

The International Auditing and Assurance Standards Board  
Attn.: Chairman of the Board, Prof. A. Schilder

Breukelen, 4 June 2019

Dear members of the Board,

The Foundation for Auditing Research (FAR) is happy to respond to your invitation for comments on the "Proposed Strategy for 2020-2023 and Work Plan for 2020-2021". FAR applauds the initiative of the Board's strategy toward "robust information-gathering and research activities" before deciding on new projects as part of the Research Phase of the Proposed Framework for Activities (point 3 of your request for comments).

Established in 2015, the FAR aims to enhance the knowledge of what makes a good audit today and to continuously improve audit practices. It facilitates rigorous academic research with practical relevance to the auditing field and to inform public policy making with regard to the auditing profession. The activities to be carried out by FAR consist of three elements:

1. opening the 'black box' of auditing by gathering data from the affiliated audit firms;
2. conducting multidisciplinary and multi-method research projects based on a research agenda, and;
3. knowledge dissemination to academically inform the professional development and policy making.

The FAR conducts its research projects through a unique collaboration between science and practice. The ten largest audit firms in the Netherlands provide the necessary research funds and research data to FAR (Deloitte, EY, KPMG, PwC, Baker Tilly, BDO, Grant Thornton, Mazars, Accon AVM and Flynth). By applying specific protocols and established methods geared towards working with confidential data, these 10 affiliated audit firms provide the FAR research teams access to research data needed for the research projects defined (archival data from audit files and audit firm management information systems, survey and experiment data, and qualitative data).. That is, FAR collects data from audit firms allowing for in depth research into audit processes. Please find an overview of current FAR research projects attached to this comment letter.

We further refer to the FAR's recently published Annual Report 2018 which includes our latest developments and current activities with regard to research projects, data gathering, knowledge dissemination, and governance of FAR (published on our website here:

<https://foundationforauditingresearch.org/files/far-annual-report-2018.pdf>).

We would be delighted to further discuss FAR's potential research contributions as "knowledge broker" with regard to academic knowledge transfer and evidence-informed auditing standards setting.

Yours sincerely,



Prof. dr. H.M. Prast  
*Chair of the Board of the Foundation for Auditing Research*

