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EXAMINATION OF ETHICAL AND PROFESSIONAL CONDUCT OF LEBANESE EXTERNAL AUDITORS

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Abstract: This article proposes to analyze the ethical reasoning of Lebanese external auditors with regard to the extent of their compliance with the code of professional conduct. As part of a positivist epistemological format, a quantitative methodology was employed. The data were collected using semi-directive survey that was sent to 250 Lebanese external auditors. The final sample consisted of 207 Lebanese external auditors for which we used correlation and logistic regression. The results reveal that because of an economic dependence on their clients, Lebanese external auditors demonstrate an inability to remain independent. This limits compliance with the code of professional conduct and thus negatively affects the quality of audit work. This study

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adds to the sparse literature found in developing countries that highlight the behavior of Lebanese external auditors with respect to professional conduct, which has always been considered sensitive and complex.

■■■ INTRODUCTION

Following the accelerated evolution of investments and financial globalization, over the years, the external audit profession underwent a wide expansion that was related to the necessity for making more reliable financial metrics available to those who need to obtain such information (Chaari, Belanès & Lajmi, 2022). This profession has thus become a social control mechanism and a widely used management tool in order to eliminate the mistrust of agents. In fact, his role is to certify the completeness and validity of the financial statements, as well as to express an opinion reflecting a true and fair view of the company's situation (Obert & Mairesse, 2015).

However, the shocking financial scandals called into question the role played by the external auditor, which in turn led us to question the quality of the work offered by the external auditor (Prat Dit Hauret, 2003a; Diallo & Diop, 2020). This resulted in a reorganization of the external audit profession, as well as an increase in the level of quality control (Feghali, 2015) on the one hand, and a strengthening of the notion of ethics within the external audit profession on the other hand.

Considering the apparent lack of importance of ethics within the external audit profession, we have oriented our reflections towards a fruitful track to launch a research theme aiming at the proper application of (1) the code of ethics, and (2) the international auditing quality standards including honoring (3) the independent rules by Lebanese external auditors. From this perspective, the purpose of this article is to shed light on the ethical reasoning and behavior of Lebanese external auditors as well as to present various factors likely to improve the auditors' independence. This situation leads us to ask the following question:

at what level do Lebanese external audit firms comply with the code of ethics, international quality standards for external auditing and the applicable rules of independence?

To better validate our research, we have adopted a well-structured study plan to address this issue and legitimize our theoretical approach to professional conduct. In the second section of this article, we review some of the rel-

evant literature related to our topic in order to develop the conceptual framework of the study, as well as our hypotheses, which are presented in section 3. The methodology and the results are analyzed in sections 4 and 5 respectively, in order to indicate our ambitions for the development of this study in section 6.

LITERATURE REVIEW

In this section, we summarize the existing literature on external audit standards and laws that limit the unscrupulous behaviors of Lebanese external auditors by proposing an in-depth systematic review that highlights the theoretical aspects of these standards and laws.

Ethical requirements and standards

Ethics occupies an important part in the foundation of professionalism and represents an important key to success in an audit mission (Jonquiere & Joras, 2015). With regard to the external auditor, professional ethics are to be objective and honest, thereby safeguarding the interests of the different parties, and complying with their rules (Charpateau, 2012; De Graaf, 2019). Hence, it specifies the minimum duties required of an external auditor in carrying out his work (CEA, 2014). The purpose here is to direct these behaviors toward a motivated work ethic and honesty (Adekoya, Oboh & Oyewumi, 2020) and to release restrictions on their clients and any financial link. Achieving this will indicate the high quality of the audit (Zahmatkesh & Rezazadeh, 2017). Consequently, the code of ethics issued by the international federation of accountants (IFAC, 2006) specifies that the public interest must be at the heart of the activity of the profession (Ardelean & Tiron-Tudor, 2018).

