Gordon Institute of Business Science
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The formation of professional identity of auditors, and its bearing on their ethical conduct.

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A research project submitted to the Gordon Institute of Business Science, University of Pretoria, in partial fulfilment of the requirements for the degree of Master of Philosophy: Change Leadership.

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Abstract

Audit professionals have faced fierce criticism and scrutiny due to scandals linked to corporate failures, accounting irregularities and unethical practices, bringing to question conduct by auditors. Prior studies conducted on professional identity in the audit profession examined the influence of an employer firm identity on auditors' ethical conduct, with focus on firms in Europe and North America. Theoretical gaps from these studies were on understanding the multiplicity of auditor identities in diverse cultures, effects of conflicting identities, with recommendations to expand previous studies to under-researched geographical regions and inclusion of auditors in firms other than "Big 4". This study advances debate through perspectives from the lived experiences of auditors working in firms of different sizes in South Africa, an emerging market context.

Qualitative methods were used to explore how the professional identity of auditors is influenced by personal identity, the employer firm identity and other consequential influences on ethical behaviours. Semi-structured interviews were used to capture data from 15 participants of diverse nationalities and racial profiles with at least five years of auditing experience.

The findings indicate that for auditors, professional identity has no exclusive and linear relationship with the firm identity, contributing to the understanding of the interrelation between professional identity and firm identity within the identity theory. Other social identities, namely academic training, professional standing and background contribute to auditor identity formation, demonstrating new insights on the influence of multiplicity of identities for auditors. Whilst firm identity exerts notable influence on the auditors' professional identity, factors such as firm values and leadership have material effects. Relatedly, experiences of marginalisation of black professionals pose a high risk for identity conflict between firm identity and the professional identities of practitioners. The findings covered auditors from different size firms, responding to previous studies' recommendations.

Overall, the study's findings show that professional standards have greater influence on professional identity and the ethical conduct of auditors than the firm identity, providing a contrasting insight to previous studies. Congruency was found between the respondents' personal identities and professional standards rather than the firm identity. The findings challenge the level of influence firm identity has on professional identity and ethical conduct.

Key words: professional identity, firm identity, auditor professional identity, auditors ethical conduct, professional standards.

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy: Change Leadership at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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Chapter 1 – Research problem

1.1.   Background

Increased business scandals, irregular conduct, and ethical breaches have motivated heightened interest in business ethics (Morales-Sánchez et al., 2020). The audit profession and accounting firms have not been spared this scrutiny. High-risk factors are the extent of trust bestowed upon the profession and its role in providing assurance on the credibility and reliability of firms' financial and non-financial information. Questions and criticism have been raised on how auditor behaviour complies with professional ethics (Samsonova-Taddei & Siddiqui, 2016).

Similar to global trend, the South African audit industry has been plagued by scandals over corporate failures, accounting irregularities, audit quality failures and unethical practises (Harber & Marx, 2020; Marx & Harber, 2020). Auditors are accused of turning a blind eye to reportable irregularities and failing as independent assurance providers. It is purported that a key contributor to this is the conflict firms and audit professionals face between commercialisation and professionalism within the industry (Samsonova-Taddei & Siddiqui, 2016). Commercial interests are pursued at the expense of professional values. The current state has left the profession preoccupied with managing its risk, preventing blame when things go wrong (Hazgui & Brivot, 2020), and balancing the consequences of loss of professionalism while pursuing commercial interests.

These occurrences threaten the profession's credibility in a highly regulated environment. The role of professional bodies and regulators is very pronounced within the fraternity. For example, in South Africa, the Auditing Profession Act (2005) is independently administered by the Independent Regulator Board for Auditors (IRBA) and governs auditor conduct. The regulator exists to regulate the audit profession and ensure that ethical standards are upheld by its members. It articulates its strategic goal as

> "*to change the behaviour of auditors and role players within the financial reporting system to improve ethics and independence, increase audit quality and ensure transparency in audit practises*" (IRBA Annual Report, 2022).

The South African Institute for Chartered Accountants (SAICA) is recognised as a leading accountancy body. Its strategic intent is to focus on "*building ethical leaders*" (SAICA Integrated Report, 2021). The International Standards on Auditing (ISA), set by the International Auditing and Assurance Standards Board (IAASB), seeks to harmonise the way audits are performed and the quality and uniformity of auditing practices. According to Haapamaki & Sihvonen (2019), the main aim of ISA is to strengthen public confidence in the audit and assurance practices globally. Another standard-setting body is the International Ethics Standards Board for Accountants (IESBA), which is also intent on promoting good ethical practices within the profession.

Despite the high degree of regulation in the profession, the IRBA has noted a deterioration in the quality of audits, mainly due to auditor independence (Harber & Marx, 2020), a key ethical principle that auditors must comply with (Marx & Harber, 2020). The IRBA's Annual Enforcement Report for 2022 acknowledges that audit failures seem to be characterising the profession in recent years, resulting in increased public scrutiny. In the same report, IRBA disclosed that it investigated 54 cases in the 2022-2023 performance period, of which poor professional conduct accounted for 7%, whilst non-compliance with laws and regulations had a 6% impression. Ishaque (2021) found that despite the increased regulations in the audit profession, and the well documented and published literature on failure by auditors to manage conflicts, adverse conduct relating to conflict of interests remains pervasive. This turbulence begs exploration to determine why auditors and professional accountants fall into the trap of unethical conduct.

Several accounting and auditing scandals have demonstrated that audit failures due to non-adherence to the professional standards in SA have adversely impacted the reputation of the auditing profession (Rogers & Malan, 2020). These transgressions are seen as an indicator of the decline in integrity and professional conduct. The first most publicised downfall of an audit firm started with the fall of Author Anderson in 2002. This propelled numerous changes to the regulations to address what were deemed to be the causes of the scandals. Numerous firms have subsequently fallen in similar scandals, although not all at the same scale.

South African corporations have not been spared the devastating impact of audit failures, as witnessed in high-profile cases impacting private entities like Steinhoff, Tongaat Hulett, and African Bank. Public entities like South African Revenue Services, South African Airways, and the power utility Eskom are also involved. This has raised questions over the role of the regulatory bodies like IRBA and SAICA (Rogers & Malan, 2020), and the extent these can effectively regulate the conduct of members (Samsonova-Taddei & Siddiqui, 2016).

Both global and local trends of audit failures have been identified to be due to breaches of ethics where independence and objectivity were compromised. This substantiates the increased scrutiny of auditor conduct relative to business scandals. Warren & Alzola (2009) underscored the need for professionalism among auditors. This positively affects auditor identification and independence, a notion that multiple scholars have tested in European and American regions (Stack & Malsch, 2022; Dellaportas et al., 2019).

In literature, identity theory hypothesizes alignment between the salience of identity and related behavioural conduct (Dellaportas et al., 2019). This brings to question the extent to which concerns over auditor conduct may be congruent to perceived or actual identity. Academic scholars have explored the auditor's professional identity at an individual and organisational level and found that professional identity is a key aspect of the audit profession and is mainly driven by the values, social norms and rules at the firm level (Brouard et al., 2017; Garcia-Falie`res & Herrbach, 2015; Stack & Malsch, 2022).

Theory on identity demonstrates that the foundation to professional identity is shared norms, values, belief system with a group of people, which could reflect a type of ethos or culture within a professional grouping. Literature on audit firm culture argues that this is influenced by its leadership, social and professional interactions amongst auditors, and the values the firm emphasises, such as professionalism versus commercialism (Alberti et al, 2022).

However, research in this field has concentrated on the large global firms referred to as the 'big 4', mainly in the European and North American markets to the exclusion of Africa and Asia. The Stack & Malsch (2022) study found that the professional identity of auditors plays a critical role in creating a sense of belonging and loyalty to the firm. This register outlives the tenure within a firm.

Similarly, decision making, and application of judgement is highly influenced by the group, or firm values (Hazgui & Brivot, 2020) thereby demonstrating the potential risk from pressure to belong and align. It can be surmised that ethical conduct is influenced by professional identity, which includes the firm's social norms, values, and belief system. Correspondingly, the organisational identity may be reflective of the firm culture. Guided by this premise, this study explores the interrelations between the professional identity (Stack & Malsch, 2022; Dellaportas et al., 2019; Garcia-Falie`res & Herrbach, 2015), the firm identity (Broberg et al., 2018; Broberg, 2013; Warren & Alzola, 2009) and professional deontological ethics (Samsonova-Taddei & Siddiqui, 2016; Hazgui & Brivot, 2020).

1.2. Research Objectives

This research examines the construct of professional identity in auditors and whether this influences ethical conduct. This study examines auditors practising in South Africa, a culturally, socially, economically and politically diverse environment. Deliberate attention was paid to incorporating data from firms of different sizes to enable comparison of experiences.

1.3. Research purpose

The research aimed to contribute to the academic literature on the professional identity of auditors operating in a diverse socio-cultural emerging market environment like South Africa. Literature pointed to a gap in understanding how auditors' professional identity is shaped in such contexts, as previous studies have mainly attended to European and North American regions (Stack & Malsch, 2022; Dellaportas et al., 2019). Coupled with this was an emphasis on the traditional big firms, to the exclusion of smaller firms. This study responds to the recommendation for future research to be conducted on firms outside of the 'Big 4' through the inclusion of audit firms across multiple size tiers (Brouard et al., 2017; Stack & Malsch, 2022; Dellaportas et al., 2019).

1.4. Research questions

The main research question of the study was: How is the professional identity of auditors in the South African context influenced by their respective self-identity and the firm identity, and the consequential effect on the desired ethical conduct? (Stack & Malsch, 2022; Dellaportas et al., 2019; Brouard et al., 2017). The following sub-questions support the main research question in addressing the purpose of the study:

Research sub-question 1: What are the key contributors to the professional identity of an auditor?

Research sub-question 2: Is professional identity influenced by self-identity or the identity of the employing firm?

Research sub-question 3: How do auditors experience congruence or tension between professional and firm identities?

Research sub-question 4: Are personal ethical attributes more aligned and influenced by the firm identity, professional identity or by self-identity?

Research sub-question 5: What is required in audit firms to strengthen the ethical behaviour of auditors?

1.5.   Contributions of the research study

1.5.1.   Practical contribution

Recent accounting failures have compromised the reputation of the audit profession in South Africa. This has resulted in increased demand from business, the public and regulators for auditors to restore the profession's credibility and be seen to act in the public interest when executing set duties. Set regulation intended to guide the profession does not seem to protect professionals from compromising independence, objectivity, and ethical conduct.

It is important that stakeholders within the profession obtain a deeper understanding of the root causes exposing auditors to these threats. Practitioners must be capacitated to identify and leverage opportunities to create and sustain the required ethical fortitude and identity. Results of this study are set to enable audit firm leadership, ethics practitioners, human capital practitioners and professional bodies to forge integrated interventions that build professional identity aligned to the desired ethical attributes. It also exposes considerations for creating firm-level identities that foster ethical conduct.

1.5.2.   Theoretical contribution

The study contributes to the literature on forming auditors' professional identity in socially, economically and politically diverse regions (Stack & Malsch, 2022; Dellaportas et al., 2019) by understanding the factors influencing professional identity and alignment to a professional profile. It also exposes the consistency or differentials in auditors' professional identity across audit firms of different sizes (Brouard et al., 2017). The study explores the complexity of multiple identities in the formation of professional identity. These include cultural and demographic diversity, academic exposure, social constructs, and personal values. Each interacts with the firm conditions and individual personal identity, exerting influence on forming a professional identity (Warren & Alzola, 2009).

Furthermore, the study explores how professional and firm identities influence the ethical conduct of employed auditors. The firm has a social context that exposes employees to ethical threats and safeguards existing within its' sphere. In so doing, the study attends to the

recommendation to understand the effects of conflicting identities between the practitioner and the firm to assess consequent values and ethical threats to the profession (Garcia-Falie`res & Herrbach, 2015).

1.6. Research setting

The research setting was audit firms in South Africa across different tiers of firms. The audit profession in the country operates in a highly regulated environment, emphasising ethical conduct. However, frequent reports of irregular conduct and unethical behaviour suggest that the regulatory environment is insufficient to prevent or mitigate waywardness, threatening the profession's credibility. This is further supported by reports from the regulatory body for registered auditors.

The South African setting is unique compared to other previously researched regions when considering the trajectory of a 30-year journey of building unity and equality from a history of discrimination, marginalisation, and inequality. This has resulted in a high degree of socio-cultural and demographic diversity within the profession and local industry. The audit profession in South Africa is characterised by local cultural diversity and the growing representation of professionals from other countries within the African continent. A practising professional in this setting is set to present lived experiences that may be substantially different to the settings of previous studies.

A South African auditor's professional identity is influenced by many factors, including personal background. Professional opportunities have opened up for all races; possibly resulting in the complexities from own identity interacting with professional persona and influencing the lens with which one views the firm identity. Conducting a study within this setting presents an opportunity to understand the formation of professional identity for practising auditors within firms with a global footprint and smaller firms with only a base in South Africa.

