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SLOVENE STUDENTS' PERCEPTION OF AUDITORS: IS THERE A STEREOTYPE?

Auditor stereotypes reflect the general attitude of society towards auditors. Consequently, both individual auditors and the auditing profession as a whole are concerned with their public image. In the present study, the perception of auditors among Slovene students is studied. Specifically, this study focuses on whether an auditor stereotype exists among these students and whether this stereotype is positive or negative. The students' perceptions of an average (ordinary) auditor compared to their perceptions of an average (ordinary) individual are studied using questionnaire inquiry. The results reveal that a stereotype about auditors exists; auditors are perceived as being very conscientious, more emotionally stable and, interestingly, more open-minded. Additionally, this study reveals that it is more beneficial than detrimental that auditors are regarded as less extroverted and less agreeable.

Keywords: auditing profession, auditor, stereotype, public image, transitional country.

JEL classification: M41.

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СТЕРЕОТИПИ У СПРИЙНЯТТІ АУДИТОРІВ СТУДЕНТАМИ: ЗА ДАНИМИ СЛОВЕНІЇ

У статті показано, як стереотипи про аудиторів відображають загальне ставлення суспільства до них. Аудитори як професія і окремі його представники переймаються підтримкою високої репутації в суспільстві. Вивчено сприйняття аудиторів серед словенських студентів, досліджено стереотипи, пов'язані з цією професією, серед студентів. За допомогою опитування визначено сприйняття студентами середньостатистичного аудитора в порівнянні з їх сприйняттям середньостатистичного громадянина. Результати показали, що стереотип про аудиторів визначає їх як дуже сумнівних, більш емоційно стабільних і неупереджених особистостей. Показано, що сприйняття аудиторів як менш екстравертних і таких, які менше піддаються переконанню, що більш позитивно, ніж негативно позначається на їх іміджі.

Ключові слова: аудиторська професія, аудитор, стереотип, імідж, перехідні країни.

Табл. 1. Літ. 11.

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СТЕРЕОТИПЫ В ВОСПРИЯТИИ АУДИТОРОВ СТУДЕНТАМИ: ПО ДАННЫМ СЛОВЕНИИ

В статье показано, как стереотипы об аудиторах отражают общее отношение общества к ним. Аудиторы как профессия и отдельные его представители озабочены поддержанием высокой репутации в обществе. Изучено восприятие аудиторов среди словенских студентов, исследованы стереотипы, связанные с этой профессией, среди студентов. С помощью опроса определено восприятие студентами среднестатистического аудитора по сравнению с восприятием среднестатистического гражданина. Результаты показали, что стереотип об аудиторах определяет их как очень добросовестных, более эмоционально стабильных и непредубежденных личностей. Показано, что восприятие аудиторов как менее экстравертных и менее поддающихся убеждению более позитивно, чем негативно сказывается на их имидже.

Ключевые слова: аудиторская профессия, аудитор, стереотип, имидж, переходные страны.

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1. Introduction.

Public image is important for auditors and the auditing profession (Dimnik, Felton, 2006; Jeacle, 2008; Carnegie, Napier, 2010). Auditors are, in theory, called to serve public interests when performing their financial statements audits and other auditing tasks and are, as such, accountable to various groups related to companies' financial statements and to wider public. Consequently, auditors as a whole are concerned with their public image. Public image is important because it purportedly gives value to the profession (Philips, 1995, quoted from Dimnik, Felton, 2006). Furthermore, these perceptions of auditors and the auditing profession potentially influence the recruiting activities of auditing companies (Jeacle, 2008) and the decisions of those considering a career in auditing (DeCoster, Rhode, 1971). Various previous studies found that there exist both positive and negative perceptions to the auditor's image (Friedman and Lyne, 2001; Dimnik, Felton, 2006; Wessels and Steenkamp, 2009; Carnegie and Napier, 2010).

The auditor an occupation (as it is understood today) has existed in Slovenia, a transitional country (or country near the end of its transition), for nearly two decades. Nevertheless, it is unknown whether any perceptions or stereotypes of auditors are present among the Slovenians. Additionally, it is unknown whether these perceptions of an auditor would be beneficial and/or detrimental to the auditors' (public) image.