Consequently, successful auditing requires a connection between competence and independence. The latter exists when the auditor is able to express his opinion, regardless of the undergoing pressures -and in full freedom- while relying on a high level of ethical sensitivity and true ethical behavior (Prat Dit Hauret, 2003b). Similarly, ethics statements emphasize the role of education in producing a technically competent and ethical external auditor (Neu, Saxton, Everett & Rahaman, 2022). On account of that, audit firms must make remarkable efforts to implement a comprehensive ethics program (Latan, Jabbour & Lopes de Sousa Jabbour, 2019).

Professional conduct basis and scope

The Lebanese Association of Certified Public Accountants (LACPA) imposes compliance with the code of professional conduct based on resolution 463/1 of the Rules of professional conduct for the association of certified accounting experts in Lebanon which includes the code of ethics issued by IFAC, and international auditing standards and independence rules aimed at improving the external audit profession (LACPA, 2006).

First, the conceptual framework of the code of ethics requires auditors to assess threats that may compromise compliance with the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Similarly, a set of external quality auditing standards, that govern the profession, include the ISQM1 standard, the revised international standard on auditing (ISA) 200 standard, and the revised standard 220. The ISQM1 standard represents a guide that requires the establishment of a quality management system designed to achieve reasonable assurance that there will be compliance both with professional standards and the issuance of reports appropriate to the circumstances (IAASB, 2020). Please note that the revised ISA 220 standard is in parallel with the ISQM1 standard. The revised ISA 200 requires external auditors to comply with ISAs and legal and regulatory requirements. In fact, external auditors are required to exercise professional judgment and critical thinking. External auditors must also base their opinion on sufficient appropriate audit evidence, be attentive and pursue further investigations if there is any doubt about the reliability of this evidence (Obert & Mairesse, 2015). Plus, external auditors are subjected to the rules of independence, in order to resist pressure and perform tasks freely in accordance with the conditions established by law (Baratay, 2017; Diallo & Diop, 2020).

Ethical sessility of external auditor

The agency relationship between the shareholders and managers uncovers some major problems, such as information asymmetry and conflict of interest (Diallo & Diop, 2020), which in turn lead to opportunistic behavior on the part of manager by manipulating the information under his or her management. Thus, shareholders appoint external auditors to verify the good behavior

of managers (Chaari, Belanès & Lajmi, 2022) and to reassure stakeholders of the proper application of standards and the reliability of financial statements (Chaudey, 2014). Consequently, the employment of an external auditor is not entirely; sufficient; they must also high level of integrity, independence and professional conduct.

Thus, the external auditor is often placed the heart of important conflicts of interest (Hess, Haney & MacPhail, 2017) for which the code of ethics offers no simple solutions. Furthermore, the presence of flexible accounting rules and methods (Nielsen, 2016) will make it more difficult for him to oppose the choices made by the audited entity (Prat Dit Hauret, 2003b). Consequently, he must rely on his conscience and his judgment to resolve the dilemmas encountered during the execution of his missions (Latan et al., 2019). Independence, therefore, becomes a decision of the auditor rather than an inherent obligation of his profession. From now on, a high level of ethics is essential in order to impose itself on any opportunistic behavior leading to the privilege of the personal interest of external auditors to the detriment of the issuing of an appropriate opinion. From this point of view, Kohlberg extended Piaget's work in order to analyze the level of ethical sensitivity of external auditors and to assess the possibility of increasing their level of ethical sensitivity (Ben Hamadi, 2020).

Thus, the theory of cognitive moral development (Kohlberg, 1968) provides insights into the behavior of external auditors faced with ethical dilemmas and the effect of an auditor's frame of reference on his ethics (Charpateau, 2012). The fact that an external auditor is remunerated by the audited company may make him vulnerable to an ethical dilemma, namely, having to choose between continuing the business relationship or issuing a sincere opinion (Latan et al., 2019). Therefore, the higher the ethical sensitivity of the external auditor, the more the users of the financial statements perceive him to be independent and capable of resisting all kinds of pressure (Prat Dit Hauret, 2003b).