Previous literature has focused on the 'Big 4' firms, to the exclusion of smaller firms; and furthermore, concentrated on the western regions (Stack & Malsch, 2022) to the exclusion of diverse socio-political and socio-economic climates. The setting of this research enabled the researcher to explore a new terrain.

1.7.   Conclusion

This chapter provided context on the research project, explaining the business and theoretical contexts of the problem. It elaborated on what the study sought to achieve through the research question, as well as the gap in literature attended. The chapter further outlined the theoretical and practical contributions the study makes. The next chapter reflects on literature that describes professional identity as a concept as well as ethical implications for the audit profession.

1.8.   Structure of the research report

Chapter 2 explores the theory relating to professional identity, with a deeper interrogation of individual professional identity versus firm identity. The literature review also extends to professional ethics for practising auditors, and further explores existing studies on the interrelations between professional identity and conduct, and its impact on the audit profession.

Chapter 3 outlines the questions that guided this enquiry.

Chapter 4 discusses the research design and methodology employed to assess the character and influence of concepts.

Chapter 5 presents the outcome of the study.

Chapter 6 discusses the findings through analysis of the results and the literature.

Chapter 7 concludes by discussing the implications of the study outcome on academia as well as practical implications for business. It concludes with recommendations for future studies.

Chapter 2: Literature review

2.1.   Introduction

Fisch & Block (2018) highlight the critical role literature review plays in setting the foundation for any research project. The scholarly debate presented in this chapter informed the choice of topic, formulation of the questions and research design strategy. This chapter focuses on existing literature relating to professional identity, as a facet of social identity, and delves into the professional identity of practising auditors in the audit firm environment. The discussion reviews ethical conduct, and the extent that it is influenced by professional identity. The below figure depicts the structure of the literature review.
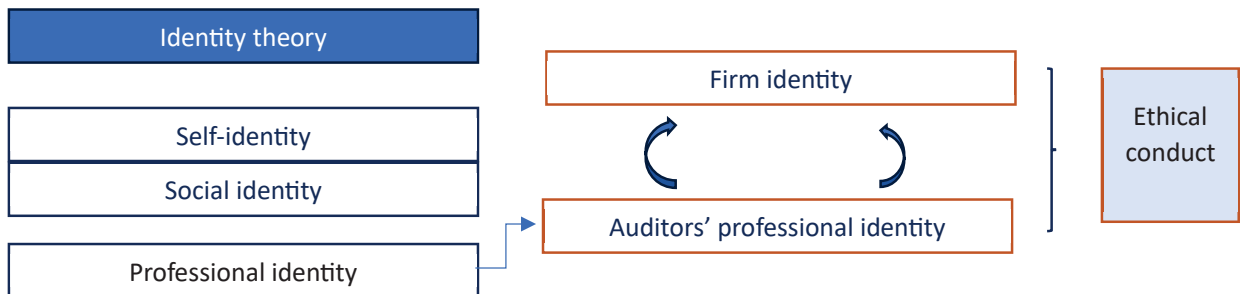
Figure 1: Literature Review Structure (Source: Author)

Identity is an important anchor in individuals to mark similarities and distinctions from others, and therefore plays an important role in steering one' lived experiences and professional lives (Stack & Malsch, 2022). The concept of identity also provides guidance for individuals' understanding of who they are, shapes information processing approach, and therefore plays a critical role in defining how they see themselves (Dellaportas et al. 2019; Bauer, 2015). It is important to note that an individual possesses multiple personalities, and the decisions and judgements made will be influenced by the identity that is most salient (Bauer, 2015). Salience is defined as how stimulated the identity is at the given moment in time in comparison to other identities. The Ring Theory of Personhood is presented in Figure 2, demonstrating the interconnection of four rings
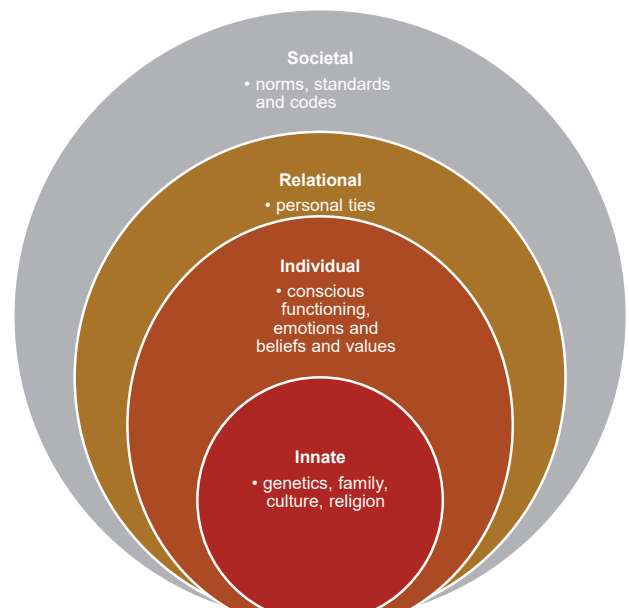
Figure 2: The four rings of personhood (Krishna & Kwek, 2015).

of identity that inform self-identity, namely innate, individual, relational, and societal rings (Sarraf-Yazdi et al., 2021). Self-identity, also known as personal identity, is at the core of the multiple identities an individual will acquire through personal development, roles fulfilled and interactions with the social environment (Krishna & Kwek, 2015).

2.2.1   Self (Personal) identity

Self-identity entails individual, biological and sociological concepts (Sarraf-Yazdi et al., 2021). Previous studies and existing literature found that an individual's identity is mainly associated with the experiences of the environment and perceptions thereof (Broberg et al., 2018). Self-conceptualisation is informed by cultural norms, institutional experiences, and lived experiences of an individual as they grow and expand into multiple identities (Dellaportas et al., 2019). A study by Van Dick et al. (2018) asserts that identity is derived from personal characteristics such as an individual's successes, personality, strengths and weaknesses, which have an influence on one's self-esteem.

2.2.2   Social identity

Dellaportas et al. (2019) describe identity as a cornerstone for enabling one to understand who they are, which comprises one's personal identity and multiple social identities. A portion of an individual's self-esteem is partly derived from personal identity and a portion from social identity (Van Dick et al., 2018).

Social identities are informed by the various roles an individual fulfils in the context of a group or institution. Social identity relates to a person's sense of self as part or a member of a social group or institution (Charness & Chen, 2020). Belonging influences a sense of identity derived from that group and brings meaning to the individual who conceives a sense of belonging through attributes such as profession, demographics or even organisational membership (van Knippenberg, 2023; Goto, 2021). The definition is consistent with Garcia-Falie`res & Herrbach (2015), who further expands that social identity is an individual's self-concept derived from the knowledge of belonging to a specific social group, with emotional significance attached to that belonging.

 Key insight from the theory of social identity indicates that it can strongly influence a person's behaviour. Consensus is reached on the group's norms, shared beliefs and aspirations, which have the potential to have positive or negative effects (Charness & Chen, 2020; van Knippenberg, 2023).

2.2. Professional Identity

2.3.1 Definition of professional identity

Professional identity is one of the social identities and creates a differentiator to other professions or even members of different organisations, even if in the same profession (Stack & Malsch, 2022; Goto, 2021). Researchers have differing ways of defining and describing professional identity as a concept, with some equating it to professionalism whilst others report on the distinction between the two terms (Fitzgerald, 2020; Sarraf-Yazdi et al., 2021).

Whilst there are common themes noted across the various definitions by different scholars, Fitzgerald (2020) highlights the concern relating to a lack of an explicit definition that can be consistently referred to by scholars in academic discourse. However, it is evident that professional identity is used interchangeably with the term professional specialisation and is founded on the professional role's essence, including its values and beliefs, goals, and interaction styles (Fitzgerald, 2020; Goto, 2021). This study advances the premise that professional role is the cornerstone of professional identity.

2.3.2 Formation and contributors to professional identity

Characteristics of professional identity in literature are specialisation in a subject matter, knowledge and skills, values and beliefs, social norms, and behaviour. Sarraf-Yazdi et al. (2021) position it as integrating personal and professional self and distinctly differentiating professional identity from professionalism. Goto (2021) defines professional identity as an individual's definition of self as a member of the profession, and it is closely associated with how they fulfil their professional role. The two researchers acknowledge the importance of self-identity as a foundational point for forming professional identity.

Professional specialisation is identified as another key contributor to the professional identity and a form of a differentiator, coupled together with the organisation, the professional practice and associated technical training (Stack & Malsch, 2022; Goto, 2021; Fitzgerald, 2020; Sarraf-Yazdi et al., 2021). These studies acknowledge the mutuality of reinforcement between the professional identity, role and professionalism and the high degree of influence they have on each other. Professionalism is adopting a shared belief system attached through technical training and consistently displaying behaviours set by professional principles.

It can also be said that professional identity is the adoption and sense of belonging to a profession, acceptance and commitment to the professional requirements and ethical values (Broberg et al., 2018).

Professional identities are most likely to be important where there are strong similarities and a comparative fit within the group and the behaviours of the members of the group are consistent (Dellaportas et al. 2019). Understanding that professional identity includes entry and sustenance of inclusion in a community of practice, it cannot be separated from social identity (Fitzgerald, 2020). The individual derives self-esteem from belonging to the group, as a result adopting behaviour consistent with the group's norms, beliefs, and expectations (Charness & Chen, 2020; Dellaportas et al. 2019).

Stack & Malsch (2022) define maintenance of professional identity as a way the group can mark similarities and differences to others. This gives a directional guide to how the group navigates its lives in a professional and personal setting, appreciating that it is formed over a period of time through various experiences within the profession or a firm.

The organisation is another vehicle contributing to professional identity through technical training, a group with common behaviours, beliefs and norms, and cultural controls. It differentiates itself from other professional groups (Stack & Malsch, 2022).

In summary, professional identity emerges within a group of people with shared skills and knowledge in a subject matter, aligned aspirations, values and beliefs, and most importantly, shared social norms that inform consistency in behaviour. These characteristics create a sense of belonging to the individuals, thereby creating an incentive to want to belong and derive a certain degree of self-esteem (Charness & Chen, 2020; van Knippenberg, 2023; Fitzgerald, 2020). However, it is important to recognise that professional identity reflects a balance of the individual and professional self (Sarraf-Yazdi et al., 2021).

2.3.3   Impact of the strength of professional identity

Research reveals that the degree of saliency of professional identity is influenced by the perceived similarity between members of the same group. The significance of professional identity cannot be overlooked in understanding its influence on the individual's conduct. Studies have found that there is a degree of congruence between an identity and the behavioural aspects of that identity. A professional identity that is not firmly established can be overpowered by traits of a dominant alternative identity, thus a strong professional identity enables maintenance of values aligned to that identity (Dellaportas et al., 2019).

A study conducted on an accountant fraudster who committed financial crimes over a period of four years demonstrates this. The accountant's self-identity was far stronger than their underdeveloped professional identity. This works off a theoretical framework that posits a degree of congruence between the salience of identity and behaviour. Maintenance of strong professional identity also enhances the ability of the professional to self-regulate and take responsibility of their conduct, in the interest of maintaining the legitimacy of the profession (Fitzgerald, 2020). Equally, a weak professional identity has been found to lead to moral distress and values dissonance, compromised decision-making ability and weakened integrity (Dellaportas et al. 2019).

2.3. Literature themes aligned to the study

2.4.1 Auditor professional identity

Brouard et al. (2017) found that professional identity develops in a social context, and therefore, developments in the environment auditors operate in will impact an auditor's professional identity. Auditor professional identity is predominantly driven by the need to belong and be accepted as worthy of professional progression within the firm (Stack & Malsch, 2022; Dellaportas et al., 2019). This includes conformance to written and unwritten rules rather than general professional norms.

Studies identity the significant role audit firms play in the professional identity of auditors from very early stages of development in the profession. By recruiting young graduates, firms can capitalise on aspiring auditors yearning to belong to a professional firm and emphasise the formal and informal norms as a way to socialise the firm culture with young professionals. Thus, the new recruit is already initiated into the firm culture before being employed. The inherent competition among graduates to be accepted within a certain firm inspires the potential recruit to conform to the culture of the desired firm (Stack & Malsch, 2022; Fitzgerald, 2020).

Equally, auditors may exhibit a strong attachment to the profession and experience a stronger alignment to professional values and beliefs, which may also be contrary to the specific audit firm of employ (Garcia-Falie`res & Herrbach, 2015). When individuals are faced with less congruence between the professional values and the values of the firm, there is potential to compromise ethical requirements in exchange for feelings of belonging in the firm.

Stack & Malsch (2022) study concurs that an auditor may feel more allegiance to the firm identity and thus be faced with the option to adopt the firm's identity as their professional identity or risk losing acceptance within the firm. The research found that acting in conformance to the firm's expectations in the Big 5 firms had more weight than one's technical knowledge in the progression within the firm's ranks.

Failure to fully mature a professional identity through socialisation into the profession and its related values and standards may isolate an individual from the intended safety brought by professional traits (Dellaportas et al. 2019). Limited exposure to the firm's rules and norms and its leadership has a similar effect. This may also occur where an auditor is promoted prematurely or placed in a location that is removed from other professionals and physical presence of leadership to facilitate socialisation.

