

# Impact of Team Diversity on Audit Quality

Teams with diverse members respect different viewpoints and foster active participation, improving team performance



This study assesses whether team diversity in audit offices is associated with audit quality



## Linking audit quality to team diversity



Diverse audit teams deliver high-quality audits



Lower client misstatement rates



Lower levels of discretionary accruals



Lower chance of meeting or exceeding earnings forecasts by one cent per share



Diverse teams excel even more in complex audit tasks



Audit quality improves in big and small city offices

**Diversity in audit teams enhances audit quality, even more on complex tasks, with implications for regulators, audit committees, and investors**