

Does the Formal Understanding of Qualitative Research Enhance the Assessment of Risk in an Audit?

Kimberly R. Mungaray, CPA
Millikin University

Although auditing appears rooted in mathematics and positivist science, the implementation of risk-based auditing has required more qualitative evaluations of evidence. As organizations become more complex and leadership structures become more convoluted, the evaluation of audit evidence can benefit from the application of qualitative research methods and therefore adding qualitative research to accounting curricula should be considered. This paper documents the exploration of how accounting curriculums might benefit from the inclusion of qualitative research methods and methodologies.

Keywords: Audit inquiry, philosophical hermeneutics, audit risk, accounting education, qualitative research

INTRODUCTION

Risk based auditing requires planning and performing audit steps based on assessing the risk of material misstatement. Specifically, the American Institute of Certified Public Accountants (AICPA) defines business risk as “a risk resulting from significant conditions, events, circumstances, actions or inactions that could adversely affect an entity’s ability to achieve its objectives and execute its strategies or from the setting of inappropriate objectives and strategies” (AICPA, 2014, p. 268). The AICPA’s professional standards state that “the auditor’s responsibility [is] to identify and assess the risks of material misstatement in the financial statements through understanding the entity and its environment” (AICPA, 2014, p. 267) and that “risk assessment procedures should include...inquires of management and others” (AICPA, 2014, p. 268). Moreover the AICPA describes assessing risk as “a continuous, dynamic process of gathering, updating, and analyzing information...[that] establishes a frame of reference within which the auditor plans the audit and exercises professional judgment” (AICPA, 2014, p. 274). Taken together this suggests that the auditor will rely on her professional judgment to assess risk, to plan and perform the audit and to form an opinion on the financial statements. Although auditing appears rooted in mathematics and positivist science (verifying calculations and sampling transactions), the implementation of risk-based auditing has required more qualitative evaluations of evidence. As organizations become more complex and leadership structures become more convoluted, the evaluation of audit evidence could benefit from the application of qualitative research methods. This paper documents the exploration of how the addition of qualitative research methods to an accounting curriculum could enhance an auditor’s ability to

assess the risks associated with the more nebulous aspects of the business environment such as leadership tone and attitude.

QUALITATIVE RESEARCH METHODOLOGY AND AUDITING

Qualitative and quantitative risk assessments are equally accepted auditing tests (AICPA, 2014, p. 268). However, since accountants normally only take statistical reasoning as part of their formal education program, they often do not have a well-developed formal foundation in qualitative research. Auditors are required to do iterative field work that includes collecting audit evidence to answer questions that are particularly subjective. Ahrens and Chapman (2006) stated that “[t]he practice of doing qualitative field studies involves an ongoing reflection on data and its positioning against different theories such that the data can contribute to and develop further the chosen research question” (p. 820). Ultimately, every audit poses the hypothesis that the financial statements are free from material misstatement, however, there are many audit questions that must be asked and answered to arrive at a final opinion. As noted above, one such question pertains to the degree of business risk experienced by the audit client.

Undergraduate accounting students normally only take one auditing course which cannot allow for an in depth understanding of qualitative reasoning nor a profound understanding of business risk factors. Topics linking business risk with human interactions in organizations are not typically included in accounting programs. Arens and Elder (2006) have encouraged a more thorough understanding of business risks across college curriculum. They stated that “auditors cannot just assess risks and audit numbers on financial statements, but also must identify the underlying business risk that give rise to those financial statement risks” (Arens & Elder, 2006, p. 350). Because these risks are often associated with the human dynamic in business, they are more qualitative by nature.

Currently auditors learn how to conduct many audit tasks on the job through an apprenticeship model (Wedemeyer, 2010, p. 331). This method is effective to teach many nuances of auditing but if master auditors do not understand how to perform qualitative research then conceivably they are not appropriately teaching their apprentices. Many auditors understand the importance of qualitative factors but may not understand how to rigorously collect, organize and evaluate data. For example, it is not enough for auditors to understand that the lived experience of leaders and followers impact the business environment, but the auditors must also be able to adequately assess the resultant risk from these relationships on the financial statements.