In these cases, the salience of the auditor's personal identity and self-esteem may overpower the underdeveloped professional identity, thus introducing a role for self-identity to be the cornerstone of professional identity (Daoust & Malsch, 2019; Dellaportas et al., 2019). Failed internalisation of the profession's norms and attributes considered essential to the profession creates an exposure for auditors to behave outside the norms of what it means to be a professional auditor.

Warren & Alzola (2009) refer to three key group affiliations for auditors, namely firm identity, client identity and professional bodies, which partake in the professional identity formation of practising auditors. The next sections examine literature that explores the firm identity and how it interacts with and impacts the auditor's professional identity.

2.4.2   Audit firm identity

According to Goto (2021), social identity construction is highly influenced by the membership boundaries built on the distinctiveness between insiders within the boundary and outsiders. This is achieved through the identity shared by a community within the membership boundary. Whilst the study finds that collective identity is mainly facilitated by professional associations or professional bodies, it is highly influenced by the dynamics of the organisation or firm to which one belongs.

Studies have found that organisational identity is the extent an individual feels a shared identity with the organisation; or the belief system upheld defines own self-reference. At such point, individuals will prioritise the organisation's interests to guide conduct and decision-making (Broberg et al., 2018; Garcia-Falie`res & Herrbach, 2015).

Auditors are similar to other employees in identifying with groups inside and outside the organisation, referred to as firms in the audit industry. In this way, the firm identity can affect an auditor's interests, decision making and judgement (Warren & Alzola, 2009). However, firms face higher societal expectations and often have to prove and protect the legitimacy of their existence, the profession, and the professionals employed (Garcia-Falie`res & Herrbach 2015).

Studies have found that audit firms emphasise collective participation in upholding set practices. This maintains the business's sustainability and lays the foundation for success (Broberg et al., 2018; Broberg, 2013). Studies found that the socialisation process within audit firms promotes a sense of belonging to the organisation more than to the profession (Garcia-Falie`res & Herrbach, 2015). The shared practises are noted in firm operations, tools and at times referred to as *'firmalisation'* or the distinct ways of the specific firm.

Individuals that strongly identify with a firm will adopt set goals and practises as their own, thus likely to be in support of them (Van Dick et al., 2018). Previous research has found that the organisational identity of accounting firms influences members' professional identity during an acquisition and related change process (Dellaportas et al. 2019).

Stack & Malsch (2022) conducted with auditors and noted that audit managers' aspirations to progress in the firm depended on the demonstrated fit of identity to the firm. Similarly, there must be a professional identity that is compatible with the firm identity, highlighting the importance of conformance.

Research conducted on the Big 4 audit firms found that auditors are exposed to two forms of identity: the firm and profession, two distinct identities (Garcia-Falie`res & Herrbach, 2015). Whilst it would be ideal to have congruence between the two, any distinction poses identity conflict and may consequently impact auditors' values, beliefs and behaviour, leading to compromised ethical conduct. However, the tension can be averted in instances where the strength of the audit firm, due to its influence, outweighs the professional identity and informs the professional identity of the auditor (Stack & Malsch, 2022).

Broberg et al. (2018) reflect on the potential conflict between the firm identity and the professional identity and find that the consequential impact of a strong firm identity does not necessarily indicate abandonment of professional identity. Rather, the professional identity includes both the firm and the occupational identity. Whilst this latter scenario averts the challenges associated with conflicting identities, it risks the auditor and the profession when the firm identity does not align with professional ethical values.

The potential risk is further exacerbated by the consideration that auditors experience the norms and values of a firm as part of their daily experiences. This may explain the insights around the significance of the firm influence when considering that whilst professional standards are set and known by the auditing community, exposure to them does not occur daily (Broberg et al., 2018). Warren & Alzola (2009) highlight the same risks as part of the complexity of social influence on auditors, where the firm practises deviate from the professional practises.

According to Stack & Malsch (2022), strong allegiance to a firm is further demonstrated by the loyalty observed beyond the tenure of employment with the establishment. This was demonstrated through a study which examined the extent to which former Arthur Andersen employees rationalised and legitimised the firm's actions post its fall. These individuals reported feelings of personal grief over the firm's downfall.

Professional identity based on loyalty to a firm as a former employer for ex-auditors also demonstrates the degree of embeddedness of the respondent's professional identity. Brouard et al. (2017) support the weight and influence of organisational identity and the degree to which it may influence professional identity. The authors contradict Garcia-Falie`res & Herrbach (2015) in placing emphasis on differentiating the identities.

Similarly, due to the significance of the firm influence, should the firm identity display behaviours that are inconsistent with the professional requirements, the professional identity of the auditor will be adversely influenced (Stack & Malsch, 2022; Dellaportas et al., 2019; Broberg et al., 2018).

2.4.3   Conflicts around professional identity

Dellaportas et al. (2019) present an interesting angle to the professional identity theory of auditors in finding that self-identity may pose a threat to what is considered acceptable behaviour within the profession when the self is stronger than the professional identity. The study highlights that a weak professional register may compromise the type of behavioural choices the auditor makes when faced with extreme pressure. These instances occur where the professional identity is less mature and yields less self-image to the auditor. Failure to internalise the required attributes of the professional identity leaves an individual vulnerable to behaviour that is inconsistent to the professional auditor identity (Dellaportas et al., 2019). Discourse between the auditor's self-identity and professional identity may cause conflict within themselves and affect behaviour whilst employed within the firm (Daoust & Malsch, 2019).

Potential for professional identity tension in auditors is not confined to self-identity, it also extends to propensity for clash with the firm identity where auditors need to balance the dual allegiance to the profession and the firm (Garcia-Falie`res & Herrbach, 2015). The scholars found that dual allegiance positively contributes to firm identity, however, it poses a risk to the professional identity.

This insight is important: it elevates the potential risk that audit firms and professional auditors may face should they fail to contribute to professional identity formation effectively or to firmly establish and maintain a professional identity for auditors (Dellaportas et al. 2019). This impact is that auditors may act in ways inconsistent with the professional requirements. The ability to fully understand auditors' social identities and influences provides a better context to threats against upholding ethical values such as independence (Warren & Alzola, 2009).

Although this risk differs from Dellaportas et al.'s (2019) findings posed by self-identity when stronger than professional identity, the consequence on auditor conduct and adherence to ethical values is the same. In both cases, professional identity is overpowered by any of the two identities.

2.4.4   Conclusion

The data shows that professional identity is important to the audit profession and significantly influences the auditors' values and behaviour, which influence ethical conduct. There is inconsistency in the literature on the weighting of professional identity over organisational identity and the impact of one on the other. The potential conflict between the two identities poses an ethical threat to the auditor's conduct where the firm identity has higher influence and is contrary to the professional ethical values.

Additionally, a threat to an auditor exists when an immature or weak professional identity is overpowered by a salient self-identity inconsistent with the desired ethical values (Dellaportas et al., 2019). Further research is recommended to explore whether the assumed duality of auditors made up of firm and professional identity is sufficient to capture the wealth of identities auditors may have. This may be borne from respective demographic and socially related identities and exposure to client identities (Broberg et al., 2018).

2.5.   Auditors' ethical conduct

Garcia-Falie`res & Herrbach (2015) summarise the importance of auditors in upholding corporate governance principles. This is seen as a symbol of and contributor to an ethical corporate world. Morales-Sánchez et al. (2020) define ethical behaviour as an "*individual behaviour that is subject to or judged according to generally accepted moral norms of behaviour*" (p. 442) whilst acknowledging the inadequacy of the definition of ethical conduct across literary works. Hazgui & Brivot (2020) define accounting ethics as the experts' obligation to towards multiple stakeholders, including regulators, clients and the general public.

Auditors' professional ethics include integrity, confidentiality, technical competence, objectivity and independence. Warren & Alzola (2009) examine independence as a pillar and define it as a conflict of salient identities rather than the traditional concept of a conflict of interest. This exposes the strong alignment of identity, interest and conduct or behaviour. Previous research has focused on the threat of auditors' ethics due to the conflict between professionalism and commercialisation of audit firms and related practises (Samsonova-Taddei & Siddiqui, 2016).

Even with defined principles and regulations on ethical conduct for the profession, what is considered ethical seems more influenced by the socialisation process within firms (Hazgui & Brivot, 2020). A potential threat arises where practises within the firm may deviate from the professional standards. Hazgui & Brivot (2020) found that audit partners in most instances

would seek advice from those within a circle when making ethics-related decisions, demonstrating the influence of the socialisation within a group with shared professional identity. It, therefore, indicates that auditors have the potential to influence each other positively or negatively.

Auditors must balance the professional and public interest to perform work objectively and independently while maintaining sustainable business growth. These notions seem to present a conflict in priorities due to the pressure to prioritise clients' interests for retention and business growth aspirations. This whilst maintaining a professional culture that promotes adherence to professional and ethical standards. Samsonova-Taddei & Siddiqui (2016) credits the growing culture of commercialisation in the profession as one of the key contributors to the many corporate failures such as Enron, WorldCom, and many others.

Whilst appreciating that the audit profession is highly regulated by international standards, questions have been asked as to the effectiveness thereof to regulate ethical conduct of professionals. Other scholars have also questioned whether merely following the rules as outlined on the standards does not disadvantage auditors in building ethical values and virtues, which may be more effective in guiding behaviour (Samsonova-Taddei & Siddiqui, 2016) This would suggest that regulations by nature are limited in creating and sustaining the ethical commitment in the audit practises.

2.6.   Impact of professional identity on ethical conduct

The social identity approach highlights the differentiation of an individual's behaviour when the personal identity is more salient than the social image, and vice versa, thereby appreciating the importance of the influence of identity on the conduct of an individual (Van Dick et al., 2018). There is consensus that auditors' professional identity influences the auditors' social norms, values, beliefs, and behaviour based on research conducted across various levels of seniority and exploring circumstances pre-, during and post-employment within audit firms (Brouard et al., 2017; Stack & Malsch, 2022; Hazgui & Brivot, 2020).

Research suggests that an auditor's professional identity significantly influences behaviour. The study by Dellaportas et al. (2019) on a professional auditor convicted of theft and fraud found that the perpetrator's behavioural conduct was consistent with a fragile professional identity. As highlighted above, the literature posits a hypothesis for a degree of congruence between the salience of an identity and the related behaviours of that identity. Thus far,

research has confirmed that people with professional identities consistent with professional norms are most likely to adopt the defined ethical norms and behaviours of that profession.

The professional and self-identities of professionals need to reconcile as this enables adoption of the ethical norms and behaviours of the profession (Dellaportas et al. 2019; Sarraf-Yazdi et al., 2021). Conversely, where the self-identity or the firm identity is stronger than the professional identity, the auditor's conduct risks not adhering to the professional requirements and related ethical values (Dellaportas et al., 2019; Broberg et al., 2018). These findings are important to interrogate as an auditor's behaviour that continues to attract much attention is that of ethical conduct, also referred to as ethical behaviour and at times as ethical decision-making (Morales-Sánchez et al., 2020; Broberg et al., 2018). The increased scrutiny stems from recurring scandals of unethical behaviour in recent decades.

Dellaportas et al. (2019) highlight that people's conduct is strongly influenced by the group's expectations that form part of a professional identity and, therefore, regulates conduct in line with the expectations of the group and the commitment thereto. Evidence gathered from this study points to the fact that the offender's personal or self-identity was in conflict with their professional identity. When a period of personal financial crisis arose, the identity neglected was the professional one.

Review of causes exposes that when professional identity formation does not fully mature when there is limited time exposure to the professional group and experienced exemplars who also considered themselves to be part of the group. This suggests that professional identity cannot only be informed by technical exposure; but should be supported by a socialisation aspect (Sarraf-Yazdi et al., 2021). Furthermore, the findings show that the distance of the offender from visible leadership and professional role modelling isolates and deprives the candidate of the professional traits that would have developed critical soft skills during socialisation (Dellaportas et al., 2019).

2.6.1 Conclusion

The saliency of professional identity bears a high degree of influence on the individual's conduct in that the target group's social norms, values and beliefs for alignment form the foundation of the identity. This exerts a strong influence on what is considered to be acceptable behaviour. Lived ethical values inform the behaviour of individuals within the group. Thus, the conduct of auditors is highly influenced by the norms of the professional identity upon which the group is built. Dissonance between the identities will result in the salient identity informing

the behaviour of the auditor and in instance where the professional identity is immature or weaker than self and firm identity, the auditors' propensity to breach professional standards in respect of ethical conduct will be heightened.

2.7.   Literature conclusion and literature gaps

2.7.1   Literature review conclusion

Garcia-Falie`res & Herrbach (2015) emphasise the differentiation of organisational and professional identities in the audit environment. The authors highlight that, individually, these bear different emotions in auditors. The scholars cite several studies showing that emotions influence auditors' judgement and ethical behaviour when faced with client pressures.

