

Impact of First Impressions and Supervisor Preferences on Auditor Risk Judgments

Auditors' initial perceptions of client personnel, known as first impressions, interact with supervisors' preferences for audit effectiveness or efficiency

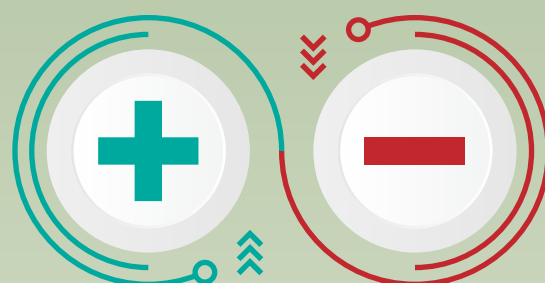


These factors are crucial for comprehending how auditors approach risk assessment and judgment in the auditing process

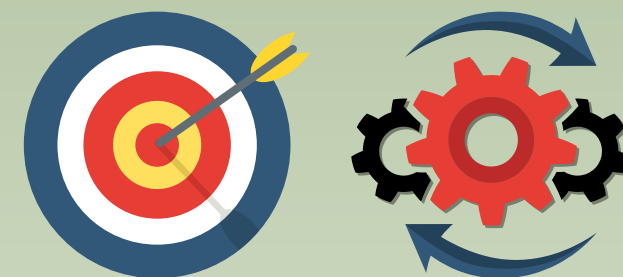


2 × 2 experiment involving 124 practicing auditors

Factors manipulated:



First impression
(Positive vs. negative)



Supervisor preference
(Efficiency vs. effectiveness)

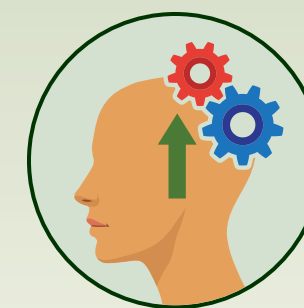
Impact on auditors' risk assessments



Positive (negative) first impressions are expected to decrease (increase) auditor objectivity



Positive (negative) first impressions are expected to cause auditors to become less (more) sensitive to misstatement risk



Preferences for audit effectiveness over efficiency are hypothesized to lead auditors to adopt an analytical mindset

Auditors' initial impressions and supervisor preferences significantly influence risk judgments in audits and mitigate biases associated with first impression

Mitigating the Effects of Auditors' First Impressions of Client Personnel: The Importance of Audit Supervisors' Preference for Effectiveness

Holderness et al. (2022) | *Journal of Forensic Accounting Research* | DOI: 10.2308/JFAR-2020-028

<https://publications.aaahq.org/jfar/article-abstract/7/1/64/10126/Mitigating-the-Effects-of-Auditors-First?redirectedFrom=fulltext>



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