The remainder of the paper is organised as follows. In Chapter 2, the literature review is given. In Chapter 3, the sample details are presented. In Chapter 4, the methodological overview, the questionnaire results, and their discussion are provided. In Chapter 5, the findings of this paper are summarised.

2. Literature Review.

A stereotype can be defined as a collection of identified attributive characteristics believed to describe members of a social group (Dimnik, Felton, 2006; Carnegie and Napier, 2010). Stereotypes are important because they represent the attitude of society to different groups (Carnegie and Napier 2010). Every profession, including auditing, is concerned with its public image (Dimnik, Felton, 2006). Public representations of any profession can help establish or reinforce group stereotypes. Public representation is the "mirror" of widely held public perceptions and a "lens" for shaping social beliefs (Dimnik, Felton 2006; Wells, 2012). As Dyer (1993, quoted from Friedman and Lyne, 2001, 424) noted, "How we are seen determines in part how we are treated; how we treat others is based on how we see them; seeing comes from representation".

Several studies focus on the public image of accountants and/or auditors (Friedman and Lyne, 2001; Coate et al., 2003; Dimnik, Felton, 2006; Jeacle, 2008; Wessels, Steenkamp, 2009; and Carnegie and Napier, 2010). In a number of studies, the perceptions of accountants and auditors are studied together (note: in some studies, it is unknown whether the perceptions of auditors (as "professional" qualified accountants) or perceptions of ("unqualified") accountants are studied; it is conjectured that this is the consequence of calling an auditor a "Certified Public Accountant" in the USA and a "Chartered Accountant" in the UK). Accountants and auditors are viewed as introverted, shy and timid (less emotionally stable). Furthermore, they are methodical (competent, professional, organised and intelligent) and cautious (conservative) (Dimnik, Felton, 2006; Carnegie, Napier, 2010,

who provide a brief overview of previous research on accounting and/or auditing stereotypes). They are also perceived as boring and lacking a sense of imagination (DeCoster and Rhode, 1971; Friedman and Lyne, 2001 etc.). This stereotype of accountants and auditors encompasses both positive and negative attributes. Nevertheless, it must be noted that stereotypes about accountants and/or auditors are changing over time (i.e., from the traditional accountant stereotype to a business professional stereotype; see Friedman and Lyne, 2001; Carnegie and Napier, 2010).

It is unknown whether a stereotype about auditors exists in Slovene society (or if this stereotype would be different among various social groups). There are no publicly available (published) study results on Slovenian perceptions of auditors. If a stereotype about auditors did exist among Slovenians, it is unknown whether this stereotype would be positive or negative. Furthermore, it is unknown whether this stereotype would be comparable to the stereotypes presented in various other studies (Coate et al., 2003; Dimnik, Felton, 2006). The present research represents the first attempt to study the perceptions of auditors among Slovenians.

3. Sample.

Slovenia gained its independence in 1991. As a former state of the Yugoslav Republic, the country has undergone various social and economic changes during the last two decades in its transformation from a planned economy to a market economy (Cater and Pucko, 2010). Auditing and the auditing profession (as they are understood today) did not exist before 1993. Financial statement audits became obligatory in 1993 (with the endorsement of the Companies Act and accompanied in the same year by the Auditing Act), which represents the beginning of the auditing profession in Slovenia. In the following two decades, many certified auditors were licenced (by the Slovenian Institute of Auditors) after successfully completing the education programme for Certified Auditors. Nevertheless, auditing and the auditing profession, in different forms, did arguably exist in Slovenia before 1993. Before 1993 (and especially after 1977), various tasks similar to auditing were performed by the Department of national bookkeeping (in Slovene: Sluzba druzbenega knjigovodstva; see Turk (2012) for more details).