Mardawi et al. (2023) expanded on the importance of auditors' integrity, objectivity, and honesty in performing work. This extends to the importance of the firm's ethical climate in creating a shared perception of ethics and how it serves as essential steer to what is and is not acceptable. These findings suggest that where an auditor has had sufficient exposure to the professional identity influenced by the firm, said identity may supersede the self-identity and its values and ethical practises.

In summary, literature demonstrates that identity influences one's behaviour and by extension ethical consciousness. It also demonstrates interlinkages between self-identity, professional identity and firm identity and the extent that one may have greater influence over the others.

2.6.2 Literature gaps and recommendations

Further research is recommended on the professional identity of auditors in firms operating in under-researched geographical areas, one of which is the African region, an area with more socio-cultural diversity. Additional recommendation is for research into professional identities of auditors in mid-tier and local firms other than the "big 4"; and those with different personal experiences (Stack & Malsch, 2022; Dellaportas et al., 2019). Further, scholars advocate that future exploration should examine how the identity of professional accountants in large and smaller firms may differ (Brouard et al., 2017).

This study responds to the recommendations and also found opportunity to explore the multiplicity of auditors' identities, considering factors such as culture, demographics and socio-related personas, relative to the assumed duality of auditor's identity made up of professional and firm identities (Garcia-Falie`res & Herrbach, 2015; Broberg et al., 2018). Dellaportas et al.

(2019) also recommend further research on the optimal path to balance conflicting identities, such as organisational versus professional profiles, thereby minimising the risk of unethical behaviour.

Recommendations were made for the research to be expanded to geographical areas with socio-cultural challenges different from those in the Western region. Therefore, the context for this study was audit firms of different sizes (small, medium and "Big 4") operating in South Africa, thereby contributing to the gap in the literature.

In addition to the above recommendations, this study contributes to the variables debated above relating to the influence on professional identities of auditors, and the extent that it may threaten ethical conduct required by the professional standards. Given the above discussion, the research question that guided the study is *How is the professional identity of auditors influenced by their respective self-identity and the firm identity, and the consequential effect on the desired ethical conduct?*

Chapter 3 expands and discusses the basis of research questions that guided the study.

Chapter 3: Research questions

Chapter 2 presented the literature review and exposed the gaps that this study set out to address and thus informed the research questions pursued in the study (McCracken, 1988). This section presents the research questions that guided the researcher in framing a primary data-driven process to explore key phenomena (Saunders et al., 2019; Creswell & Poth, 2016).

3.1 Context

The literature reviewed in Chapter 2 highlights the significance of firm identity on auditors' professional identity. Where an auditor has had sufficient exposure to the firm identity, this can influence values and ethical practises (Garcia-Falie`res & Herrbach, 2015). Additionally, previous research found that where the firm identity displays behaviours contrary to the professional standards and related requirements, this will adversely influence the auditors within the firm (Stack & Malsch, 2022; Dellaportas et al., 2019).

Recommendations are for further research into the professional identity formation of auditors in regions with socio-cultural diversity. Attention should also include firms that are smaller than the "big 4" (Stack & Malsch, 2022; Dellaportas et al., 2019; Brouard et al. (2017), as well as balancing the conflict of identities between firm and professional identities (Dellaportas et al., 2019) to minimise unethical conduct.

The research study examines the influence of self and firm identity on professional identities of auditors, and the extent that these may threaten auditors' ethical conduct as required by the professional standards.

3.2 Research Questions

The main research question was: *How is the professional identity of auditors in the South African context influenced by their respective self-identity and the firm identity, and the consequential effect on the desired ethical conduct?*

The sub-questions to the main research question explored through qualitative analysis of interview responses are the following:

Research sub-question 1: What are the key contributors to the professional identity of an auditor?

Professional identity is defined as an integration of personal and professional self, an individual's definition of self as a professional member, and closely associated with how the professional role is fulfilled (Sarraf-Yazdi et al., 2021; Goto, 2021). The specifications of the profession, the associated training, and the organisation one practises in are key contributors to professional identity.

Research sub-question 2: Is professional identity influenced by self-identity or the identity of the employing firm?

Whilst the literature discussion acknowledged various factors contributing to professional identity, self-identity is a foundational pillar of formation (Sarraf-Yazdi et al., 2021; Goto, 2021). In addition, it was found that auditors' professional identity is driven by the need for belonging and progression with the firm, hence there is pressure to conform to rules of the firm rather than general norms of the profession (Stack & Malsch, 2022; Dellaportas et al., 2019). Evidently, the significance of the audit firm's character on the auditor's identity and the degree that self-identity has influenced professional identity needs to be understood.

Research sub-question 3: How do auditors experience congruence or tension between professional and firm identities?

Research conducted on auditors in the Big 4 firms found that auditors are exposed to two forms of identity, the firm identity and the professional identity, which are sighted as two distinct identities (Garcia-Falie`res & Herrbach, 2015). Ideally, there should be a high degree of congruence between the two identities; however, where there isn't, internal conflict impacting auditors' values, beliefs and conduct may arise. Auditors with a strong attachment to the firm identity may be exposed to the threat of compromising the professional requirements. Similarly, auditors with a closer affiliation to professional standards may find contradiction with the firm's norms and beliefs, and risk non-acceptance within the firm (Garcia-Falie`res & Herrbach, 2015; Stack & Malsch, 2022). Equally, an auditor with weak professional identity, and a stronger self-identity may pose a threat to what is considered acceptable behaviour within the profession when faced with extreme pressure (Dellaportas et al., 2019).

Research sub-question 4: Are personal ethical attributes more aligned and influenced by the firm identity, professional identity or by self-identity?

Previous studies have found that there is a degree of congruence between an identity and the behavioural aspects of that identity, thus professional identity that is not firmly established can be overpowered by trait of a dominant alternative identity (Dellaportas et al., 2019). Where the self-identity of an auditor or the firm identity is stronger than the professional identity, the auditor's conduct is at risk of not adhering to the professional requirements and related ethical values (Dellaportas et al., 2019; Broberg et al., 2018).

Research sub-question 5: What is required in audit firms to strengthen the ethical behaviour of auditors?

Limitations have been noted in the professional body and regulator's ability to effectively regulate the auditor's conduct in comparison to firm expectations and enforcement (Samsonova-Taddei & Siddiqui, 2016; Dellaportas et al. (2019). Professional identity cannot only be informed by technical exposure but should be supported by socialisation (Sarraf-Yazdi et al., 2021), which would be experienced within the firm. Therefore, auditors' daily experiences, as informed by the firm's norms and values, hold a higher influence than professional standards set by the auditing community, which individuals are not exposed to through daily activities (Broberg et al., 2018).

Chapter 4: Research methodology and design

4.1.   Chapter overview

This chapter describes the research design used to capture responses to the research question and sub-questions outlined in Chapter 3. According to Busetto et al. (2020), research design selection should be informed by the research questions the study seeks to answer. This chapter therefore outlines the research purpose, the philosophy and approach, population, sampling, and covers matters relating to data gathering and analysis; and research quality control deemed most suited to the research questions. Figure 3 summarises key topics covered in this chapter.

4.2 Purpose of research study

4.3 Philosophy - Intepretivism

4.4 Methodological approach - Inductive

4.6 Research strategy - Qualitative research interviews

4.9 Sampling technique - Purposive sampling
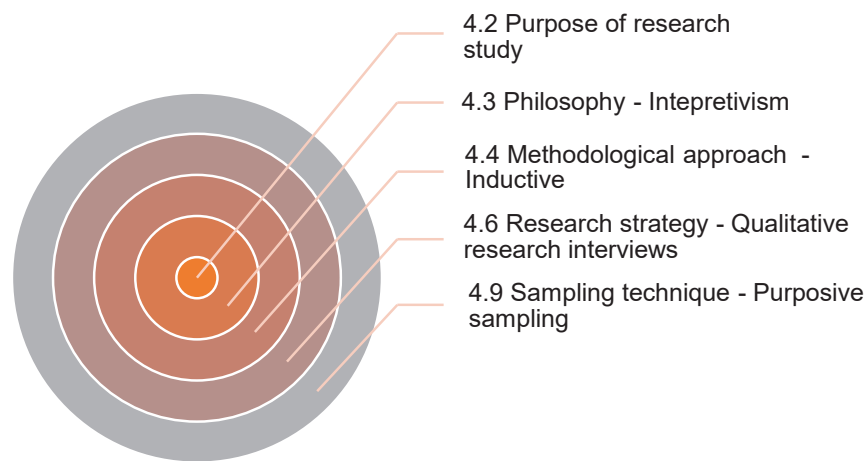
Figure 3: Outline of Research Design chapter (Source: Author)

4.2.   Purpose of research

The study explores how the professional identity of auditors operating in a socio-cultural environment like South Africa is influenced by personal and firm identity as well as consequential influence on auditors' ethical values and behaviours.

4.3.   Philosophical Assumptions

Creswell & Poth (2016) reflect on the five philosophical assumptions that inform the choice of qualitative enquiry that a researcher undertakes and highlight the importance of assumptions and the practical implications on the research conducted. Philosophical assumptions enable an understanding of the most appropriate research strategy and methodology for a research project. Ontology is the understanding of reality and its respective characteristics; whereas epistemology concentrates on how the reality is known from the researcher's perspective

(Creswell & Poth, 2016; Bell et al., 2022). An **interpretive philosophy** was applied in this study as it supports the interrogation of auditors' experiences, reflecting on lived experiences in social contexts.

4.4.   Research approach to theory development

An **inductive approach** explores relationships between variables through a data-driven process that employs subjective interpretations (Saunders et al., 2019; Bell et al., 2022). The inductive approach was appropriate for the research questions which sought to explore the relationship between professional, self and firm identity and the extent to which this impacts ethical conduct of auditors.

4.5.   Methodological choice

According to Alharahsheh & Pius (2020), qualitative research seeks to understand the relationship and build on the theory. McCracken (1988) expands the definition, stating that qualitative research reveals inter-relational patterns across various concepts based on interviewees' experiences and thus cannot be generalised. This study followed a qualitative design to expand on identity theory concerning auditors in the South African context. The data gathered detailed the participants' experiences and enabled themes on identity to emerge guided by the research questions and focus concepts.

Stack & Malsch (2022) examined the formation of professional identity found that most of the research conducted in this field was qualitative as related methods were useful in enabling the researcher to garner understanding of the experiences of professionals within the field. Similarly, Dellaportas et al. (2019) studied fragile professional identities and found that semi-structured interviews enabled participants to express themselves fully. For the type of study pursued, and the objective to discover participants' insights, data sought was words and expressions rather than numbers (Busetto et al., 2020; Hancock et al., 2009).

4.6.   Research strategy

Considering the nature of the study and the research question, the use of semi-structured interviews was found to be optimal in that it enabled the gathering of information that is relevant to the research questions and enabled the researcher to probe where required (Saunders et al., 2019; Creswell & Poth, 2016; Busetto et al., 2020). Considering the different interview methods, a semi-structured interview approach conducted in a dialogical style in a one-to-one interview was chosen for the engagements.

The data gathered in this way enabled the comparison of participants' responses through deductively framed themes during the coding and analysis phases of the research. The interviewing approach also created an opportunity to identify emerging constructs from the responses and experiences of participants, which were not initially considered in the study. According to Busetto et al., (2020), the advantage of the interactive approach of qualitative interviews allows for emergence of unexpected topics or new information.

4.7.   Population and research setting

Defining the population of interest in the research study is important in that it enables clarity of which entities the outcome of the study should be associated (Casteel & Bridier, 2021). Saunders et al. (2019) emphasises the importance of relation between the population and the research question and objectives. The literature gaps this research sought to address was that previous studies focused on big audit firms, with the recommendation that future research should be expanded to smaller firms as well.

The research population was made up of auditors employed within what were assessed to be large, medium, and small firms to enable within diversity the analysis. According to IRBA (2023), approximately 1 830 audit firms are registered within the institution, and approximately 3 567 auditors. Based on this information, it is impossible to determine the number of registered auditors per registered firm. It should be noted that other professional bodies house specialist auditors registered outside of IRBA, for example SAICA, Institute of Internal Auditors (IIA) for auditors specialising in internal audit, and Information Systems Audit and Control Association (ISACA) for IT auditors. It therefore was impossible to quantify the population's size nor identity all elements about this population, creating a necessity to identity a target population for selection of the sample (Saunders et al., 2019).

Casteel & Bridier (2021) highlight the importance of identifying a target population to ensure that participants can represent the needs of the study pursued, enable efficacy, and accommodate the limited resources, including the time that the research can be conducted. Therefore, the target population was auditors practising or have practised in a firm for more than 5 years to enable the selection of auditors who have spent considerable time at a firm to develop their professional identity and experience the firm identity. There were no time constraints imposed on the target population. Thus, auditors could be current or former employees of an audit firm.

4.8.   Unit of analysis

Casteel & Bridier (2021) summarise the definition of unit of analysis as the entity described by the collected data, that will be analysed to explain the outcome that responds to the research question, and ultimately provides a conclusion on the research. In determining the most appropriate data collection approach to collect quality data to support the research study, the access point needed to be individuals who have experienced the identity of audit firms (Creswell & Poth, 2016). Therefore, the unit of analysis for this research was individuals, as the study intended to explore the lived experience of employment in audit firms in South Africa for a time.

