222	-4.04	0.000	3.38						
	X ₂	-.101	-.095	-2.17	0.032	2.17						
	X ₃	.865	.910	17.09	0.000	3.17	.923	.852	.846	1.8	158.82	.000
	X ₄	.089	.089	1.73	0.085	2.98						
	X ₅	.178	.157	2.97	0.003	3.11						
	X ₆	.080	.082	2.23	0.027	1.50						
Corporate managers	(Constant)	.157		1.816	.071							
	X ₁	-.199	-.195	-3.449	.001	2.75						
	X ₂	-.104	-.099	-1.932	.055	2.26						
	X ₃	.989	1.055	14.017	.000	4.89	.899	.808	.801	1.5	116.388	.000
	X ₄	-.124	-.125	-1.768	.079	4.35						
	X ₅	.234	.209	3.922	.000	2.46						
	X ₆	.091	.094	2.249	.026	1.49						
External auditor	(Constant)	-.145		-3.43	0.001							
	X ₁	.253	.230	8.21	0.000	3.24						
	X ₂	.117	.104	4.31	0.000	2.42						
	X ₃	.740	.703	24.79	0.000	3.32	.980	.960	.958	1.7	659.79	0.000
	X ₄	.222	.209	6.97	0.000	3.70						
	X ₅	-.223	-.186	-6.87	0.000	3.01						
	X ₆	-.035	-.034	-1.73	0.085	1.55						

The positive effects of applying the proposed quantitative approach applying the proposed quantitative input in audit quality control standards at the audit office (independent variable) on the examining officer (dependent variable) in terms of cost and return from it

Y: Reducing the degree of risks surrounding the office and increasing the financial value of the audit office

To find out the effect of the following independent variables

X1 Provide sound and complete databases for the tax payer

X2 Accuracy of determining business results and profit ratios.

X3 Reduced uncertainty, reduced misunderstanding, and increased trust.

X4 Providing the external audit office with information about the examining officer's expectations.

X5 Reduction of cases referred to the Appeals Commission and the Courts

X6 Provision of renewable State revenue and reduction of tax time.

Table 10. The correlation matrix between Independent variable and Dependent variable

Y	Tax examiner	Corporate managers	External auditor
X ₁	0.199*	0.262**	0.325**
X ₂	0.529**	0.559**	0.689**
X ₃	0.910**	0.883**	0.952**
X ₄	0.759**	0.744**	0.884**
X ₅	0.124	0.199**	0.151*
X ₆	0.379**	0.364**	0.393**

Table 10 shows that there is a significant correlation among Provide sound and complete databases,... and the financial value of the audit office at level of confidence 99% for External auditor group except x1 at 95% with correlation value between 0.199, 0.910 and significant correlation at level of confidence 99% for corporate managers group with correlation value between 0.199, 0.883 also, significant correlation at level of confidence 99% in corporate managers group except x5 at 95% with correlation value between 0.151, 0.952.

Based on Table 11 above, it is clear that the total correlation (R) for the tax examiner is equal to %92.3 which is very strong. Also, The explanatory variables explain % 85.2 of variations in the dependent variable and The coefficient of determination adj (R square adj) is equal to (% 84.6), which indicates that the regression model is statistically significant at the level of confidence 99% when the F calculated was 158.82 greater than F tabulated.

The results of the regression model demonstrated that there was a significant relationship between explanatory variables and dependent variables which can be inferred from the t value and its associated p value of the model variables statistically significant at a confidence level 99% (T calculated absolute between -4.04, 17.09) that greater than 2, then we reject the null hypothesis and accept the alternative hypothesis that the dimension of independent variables (x_1 , x_2 , x_3 , x_4 , x_5 , x_6) have real value coefficients are different from zero, concerned parties (understudy). Furthermore, the table shows that the Durbin-Watson coefficient is 1.8, therefore there is no serial correlation between errors. In addition, a value of 2.0 indicates that no autocorrelation is detected in the sample, values of 1.8 pts for positive autocorrelation.

Moreover, the result showed that the VIF factor of the model was <3 indicating the nonexistence of the multi-collinear problem, As a result, there is no series correlation between errors. So, the results point to the following equation.

$$Y = 0.175 - 0.233 X_1 - 0.101 X_2 + 0.865 X_3 + 0.089 X_4 + 0.178 X_5 + 0.080 X_6$$

Based on Table 10 above, it is clear that the total correlation (R) for corporate managers is equal to % 89.9 which is very strong. Also, The explanatory variables explain % 80.8 of variations in the dependent variable and The coefficient of determination adj (R square adj) is equal to (% 80.1), which indicates that the regression model is statistically significant at the level of confidence 99% when the F calculated was 116.39 greater than F tabulated.

The results of the regression model demonstrated that there was a significant relationship between explanatory variables and dependent variables which can be inferred from the t value and its associated p value of the model variables statistically significant at a confidence level 99% (T calculated absolute between -3.45, 14.02) that greater than 2, then we reject the null hypothesis and accept the alternative hypothesis that the dimension of independent variables (x_1 , x_1 , x_3 , x_1 , x_5 , x_6) have real value coefficients are different from concerned parties (understudy). Furthermore, the table shows that the Durbin-Watson coefficient is 1.5, therefore there is no serial correlation between errors. In addition, a value of 2.0 indicates that no autocorrelation is detected in the sample, values of 1.5 pts for positive autocorrelation.