A questionnaire was distributed to business studies students. The students were in the final year of their three-year undergraduate studies (for a bachelor's degree, or the "diploma 1. stopnje" in Slovenian). The students were enrolled in an auditing course. Before enrolment in it, they were enrolled in various accounting courses (e.g., introduction to accounting, financial accounting, management and cost accounting). It was expected that the students were not familiar with auditing because they had not taken courses in auditing before their final year of study.

The business studies students that were given a questionnaire are all from the generation of Slovene students born at the beginning of 1990s. They are seen as one of numerous social groups. It is anticipated that business students, as a social group, have perceptions of auditors both as individual persons and as performers of auditing work. Nevertheless, the students (usually) did not have any interaction with auditors and/or auditing (note: the questionnaire was distributed to the students before the start of the course in auditing). Despite this fact, the students were able to formulate perceptions of auditors and/or auditing work based on their own personal perceptions. It must be noted that the enrolment in accounting courses could influence stu-

dents' perceptions of auditors, but it is more likely that there are preconceptions of auditors and their work that exist before students enrol in their study programmes (compare, e.g., Albrecht, Sack, 2001; Coate et al., 2003). These preconceived notions about auditors and/or auditing work are usually misconceptions (compare e.g., Albrecht, Sack, 2001).

The questionnaire included 30 questions (among several other questions included in the questionnaire) that were linked to students' perceptions of an average (ordinary) auditor compared to an average (ordinary) individual. The questionnaires were handed out to 58 business students enrolled in the auditing course (in 2012). 51 (valid) replies were received (the 88% response rate). Of these 51 students, the majority were 21–22 years old (84%). The others were 23–26. Of the participating 51 students, 86% were female and 14% were male. 61% expressed greater than average interest in auditing, and 14% expressed below average interest in auditing. The majority of students (92%) had less than one year of working experiences in the field of accounting and/or auditing.

4. Methodology and questionnaire results.

The questionnaire prepared by Coate et al. (2003) was used in our research design. This questionnaire included 30 questions with regard to the perceptions of an average (ordinary) auditor compared to an average (ordinary) individual. Coate et al. (2003) relied upon psychological theories of normal personalities and personality assessments when selecting the characteristic to use in the questionnaire. The selection of characteristics can be classified into 5 groups ("dimensions") representing the "NEO Personality Assessment" (developed by Costa and McCrae, quoted from Coate et al. 2003), which are based on the "Big five taxonomy of personality". Extroversion, agreeableness, conscientiousness, emotional stability (called also neuroticism), and openness to experiences are the 5 dimensions of personality of an average (ordinary) individual. Within the NEO Personality Assessment, each of the 5 dimensions is divided into 6 characteristics. Table 1 shows all 30 characteristics (within the NEO Personality Assessment) organised by dimension. Each characteristic is defined by 2 extremes of that characteristic. For example, the first characteristic is warmth, with one extreme characterised as "friendly or/and affectionate" and the opposite extreme characterised as "formal or/and reserved". The second characteristic is gregarious, with one extreme characterised as "prefers the company of others" and the opposite extreme characterised as "content to be alone".

The questionnaire included 30 questions linked to 30 personal characteristics. For each characteristic, the students were asked to compare an auditor to an average (ordinary) individual on the nine-point ordinal scale between the 2 extremes of the characteristic. On the nine-point ordinal scale, the median value response of 5 indicates that an auditor is an ordinary individual in relation to the inquired characteristic. The nine-point ordinal scale was used because it is assumed that one's personal cognitive metrics in relation to a characteristic differ from another's personal cognitive metrics in relation to the same characteristics. Because it is assumed that the students who completed the questionnaire have different personal cognitive metrics regarding the same characteristic when expressing their perception of an auditor, the students' replies regarding various characteristics were therefore clustered into 3 groups. The student replies of 1, 2, or 3 were clustered into the first group; those of 4,

5, or 6 were clustered into the second group; and 7, 8, or 9 were clustered into the third group. Table 1 shows the clustered questionnaire results about the perceptions of auditors' personality characteristics.