Equally important to understanding qualitative factors is to be able to distinguish between methodology and methods. In planning and performing the audit, auditors are expected to determine the purpose of each test and to describe the methods used in testing management’s assertions. Ahrens and Chapman (2006) stated that “[d]oing qualitative field studies is not simply empirical but a profoundly theoretical activity” (p. 820). Defining a more formal methodology can help the auditor to frame the problem and inform her employment of methods such as interviews. To be sure, discussing the many and varied qualitative methodologies and methods is beyond the scope of this article but utilizing phenomenological hermeneutics as a qualitative methodology to assess the control environment risk provides a conceptual framework to explore how qualitative research methods can enhance auditing procedures.

CONTROL ENVIRONMENT AND RISK

The AICPA (2014) contends that understanding the control environment is a necessary element of understanding the audit entity and its business environment. They define the control environment as including:

The governance and management function and the attitudes, awareness, and actions of those charged with governance and management concerning the entity’s internal control

and its importance in the entity. The control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure (p. 289).

The analysis of a company's tone at the top is particularly qualitative and as such the AICPA (2014) suggests that auditors conduct interviews with management, conduct corroborating interviews with employees and examine communicative documents such as the minutes for board meetings. The evidence gathered to support an auditor's understanding of the tone at the top exemplifies the lived experience of employees, management and governance as it relates to the control environment, and therefore is appropriately evaluated through the lens of phenomenology.

PHENOMENOLOGY AND INTERPRETIVISM

Essential to understanding phenomenology is accepting the premise that human beings are not simply conscious but rather that they are conscious of something. This relationship is defined as intending (Sokolowski, 2000, p. 8). Moreover, phenomenological research seeks to reinterpret an experience or discover new or more profound meanings of an experience by bracketing or moving aside embedded cultural and linguistic perceptions in order to allow new meaning to emerge (Sokolowski, 2000, p. 49). Intentionality can be defined as "referentiality, relatedness, directedness. [It is when] the mind becomes conscious of something, when it 'knows' something, it reaches out to, and into, that object" (Crotty, 2003, p. 44). It follows then that perception is the intentional interaction of the knower and the known. Ladkin (2010) stated that "the way perceived phenomenon is known is entirely interwoven with the viewpoint of the perceiver...[including her] actual physical proximity...as well as on [her] psychological predispositions and previous experience of what is being perceived" (p. 16). Meaning and understanding emerges from experience and these shared meanings "are socially constructed; developed over time through culture, historical events and meaning-making systems of interpretation and dissemination across generations" (Ladkin, 2010, p. 19). The auditor must acknowledge that evidence, for example collected from an interview, is interwoven in her own perception as well as the perception of the one being interviewed because the interviewee is relating leadership events through the web of her own historical and cultural filter. Creswell (2013) suggested that "the researcher needs to decide how and in what way his or her personal understandings will be introduced into the study" (p. 83). In this way the researcher acknowledges her own understandings as one possible and nuanced observation of the phenomenon that together with other observations provides a richer understanding of the leadership events.

Interpretivism approaches understanding through contextual lived experience. As a theoretical perspective, it "looks for culturally derived and historically situated interpretations of the social life-world" (Crotty, 2003, p. 67). This signifies that we look for meaning to emerge from the interaction between individuals and their social environment and that understanding is known only through context because understanding developed outside of context may present an altered meaning. Moreover, in the business environment, interaction takes place between individuals, inclusive of position, and within a particular group or within the organizational collective. In order to interpret the lived experience, the auditor is challenged to understand both the leadership event and to understand its contextual landscape because the auditor is learning about these leadership events outside of its contextual origin.

As noted, perception is limited by the historical, cultural and linguistic positioning of the perceiver. To illustrate, phenomenologists use the image of a cube. If the intended object is a cube then the observer sees and understands the cube from their perspective. Although the cube has six sides, the observer cannot directly examine all six sides at once. This requires the observer to intend both what is present, the sides that are visible, and to intend what is absent, the sides that are hidden. Moreover, the angle at which the cube is observed will also change the observer's perception. These various angles are referred to as aspects. Finally, even if the observer could see all the sides from all the aspects, she could not completely examine the whole of the cube because she cannot directly observe the interior. The whole of the cube constitutes its identity and the identity is known through what is present and what is absent.