4.9.   Sampling method, sampling frame and sample size

According to Saunders et al. (2019), sampling techniques can be divided into two groups probability sampling and non-probability sampling. One of the sampling techniques with non-probability sampling is purposive sampling. This entails using judgement to select particularly informative cases and best suited to answering the research questions at hand. Purposive sampling strategy supports the importance of qualitative interviews being the ability to access the participants that share specific characteristics and cultural categories relevant for the study and its focus, and is not intended for generalisability (McCracken, 1988; Creswell & Poth, 2016).

4.9.1. Sampling method

A purposive sampling strategy was applied for this study to enable the application of judgement in selecting individuals who were able to offer depth and insights to the research and interview questions, service area within the firm and experience within audit firms, qualities that were important to pursue in the questioning (Casteel & Bridier, 2021; Saunders et al., 2019; Creswell & Creswell, 2017). According to Busetto et al. (2020), purposive sampling allows the researcher to cover all relevant variations as informed by the theory, literature review and previous experience of the researcher.

A sampling strategy was applied by contacting former and current colleagues, networks, and acquaintances. These were individuals who have previously practised or are currently practising or operating in audit firms of different sizes, both private and public. Access to the relevant sample for the qualitative interviews offered the researcher a view into the rich experiences of the participants, personal characteristics, and that of the audit firms represented and the respective cultures. Creswell & Poth (2016) emphasise access to people aligned with the sampling strategy deployed, as well as the importance of establishing rapport to secure quality data by reaching out to existing networks through purposeful sampling.

4.9.2. Sampling frame

Saunders et al. (2019) define a sampling frame as a complete list of cases in the target population from which the sample will be drawn. The sampling frame considered the population of auditors with audit firm experience, right geographic location. An individual's tenure with a firm ensured enough exposure to experience the firm identity. The sampling frame, therefore, was auditors who are currently practising or have practised in audit firms based in the Gauteng province of South Africa with a minimum staff complement of fifty (50).
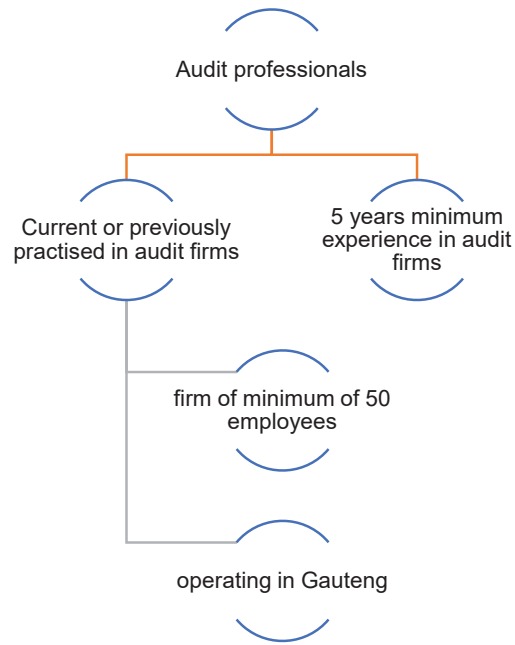
Figure 4: Sampling frame (Source: Author)

4.9.3. Sample size

Saunders et al. (2019) provide guidelines to determine non-probability sample size norms for qualitative interviews dependent on the research purpose and state that sample sizes should be informed or influenced by the research objectives and questions. Scholars concur that a sample of 20 is appropriate for qualitative interviews (Bell et al., 2022; Casteel & Bridier, 2021). McCracken (1988) however positions a compelling point that for qualitative research purposes, the intention is to mine data rather than survey the terrain, thus the emphasis is on the intensity than extensiveness.

Another consideration in determining a sample size is ensuring continuity of data collection until saturation is reached; however, that also does not determine the sample size (Saunders et al., 2019). The sample size selected for the research study was fifteen (15) auditors across audit firms within the sampling frame. The target was auditors who have practised in a firm for more than 5 years to select individuals who have spent considerable time at a firm to develop a professional identity and experience the firm identity. There were no time constraints in the target population. Thus, auditors may be current or former employees of an audit firm.

4.9.4. Access to participants

Potential participants were identified through existing professional and personal networks of professionals within the sampling frame. If the initial approach does not secure participants that meet the sample size, alternative approaches to be followed was to extend the identification of potential participants to social, professional platforms like LinkedIn and reach out to professional bodies and secondary networks through former and current colleagues. All participants were secured through existing networks, and a need to deploy alternative approaches did not arise.

Cropley (2015) emphasises the importance of informed consent, which anticipates potential risks and ensures due care is taken to mitigate the risks to the participants. All participants were requested to sign an informed consent form to confirm their permission to participate in the interviewing as well as the data handling and storage processes.

4.10. Research instrument

Qualitative interviews are conversations with a goal in mind and appropriate for gaining insights from participants subjective experiences (Busetto et al., 2020). Considering the nature of the study and the research question, the use of interviews was optimal in that it enabled the gathering of relevant information and enabled the researcher to probe where required (Creswell & Poth, 2016; Saunders et al., 2019). A semi-structured approach was selected and conducted in a dialogical style in one-on-one interviews that allowed for structured engagement through an interview guide informed by the topic and literature review (Busetto et al., 2020).

Open-ended questions were used and served as prompts to ensure that all research phenomena were covered (McCracken, 1988). The list of the interview questions is outlined in Appendix 1. The first two interviews served as pilots that enabled the researcher to assess the participants level of understanding of the questions, and the extent that responses were relevant to the research questions. This approach also created an opportunity to test the questions' wording and the ease with which participants could respond to the topics of discussion (Busetto et al., 2020). It was important to ensure that questions were phrased to allow participants to give comprehensive responses (Cropley, 2015). The piloting resulted in adjustments to the sequencing of the questions and simplifications of terms used.

4.11.   Data gathering process

4.11.1. Ethical considerations and clearance

Researchers have an obligation to protect their human subjects, especially those who may be considered vulnerable to potential harm and risk, by partaking in the study (Creswell & Poth, 2016; Cropley, 2015). Before gaining access to the identified sample for data collection, an ethical clearance application was made to the GIBS Masters Research Ethics Committee (MREC) for consideration of the study and method of research thus ensuring protection of participants' rights through the impartial assessment of potential risks and impact. The application was submitted for approval on 4 September 2023. The submission included the proposed methodology, a draft of the informed consent statement, the interview questions, and the confidentiality agreement for outsourced services such as transcribing.

4.11.2. Research interviews

On confirmation of the ethical clearance approval, interviews were scheduled with fifteen participants and held over a period of five weeks, between 26 October and 3 December 2023. All interviews were conducted virtually and recorded through the Teams Application's video and audio recording functionality. They were also transcribed by an independent transcriber in line with the confidentiality agreement signed for this purpose. Contextual notes were taken during the interview, capturing key moments and highlighting pointers. It is important that a record of verbatim transcripts be prepared to prevent a summarised account of participants' responses that can distort the outcome of the study (McCracken,1988).

Whilst the interview questions and the sequencing thereof was pre-determined, the researcher allowed flexibility and followed the participant responses to determine the sequencing and probing of questions. The natural flow allowed for an open conversation and minimised obtrusive questioning (McCracken,1988).

The interviews also allowed for an opportunity to interrogate emerging themes from the participants. Whilst specific questions can be asked as a guide to the discussion, the researcher also has opportunity for real-time exploration of the responses which contributes to richer quality of data in comparison to written responses (Casteel & Bridier, 2021). The approach followed also created an opportunity for participants to express the "what" and "how" to the research questions, and most importantly the root source of responses providing access to authentic accounts (Saunders et al., 2019). The benefit of the exploratory research strategy was further evidenced by opportunities to explore unstructured responses, which is essential for a qualitative study (McCracken,1988).

4.12. Duration of the research interview

Interviews were expected to range between 45 to 60 minutes, considering the richness of data that can be gathered in open-ended interviews. This was anticipated to afford the researcher sufficient time to probe responses where necessary and enable the gathering of quality data relevant to the research objective.

Of the fifteen (15) interviews conducted, the majority were within the anticipated time range, with only one spanning longer than 60 minutes and two slightly over 35 minutes. Table 1 outlines the duration of each interview and the number of pages for each transcript:

Table 1: Data gathering population - Participants interviews

Participant identifier	Date of interview	Method interview conducted	Duration	Page numbers of transcript
Participant 1	26 October 2023	Teams	1 hour 09 mins 30 sec	42
Participant 2	26 October 2023	Teams	36 mins 56 sec	12
Participant 3	30 October 2023	Teams	59 mins 02 sec	13
Participant 4	31 October 2023	Teams	41 mins 58 sec	10
Participant 5	4 November 2023	Teams	35 mins 47 sec	9
Participant 6	5 November 2023	Teams	37 mins 03 sec	11
Participant 7	18 November 2023	Teams	59 mins 56 sec	16
Participant 8	19 November 2023	Teams	54 mins 06 sec	16
Participant 9	23 November 2023	Teams	44 mins 0 sec	22
Participant 10	21 November 2023	Teams	48 mins 28 sec	14
Participant 11	23 November 2023	Teams	58 mins 17 sec	11
Participant 12	29 November 2023	Teams	50 mins 21 sec	12
Participant 13	30 November 2023	Teams	40 mins 39 sec	12
Participant 14	30 November 2023	Teams	45 mins 28 sec	11
Participant 15	3 December 2023	Teams	32 mins 12 sec	9

4.13. Data storage

All fifteen interviews were recorded, transcribed, and annotated with field notes and schedules of interviews and verifications to maintain completeness of quality as fit for audit purposes (Bell et al., 2022). To protect the confidentially and data privacy of the participants, the data collected was stored on a personal laptop with access control measures and encryption security features. The data was also backed up on an encrypted hard drive and stored with restricted access.

4.14. Data analysis approach

The objective of the analysis exercise was to determine the categories, relationships, and assumptions of the research questions from the participants' perspective (McCracken,1988). The analysis should be aligned, the research methodology applied, and the ontological and epistemological assumptions (Bleiker et al., 2019). As data was gathered through recorded one-to-one interviews, each interview was transcribed, transcripts summarised, and emerging key points identified through coding and theming.

The researcher initially sourced services from an independent transcriber; however, quality challenges were noted after reviewing the first two transcripts. The codes were not linked to verbatim accounts of the data, and in some instances, the information did not align with the field notes the researcher had taken. As a result, the services of the first transcriber were terminated, and a different transcriber was sourced through a trusted reference. The second batch of transcriptions was validated by reading the transcripts, reconciling to the field notes, and listening to the recordings to ensure consistency.

The coding entailed categorising raw data sources with terms identified in the literature review (Busetto et al., 2020). Braun and Clarke (2006) outline six steps within the thematic analysis process: familiarising yourself with data, generating codes, searching for themes, revising the themes, defining and naming themes, and report writing on the noted observations. Thematic analysis entailed identifying themes from the interview outcomes with participants. This enabled related data to be drawn from the different transcripts, leading to rich thematic descriptions of the phenomena in focus (Saunders et al., 2019). To create efficiencies with the data analysis, Computer Assisted Qualitative Data Analysis Software (CAQDAS) was utilised, with the specific tool used for the study being Atlas.ti.

4.15.   Research quality control

Bleiker et al. (2019) discuss criticism against qualitative methodology, questioning its subjectivity and the bias it potentially brings to research. However, some authors believe that reflexivity and inherent subjectivity add to the depth and richness of qualitative work.

Some research quality criterion deployed included respondent validation that entailed provision of the interview transcript summaries and notes to the participants to assess alignment of the key messages communicated during the interviews (Bell et al., 2022). This approach allowed the participants to co-create the respective narratives from personal perspectives, thus ensuring the credibility of the collected data.

The data collected was recorded as transcribed interviews based on the respondents' experiences and interpretations. Each transcription was read through and reconciled to the recording to ensure that it was accurately captured. Further, the researcher verified the transcripts against field notes taken during the interviews to ensure that responses were correctly captured.

An additional quality criterion that formed part of the research was reliability through retention of all interview records, transcripts, fieldnotes and schedules of interviews and verifications such that it is maintained in the same completeness quality as fit for audit purposes (Bell et al., 2022; McCracken,1988). Maintenance of records will enable independent verification of the research conclusion and findings per the respondent's input and responses.

4.16.   Limitations of the research design and methods.

This section reflects on the limitations known to the researcher in pursuit of transparency and mitigating any risks pertaining to the research. The research limitations were the following:

The researcher had practised as an auditor in two audit firms for approximately 21 years during their career. The participants interviewed had either previously worked with the researcher in the same firm or been part of the same network over the duration of their careers. To mitigate the limitation of familiarity, the researcher actively created distance by being unassuming in the interviews and probing in instances where the participant was not explicit in articulating experiences.

Participants reflected on firms they had experience in. The researcher had previously worked at two of the firms. To mitigate the limitation of assumptions, it was important for the researcher to maintain an interaction distance to ensure acute awareness during the interviews and in analysing the data. Furthermore, the researcher had not been in the industry for approximately 18 months while conducting the interviews.