Prof.dr. O.P.G. Bik RA  
*Managing Director and Academic member of the Board*

Prof.dr. J.F.M.G. Bouwens  
*Managing Director and Academic member of the Board*

No.	Title	What?	Why?	Who? (research team)	Time line
<b>Research program A – Research Syntheses</b>					
2017A01	Going concern opinions research synthesis	In this study the team aims at writing a literature review on going concern decisions. The study wants to update, extend what we know about going concern audit opinions. It also wants to identify whether new avenues for research can be identified.	What are the main determinants, considerations and hurdles for auditors to move on to a going concern opinion? What are the primary stakeholders' expectation in relation to auditors' detection and reporting of an auditees going concern risks? What are the determinants of auditors' effective going concern judgments (e.g., fear of self-fulfilling prophecy)?	Marshall Geiger (Richmond, USA), Anna Gold (VU), Philip Wallage (VU)	09/17 - 08/18
2019A01	Economic consequences of joint audit	This research synthesis will present and discuss: (1) institutional aspects of joint audit: the genesis of their use in France (where it is mandatory) and in other countries, and the current interest in the UK and in The Netherlands; (2) academic arguments and empirical results concerning joint audit, in particular about the impact on market competition (i.e. market structure), audit quality and audit costs, including joint audit effectiveness.	The proposed practice note is relevant to regulators and auditors in The Netherlands in light of the recent debate on whether joint audit could increase the quality of the statutory audit by reducing the oligopoly of the Big 4 audit firms and by having the "two audit firms and auditors keeping each other sharp (the 'four-eyes' principle)"	Prof. dr. Alain Schatt (University of Lausanne), Prof. dr. Jean Bédard (Laval University)	7/19 - 10/19
<b>Research program B – Empirical research projects</b>					
2016B01	Talent development and performance management in auditing ("The loss of talent - a threat for audit quality")	Understanding the drivers of potential talent loss across experience years and its consequences in terms of audit quality – in order for the firms to be better able to retain talent over the years (and thus better capitalize on their investment in learning and development). Focus is on the effectiveness and potential improvements of the firms' Performance Management Systems (being one of the most influential conditions in the work environment under control of the firms), taking the firm's business models into account.	Firms invest many resources in new professionals to build up their human capital to achieve quality audits, only to see many with talent leave (too early) over the years. Talent loss is very costly for audit firms that rely on knowledge workers – especially as the main loss of talent seems to be just after the firms have incurred the major parts of the training costs – hence, not only jeopardizing audit quality but also generating high replacement costs.	Frank Moers, Isabella Grabner, Judith Künneke (Post doc) (Maastricht)	01/17 - 08/20
2016B02	Multi-Team-Membership and audit quality ("Why some auditors thrive with other struggle: the effects of Multiple Team Membership on audit quality")	Identify the conditions where under audit firms can most effectively leverage on Multiple Team Memberships (specific to the firms' business model) and team members to most effectively cope with the demands of fluid team membership in securing both high quality audits, a motivated workforce, and appropriate team culture. I.e., increasing the benefits of working with fluid teams, while mitigating the negative effects of MTM to employees.	To learn why in the given business model (i.e., fluid audit teams, MTM) one employee thrives, while another suffers. I.e., identify previously unconsidered factors for firms to learn how to better capitalize on HC within the audit team and firm context (create appropriate organizational conditions). Furthermore, for audit staff to learn how to deal with the potential adverse effect and make use of the potential benefit (e.g., training on the job).	Reggy Hooghiemstra, Floor Rink, Dennis Veltrop (Groningen)	01/17 - 12/20