In addition to sides, aspects and identity, phenomenologists are concerned with wholes, pieces and moments. Pieces are independent parts that collectively make up a whole. For example, certain audit procedures are independent processes (pieces) that collectively make up the internal control structure (the whole). Moments are not independent of pieces or of wholes but qualify, define or add nuance to its correlative piece or whole. Color is an example of a moment in relationship to cloth. The color blue does not exist separate from the water but the water is a piece of the ocean. Ladkin (2010) argued that “leadership cannot exist apart from the particular individuals who are engaged and involved in any leadership dynamic” and that “recognizing leadership as a moment suggests that we can never arrive at the reality of leadership as separated from those particular contexts in which it arises” (p. 26). She elaborated on the concept by purporting that the leadership moment is the convergence of leader, follower, context and purpose (pieces) from which the leadership moment emerges (Ladkin, 2010, p. 27). Moreover the leader and the follower intend the memory of the leadership moment from different aspects as will the auditor who is researching the leadership phenomenon. Applying Ladkin’s model to the audit phenomenon, pieces of the internal control environment are leader, follower, control (purpose) and process implementation (context). Tone at the top emerges as leadership moments because tone is the perception produced by the leader and follower interacting in and through the control environment. Philosophical hermeneutics is one method that can be employed by auditor to understand this phenomenon.

QUALITATIVE METHODS AND AUDITING

There is flexibility in the design of a qualitative study, but the researcher should develop a plan and follow certain steps to create a relative sense of consistency within the study and from study to study. Each research method has a traditional set of steps. For the example here phenomenology is the overarching methodology and philosophical hermeneutics is the method used to examine narratives gathered through an interviewing process.

Hermeneutics is the traditional method for extracting the meaning from scriptural texts. Crotty (2003) explained that hermeneutics is no longer relegated to texts but is used as a method to bring understanding to “human practices, human events, and human situations” as if by “reading them” (p. 87). A word alone has meaning or perhaps many meanings but it cannot connote its intended understanding outside of the whole of the sentence that is equally dependent on the words that make it up. Moreover, Gadamer (1976/2008) stated:

rhetorical and hermeneutical aspects of human linguisticity completely interpenetrate each other. There would be no speaker and no art of speaking if understanding and consent were not in question, were not underlying elements; there would be no hermeneutical task if there were no mutual understanding that has been disturbed and that those involved in a conversation must search for and find again together. (p. 25)

Understanding that comes from this linguistic relationship or conversation is the hermeneutic circle that Ladkin (2010) explained as “a reflexive process which occurs in the interaction between the individual and the whole of which it is a part” (p. 112). Because this understanding emerges through a lived experience, it follows that each interpretation could not be an unaffected and unbiased truth but rather understanding a truth about the whole is gained from understanding the convergence of each individual interpretation including the biased interpretation of the interpreter.

Although reflexivity can be used to describe introspective thought, Stacey (2012) used the term to describe a particular form of reflexivity in conjunction with a narrative and that narrative inquiry is a reflexive process through which new understanding emerges (p. 110 -111). Reflexivity here is not relating to individual reflection on a particular situation but rather the individual and interactive intimacy and distancing from the situation that might allow space for new understanding to emerge. Stacey (2012) stated that “narrative inquiry involves leaders, managers and members of an organization exploring together the history of the situation they find themselves in trying to identify how they have together

created this situation” (p. 111). Here, Stacey is using narrative to be self-evaluating for leadership improvement but the concept can be applied to the audit inquiry, an interview.