Moreover, the result showed that the VIF factor of the model was <3 indicating the nonexistence of the multi-collinear problem, As a result, there is no series correlation between errors. So, the results point to the following equation.

$$Y = 0.1572 - 0.1993x_1 - 0.1036x_2 + 0.9891x_3 - 0.1240x_4 + 0.2345x_5 + 0.0912x_6$$

According to Table 11 above, the total correlation (R) for the external auditor is clearly equal to % 98 which is very strong. Also, The explanatory variables explain % 96 of variations in the dependent variable and The coefficient of determination adj (R square adj) is equal to % 95.8, which indicates that the regression model is statistically significant at the level of confidence 99% when the F calculated was 659.79 greater than F tabulated.

The results of the regression model demonstrated that there was a significant relationship between explanatory variables and dependent variables which can be inferred from the t value and its associated p-value of the model variables statistically significant at a confidence level 99% (T calculated absolute between -6.87, 24.79) that greater than 2, then we reject the null hypothesis and accept the alternative hypothesis that the dimension of independent variables (x_1 , x_2 , x_3 , x_4 , x_5 , x_6) have real value coefficients are different from zero, concerned parties (understudy). Furthermore, the table shows that the Durbin-Watson coefficient is 1.7, therefore there is no serial correlation between errors. In addition, a value of 2.0 indicates that no autocorrelation is detected in the sample, values of 1.7 pts for positive autocorrelation.

Moreover, the result showed that the VIF factor of the model was < 3 indicating the nonexistence of the multi-collinear problem, As a result, there is no series correlation between errors. So, the results point to the following equation.

$$Y = -0.1449 + 0.2527 X_1 + 0.1169 X_2 + 0.7398 X_3 + 0.2216 X_4 - 0.2233 X_5 - 0.0351 X_6$$

Table 12 shows Kruskal Wallis Test between three groups for all variable, it is clear that there is a significant difference at confidence level 99%.

Table 12. Kruskal Wallis Test regarded to three group

Variable	Tax examiner	Corporate managers	External auditor	Chi Test	P-value
X_1	240.81	237.84	334.82	48.799	.000
X_2	184.55	294.88	368.04	191.587	.000
X_3	179.40	370.86	432.57	439.207	.000
X_4	183.84	299.83	418.36	330.028	.000
X_5	252.42	182.36	317.62	28.139	.000
X_6	209.62	279.51	320.96	79.816	.000

5. Conclusion

A clear entry addressing the different dimensions of the quantitative measurement to recognize and judge performance quality, gives more credibility to the auditor's report, through a quantitative measure of quality that formulates a quantity of the variables to achieve the objectives of the relevant parties - the tax examiner- . , this entry integrates these elements into a multidimensional function so that its inputs are factors and variables that affect the quality of the review process; its outputs are a measure, indicator, ratio or rate that reflects the level of quality of the review process.

The methods of using the proposed approach for the quantitative measurement of the variables affecting the quality of the audit office are critical for tax examination of the following:

- Field research results show there is a connection between the application of the proposed quantitative approach in the audit quality control standards at the audit office (As an independent variable) and the development of tax inspection (as a dependent variable) Through a set of vital results, centered around:

There is a direct relationship between trust and credibility in the audit office's report and each of the efficiency and independence of the audit office.

There is a close link between the criterion of personnel management and the quality of job performance, which leads to increasing the effectiveness of organizations and ensuring their continuity.

There is a strong relationship between the criterion of accepting new customers and continuing to provide service to existing customers in order to avoid losing customers, gaining the trust of new customers, and gaining the trust of external parties, including the tax examiner.

There is a strong relationship between supervision and control, which in turn affects the quality of job performance and the development of tax examination.

There is a direct relationship between the application of this proposed quantitative approach and the reduction of the time required to complete the audit task at a lower cost with high quality, while giving confidence and ease of communication between the examining officer and the audit office, bringing opinions closer and reducing misunderstanding between the tax examiner and the auditor.

The office's experience in a specific industry, or a number of industries, gives this system an advantage represented by the low cost of the audit mission, the low number of lawsuits against the audit office, especially the large offices, and the high number of contracts entered into by the audit offices. Maintaining his reputation and prestige outweighs the risk of retaining the client and continuing the audit process.

Facilitating and understanding the financial statements and the data, they contain when presented, which facilitates tax examination. Helping to strengthen the independence of the tax examiner in expressing his neutral technical opinion while defining his responsibility clearly and helps him to identify the validity of a particular tax accounting procedure. The return of applying the proposed quantity entry into the audit quality control standard system to the audit office exceeds the costs of applying it.

- Obtaining a clean report by the Audit Office increases auditors' confidence in the Audit Office and brings views closer and good communication, thereby further achieving for all parties.
- There is no doubt that the research hypotheses developed by the researcher are valid on sound scientific grounds by applying the audit office, a set of audit quality control standards through a proposed quantitative approach in order to achieve the appropriate rule and tax justice.
- Reducing the scope and timing of the tax examination process and completing its implementation efficiently.
- Avoid many actions, many costs, and the huge efforts.

- Obtaining evidence that supports the formation of the final opinion of the examiner in judging the extent of regularity and honesty of accounting books, tax returns, and correctness of operations and balances.
- Reduces the impact of the financier's fictitious data, which requires hard effort to identify and correct deviations, their causes, and methods of treatment, thus reducing the level of risks surrounding the examination.
- Developing studies of the tasks and responsibilities of the external audit office to meet the needs of examining officers in order to reflect contemporary development.
- More practical studies in the field of quantitative and mathematical measurements to identify the quality of audit office.
- Reconciliation of differences between actual performance and standards expected by tax examiners and their rapid response to developments in the audit.
- The use of quantitative measures in guiding studies to assess all gaps in standards, performance, communications and perceptions, and link them to tax development.

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The heading of the Acknowledgment section and the References section must not be numbered.

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