No.	Title	What?	Why?	Who? (research team)	Time line
2016B03	Audit team learning-from-error climate ("Moving audit teams forward: designing firm environments for sustainable learning from errors")	This study will (provide a diagnostic tool to) investigate the appropriate conditions audit firms may want to consider to strengthen their (audit team's) learning from error climate (i.e., the organizational context wherein audit team effectively learn from errors) to strengthen the interplay between individual auditors' characteristics and the firm's organizational environment in order to strengthen audit judgment quality.	Above and beyond auditors' experience (and other audit inputs), the research team's recent research shows that audit firms are able to improve performance significantly when auditors are able to actively learn from errors in audits. Furthermore, given that audits are (sometimes) complex social interactions within an audit team, above and beyond auditors' individual learning, audit quality is ultimately the outcome of team work and interaction.	Wim Gijssels, Roger Meuwissen, Piet van den Bossche (Associate), Therese Grohnert (post-doc) (Maastricht). Amy Edmondson (Harvard)	01/17 - 12/19
2016B04	Identification and negotiation of audit findings ("The auditor's evaluation of misstatements: exploration, drivers, and consequences")	Improve understanding and potential improvement recommendations about the process and the consequences of evaluating misstatements - when and why does the auditor waive or require adjustment? Focus is on the drivers in the process (not on evaluation of the misstatements itself). What is the type, nature, direction, magnitude, and recurrence of detected and adjusted misstatements? To what extent are such adjustments effective in improving actual financial reporting quality (i.e., the value of auditing)?	Auditors detect misstatements during the audit process for which the auditor (through a (social) negotiation process with management), either requires or waives an adjustment. Because this decision will directly influence the financial reporting quality, it is important for firms to know how to positively influence the effectiveness of the negotiation process over audit findings.	Ann Vanstraelen, Ulrike Thürheimer (Maastricht). Roger Simnett (UNSW Australia), Gopal Krishnan (American Un.), Teri Lombardi Yohn (Indiana)	01/17 - 12/20
2016B05	Professional skepticism: nature, culture and quality ("Professional skepticism profiles, effects on audit processes and outcomes, and the moderating role of audit firm culture")	This study focuses on a firm's potential improvement of professional skepticism in the interplay between an auditor's innate professional skepticism (personality trait), audit firm culture and audit quality by addressing three questions: How skeptical are auditors by nature in different ranks and experience levels? How does this professional skepticism affect the audit process auditors apply and the ultimate audit quality achieved? And how does firm and team culture affect professional skepticism in the audit?	This study will provide insights into what more skeptical auditors by nature do differently during the audit process and whether or not this leads to higher levels of audit quality (nature, timing, and extent of audit procedures) - and, through that, it will enable firms to strengthen firm culture in promoting professional skepticism (and more specifically how to provide the fruitful ground for less skeptical auditors by nature to perform a skeptical audit nevertheless). These insights are also highly relevant in relation to regulators (IFIAR, AFM, PCAOB) and standard setters (IAASB).	Kris Hardies (Antwerp), Ann Vanstraelen (Maastricht), Karla Johnstone (Wisconsin, US), Sanne Janssen (PhD Antwerp)	01/17 - 12/20
2016B06	Group audits: component audit leaders ("Coordination and communication challenges in global group audits: evidence from component audit leaders")	This study aims to identify barriers and best practices to achieve high audit quality of component audits of global group audits from the <u>component auditor</u> perspective. What is the influence of specific engagement characteristics on the degree of coordination and communication challenges of component auditors? What coordination and communication strategies (are thought to) help to mitigate these challenges?	While the group auditor is ultimately responsible for the whole audit of the consolidated financial statements, irrespective of the extent of use of component auditors throughout the global group audit, the group auditor needs to make sure that the <u>component audits</u> are effective and efficient, despite at the same time having to deal with many coordination and communication challenges - which the group auditor (sub sample included in the study) may be able to overcome based on the recommendation	Anna Gold (VU Amsterdam), Denise Hanes Downey (Villanova, US), Andrew Trotman (Northeastern University)	01/17 - 04/18
2017B01	Auditing in the Owner-Managed-Business (OMB) environment ("Does the private owner-managed firm audit market serve a different purpose?")	This study is designed to examine whether economic forces and regulation (institutions) affect audit different conditional on whether these audits are executed for Public interest entities, privately owned business or owner-managed business. The researchers want to start to ask the question whether regulation should be the same for the different type of firms.	Does the OMB environment call for different audits and auditing standards? • What institutional factors (e.g., complexity, size, capital market structure, legal environment, audit risks, etc.) in the OMB environment may call for a specific audit approach and auditing standards for OMB audits?	Jeroen Suijs (Erasmus), Mahmoud Gad (Tilburg), Robin Litjens (Tilburg)	01/18-03/19