Whilst the sampling frame did not require specification of gender or race demographics as that was not the intention of the study, the research participants were skewed towards black African males. Therefore, the findings may not represent other races that were not prominently represented.

The application of thematic analysis on the data collected may also have brought subjectivity in the descriptions of the codes based on the researcher's interpretation of collected data. It is acknowledged that a different researcher may interpret the findings in a different manner.

Chapter 5: Results of research

5.1 Introduction

The study aimed to explore the relationship between the professional identity of auditors and the audit firms of operational practice. Qualitative depth interviews were used to gather data from fifteen participants reflecting lived experiences within the firms. Some participants were still employed by the audit firms at the time of data collection, and some had moved to corporate roles.

5.2 Demographics of participants

5.2.1   Biographical profiles of participants

Table 2: Demographics of Participants

Participant identifier	Gender	Race
1	Male	Coloured
2	Male	Black
3	Male	Foreign national
4	Female	Foreign national
5	Male	Black
6	Female	Foreign national
7	Male	Black
8	Male	Black
9	Male	Black
10	Female	Black
11	Male	Foreign national
12	Female	Foreign national
13	Male	Black
14	Male	White
15	Female	Black

Of the interviews conducted, 66% of the participants were male, with 33% female. Of the fifteen participants, five (33.3%) we foreign nationals who started auditing careers in firms located in other regional countries in Africa. These individuals were now pursuing professional growth within the South African audit industry. This diversity in the participants enabled the research to meet the literature gap of professional identity in other socio-economic regions, specifically Africa.

5.2.2 Audit firm exposure of participants

Table 3: Participants' audit firm experience

Participant identifier	Position in last role	Audit firm experience	Firm identifier
1	Associate Director	19	1,2, 3
2	Associate Director	14	1, 2
3	Senior Manager	7	4, 5
4	Senior Manager	14	6, 7, 8
5	Senior Manager	10	1
6	Partner	16	1, 4, 10
7	Partner	23	10, 11
8	Director	18	1, 2
9	Associate Director	19	10, 2
10	Director	14	1, 2
11	Partner	15	12, 13, 14
12	Director	19	1, 4, 14, 15
13	Senior consultant	6	16
14	Director	16	16
15	Senior consultant	5	15

The participants had over five (5) years of experience in audit firms in line with the sampling frame, with a wide range of tenure within firms. The participant with the longest tenure in audit firms had twenty-three (23) years' experience while 53% of the participants had longer than 15 years practise tenure in firms. Four (26%) had only been in one firm during their career, while others had been in multiple firms, with one (Participant 12) having been in at least four firms. Participant 3 was recorded as having worked at three firms due to the tenure within those firms. However, this individual had worked at multiple other small firms for shorter time periods which were considered inadequate duration for sufficient opportunity to understand the firm identity.

5.2.3 Audit firm profiles

Collectively, 15 audit firms were represented by the participant pool. Table 4 outlines the number of participants per firm, as well as the size and nature of each firm.

Table 4: Employer Audit firm profiles

Firm #	Type		Size of firm by number of employees				
	Public	Private	50 - 100	100 - 500	>500<1000	>1000<2000	>2000
1		x					x
2	x						x
3		x	x				
4		x					x
5		x					x
6		x		x			
7		x			x		
8		x		x			
10		x					x
11		x	x				
12		x		x			
13		x	x				
14		x				x	
15		X		X			
16		X					x

As depicted in Table 3 on the previous page, Firms 1 and 2 employed the highest number of participants during their careers. This observation is consistent with the size of the firm and its ability to house a high number of employees at any given time.

When looking at the spectrum of audit firms covered through the participants, six were considered large regarding staff compliment, six in the mid-tier and three were considered small firms. This variety enabled this study to meet the objective of capturing data on professional identity from audit firms smaller than the Big 4.

5.3 Responses to research questions

5.3.1 Research sub-question 1: What are the key contributors to the professional identity of an auditor?

The participants interviewed reflected on the descriptors of professional identity and the main contributors from personal experiences. Participants' descriptors and contributors were grouped into four themes.

Theme 1 – Value based professional identity

In this category the participants described own professional identity as values lived by, which were part of personal backgrounds and teachings from an early age. The descriptors covered values such as ethical, integrity, personal brand consciousness and equated it to personal identity.

Value based					
Ethical and principled	Transparency	integrity	Fairness	Respect for self and others	Christian

Figure 5: Value-based professional identity

"I identify as someone who strives to add value in the profession." P4

Theme 2 – Success orientated professional identity

In this category, participants described professional identity on the basis of professional performance, vision and aspirations. This included use of descriptors such as always challenging the status quo, aggressive, self-driven, self-development orientated and hardworking.

Aspiration, vision and impact focused				
Driven and passionate	Assertive and controversial	Impact based	Rule based in decision making	Desire for self development and growth
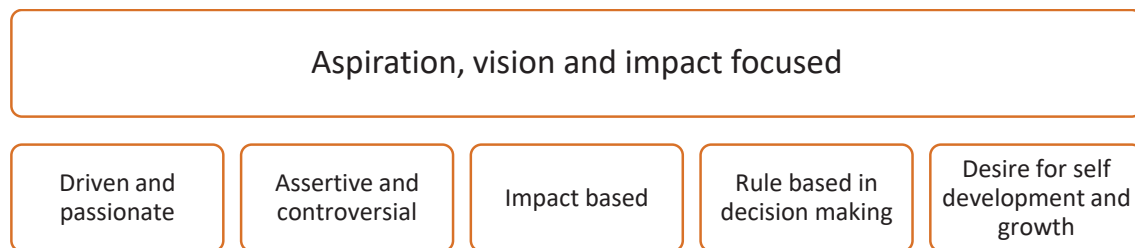
Figure 6: Career-based professional identity

"What informs me is my dreams, my desire, and the goals that I set for myself. I go for what I dream about." P3

"I think from a belief perspective, believing in myself that whatever I can dream, I can achieve, being motivated in that regard because I honestly believe that if you can see yourself within a specific – and it can be anything …it can be from a career perspective somebody that really achieves the highest accolades. If you believe in that and you work hard towards that, you can achieve that." P14

Theme 3 – Impact of academic training

Participants in this category credited professional identity to academic training as the first initiation into the profession. These participants felt that professional identity was borne from the academic exposure obtained as that is where a sense of the profession is first obtained, exposing what is required within the industry.

"And I mean where some of us come from in terms of study is you already have learned how you're supposed to be behaving and carrying yourself as an auditor, you know, and then that learning, you take into the profession. You know when you're doing your articles already you're enacting what you have learned, and then some of the things come with experience and what you would observe from the firm's perspective." P2

Theme 4 – Contribution of the audit firm

Participants in this category felt that professional identity was mainly borne from the experience with the firm and the exposure afforded to them. The diagram below depicts the descriptors used to describe the how the firm influenced professional identity.

Firm experiences		
Values	Learnings	Opportunites
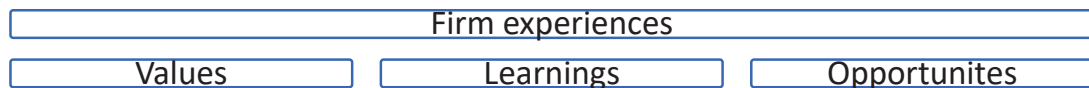
Figure 7: Firm based professional identity

"As a professional I think Firm1 had a lot of contribution to my professional identity, because that was training ground, and I think everything that I've learnt was influenced by the Firm1 identity professionally, more than anything. But it was also aligned to… it was easy because it was aligned to me as a person, so it wasn't something difficult to adjust or adapt to." P5

5.3.2 Research sub-question 2: Is their professional identity influenced by their self – identity or the firm they practised at?

In this question, participants where asked whether the professional identity described in question 1 was influenced by self-identity or the identity of the employing firm. Participants' responses were grouped into four broad themes, with various sub-categories, which are outlined next.

Theme 1 – Professional identity is informed by personal identity

Participants in this theme felt that their professional identity equated to self or personal identity and was driven by the values they upheld as individuals. These include the propensity to serve others and personal background; especially where professional success has changed the narrative from disadvantaged beginnings coupled with extended responsibility for the broader family and community. A fourth category reflected a professional identity informed by the participants' drive for professional growth and the impact one seeks to make in-home communities and environments.
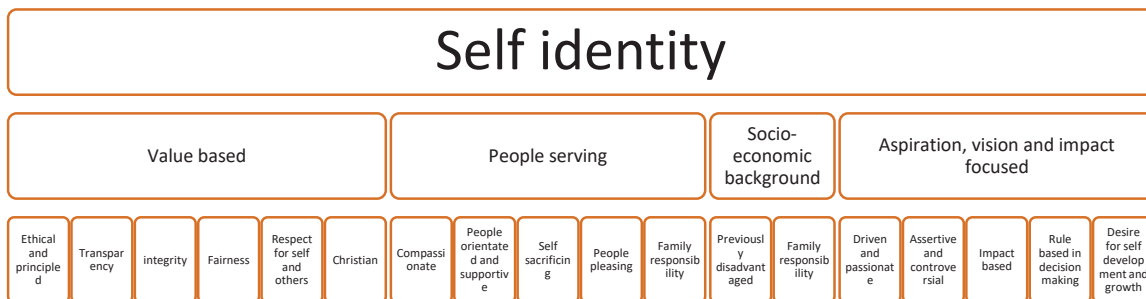
Figure 8: Professional identity informed by self-identity

"The similarities is I always try to live within what is right and what is wrong, that is personally. Professionally I would say that links to my ethical behaviour. And also I

always strive to put my best foot forward and professionally, that is what I do. And I always want to live every, leave somebody's life with a, with a footprint to say, you know, she was in my life." P4

"*So, I'm a person that comes from very, very humble beginnings. I mean, the first to graduate, the first to have an actual professional designation. I think I still am the only one within the family. You know, and wanting so much better for myself.*" P13

Theme 2 – Positive firm identity

Participants in this theme felt that professional identity was mostly influenced by the employing firms. Several specifically reported enduring impact from the firm at which one is first employed. Participants felt that early engagement firms that invest in students whilst still in school and during tertiary form a strong foundation of alliance with those individuals' professional identity. Similarly, the messaging and brand of the firm they were exposed to during those early periods. The diagram below provides details on attributes of the firm identity that participants felt influenced professional identities.
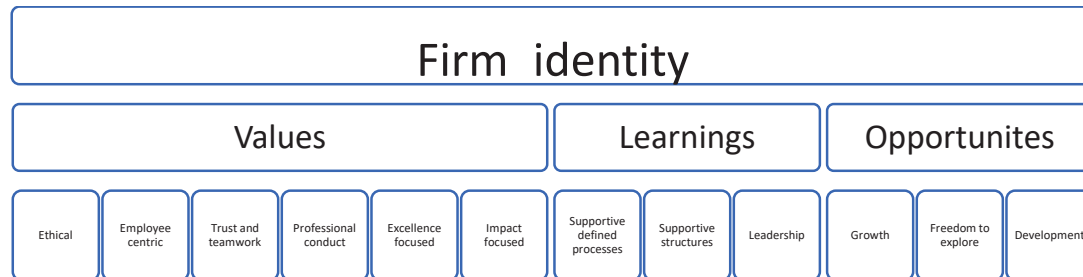
Figure 9: Firm Identity

"*But again, it still stems back to that they gave me that opportunity from the get-go. So that for me cements the identity. More than what happened after or having joined the firm and throughout the firm becoming a stronger professio*nal" P13

Participants also pointed to the culture of conformance, training and work exposure provided in auditing firms as influential in defining the type of professional one becomes, which results in a professional identity.

"*You have to align and conform because you know if you don't, you know the results.*"
P3

"*The firm, in fact, farms people out. There are people who came in, who just didn't fit in with the firm values and they'll farm them out. And it is just as simple.*" P7

"*…because people can see the branding that's on me. So you become really conscious, and you are conscious about how you dress, you're conscious about how you're behaving in public. I'm not going to wear any branding because people will affiliate the brand with maybe what I'm doing. So I need to be aware of that, which then builds into how we become as professionals.*" P13

One participant felt that they owed the ability to have built a career to the firm due to the fact that the firm offered them tuition fees they would not have been able to afford, and provided a job that became a gateway to breaking the cycle of poverty from childhood. Two participants who had subsequently opened private audit firms, declared that the nurturing firm's influence and identity was so valuable, it modelled their professional identity and own firms' identities.

"*My whole family and myself will owe this firm a debt that's far greater than that which I will ever be able to quantify, and a debt which they will ever, far greater than they could ever ask.*" P13

Two additional sub-themes emerged. The first was that the professional identity is informed by the leadership leading a firm, and not necessarily the firm as a whole.