INTERVIEWING

Creswell (2013) suggested that the first step in conducting an interview is to “decide on the research questions that will be answered by the interviews. These questions are open-ended, general, and focused on understanding your central phenomenon in the study” (p. 163). Willis (2007) stated that “if the right effort is invested in writing good interview or survey questions, the interview or survey should capture some of the reality of the situation” (p. 245). Large national firms often create audit tools or aids internally but smaller firms rely on practice aids produced by third parties. Regardless of who produces these aids, most include a set of questions to guide the auditor in conducting an audit inquiry. Many of the questions are closed ended questions that are designed to elicit information about the systems and concrete processes. These questions and answers are helpful to the auditor because the answers help define parameters for testing. The open-ended questions are designed to facilitate dialogue through which the auditor hopes to gain important insight into the business environment. Kooop (2007) stated that “[w]hen handled correctly, the inquiry process helps auditors to assess risks, develop audit plans, and prepare work programs” (p. 25). A potential problem arising from using pre-determined questions, is that the auditor may not understand the intent of the questions, and therefore she will not construct the inquiry process correctly. The audit inquiry is essentially a step in a qualitative study but because most auditors do not obtain a foundation in qualitative research, they do not understand how to appropriately use the question and answer dialogue to its fullest potential. Placed upon a phenomenological platform, the pre-determined questions can be transformed into a method designed to facilitate conversation through which the auditor comes to understand the lived experience of those affecting and those effected by the control environment.

Although not often associated with auditing, philosophical hermeneutic inquiry is utilized in the nursing field. Not dissimilar to nursing, auditing requires certain precise questions to be answered with exacting answers. An example of this type of question is asking management about the existence of evidential data such as board minutes, organizational charts, or internal control processes. Vandermause (2011) posited that “if the intention is to understand ancillary aspects of a particular condition, to expand upon a practitioner’s view of an overall situation, or to seek possible clues to health care challenges, a more open-ended approach to questioning... may be adopted” (p. 374). Similarly, if the intent of the auditor is to seek indications of management’s tone or attitude toward internal controls then open-ended questions are better suited. The auditor needs to diagnose the health of the internal control system by understanding how it functions and by examining documents and processes for systemic malfunctions but this is not enough. Risk-based auditing requires that the auditor look for areas of potential risk to the system. Since all internal controls have the potential of being over-ridden, understanding the tone or attitude that management demonstrates toward the importance and implementation of the internal control system becomes an important ancillary aspect of the diagnosis. Constructing questions is important but actively and appropriately engaging the ensuing dialogue is of equal importance.

Questions designed to allow the expression of the “other” are more effective than questions designed to draw out a presumed answer because the previous produces “authentic dialogue – which actively pursues difference – and [the former produces] inauthentic dialogue – which constantly narrows and restricts possible meanings” (Ladkin, 2010, p. 113). If an auditor can develop questions that help the auditees open up into a narrative then the auditor can listen reflexively and gain insight. Understanding theoretical principles such as the hermeneutic circle and the technique of narrative and reflexivity can enhance the practiced art of inquiry.

If auditors can use open ended questions to prompt the memory of leadership events then the narratives that result can be examined and explored to identify how these events were created, but more importantly if there is a sense of risk involved in that creation. Through reflexive dialogue, auditors visit and revisit the remembered leadership events with various members of the organization to capture a

shadow of the leadership moment. Because the leadership moment is a result of a particular dynamic at a particular time, it can never be recreated. By facilitating this reflexive examination, auditors can gather qualitative evidence representing various intendings of the memory of an event.

Stacey (2012) stated “it is in the detail of the narrative that we find ourselves participating in that we can express the themes emerging in our experience” (p. 111) and that “reflexivity is the activity of noticing and thinking about the nature of our involvement in our participation with each other as we do something together” (p. 112). With practice, the auditor might become what Stacey (2012) calls an “expert reflexive inquirer [who has] a greater capacity to understand the responses of others (p. 113). This expertise allows the auditor to approximate being an observer of the leadership moment through the narrative. In this way the auditor is intending the absence of the moment through intending the presence of the memory of the event. Sokolowski (2000) explained that:

A new manifold, a new possibility of identity, is introduced by memory, and new possibilities of error arise as well. It is the task of phenomenology to bring out the structures in question and to distinguish them from those at work in perception and in other kinds of intentionality. (p. 69)

Memories of leadership events have certain meanings to those recollecting, but for the auditor, these remembered events create images of leadership moments from which the auditor can garner an understanding of how the control environment was and is constructed.