No.	Title	What?	Why?	Who? (research team)	Time line
2017B02	The auditees internal controls and financial reporting quality ("Audit production")	The authors propose to examine how the production of audits and its quality is affected by the accounting information system design of the client. The idea would be to gauge audit production efficiency and the quality of the client's AIS. They want to examine the magnitude of how the production surplus (price production versus price clients pays) is affected by these AIS designs.	What is the mutual impact of the audit and the auditee's internal controls and financial reporting quality? What is the impact of the quality of the auditee (e.g., internal controls, governance, management accounting, etc.) on audit quality and value?	Joseph Gerakos (Dartmouth USA), Chad Syverson (Chicago USA), Ulrike Thurheimer (Maastricht)	01/18 - 12/21
2017B03	The auditees internal controls and financial reporting quality ("Auditor judgment on internal control quality and audit quality")	This study aims at identifying what client characteristics affect the perception of internal control quality and whether this perception is substantiated by the quality of the internal controls that are actually present. They want to use archival data to examine their research question.	What is the mutual impact of the audit and the auditee's internal controls and financial reporting quality? What is the impact of the quality of the auditee (e.g., internal controls, governance, management accounting, etc.) on audit quality and value?	Jean Bédard (Laval Canada), Annelies Renders, Caren Schelleman, Mathijs van Peteghem, Lei Zou (all Maastricht), Mieke Jans (Hasselt)	01/18 - 12/20
2017B04	Fraud detection by the auditor ("Improving audit quality by enhancing auditor's detection of markers of management deception")	Based on two experiments, this study explores the effectiveness of using a (negative affect) instruction to improve auditor fraud detection and skepticism. Given the importance of auditor interview of management during field work (e.g., the ISA 240 fraud enquiry) and resulting narratives in the audit process, this intervention (i.e., instruction) may help auditors overcome their experientially learned avoidance of false positives.	Auditors' knowledge, skills, and experience of repeatedly interacting with managers gives them the rare ability to detect (client) deception. Although they have a learned ability to detect deception, they need a prompt to use those abilities - because the ability is subconsciously suppressed due to learned disincentives (e.g., over time, auditors experientially learn that there are few rewards and numerous costs to undertake skeptical actions). In other words, auditors can detect deception, but they subconsciously avoid it (the "illusion of objectivity").	Mark Peecher (Illinois USA), Jesse Hobson (Illinois USA), Sebastian Stirnkorb (Erasmus, PhD Marcel van Rinsum)	01/18 - 09/21
2017B05	Specialist involvement in the audit ("The Effects of Expert Status on the Audit of Complex Estimates")	It is proposed that auditors overestimate specialists' competence. The teams wants to conduct an experiment to examine whether auditors rely more on the high status specialists than the situation would warrant.	To study the impact of specialist involvement on audit quality.	Justin Leiby (Illinois USA), Anna Gold (VU), Kathryn Kadous (Emory USA)	01/18 - 12/20
2017B06	Audit firm business model ("How is auditor commercialism related to audit quality and efficiency?")	This study will (1) examine whether a tradeoff actually exists between auditors' commercial and professional motivations and (2) whether audit firms' quality control mechanisms create conditions in which the two sets of motivations are (or can be) even mutually reinforcing.	Stakeholders to the auditing process have frequently asserted that there is a fundamental conflict between auditors' professional obligations and commercial interests, i.e., auditing as a profession versus auditing as a business - fueling regulatory and standard-setting interventions. The study may very well contribute to the demystification of current perceptions of (partners' and firms') focus on commercialism versus professionalism (or regulatory focus on quality over the firms' business model).	William Ciconte (Illinois USA), Marleen Willekens (Leuven), Justin Leiby (Illinois USA)	01/18 - 12/21

