

Dysfunctional Behavior of External Auditors, The Collision of Time Budget and Time Deadline

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Abstract : The general goal behind this research is to gain a better understanding of factors leading to dysfunctional behavior of auditors. Recent accounting scandals -Enron, Waste Management Inc., WorldCom, Xerox Corporation, etc. -provided an ample proof of how the role of auditors has become the basis of controversial debates in many circles and instances in our modern time. The majority of lawsuits and accounting scandals seem to have a central topic in focus, namely the question "Where were the auditors? The survey we offer up for research is made up of 34 questions that are designed to analyse the perception of auditors and the cause of dysfunctional behavior. The object of this research is comprised of auditors positioned and employed at the Big Four audit firms in Kuwait. Dysfunctional behavior (DB) is measured against two signal proxies of dysfunctional behavior; premature sign-off and under reporting of chargeable time. DB is analysed against time budget pressure and time deadline pressure. The research results' suggest that the general belief among auditors is that the profession of accountancy predetermines their tendency to commit certain patterns of dysfunctional behavior. Having our investigation conducted at the Big Four audit firms, we have come to the conclusion that there is a general difference in behavior patterns among perceptions of dysfunctional behavior and normal skeptic professional behavior.

Keywords : big four, dysfunctional behavior, time budget, time deadline

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