This research into cognitive moral development is limited to cognitions and the relationship between moral judgments and moral actions has not been clearly defined. A definition may come when the external auditor thinks of moral dilemmas in a way contrary to his reaction to these same dilemmas (Prat Dit Hauret, 2003a).

However, the theory of the attitude-behavior relationship assumes that professional attitudes and behaviors are a part of the quality system of a person who belongs to a profession, in this case that of external auditor. In addition, attitudes and behaviors are essential to the use of skills and assimilation of the

standards of the profession (Nielsen, 2016). This theory directs the work of external auditors towards professional skepticism and appropriate judgment as circumstances dictate, in order to achieve excellence on the quality scale (Michelik, 2008). In the following, we set out our conceptual framework and we also introduce our hypotheses in order to answer our problem.

CONCEPTUAL FOUNDATIONS AND HYPOTHESIS

The theoretical framework that we have chosen for our study is a combination of several theories that combine to form a technical and behavioral theory. In addition, we have paid particular attention to the international standards for external quality auditing, the code of ethics and the rules of independence in the development of our research model. Thus, in order to legitimize our choice, we propose that the behavior of the external auditors reflects the extent of their compliance with these standards as well as the work's quality level.

As part of a positivist epistemology positioning and a hypothetico-deductive methodology, we present below our hypotheses that seek to detect compliance with the code of professional conduct by Lebanese external auditors:

H₁: The consideration of deontological and ethical guidelines by the Lebanese external auditors is essential to improving the perceived quality of the audit work carried out.

H₂: The obligation to comply with the ISAs requirements by the Lebanese external auditors is fundamental.

H₃: Lebanese external auditors can sometimes submit to threats to independence.

These hypotheses must be statistically verified in order to be confirmed. To this end, let us continue this article by describing the course of the empirical study.

RESEARCH METHODOLOGY AND EMPIRICAL PROCESS

We conducted and presented an empirical study on compliance with the code of professional conduct by Lebanese external auditors. To do this, we first identified the Lebanese external auditors, thus identifying our sample, then we presented our data collection methodology.

Population and sampling

The LACPA is the unique professional body for external auditors in Lebanon, and it periodically publishes a guide that divides auditors into the following categories: trainees, certified holders and non-practicing professionals. In this context, we avoided sending our survey to non-practicing auditors, of whom there are 310.

Our source of information is found in the financial reporting prepared by the 2016 LACPA President’s Conference and we used this information to identify the following population: 1468 full and certified auditors and 596 trainees.

Our sample consisted of 250 auditors spread throughout Lebanon. The survey was translated into Arabic to allow as many respondents as possible to participate. However, we received 207 surveys (summer 2021) through the use of an active method: 147 surveys from certified auditors and 60 surveys from trainees. This number of surveys seems to be more than sufficient to identify the behavior of auditors with regard to professional conduct, especially when the percentage of each category in relation to the population exceeds the minimum percentage required for a study as shown in the following table.

Table 1. Distribution of respondents

	Population	Respondents	Percentage of population
Certified auditor	1468	147	10.01%
Trainee	596	60	10.07%
Total	2064	207	10.03%

Source : prepared by the authors.

This is supported by Hardly’s research, which estimates that a sample of 207 surveys adequately completed by Lebanese auditors drawn from a population of 2064 auditors, will put the reliability of the result at 95% level of confidence. This means that the result of the survey will not vary more than 6.35%, which is very acceptable rate (Hardwick research, 2022). Completing this step requires describing the data collection methodology.

Methods and data collection

Data was collected through a validated questionnaire consisting of a set of precise, simple and well-organized questions, designed to gather credible information and draw appropriate conclusion (we use a dichotomous true or false scale). As a result, we proceed from the answers to our surveys to a fidelity test based on the calculation of Cronbach's alpha coefficient in order to derive appropriate results.