Auditor independence prevents the auditor from truly participating in organizational activities, but being able to envisage the leadership moment allows the auditor to understand and to see not only the aspects of what is being described to her but also to derive meaning from the aspects that are absent. If the auditor can ask enough right questions and listen well to the answers, she can understand the memory of the leadership event and capture a shadow of the moment. The goal for the auditor is to not only understand the memory of the static and historical event and its particular meaning but to also identify the intended absences in an effort to understand the non-static moment. By understanding the leadership moment, the dynamic relationship between follower, leader, context and purpose, an auditor can better understand leader’s embedded attitude toward internal control and the effect this has on the internal control environment. Auditor judgment should be informed by understanding that an auditor is a biased interpreter seeking to understand leadership’s socially-lived experience by listening reflexively to leader’s narratives.

BRACKETING AND BIAS

Bracketing and bias are related but they are not the same. Phenomenology requires that the researcher bracket her own understandings to obtain a neutral perspective in relation to other perspectives. Sorsa, Kiikkala and Arstedt-Kurki (2014) explained that “the aim of bracketing is that the researcher should not influence the participant’s understanding of the phenomenon” (p. 10). However, a researcher cannot completely remove their own way of knowing from the inquiry and subsequent analysis. Thus, bracketing neutralizes the researcher’s perspective. Sokolowski (2000) explained that by bracketing, the researcher can:

consider it [the intended object] as correlated with whatever intentionality targets it. If it is a perceived object, we examine it as perceived; if it is a remembered object, we now examine it as remembered; if it is a mathematical entity, we consider it as correlated with a mathematical intention; if it is a merely possible object, or a verified one, we consider it as the object for an intentionality that intends something only possible or an intentionality that intends something verified (p. 49-50).

Bracketing then is a way of suspending understandings that are socially constructed in order that the researcher can observe all the intentions as equally possible. This differs from removing bias in that the researcher is not trying to change her thinking or deny any socially constructed understandings that she may have. These understandings are valid but in order to be open to other understandings, she has to make room. “If bracketing is not used during research, the risk is that data will be biased and more a reflection

of the worldview of the researcher, rather than that of the participant” (Sorsa, Kiikkala & Astedt-Kurki, 2014, p. 10). Bracketing relates to understanding whereas bias relates to judgment.

Auditors need to be particularly aware of judgement biases because if not, auditors risk performing audit tests that are intrinsically prejudiced (Fay and Montague, 2015, p. 26; Knapp & Knapp, 2012, p. 41; O’Donnell & Schultz Jr., 2005, p. 922). Rather than simply suspending bias, an auditor must endeavor to compensate for subconscious bias by considering all the information gained through bracketing and being open to understandings contradictory to a preconceived judgement. To be sure, how auditor judgment affects the assessment of risk is ultimately important to auditing but here, I am interested in the application of phenomenological methods in performing interviews with leadership and other organization personnel. That being said, the cognitive bias called the halo bias is of particular concern during any interview process. “There exist the tendency of decision makers to allow their assessment of one specific trait possessed by an individual to be influenced by that individual’s other traits” (Knapp & Knapp, 2012, p. 43). If an auditor were to assume that because leadership demonstrated strong personal ethics and moral grounding that the internal control system was indeed strong and functioning, this would be a result of a halo bias. Conversely, when the auditor suspends judgement as well as her understanding of tone in order to conduct the interviews with leadership and to perform corroborating interviews with employees, and then determines that the tone at the top regarding internal controls is strong, this is free from the halo bias because the auditor did not assume one attribute to another. However, this only suggests that the auditor can assume less risk in the internal control system but she still needs to test the internal controls. She could never assume that the control system was indeed working simply because of tone. Understanding how bracketing and bias relate within the phenomenological framework help the auditor stay focused on the purpose of her research methods.

Many business schools require communication classes but seldom do these classes focus on the skill of interviewing that the AICPA has identified as a key method for obtaining audit evidence. Koop (2007) stated that “[d]espite the importance of inquiry to the audit process, many internal audit practitioners lack proficiency in this critical skill” (p. 25). In her research, Liu (2012) found that “participants receiving theory-based instruction developed an arguably superior audit enquiry plan than those instructed to ‘describe in detail’ how they would conduct the enquiry” (p. 154). This suggests that formal education is important to both the development and the implementation of interviewing methods. Moreover, understanding how to interpret the results of the interview is equally as important.