"*But I think the way you choose to carry yourself, especially for an audit firm and to senior management, the way you choose to carry yourself and relate to the staff or the junior members, it changes also how or what kind of work they can do out there and how they can represent you out there.*" P3

A second sub-theme pertained to the impact of a negative experience within a firm. Participants were adamant that bad memories demotivate professional identity alignment. A total of 14 codes emerged in this sub-theme of negative experiences. These included exposure to inconsistent ethical practises and bias in valuing clients and brand at the expense of standards and employees. Others were highly competitive conditions with unattainable success criteria as well as environments that are intolerant of anything that deviates from set norms.

"*Cutthroat environment and sometimes the way in which things are done without having hard facts and evidence on the table could leave the door open for guys to do things that may not always be right.*" P1

"*I was just talking to someone about it now, that particularly with one of the audit firms, sometimes they can make you feel, oh there's more, you are not there yet. There's more. So they can in a way make you feel like you still need to keep aspiring for something, and it takes a lot for you to get to a point where you say, okay, no, I feel like this is now given me a good… that is not attainable*" P6

Theme 3 – Professional identity is a hybrid of self and firm identities

Participants in this theme felt that professional identity is borne from self-identity as a foundation and further enhanced or developed by firm identities. These participants felt that there was a strong alignment between personal values and those of the firm, making it easier to fit within the firm identity.

"*I think from my career perspective and my career history, and specifically currently where we deal with those values on a daily basis, I mean, you would know that from a professional perspective, we really dream and communicate and try to adhere to those values, and I think luckily I'm in an organisation that the values of the organisation are aligned to what I believe; and I think that makes it compatible, and it makes it easy to be in an environment where others around you also believe what you believe – the same values, and striving towards the same beliefs and objectives.*" P14

Theme 4 – Professional identity influenced by other identities

A few outliers were noted in the participants' responses to this question, relating to the influence on professional identity from clients served and, for others, from the professional bodies to which they belonged. Participants reflected on the consequence of the client identity considering the time spent at clients' premises relative to the firm. Those influenced by professional bodies reported formative encounters with the profession through academic training on standards.

"*To a certain extent, because that builds a foundation on a theoretical level. It makes it easier than when you get to an environment like where I was exposed in… because*

we all would have gone through the same foundational level of being introduced to ethics and to professional skills sets." P3

"*How I look at it is that an audit firm is more of a training environment, and being in a training environment, you are not just learning the training supplied by the entity, but the experiences that you have with the clients that you interact with because that where you can model yourself."* P3

5.3.3 Research sub-question 3: Have auditors experienced congruence or clashes between their professional and firm identities?

Participants were asked if they had experienced any incidents where their professional identity clashed with the firm identity during their tenure there. In this section, five themes were identified founded on experiences of direct conflict in the following areas:

Theme 1 - Inconsistent ethical principles and values

Some participants felt that, at times, ethical conduct and values practised within the firm didn't always align with professional and personal values. These responses mainly referred to matters relating to transparency within audit engagements, competence and quality of work, and client billings.

> *"As a person, I'm really someone that loves honesty. I like treating people fairly and I found that especially when I was with the audit firms, sometimes that clashed a little bit because obviously the audit firms are for profit-making, and I remember sometimes I will struggle with why are we charging this per hour, you know? But I know we have costs to cover"* P6

"*Because it would then be seen as you now doing your own thing and not subscribing to what the firm generally believes should be done, which I don't think would work for you as an individual. Well, it couldn't work for you because either you would be victimised, depending on where you are, or you would be stagnant in your profession if you are now seen as not being aligned to the values that you don't agree with.*" P13

Theme 2 - Work exposure, development, and progression

This theme relates to experiences within the firm where participants felt that exposures afforded for development and to certain jobs were stifled, mainly because of racial bias, which

created conflict in how an individual personally and professionally identified compared to how they saw the firm.

This theme is separated from theme 3 on equality, as the participants saw this as a direct threat to professional growth. Before such experience, expectation was that the firm identity would be a source of positive influence. Sentiments expressed by participants were that progression was reserved for "conformant Black auditors".

> "*But you work hard but you're put on the lesser glamorous auditees without problems and the reason why you put on those audits is because the firm is under pressure to also demonstrate they've been able to successfully transform so it's all about the bottom line because then your development suffers you don't get placed on the JSE listed clients or all the Crown Jewel*" P8

> "*And I did a project of transformation at the firm and that was the big thing. And I said, 'guys, we're not transformed – we are sharp from here - but senior manager, director, partner, there's no transformation. We've never had a Black partner within the risk side where I was working, never. And yes, there was this carrot that was dangled, stay, see the potential and the plan we have for you. I didn't see myself becoming partner, not because I didn't think I was worthy of it, but it didn't reflect. It didn't reflect every single day when I was there, unconsciously. Now it's conscious, but unconsciously, I couldn't see it... the possibility of being partner, because of the racial structure, you know.*" P13

> "*But in reality, when I was there, there were like 223 directors, nationally there was only 23 Blacks. It's a White firm for all intents and purposes. And if we look at senior managers, you went into a directors, managers conference, it's just like White people everywhere. And then you realise that we're actually just a select few*". P7

Theme 3 - Equality is not an ethical value for firms

Participants reflected on multiple incidents and experiences where they felt marginalised in firms that were previously dominated by white personnel. In analysing the data, what was notable was that although the foreign national participants were also Black, none of them shared experiences of being discriminated against due to race in response to the interview questions.

Participants who reported discrimination worked at large and small firms and attributed these experiences to older partners. Some participants felt that these incidents were known within

the firm and the culprits were protected from being confronted or suffering any repercussions for wrong actions. Of the seven participants who highlighted this identity conflict source, five also described the firm identity as ethical. In following up on this contradiction, it was apparent from participants' responses that equality and diversity within the specific firms were not included or considered part of the ethical values, with some responses indicating that it is seen as a 'soft skill.'

> "*My experience within the firm hasn't always been pleasant. It's a home for many bigots, for many racist people. And I've experienced that. But still, what the firm represents, I'll speak gloriously of that firm despite what I've experienced there. So for me, I'll describe it as a… you get the best training there, like you know, top-level performance, very big on ethics.*" P7

> "*So they are trying to move away from it on paper, but I think it's difficult to totally move away from it because the majority, especially at a higher level, are still associated with the history of the country itself, which is maybe not easy to implement and totally just transition to the South Africa that we live in now*" P13

Theme 4 - Billable hours count more than people

Participants felt conflicted about caring for people and employee well-being. This struggle intensified with increasing rank in seniority and the expectation to treat people a certain way, which was at odds with one's personal values. Participants self-identified as compassionate and caring, with a preference for being people-centric, which they were unable to practise within the firms. The main contributors highlighted were pressure due to high volumes of work, deadlines, and client demands.

> "*No 'cause. I was more worried about the people element because I was like because I was on antidepressants because I was doing my articles while I was studying because of the stress that the firm puts you through.*" P1

Participants also raised experiences where leadership interests superseded those for the well-being of junior employees. However, it was notable that these experiences were only highlighted in respect of small firms.

"You know, some of us …one thing that we don't respect, that I have seen, it's sometimes the people that are working for the firm… for example, myself as a director, sometimes we put our interests above the interests of the company. I've seen it happening. Interests above the interests of the company. So you get to a point where salaries are not being paid, but the people know that they've generated money because they were the ones that were working, they're the ones that are invoicing, basically." P11

Theme 5 - It's not about the firm, it's the people

Some participants could isolate negative experiences from the firm or its identity. This differed from earlier themes in which participants equated experiences to the firm's identity. In this instance, participants were convicted that incidents of identity conflict were with specific individuals and did not equate to the firm as a whole.

"When you sit in those situations, mainly it would be more the individual rather than the firm. So the contradiction or the conflict would happen with that individual rather than the firm." P3

5.3.4 Research sub-question 4: Is ethical behaviour more aligned with and influenced by the firm's identity, professional identity, or self-identity?

Participants were asked to reflect on whether they found personal ethical values and behaviour more aligned and informed by the firm identity or respective professional and self-identities. Sixteen (16) codes were identified in responses to this question and were clustered into four themes.

Theme 1 - Personal internalisation of ethics as a value

Participants believed that ethical character, and by extension ethical attributes were built on the foundation of personal identity and personal lives. The data indicates that ethical requirements within the profession strongly align with values forming the fabric of individual persona and, therefore, more aligned to self-identity. Whilst exposure to the firm and professional standards enhances ethics awareness and consciousness, it is not the basis of this value system.

Theme 2 - Attributes acquired from academic training and informed by professional standards and ethics

This theme was exposed by a group of participants who felt that ethical behaviour may also be borne from the academic training to which a candidate is exposed; especially on professional standards and fundamental principles for auditors. Whilst the research question asked for alignment within the three identities, the experience was that the first exposure to the profession was whilst one was still studying, which served as a foundation for defining standards.

> "*And it's relative in the idea that from university when you start understanding the whole professional environment or building up to be the professional individual, ethics were part and parcel of an education system, which makes it easy in that way because you can easily connect the two.*" P3

> "*And I mean where some of us come from in terms of study is you already have learned how you're supposed to be behaving and carrying yourself as an auditor, you know, and then that learning, you take into the profession. You know when you're doing your articles already you're enacting what you have learned, and then some of the things come with experience and what you would observe from the firm's perspective.*" P2

Theme 3 - Ethics training at firm or firm exposure, which contributed to ethical character

From the coding of participants' responses, it was evident that ethical behaviour is informed by the influence of the firm and the training received at the firm.

> "*And I think it becomes easier and it becomes more natural the more you entrench it into your DNA. So I really think…I think it becomes a more natural situation where you've adopted what's important- those values and those ethical behaviours.*" P14

Theme 4 - One participant felt that their ethical attributes are more aligned to a holistic social identity, rather than just a professional identity

Although an outlier, it was notable that one participant felt that their ethical behaviour is aligned and influenced by social identity, reflecting on the multiple roles fulfilled within different aspects of life.

> "*It also talks to feeling. Because besides your thinking and action, even you're feeling as well is actually influenced by those attributes that you have learnt or the contribution that is contributing to your identity. So the fact that that feeling is also included in there, from a professional perspective you just need to know how far and how you manage that feeling. But you still have a feeling as a social person in a church. You will also have… those feelings are also there. So that's why I'm saying, to me it's the same, but it's just enhanced to a certain level.*" P12

5.3.5 Research sub-question 5: What is required in audit firms to strengthen the ethical behaviour of auditors?

Participants were asked how audit firms could improve the ethical conduct of employees. Responses are grouped into six themes outlined below.

Theme 1 – Acknowledge ethical threats

Participants reflected on the ethical threats to which auditors are exposed while carrying out duties for firms. Firms do not adequately acknowledge some threats, which are perpetuated in the manner in which operations are run.

A main ethical threat identified by participants from their experiences related to the pressure to secure new business or retain clients at times at the expense of maintaining professional ethical values, which they felt presented a conflict of interest for practising auditors. The responses are categorised as ethical threats due to the focus on commercialisation by firms. This was supported by responses related to root causes such as client influence, revenue focus, sales and business development.

A second threat is related to the influence of the audit partner or senior management during the audit process and on the audit outcome. Other threats highlighted relate to compromised audit quality, resources put on audits without the requisite competencies, and general behaviour that is misaligned with ethical standards. The last two inputs arose from the

environment external to the firm, namely society with low morals and ethics and the temptation to engage in unethical conduct due to financial and societal pressure.

> "*You are a trainee, the partner comes, you are a first year, you are told no findings. Then you find findings, so what would you do?*" P9

> "*We're taught all other things, but when it comes to business development, how far do you go? And I think that's where we fall short, because I feel like everybody's willing to do just about anything to meet their targets. And that's where the problem lies in business development*" P7

> "*And unethically is not just about you paying bribes, but also the quality of the work that you deliver. Do you just write a report without actually carrying out the work? Because you've got so many, I've got 10 clients as a person. There's no way I can service those 10 clients appropriately.*" P4

Theme 2 – Uphold current processes and safeguards

Participants also highlighted the safeguards enjoyed within respective firms, which should be upheld and be more institutionalised. A notable point was that all participants that had worked for a public audit firm felt that by nature of the entity, there was less exposure to the ethical threat related to securing new business at the cost of their independence. It was also highlighted that due to the scrutiny put on public firms, mechanisms are in place to support transparency and protect against ethical threats. It should be noted that the participants that shared these sentiments had worked for both the public and private firms.

The second cluster of safeguards auditors felt were effective cover from ethical threats related to process controls embedded within the audit firms. These are aligned to the professional standards and create room for autonomy to work in line with the standards.

Access to subject matter experts for instances that require consultation and leader support were also highlighted as key safeguards for junior auditors in need of further guidance. Participants also posit that working for firms with ethical values that aligned to one's professional values created conducive conditions to thrive.

Theme 3 - Assessment of ethical character as part of recruitment

The data shows that firms do not invest sufficiently before employment to ensure that members of the firm have the desired ethical posture. Two categories of responses supported this outcome: firm's intentional contribution to the academic focus for students studying towards the profession, and inclusion of ethical character assessment during recruitment. All participants reflected on the fact that ethical standards were part of academic curriculum, however for some it was difficult to internalise the learnings due to lack of exposure and understanding of the practical environment. Responses in the second category reflected on the comprehensive assessments firms conduct during recruitment and promotions. However, these do not include an appraisal of ethical character.