In our study, the value of Cronbach's alpha is 0.782, which is more than sufficient¹ We summarize below the results based on descriptive statistical tests and probability tests that we applied using SPSS in order to confirm or refute research hypotheses.

RESULTS AND DISCUSSION

This section will be divided into three paragraphs according to the distribution of the hypotheses.

Compliance with the code of ethics

The assessment of compliance with ethical guidelines by Lebanese external auditors is based on the five fundamental principles of the code of ethics. The Lebanese external auditors have shown almost perfect compliance with ethical standards; all percentages are well above 60%, and these results are displayed in the below table.

Table 2. The fundamental principles respected by Lebanese auditors

fundamental principles	Yes	valid percentage
Integrity	170	82.1%
Objectivity	140	67.6%

¹ The value of this coefficient varies between 0 and 1, where a value greater than 0.7 indicates good internal consistency of the items, i.e., random errors are small and therefore the construct is reliable (Nunnally, 1978).

Table 2. The fundamental...

fundamental principles	Yes	valid percentage
Professional competence and due care	157	75.8%
Confidentiality	187	90.3%
Professional behavior	128	61.8%

Source: prepared by the authors.

These results are consistent with previous studies (e.g., Carolita & Rahardjo, 2012; Feghali, 2015; Zahmatkesh & Rezazadeh, 2017; Dharmasiri et al., 2021). Indeed, a high level of objectivity and integrity can significantly improve the quality of external audit work (Carolita & Rahardjo, 2012). Similarly, the auditor's objectivity indicates that they can act fairly despite any demands or pressure applied by certain parties (Zahmatkesh & Rezazadeh, 2017). Moreover, it is very rare for a Lebanese auditor to disclose his client's confidential information in order to maintain the relationship with the client (Feghali, 2015). But unfortunately, when leafing through the survey responses, we noticed that some respondents only indicated compliance with a single principle, whereas good audit work requires compliance with the principles. In addition, the studies carried out by Hakim Chaar and Bizri (2015) pointed out that the Lebanese external auditors possessed only modest technical skills, which means they will require more training in order to deliver quality audit reports.

In fact, during our survey, some auditors mentioned the possibility of changing their opinion following the request of the audited entity or even possibly establishing two different opinions for the benefit of the client, considering that the family fabric of companies in Lebanon makes the consequences of changing their opinion returning to the owners who are themselves the managers and this does not take into consideration the interests of the stakeholders who can be influenced by this erroneous opinion.

In our opinion, hypothesis H_1 opens a line of discussion given the inappropriate acts exercised by some auditors with regard to compliance with ethics. However, the high rates displayed by the survey responses lead us to confirm this hypothesis, but with great caution.

Compliance with quality standards

First, we present, on the basis of the ISQM1 and revised ISA 220, the degree of application of quality management by Lebanese audit firms in table 3 which allowed us to see that in practice auditors do not really apply this system (52.7%). This result is consistent with the research of Dharmasiri et al. (2021). We believe this comes down to the low volume of work that does not require the execution of quality management. In reality, in small audit firms, the same auditor prepares and reviews this work (Feghali, 2015).

However, the submission of work files to quality management requires auditors to have procedures regarding accepting and continuing client relationships. In the title of what preceded, the results of the same table, show us that the majority of Lebanese external auditors (72.5%) adopt policies either to accept or not accept a new mission. In addition, they apply procedures to ensure whether or not changes have occurred that prevent the accomplishment of the mission. This result is consistent with that obtained by Ben Hamadi (2020), but contradicts Dharmasiri et al. (2021).

Indeed, the procedures for accepting and maintaining client relations represent an indispensable step in the quality management system. On the other hand, we have already seen that most of the Lebanese external auditors do not practice quality management, which calls into question the result of this table, and it puts us in a contradictory situation, given the appearance of this step in the quality management system. Furthermore, audit firms need to make improvements in their quality management systems in order to enhance compliance with the regulations and requirements of international standards (Dharmasiri et al., 2021).