Table 1. Perception of auditors' personality characteristics*

	Personal characteristic		Group 1 ^a , %	Group 2 ^b , %	Group 3 ^c , %	
EXTROVERSION						
1	WARMTH	Friendly, affectionate	6	41	53	Formal, reserved
2	GREGARIOUS	Prefers the company of others	18	57	25	Prefers (content) to be alone
3	ASSERTIVENESS	Forceful, tends to lead	59	35	6	Passive, let others lead
4	EXCITEMENT	Craves stimulation and excitement	35	53	12	Little need for thrills
5	ACTIVITY	Energetic	16	67	18	Laid-back
6	POSITIVE EMOTIONS	Cheerful, optimistic	16	71	14	Less exuberant, pessimistic
AGREEABLENESS						
7	TRUST	Disposed to trust others	10	39	51	Sceptical of others
8	STRAIGHTFORWARD	Frank, blunt, to the point	65	24	12	Less candid, restrained
9	ALTRUISM	Generous, considerate	14	51	35	Unkind, self-centred
10	COMPLIANCE	Defers in conflicts	29	49	22	Prefers (enjoys) competing
11	MODESTY	Humble, self-effacing	6	78	16	Conceited, arrogant
12	TENDERMINDED	Sympathetic	33	45	22	Hardheaded
CONSCIENTIOUSNESS						
13	COMPETENCE	Feels capable or effective	82	18	-	Feels inept or ineffective
14	ORDER	Neat, organised	94	6	-	Unorganised
15	DUTIFUL	Principled, scrupulous	92	8	-	Casual about responsibilities
16	ACHIEVEMENT	Diligent, purposeful	98	2	-	Lackadaisical
17	SELF-DISCIPLINE	Self-motivated	86	14	-	Procrastinates, quits
18	DELIBERATION	Cautious in thoughts	94	4	2	Hasty
EMOTIONAL STABILITY						
19	ANXIETY	Tense, apprehensive	8	67	25	Calm, relaxed
20	HOSTILITY	Frequently angry or frustrated	16	76	8	Easygoing
21	DEPRESSION	Hopeless tendencies	6	78	16	Not easily dejected
22	SELF-CONSCIOUS	Sensitive to ridicule	-	33	67	Rarely feels inferior
23	IMPULSIVE	Low self-control	16	49	35	Resists temptations
24	VULNERABILITY	Poor in coping with stress	4	59	37	Immune to stress
OPEN TO EXPERIENCE						
25	FANTASY	Vivid imagination	18	73	10	Dull, lacking imagination
26	AESTHETICS	Enjoys and appreciates the arts	24	65	12	Does not appreciate the arts
27	FEELINGS	Experiences many emotional states	12	73	16	Blunted emotional states

Continuation of Table 1

28	ACTIONS	Willing to try new things	63	33	4	Changes with difficulty
29	IDEALS	Intellectually curious	69	25	6	More narrow in thought
30	VALUES	More open-minded	37	35	27	Relies on established norms

Notes: *Total number of (valid) questionnaire replies of Slovene students is 51. Research questionnaire, previously used in Coate et al. (2003), was prepared in Slovene language.

^a Apportionment of students' replies of 1, 2, or 3 within all students' replies.

^b Apportionment of students' replies of 4, 5, or 6 within all students' replies.

^c Apportionment of students' replies of 7, 8, or 9 within all students' replies.

The questionnaire replies show the students' perception of an (ordinary) auditor as an average representative of the "auditing profession" in comparison to the average (ordinary) individual. Students perceive auditors to be less extroverted than the average individual. Auditors are regarded as more formal and reserved than the average individual. Auditors have a tendency to want to be alone. Nevertheless, they are regarded by students as greater thrill and excitement seekers and as having more leadership tendencies than the average individual. Differences exist between the perception of an auditor and that of the average individual in the agreeable dimension of personality. The students regard auditors as less agreeable than the average individual. An auditor is perceived as a person with a sceptical personality and a tendency to be blunt. Interestingly, auditors were thought of as being more sympathetic than the average individual. However, by contrast, auditors were also thought of as being less generous and less self-effacing than the average individual.