No.	Title	What?	Why?	Who? (research team)	Time line
2018B01	Junior auditors imitation, mimicking, and herding behavior: How Auditors' internal and external interactive relationships impact their judgement and decisions making.	This study explores junior auditors' tendency to imitate senior auditors' auditing practices styles and, additionally, how the firm's promotion pressures may affect audit quality through such mimicking behavior. Second, the research project considers audit team engagements and investigates factors that may either foster or hamper auditors' herd behavior in fraud assessment tasks. Third, the project examines how auditor tenure and shareholder involvement in the selection of auditors influence auditors' decision to report more original information than management discloses in the financial report.	The main goal of this research project is to investigate key elements that affect the quality of auditor judgment and decision-making and the resulting quality of audits. This project gives consideration to: (1) the underlying drivers of auditor judgment and decision-making, such as organizational circumstances (e.g., junior-senior relationships, team interactions, tenure time) that may stimulate auditors or, conversely, prevent them from working in the manner expected of them; (2) the underlying causes of good and poor audit quality such as the role of imitation and herding (and related reputation concerns); and (3) the effectiveness of potential interventions (e.g., the firm's incentive system, institutional rules of hiring and selecting auditors) that could be implemented to enhance audit quality.	Eddy Cardinaels (KU Leuven), Kristof Stouthuysen (KU Leuven), Evelien Reusen (Erasmus)	11/18 - 10/22
2018B02	Culture controls in audit firms	This study investigates the way audit firms in the Netherlands use culture controls, the extent to which these culture controls result in employees internalizing the organizational objective of high audit quality, and the factors that influence this relationship. More traditional employee controls, such as pay-for-performance and subjective performance evaluation, have not resulted in satisfactory high levels of audit quality (Rapport OOB-accountantsorganisaties 2017). Audit organizations therefore have been using and emphasizing culture controls in their Management Control	This research highlights several important themes that can be adapted for education of future and current control system designers and audit managers. This research investigates the importance of culture control. This study provides insights into the unique incentive problem that audit firms face when it comes to motivating their employees. By examining the approach to Culture Controls of different audit firms, the audit firm can also learn from each other's best practices.	Jasmijn Bol (Tulane University), Mark Peecher (Illinois), Katlijn Haesebrouck (Maastricht)	09/18 - 12/23
2018B03	The drivers and the impact of audit involvement on audit quality	The key objectives of the project are to understand, in the Dutch context: (1) the determinants of audit committee involvement with a particular focus on audit committee leadership, social cohesion of the audit committee and its fit in the overall board; (2) the impact of audit committee involvement on audit input, audit process, and audit output factors; and (3) the impact of audit committee involvement on pre-audit financial reporting quality and the difference in financial reporting quality pre- and post-audit.	The insights of the proposed project will not only be relevant for the academic community, but also for audit practice, standard setters and regulators to better understand the role of audit committee leadership, social cohesion of the audit committee and its fit in the overall board, and how it affects the core input, process and output factors relevant to audit quality, as well as the incremental contribution of the external auditor in improving financial reporting quality conditional on the extent of audit committee involvement.	Ann Vanstraelen (Maastricht), Ganesh Krishnamoorthy (Boston, USA), Rogier Deumes (Maastricht), Caren Schelleman (Maastricht), Matthijs van Peteghem (Maastricht), Ulrike Thürheimer (Maastricht), Sanne Jansen (PhD Antwerp)	09/18 - 08/21

No.	Title	What?	Why?	Who? (research team)	Time line
2018B04	How can audit committee support improve auditor's applications of professional scepticism	The study has three main objectives: (1) assess the current state, best practices, and potential innovations that could occur in relation to audit committee support for the audit engagement team and its effects on the application of professional skepticism, (2) determine whether expressing greater audit committee support causes audit seniors to more appropriately apply skepticism, and (3) evaluate whether the application of skepticism can be enhanced if the message of support comes directly from the audit committee chair to the audit senior	Professional skepticism is essential to audit quality, and enhancing auditor skepticism is of great concern to regulators, practitioners, and researchers. Highly skeptical auditors increase the likelihood that material misstatements are detected, which is important in promoting audit quality, investor confidence, and global financial stability. While skepticism is undoubtedly essential to audit quality, prior research has shown that it may come at a cost (e.g., budget overruns and potential conflicts with management), which forms a significant barrier to the appropriate application of skepticism. The study investigates how	Anna Gold (VU Amsterdam), Justin Leiby (Illinois USA), Joseph Brazel (North Carolina State University), Tammie Schaefer (University of Missouri)	09/18 - 08/20
<b>Research program C - FAR Joint Working Groups (Design Oriented Projects)</b>					
2017C01	Root cause analysis methods in auditing	What are effective ways to conduct (continuous) Root Cause Analyses within audit firms?	Despite that Root Cause Analyses are well established in the broader "quality improvement and learning from errors" literature (e.g., medicine, aviation, safety, etc.) and has great promise for improving audit quality, we observe diverse use of it in (Dutch) auditing practice and minimal use of it in auditing literature. What are the specific characteristics of the auditing industry that would call for an auditing-specific Root Cause Analysis method (as compared to the general RCA methods)? Etc.	JWG Management: FAR Board / MDs	01/17 - 06/19
		Current practice and theoretical comparison	What are the specific characteristics of the auditing industry that would call for an auditing-specific Root Cause Analysis method? What are the RCA methods currently applied in Dutch practice (i.e., with the affiliated audit firms), why, and how exactly? How may an (effective) auditing-specific RCA look like?	JWG project related basis: Olof Bik (Nyenrode), Jan Bouwens (Cambridge), Christine Nolder (Suffolk University)	01/17 - 12/20
		Research questions identified through the JWG Summits		Via Call for Research	
2017C02	The (future) auditing (partner) business model	The first JWG Research Summit (4 October 2017) resulted in the following research agenda:		JWG Management: FAR Board / MDs	01/17 - 06/20
		2017C02-1 What do we already know from research about the impact of a combination of audit and non-audit services (1) within one firm and (2) for one client on audit quality in general and on the specific audit engagement? Additional focal points are		Research synthesis, within six months	
		2017C02-2 How have the Dutch audit firms' partner profit sharing, compensation, and performance incentives systems developed over the past 10 years in relation to audit quality incentives? Additional focal points are (equal) firm based profit sharing versus partner performance systems, profit sharing systems across service lines, audit firm sustainability over the economic cycles of each of the service lines – and how these incentive systems relate to the firms' overall audit quality assurance systems.		An archival study with the nine FAR affiliated audit firms. Ready before next summit (January / February 2018)	