Table 3. Compliance with the ISAs requirements by the Lebanese external auditors

	Valid	Frequency	Valid percentage
Quality management	Yes	98	47.3%
	Non	109	52.7%
	Total	207	100%

Table 3. Compliance...

	Valid	Frequency	Valid percentage
Acceptance and continuance of client relationships	Yes	150	72.5%
	Non	57	27.5%
	Total	207	100%
Professional judgment	Yes	172	83.1%
	No	35	16.9%
	Total	207	100%
Source of evidence	Yes	149	72.0%
	No	58	28.0%
	Total	207	100%

Source: prepared by the authors.

In addition, ISA 200 Revised requires that throughout the planning and performance of engagements, the auditor is to exercise professional judgment and skepticism. From this perspective, the results in the table above, show the percentage of Lebanese external auditors who exercise professional judgement and skepticism during the performance of their missions. The high percentage (83.1% and 72%) leaves us wondering about the veracity of the respondents. Moreover, what is the source of the false balance sheets if almost all the auditors apply these two requirements?

Consequently, this paradox leads us not to confirm or refute our second hypothesis.

Compliance with independence rules

According to Dharmasiri et al. (2021) violation of the auditor independence includes offering prohibited services, obtaining a financial interest from an audited entity and having a close relationship with the audit client.

During the performance of his work, the auditor may reveal anomalies that require him to certify with qualifications and then to mention them in the devoted section, which in turn leads to an undesirable reaction on the part of the client. The clients' negative reactions to the qualified opinion in the report

(51.2%), as shown table 4, allow us to assume that the external auditors tend to change the content of the report in order to maintain relationships with their clients (El Azhary & Taouab, 2016). So, thanks to this trick question we were able to see the real dependence that existed between the external auditor and his client.

Table 4. The reactions of clients to the qualified opinion

Reaction to the qualified opinion		Frequency	Valid percentage
Valid	Positive	101	48.8%
	Negative	106	51.2%
	Total	207	100%

Source : prepared by the authors.

The flexibility of the Lebanese external auditors towards client requests to change their opinions is analyzed by a binomial test is given in table 5, where we can observe at the level of change of opinion and recurring missions a p-value equal to $0.000 < 0.05$. consequently, we refuse H_0 and we accept H_1 . This implies that the number of Lebanese external auditors who haven't changed their opinion under client pressure, is significantly higher than the number of auditors who did. On the other hand, the result of client reaction to the qualified opinion showed a p-value equal to $0.781 > 0.05$ so we accept H_0 ; the proportion of auditors who changed their opinion under pressure is equal to the proportion of auditors who didn't. Thus, we can assume that this result more accurately reflects reality: Lebanese auditors are usually subject to pressure from their clients.

Table 5. The flexibility of Lebanese external auditors

		Category	N	Proportion observed	Proportion test	Exact significance (bilateral)
Change of opinion	Group 1	Non	175	0.85	0.50	0.000
	Group 2	Yes	32	0.15		
	Total		207	1.00		
Qualified opinion	Group 1	Positive	101	0.49	0.50	0.781
	Group 2	Negative	106	0.51		
	Total		207	1.00		
Recurring missions	Group 1	Non	121	0.58	0.50	0.000
	Group 2	Yes	86	0.42		
	Total		207	1.00		

Source : prepared by the authors.

In addition, the threat of pressure will be more likely in the event of ongoing relationships with the same clients which may lead to the reduction of audit fees to the detriment of the latter's quality (El Azhary & Taouab, 2016). To test this relationship, we used a Khi-deux test presented in table 6, which shows a strong relationship between recurring missions, pressures exerted and change of opinion (Sig. 0.000 < 0.05). We can therefore see that when the client puts the auditor under pressure, the latter tends to change his opinion for the benefit of his client, especially when the client's company enjoys a significant market share (El Azhary & Taouab, 2016). This situation creates a relationship of economic dependence between the auditor and this type of client, especially since cooperation with these companies leads to a good reputation for the auditor who can attract new clients. Consequently, he will be forced to make concessions in order to keep this client (Feghali, 2015). This result is consistent with that obtained by El Azhary and Taouab (2016), but it contradicts that obtained by Diallo and Diop (2020) who, in turn, see that recurring missions help the auditor to become more objective in his report because of the perfect mastery of the audited entity, and thereby he can become more independent.