The widest noticeable distinction between the perception of an auditor and that of the average individual is in the conscientiousness dimension of personality. Auditors are regarded as being more organised (more ordered) than the average individual. Auditors have a tendency to be very cautious and diligent and are not casual about their responsibilities. They feel capable and are self-motivated. In relation to characteristics classified under the conscientiousness dimension of personality, for each of the 6 characteristics, auditors are perceived as exceptionally conscientious. Additionally, auditors are perceived as more emotionally stable than the average individual. Auditors are thought of as being less easily dejected than the average individual. They are more immune to stress than the average individual but, interestingly, less easy-going. They are, as people, perceived as less impulsive and calmer than the average individual. Furthermore, they are less self-conscious than the average individual.

Interestingly, in general, the students perceive auditors to be more open to different experiences than the average individual. Auditors are regarded as more imaginative than the average individual. They are more open-minded and intellectually curious. Furthermore, they are perceived by students as willing to try new things.

The students' perceptions reveal that a stereotype about auditors does exist. The questionnaire replies show that Slovene business students enrolled in the auditing course have proxied a stereotype for their perception of auditors. In comparison to the average (ordinary) individual, they perceive auditors as less extroverted, less agreeable, very conscientious, more emotionally stable, and more open to experiences. Simultaneously, these students' stereotype also represents their perception of the auditing profession.

This stereotype, which is presumably embedded in the students' perceptions of auditors, does seem to have more pros than cons. It is assumed that the valued characteristics in various professions are conscientiousness, prudence and emotional stability (Coate et al., 2003). Auditors are seen as very conscientious and emotionally stable. Being less agreeable and less extroverted can be perceived as advantageous for profession. The task of auditing requires making numerous decisions in which the options are often difficult to analyse. Furthermore, auditors are seen as individuals who are intellectually curious, imaginative, and more open minded. This advantageous finding contrasts the detrimental findings of other studies in which auditors were viewed as being less open to experiences (Friedman, Lyne, 2001; Coate et al., 2003). It can be conjectured that auditors being seen as assertive and excitable perpetuates the perception of auditors being more open minded. The other perceptions of auditors by the Slovenians are comparable to those of auditors presented in various other studies (Friedman, Lyne, 2001; Coate et al., 2003; Dimnik, Felton, 2006 etc.).

5. Conclusion.

The aim of this research was to explore whether a stereotype about auditor is present in Slovene society and to study whether this particular stereotype about auditors (if it does exist) has positive or negative connotations. The questionnaire replies of Slovene students enrolled in an auditing course show that students perceive auditors as less agreeable, less extroverted, very conscientious, more emotionally stable, and more open to experience in comparison to the average (ordinary) individual. This perception of an auditor reveals a proxied stereotype about auditors. This stereotype is important because it represents the attitude of society towards the auditing profession. The public image this profession is linked to the public representation of auditors. The stereotype about auditors that was presumably embedded in students' perceptions of auditors seem to be beneficial and have fewer negative attributes.

Interestingly and surprisingly, auditors are perceived as being more open minded. This attribute contrasts the findings in other studies, where auditors were viewed as being less open to experience. Because of this finding, the stereotype about auditors in our study is not completely comparable to the stereotypes presented in various other studies (Coate et al., 2003; Dimnik, Felton, 2006). Nevertheless, this study reveals the existence of a stereotype about auditors among the Slovenians. However, our study has some limitations. First, the sample population to which the questionnaire was given consisted of business students. Their perceptions of auditors constitute one of numerous perceptions held by various social groups. Different groups can have different perceptions of auditors. Second, it has not been studied why the perception of auditors among Slovenians differs slightly from the perceptions of auditors presented in various other studies (Friedman, Lyne, 2001; Coate et al., 2003; Dimnik, Felton, 2006 etc.). This could be a future endeavour of ours.

The present research is the first to study personal perceptions of auditors among the Slovenians and the possible existence of a stereotype about auditors in the nation. Another course for further research could be on the possible existence of various perceptions of auditors among social groups in Slovenia. An additional course for further research could be a study of whether the perceptions of auditors are different from the perceptions of accountants among the Slovenians.

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