No.	Title	What?	Why?	Who? (research team)	Time line
		2017C02-3 How have the Dutch audit firms' organizational structures and corporate governance systems developed over the past 10 years as part of the firms' audit quality assurance systems? Focal points include the profession's (historical) establishment, the development from partnerships to corporate models, and the role of the international firm networks in the quality assurance systems of the Dutch audit firms and audit quality for multinational group audits.		An archival study with the nine FAR affiliated audit firms via a call for projects. Within 6 months	
		2017C02-4 How do audited companies (and their supervisory boards / audit committees / shareholders) select and appoint their auditors? What are primary selection criteria in design and practice (i.e., what are actual selection and appointment decisions made)? How are the (total) costs of auditing (thus including potential switching costs) considered in selection and appointment? FAR will need to get access to audited companies' selection process, potentially in cooperation with VEVO (the representative organization of listed companies at Euronext Amsterdam)		Empirical research project. Will likely take some time – invite VEVO for a meeting before next summit.	
		2017C02-5 What is the impact of (increased) audit committee involvement with the audit on audit quality? Additional focal points are a (post-implementation) comparison of AC involvement and audit quality and AC involvement in key audit matter reporting and issue-clearance (including related fee-issues).		Empirical research project. Will likely take several years of study (including active participation of audit committees).	
		2017C02-6 What is the effect on audit quality and auditor independence of auditor selection and appointment through a government organized agency ("government organized auditing") compared to the current appointment system in the Netherlands? Additional focal point may be the statutory required audit versus voluntary auditing.		A field experiment, for example within the municipalities' market segment. Develop a potential research plan for next summit.	
<b>Research program D - FAR Case studies</b>					
2017D01	Near misses case study (Firm 1) - PILOT	The case study would pertain to a near miss that pertained to one engagement and to describe what happened after the near miss event (e.g., interventions or corrective measures). Did the firm take corrective actions that extended beyond the particular engagement such that the firm would create a deterrent against these events (shortfalls in the audit function) taking its devastating course in the future?	The idea is that we learn from the case what mechanisms are in place to assure that (a series of) events that potentially cause severe effects are sufficiently dealt with.	FAR Pilot Case studies (two): Jan Bouwens (Cambridge), Olof Bik (Nyenrode)	06/17 - 09/19
				Subsequent case studies: via Call for Research Projects	TBD
<b>Research program E - FAR Audit Research Chair</b>					