Table 6. Relation between recurring missions, pressures exerted and change of opinion

		Pressures exerted	Change of opinion
Recurring missions	Pearson Khi-deux	66.394	48.719
	Sig.	0.000	0.000
	Cramer's V	0.656	0.485
	N	207	207

Source : prepared by the authors.

From the above, we have noted some elements that have a remarkable influence on the quality of the opinion issued by the Lebanese auditor. In order to quantify this influence, because of the binary nature of the responses, we use the logistic regression test. This test allows us to determine the degree of dependence of Lebanese auditors (the higher the value, the more predictive power the model has).

In our case the coefficients show a strong relationship because of the high proportions of these two coefficients (Cox 0.478 and Nag 0.843). The result of the Hosmer and Lemeshow's test shows a sig. equal to $0.709 > 0.05$, so we accept H_0 and consequently the distance between the observed variables and the predicted variables is small. This means that the results reflect the reality of the Lebanese context.

The second step is to subject all the variables to the logistic regression test, whose result, presented in table 7, shows the ones that have the most influence on the dependence of the Lebanese external auditors; we can notice that, given their high cost, the reduced turnover sometimes causes several external auditors to neglect the application of certain principles. Indeed, the limited number of clients often affects the independence of the Lebanese external auditor. This situation leads to the resolution of conflicts in favor of the audited entity (El Azhary & Taouab, 2016). This dependence is reinforced by the insufficiency or absence of control over the proper application of the code of professional conduct. Therefore, the existence of rigid sanctions makes it possible to curb any violation of the requirements of the code cited, and thus contributes to the development of ethical behavior (Prat Dit Hauret, 2003b; El Azhary & Taouab, 2016; Dharmasiri et al., 2021).

Table 7. Logistic regression concerning the independence of Lebanese auditors

Variables in the equation ²						
	B	Wald	Sig.	Exp (B)	Confidence interval	
					Inferior	Superior
Recurring missions	0.764	1.492	0.609	2.147	0.115	3.998
Pressures exerted	25.453	36.701	0.993	69.188	.000	
Sanction	6.848	1.805	0.000	18.615	27.373	93.67
Turnover	3.161	0.906	0.000	23.600	3.994	68.394
Constant	4.383	26.451	0.000	80.064		

Source: prepared by the authors.

Finally, we can confirm our third hypothesis. In this sense, we find that the immediate intervention of the LACPA is essential for limiting any unethical behavior, while imposing, for example, a list of fees that will be applied at the level of Lebanon and harsher sanctions (Dharmasiri et al., 2021).

COMPARISON WITH OTHER STUDIES IN THE ARAB COUNTRIES

To the best of our knowledge, our paper is the first one to study ethics and professional conduct of Lebanese external auditors. We also found only a few papers that examine this issue in the Arab countries.

Our results didn't agree with those obtained in Yemen and Egypt. First, AL-Aidaros, Abdul Ghani and Idris (2014) showed that Yemeni external auditors do practice good moral conduct that isn't based on self-interest or family or group influence. In addition, a study done in 2019 showed that Egyptian external auditors belonging to large and medium audit firms are ranked at the conventional level, while those belonging to small audit firms and the Central Auditing Organization (CAO) display a high level of ethical reasoning, and that their behavior is guided by justice, rights, and honesty. These results can be explained as stemming from the fact that the origin of its missions is based on the control of public entities, which means they are not subject to client pressure (Abdel-

² The variables in the equation are the variables that have more influence in the model.