A FRAMEWORK TO INTERPRET RISK

Once the narratives are gathered, auditors are left with little formal guidance regarding the interpretation of these recollected leadership events. The AICPA stated that the “control environment sets the tone of an organization, influencing the control consciousness of its people” (p. 289). The AICPA continued their guidance with a list of control environment attributes to aid the auditor in framing her risk assessment. Because auditors are charged with using professional judgment to evaluate these attributes, it is left up to the auditor to determine how their professional judgement is to be applied and how risk is to be assessed. Historically, auditors assess risk on an ordinal scale as high, medium or low (Fukukawa & Mock, 2011). Recent accounting scandals suggest that this system of analysis is at best inconsistent if not regularly flawed (Arens & Elder, 2006; Cohen & Hanno, 2000; Ríos-Figueroa & Cardona, 2013; Wedemeyer, 2010). Utilizing a more structured form of evaluation might result in better risk assessments.

For phenomenological studies, Creswell (2013) suggested implementing a method in which significant statements made during inquiries are listed and then grouped by topics and then into themes (p. 193). Specific statements are then recorded verbatim in a table adjacent to a formulated meaning (p.194). Imitating this process and utilizing the attributes provided by the AICPA, audit narratives could be analyzed for recurring statements, topics or themes. By extracting meaningful statements from the narratives, patterns of tone can emerge and these statements can be further evaluated against the attributes identified by the AICPA as being significant for risk. Establishing clear documentation such as the table mentioned above also promotes documentation that can be linked to other audit testing as well as holding

up to regulatory scrutiny. Arens and Elder (2006) emphasized the importance of “requiring students to link business risk assessments to the audit risk model and to link their risk assessments to their testing decisions” (p. 351). Supplying students with the necessary foundations in qualitative research can supply the framework to promote the suggested linking and teach a formal way of documenting the gathering and analyzing of qualitative evidence. Risk assessment is used to determine the extent of testing to be performed in a particular area of the audit. If appropriate risk assessment is not made then detection of error or misstatement might not be detected. Although there is an inherent risk that misstatement will not be detected, following a more structured assessment of qualitative evidence should reduce this inherent risk.

CONCLUSION

The effects of missed business risks have a global impact. The global economy felt the result of underestimated business risks with the fall of Enron (Aiyer, 2003) and the sub-prime mortgage crisis (Pattanaik, 2009). Although blame cannot lie with auditors alone, there must be some responsibility taken by the audit community to learn from these past mistakes. If auditing is going to continue to utilize the assessment of risk as a guiding factor in determining what financial areas are to be examined and to what degree those areas are to be tested then the industry must look at ways to improve the risk assessment process. Although regulators and law makers will continue to make changes thought to be improvements to the rules of accounting, an improvement to accounting education should also be considered. Accounting education and practice remains firmly rooted in a positivistic epistemology. However, applying positivistic methods to assessing the more nebulous aspects of the business environment such as leadership tone and attitude is not effective. Furthermore, as the global economies continue to be more intertwined, historical, cultural and linguistic social constructions will have more impact on the interactions between and within organizations. Auditors are and will be expected to assess the risk associated with the social dynamic within an organization, and therefore investigating the value of qualitative research methodologies and methods seems warranted. At a minimum, further research into the importance of how understanding the lived experience of leadership impacts the assessment of business environment risks during an audit should be assessed.