No.	Title	What?	Why?	Who? (research team)	Time line
2019E01	What makes audit partners and their engagement teams successful?	The research objective is to understand the primary factors that make audit partners, management and their engagement teams successful in terms of the quality of their teamwork and engagement outcomes. One major goal of this research project is to answer this fundamental question: what is it about audit partners and managers that matters? For this, this project will focus on audit partner and manager personality and leadership styles, their dyadic fit, and team dynamics and climate – all in regard to audit quality. Proposed research:	In terms of audit practice, the contribution of this study is to provide a scientific basis for organizing and managing audit teams in order to further enhance audit team performance and quality. This analysis should help you to develop more targeted responses to managing audit team leadership composition, achieving better and consistent audit outcomes, and improving the internal dynamics of audit teams (how teams work).	Prof. dr. J. Francis (Maastricht University - FAR Research Chair), Prof. dr. M. Barrick (Texas A&M University), Prof. dr. O.P.G. Bik RA (Nyenrode Business Universiteit), Prof. dr. A. Vanstraelen (Maastricht University), L. Pieper (Maastricht University), S. Wolthers (Maastricht University)	3/19 - 2020
<b>Research program F - FAR Audit Research PhD Program</b>					
2018F01	Management Control Systems and Audit Quality (University of Groningen)	In this PhD-study, we propose to examine the effect of management control systems, as an audit firm characteristic, on audit quality. While many organisations have competing goals, this is particularly true for audit firms as their goals are complex and there is an inherent tension between commercial and professional objectives.	The PhD project intends to provide insights into the interplay and balance between the levers of management control. By doing so, this research will also help in developing the auditing profession.	PhD supervisor team: Professor Paula van Veen-Dirks (Groningen), Professor Breda Sweeney (NUI Galway, Ireland), Dr. Sakshi Girdhar (Groningen)	
2018F02	Learning in Audit Firms: the Role of Experience, Feedback, and Audit Specialists (University of Tilburg)	The goal of the PhD project is to improve our understanding of learning in audit firms by explicitly incorporating that learning in audit firms happens in several ways. That is, we will focus on how learning of auditors is influenced by individual auditor characteristics, the interaction within the audit team, and the interaction with audit specialists.	In each of our studies, we aim to investigate interventions that an audit firm can implement to facilitate the learning process. We will mainly focus on learning with respect to making complex accounting estimates as this is an area where learning (or the failure thereof) can have a material impact on audit quality.	PhD-candidate: Christian Peters (Tilburg University). PhD supervisors: professors Bart Dierynck (Tilburg University) and Kathryn Kadous (Emory University).	
2018F03	Audit committee involvement and audit inspection regimes (Vrije Universiteit Amsterdam)	This PhD study aims to contribute to knowledge about underlying drivers of auditors' behaviour and decision making, by examining enabling effects of audit committee interactions (theme 1) and adverse effects on audit quality of regulation developments, as well as how these can be mitigated at the firm, office, or team level (theme 2).	While extant research has examined (1) the direct relationship between audit committee effectiveness and financial reporting quality and (2) the effect of audit committee attributes on audit quality, there is limited evidence on the actual interactions between auditors and audit committees. Secondly, increased focus on inspections of audits may lead to a slippery slope of regulation, where regulators' inspections can have unintended consequences that do not necessarily improve audit quality.	PhD supervisor team: Professors Anna Gold, Philip Wallage, and Tom Groot (all VU Amsterdam)	
2018F04	Firm Culture, Decision-Making and Audit Quality Corporate culture as one of the root causes of audit quality (Maastricht University)	The proposed PhD project focuses on understanding the role that firm culture plays in fostering auditor expertise, and in turn, decision-making that lies at the root of high audit quality.	In recent reports and discussion documents of regulators and standard setters, a lot of attention is given to 'audit firm culture' and 'tone at the top' as underlying drivers or root causes of audit quality. Regulators and standard setters have recently stressed the importance of a quality oriented culture focused on serving the public interest.	PhD supervisor team: professors Ann Vanstraelen, Professor Roger Meuwissen, Professor Wim Gijssels, and Dr. Therese Grohnert (all Maastricht University).	