hak et al., 2019). But this is not the case in Saudi Arabia where there is a failure in auditing activities, despite the Big Four auditing firms holding around 80% of the market share in Saudi Arabia. We believe this is due to the high level of confidence in the quality of their audit work (Zureigat, 2014). The scandals that shook the Mohammad Al Mojil Group (MMG) and Etihad Etisalat, (also known as Mobily) in 2014 were audited by one of the big four audit firms (Zerban, 2018). This audit damaged investor confidence in the audit profession and called into question the quality of Big Four auditors (Zureigat, 2014). Finally, the Saudi Arabia arm of Deloitte also came under fire owing to its historic work with MMG (Zerban, 2018).

In contrast, in Lebanon, where audits are mandatory for joint stock companies, managers often consider them as constraints, and they therefore attach less importance to the competence of the auditor. This is the reason we look closely at the development of a large number of small firms, in particular individual firms, whose requirements are generally lower than those of large audit firms. In addition, some of the Lebanese external auditors registered with LACPA are not qualified to practice the profession, and they were often able to join this association when it was created without going through the probation examination (Feghali, 2015). Furthermore, the affiliation of the external auditor to an international network reflects a respect both for the code of professional conduct and for the quality of the audit. A debt of gratitude is owed to the expertise, knowledge and training that only great auditors can afford (Chaari, Belanès & Lajmi, 2022).

■■■ CONCLUSION

In spite of the continuous evolution of the external audit profession in Lebanon, it still has some shortcomings, especially in terms of professional conduct. In addition, the scarcity of work on the ethics of Lebanese external auditors, on one hand, and the importance of the quality of financial reporting, on the other, certainly prompted us to approach this study, which features its complexity, sensitivity and specificity in the external audit profession. From this perspective, this study contributes to the academic literature by providing a theoretical framework for understanding the behaviors of Lebanese external auditors in terms of professional conduct by highlighting the role of the various factors that can influence these behaviors.

Our result confirmed that the consideration of deontological and ethical guidelines by Lebanese external auditors is essential in order to improve the perceived quality of the audit work carried out.

Similarly, in terms of compliance with the ISAs requirements, we found that the Lebanese external auditors do not really apply the quality management system that the ISQM1 and ISA 220 revised standard provides. On the other hand, the majority of external auditors in Lebanon have shown that they do follow the policies of acceptance and continuance of client relationships and that they impose their professional judgment and skepticism during the performance of their missions. This situation led us neither to confirm nor invalidate our second hypothesis.

Regarding the independence of the Lebanese external auditor, our results, unfortunately, confirm that auditors sometimes submit to threats to their independence. The financial link, the recurring missions, the negative reactions of clients to the qualified opinion as well as the pressures of intimidation are factors that have verified the possibility of influence on the independence of the Lebanese external auditor and respectively on the quality of the audit report. This leads the Lebanese external auditor to reduce his/her scope, schedule, as well as the program and audit plan with a view to reducing fees (El Azhary & Taouab, 2016). In fact, the family nature of most Lebanese companies leads them to neglect the usefulness of publishing fair financial statements. They regard auditing as a costly legal obligation that neither improves efficiency nor contributes to the creation of value in the company (Feghali, 2015). In this perspective, independence requires auditors to put in place procedures and policies that can reduce these risks, starting with the rotation of partners on audit files (Prat Dit Hauret, 2003b; El Azhary & Taouab, 2016).

All of these results contribute to the establishment of our study. Throughout this project, we have left an opportunity to open up other issues in terms of training, independence in the event of recurring missions, the effectiveness of audit committees, etc. Hence their results can be used to strengthen ours.

Finally, we would like to see a future that ensures that the rights of the external auditor are respected so that he or she can keep pace with his or her counterparts in Arab countries such as Egypt and Yemen. Furthermore, we want to avoid the corruption that plagued external auditors in Saudi Arabia and toppled many investors who made bad decisions based on misleading financial information (Zerban, 2018).

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