REFERENCES

- AICPA (American Institute of Certified Public Accountants). (n.d.), Retrieved February 15, 2015, from <http://www.aicpa.org/research/standards/auditattest/pages/sas.aspx>
- Ahrens, T. & Chapman, C. (2006). Doing Qualitative Field Research in Management Accounting: Positioning data to contribute theory. *Accounting, Organizations and Society*, 31(2006), 819-841.
- Aiyer, A. (2003). Lights Out. *Social Analysis*, 47(3), 141-146.
- Arens, A. & Elder, R. (2006). Perspectives on Auditing Education after Sarbanes-Oxley. *Issues in Accounting Education*, 21(4), 345-362.
- Bu-Peow NG, T. & Hun-Tong, T. (2007). Effects of Qualitative Factor Salience, Expressed Client Concern, and Qualitative Materiality Thresholds on Auditors' Adjustment Decisions. *Contemporary Accounting Research*, 24(4), 1117-1192.
- Cohen, J. & Hanno, D. (2000). Auditors' consideration of Corporate Governance and Management Control Philosophy in Preplanning and Planning Judgments. *Auditing: A Journal of Practice and Theory*, 19(2), 133-146.
- Cohen, J., Krisnamoorthy, G., & Wright, A. M. (2002). Corporate governance and the audit process. *Contemporary Accounting Research*, 19(4), 573-594. Retrieved from <http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=8968572&site=ehost-live>
- Creswell, J. (2013). *Qualitative Inquiry and Research Design: Choosing among five approaches*. Thousand Oaks, CA: Sage.

- Crotty, M. (2003). *The foundations of social research, meaning and perspective in the research process*. London: Sage.
- Dibley, L. (2011). Analysing Narrative Data using McCormack's Lenses. *Nurse Researcher*, 18(3), 13-19.
- Fay, R. & Montague, N. (2015). I'm not biased, am I? *Journal of Accountancy*, 219(2), 26-31.
- Fors, A., Dudas, K., Ekman, I. (2014). Life is lived forwards and understood backwards – Experiences of Being Affected by Acute Coronary Syndrome: A narrative analysis. *International Journal of Nursing Studies*, 51(2014), 430-437.
- Gadamer, H. (1976/2008). *Philosophical Hermeneutics*. (D.E. Linge, Trans. & Eds.). Berkeley, CA: University of California Press.
- Knapp, M. C. & Knapp, C. A. (2012). Cognitive Biases in Audit Engagements: Errors in judgment and strategies for prevention. *The CPA Journal*, 82(6), 40-45.
- Ladkin, D. (2010). *Rethinking leadership: A new look at old leadership questions*. Northampton, MA: Edgar Elgar Publishing Limited.
- Liu, G. (2012). Gathering Evidence through Enquiry: A process improvement focus. *Behavioral Research in Accounting*, 24(2), 153-175.
- Moraru, M., & Dumitru, F. (2011). The risks in the audit activity. *Annals of the University of Petrosani Economics*, 11(3), 187-194. Retrieved from <http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=85643629&site=ehost-live>
- O'Donnell, E. & Schultz, Jr., J. (2005). The Halo Effect in Business Risk Audits: Can strategic risk assessment bias auditor judgment about accounting details? *Accounting Review*, 80(3), 921-939.
- Pattanaik, S. (2009). The Global Financial Stability Architecture Fails Again: sub-prime crisis lessons for policymakers. *Asian Pacific Economic Literature*, 23(1), 21-47. doi:10.1111/j.1467-8411.2009.01221.x
- Ríos-Figueroa, C. & Cardona, R. (2013). Does Experience Affect Auditors' Professional Judgment? Evidence from Puerto Rico. *Accounting and Taxation*, 5(2), 13-32.
- Sokolowski, R. (2000). *Introduction to Phenomenology*. New York, NY: Cambridge University Press.
- Sorsa, M., Kiikkala, I. & Astedt-Kurki, P. (2015). Bracketing as a Skill in conducting Unstructured Qualitative Interviews. *Nurse Researcher*, 22(4), 8-12.
- Stacey, R. (2012). *Tools and techniques of leadership and management: Meeting the challenge of complexity*. New York, NY: Routledge.
- Vandermause, R. & Fleming, S. (2011). Philosophical Hermeneutic Interviewing. *International Journal of Qualitative Methods*, 10(4), 367-377.
- Wedemeyer, P. D. (2010). A discussion of auditor judgment as the critical component in audit quality - A practitioner's perspective. *International Journal of Disclosure & Governance*, 7(4), 320-333. doi:10.1057/jdg.2010.19
- Willis, J. (2007). *Foundations of Qualitative Research: Interpretive and critical approaches*. Thousand Oaks, CA: Sage.

Reproduced with permission of copyright owner.
Further reproduction prohibited without permission.