> "*I think firms need to do thorough checks when they bring people on board, specifically I think new people. I think you know in most interviews it's just always, 'okay where do you come from what work did you do' but nobody actually really… we don't consider ethical implications. Even your psychometrics that we do put this shape, but it never checks a person's ethical decision-making skills.*" P13

Theme 4 - Periodic ethics or value-based coaching through key professional milestones

Participants felt that periodic monitoring and measurement of auditor conduct or upholding of ethical standards was inadequate. The periodic performance reviews focus on assessing how employees live out the firm's values. Instead, assessing ethical values should be a standard part of performance reviews, as this would assist in identifying employees who require intervention or additional support.

However, the firm's development initiatives such as coaching were lauded to be effective. It was suggested that these initiatives should be extended to include ethics or value-based coaching, especially to junior staff.

Theme 5 - Ethics training that is responsive to the evolving world

Whilst all participants confirmed that firms provide or sponsor attendance for ethics training as part of the continued professional development, there was shared sentiment that the training content and manner of delivery was not fit for the evolving world. Some participants highlighted aspects such as use of social media and evolving technology pose heightened ethical threats, which are not adequately considered during ethics related training programmes.

> "*What I think they could have, is adapting to situations on the ground. As people are evolving, situations are evolving, the countries' economies are evolving, are you now going to update your e-learnings and your material and your content, are you now able to have conversations with people about… stuff about exposure to perhaps politically exposed persons, how you use your social media. As society evolves and things change, I think that content needs to be brought on board*." P7

Theme 6 - Maintaining a firm culture that is conducive to ethical practices

Participants highlighted the importance of a firm culture that is conducive to creating an ethical workforce that has the fortitude to withstand threats that arise. An accounting firm's ability to have a true and realistic sense of its culture will empower it to identify vulnerabilities and be intentional in ensuring that building an ethical environment is a key part of the culture programs deployed.

> "Y*ou have to take the temperature of the culture all the time, because you need to get a realistic picture of what the culture is*." P1

> "*Employees should find themselves in a safe environment or a spoken-up environment to be able to raise those concerns, because ultimately that will contribute to the ethical behaviour of the organisation."* P14

5.4   Conclusion

The research findings outlined in this chapter answered the five research questions to determine the relationship between auditors' professional, personal and firm-related identities. The findings also delved into participants' ethical attributes and the extent to which these are informed by the firm or individual professional identity.

Participants described professional identity and credited the employing firms for experiences, exposures, and learnings gained in practice. Particular mention underscored the unique persuasion of the first firm of employment in contributing the most impact. Academic training and professional standards were underscored as contributors to the professional identities of participants. Personal values, background and career aspirations also emerged as important aspects of professional identity formation.

In reflecting on which between firm identity versus self-identity influenced professional identity, the latter comprising personal values, career impact as well backgrounds and relationship-based identity, had the greatest influence on the professional identities of the participants. The influence of other identities, including client identity, professional bodies and other social relationships and responsibilities, were secondary influencers to the professional.

The impact of client identity on practising auditors was not part of the study but emerged influential and warrants further investigation. Another emerging theme relates to the impact of social factors auditors are born into and live through as contributors to their professional identity, which should also be considered given the unique socio-cultural conditions South African professionals face.

Firm values, leadership, and structure are important in forming a professional identity. Some participants differentiated the exposure to positive leaders within the firm from the establishment itself. Relatedly, negative leadership experiences diluted allegiance with the firm identity in shaping professional identity. These experiences included a culture prioritising clients and the firm's brand over employee wellbeing, a competitive internal climate, and feeling driven to pursue unattainable success measures.

Some participants felt that there was a contradiction in utterances by firms over intent to care for staff versus lived experience, which presented inconsistencies in how the firm presents its identity. Case in point were numerous mentions of a sense of being marginalised expressed by some black professionals. This was supported by sentiment over the lack of equal access to growth opportunities and exposure compared to white counterparts. Racially motivated marginalisation was not a focal point in the study; however, it requires further interrogation within the profession.

A contradictory insight, however, was the separation of inequality from the assessment of a firm's overarching ethical posture. These were seen as unrelated dimensions of firm identity. It is notable that these comments were only expressed by South African-born black auditors; foreign-national black auditors did not seem to share similar concerns over discrimination.

Lastly on reflecting over the alignment of participants' ethical behaviour with the profession versus the firm's identity, participants expressed high alignment with the firm identity and one's professional identity. Participants have confidence in the processes and ethical safeguards embedded within operational practises. However, firms must be vigilant in acknowledging ethical threats brought on by the focus on commercialisation and the evolving world within which auditors practise. The next chapter delves into the analysis of these findings.

Chapter 6: Analysis of findings

6.1   Introduction

This chapter highlights pertinent findings from the study. The discussion will be supported by data from scholarly discourse on the focus concepts presented in Chapter 2. The research questions outlined in Chapter 3 guide emphasis and angles of debate (Saunders et al., 2019).

The research study engages with theoretical debate relating to the influence of self-identity and firm identity on the professional identities of auditors. An important lens applied to the analysis was the extent to which this may threaten auditors' ethical conduct as required by the profession's standards. Previous research highlights the significance of firm identity on the professional identities of auditors in the Big 4 firms, with data skewed towards European and American regions.

A guiding proposition was that firms influence the values and ethical practises for auditors, potentially posing an ethical threat when institutional practises contradict the professional standards (Garcia-Falie`res & Herrbach, 2015; Stack & Malsch, 2022; Dellaportas et al., 2019). This research responds to recommendations for further research on the formation of professional identity for auditors in regions with socio-cultural diversity and covering firms that are smaller than the "big 4" (Stack & Malsch, 2022; Dellaportas et al., 2019; Brouard et al. (2017).

Outline of the discussion

In Chapter 5, key observations for the five research sub-questions were articulated guided by responses of 15 participants from whom primary data was collected. Table 5 provides a diagrammatic representation on the cluster of findings per research question, also demonstrating the emerging themes which informed this discussion.

Table 5: Chapter 6 layout and cluster of findings

Research topic	How is the professional identity of auditors in the South African context influenced by their respective self-identity and the firm identity, and the consequential effect on the desired ethical conduct?				
Constructs	Professional identity	Firm identity Self-identity	Conflicting identities	Behavioural aspect of an identity	Auditor conduct regulation
RQs	What are the key contributors to the professional identity of an auditor	Professional identity influenced by self-identity or firm identity	Congruence or conflict experienced between professional identity and firm identity	Ethical attributes aligned and influenced by the firm identity, professional identity or self-identity	What is required in audit firms to strengthen the ethical behaviour of auditors
Total themes	4	4	5	4	6
Key themes	Impact of academic training	PI informed by personal identity	Equality is not an ethical value for firms	Ethical attributes acquired from academic training and professional standards	Acknowledge ethical threats
	Contribution of audit firm	PI informed by other identities	Work exposure, development, and progression	Ethics training at firm or firm exposure, which contributed to ethical character	Uphold current processes and safeguards
	Success orientated professional identity	PI based on positive firm identity	Inconsistent ethical principles and values Billable hours count more than people	Personal internalisation of ethics as a value	Maintaining a firm culture that is conducive for ethical practises

Source: Author

6.2 Research sub-question 1: What are the key contributors to the professional identity of an auditor

Professional identity is defined as an integration of personal self and professional self, an individual's definition of self as a professional member, and closely associated with how one fulfils a professional role (Sarraf-Yazdi et al., 2021; Goto, 2021). The specifications of the profession, the associated training, and the organisation one practises in are key contributors to professional identity.

Participants interviewed were asked to describe their professional identities and the key contributors to this. Table 6 summarises the relevant codes categorised into four themes.

Table 6: Professional identity contributor themes

	Themes	Categorised	Level 1 codes
Theme 1	Values based professional identity	7	56
Theme 2	Success orientated professional identity	10	
Theme 3	Impact of academic training	13	
Theme 4	Contribution of audit firm	26	

The paragraphs below provide detailed analysis of the most pertinent themes.

Theme 4: Contribution of the audit firm

Professional identity seems to be mainly informed by the experiences and learnings from within audit firms as this environment was cited as the primary entry point into the profession. This was where conduct expectations were established and nurtured.

Professional identity is defined as a social identity that differentiates professionals within the same industry or trade through relevant organisations' identity (Stack & Malsch, 2022; Goto, 2021). The first employer firm has particular impact on behaviour and valued principles, which grounded participants' expectations of the professional identity. The role of the first employer firm aligns with findings on the significant role audit firms were noted to play from the early stages of professional identity development in auditors (Stack & Malsch, 2022; Dellaportas et al., 2019).

The intensity of training provided for junior personnel results in significant time of exposure to the social norms of the firm. This is underscored when coupled with the professional standards to which the firm and the profession subscribe. Participants reflected on the firms' emphasis on professionalism, excellence, and impact focused development. The role of the institution the professional practises were key contributors, confirming existing theory (Stack & Malsch, 2022; Goto, 2021; Fitzgerald, 2020; Sarraf-Yazdi et al., 2021).

Through this training, especially on firm practises, auditors build and derive a sense of similarity and comparative fit with the grouping and expected norms for members (Charness & Chen, 2020; Dellaportas et al., 2019). Development experiences and focus on excellence within the firm were confirmed to influence professional identity. This also reflected individual level of understanding, sense of belongingness and conformance to the firm's written and unwritten rules (Stack & Malsch, 2022; Dellaportas et al., 2019).

Theme 3: Impact of academic training

A contributor to professional identity was academic exposure and theoretical training on standards. Professional identity is defined as a social identity that differentiates other professions (Stack & Malsch, 2022; Goto, 2021), it therefore is conceivable that the professional identities are significantly informed by the training received academically and at the first entry into the profession. This further supports the notion that professional identity is sometimes interchangeably used with professional specialisation, as this differentiator is acquired through the academic qualification one pursues and the institution of practice (Fitzgerald, 2020; Goto, 2021).

Furthermore, academic training obtained in a chosen field serves as exposure to the expected professional requirements and values. These establish a sense of belonging and acceptance, which contribute to the professional identity (Broberg et al., 2018). Whilst the role of academic training and professional standards is recognised *a priori* in the literature, this study identifies that the process of socialisation into the firm is also important, as reflected in theme 4. However, exposure to standards and supporting theory also plays a role (Warren & Alzola, 2009).

Theme 2: Success-orientated professional identity

Based on the findings from this study, personal aspirations and values also contribute to professional identity. This is congruent with the definition of professional identity by Sarraf-Yazdi et al. (2021), who defined it as the integration of personal self and professional self. Goto (2021) also defines professional identity as an individual's definition of self as a member of the profession with which one is closely associated and aspires to undertake a career journey. The participants' reflections on personal success mainly upheld personal attributes and the quest to overcome limited childhood backgrounds and experiences. There was an appreciation that these form an anchor for identity and would thus steer professional passions (Stack & Malsch, 2022).

In summary, the research findings on professional identity and contributors demonstrate that the academic training auditors are subjected to and training experiences at firms are important contributors to how auditors view professional identity. This perspective is supported by existing literature on professional identity formation (Stack & Malsch, 2022; Goto, 2021; Fitzgerald, 2020; Sarraf-Yazdi et al., 2021). Participants' professional and career aspirations also contribute to professional identity, demonstrating the integration of self with professional exposure.

6.3 Research sub-question 2: Is their professional identity influenced by their self–identity or the firm they practised at?

Self-identity is seen as a foundation of professional identity, expanded by the influence of the audit firm one practises at in pursuit of belonging to the set community or group through the embrace of shared values (Sarraf-Yazdi et al., 2021; Goto, 2021; Stack & Malsch, 2022; Dellaportas et al., 2019). Literature has found that the need for auditors to belong creates pressure to conform to the firm rules, practises, and ways of being. This study establishes the applicability of this notion for practising auditors in the selected setting of South Africa.

Participants were asked about self-identity and firm identity, which mostly influenced professional identity.

Table 7: Professional identity formation themes

	Themes	Categories	Level 1 codes
Theme 1	PI informed by personal identity	27	63
Theme 2	PI based on positive firm identity	16	
Theme 3	PI hybrid of self and firm	3	
Theme 4	PI informed by other identities	17	

The paragraphs below provide a detailed analysis of the most pertinent themes after coding and categorising the data.

Theme 1: Professional identity informed by personal identity

This study reveals that professional identity is mainly influenced by self-identity, a theme that recorded strong mention in the data. Related sub-themes included personal values, attributes to serve others, career aspirations, and the need to make an impact on family and community socio-economic conditions, all consolidated as personal identity in the results of this study.

Personal identity is derived from characteristic such as personalities, strengths, weaknesses and successes. It is also informed by cultural norms as well as institutionalised and lived experiences of individuals (Van Dick et al., 2018; Dellaportas et al., 2019). Professional identity is defined as an integration of personal identity and professional exposure. This outcome aligns with the findings by Sarraf-Yazdi et al. (2021) in asserting that participants' professional identity is influenced by personal identities. These findings align with the ring theory of personhood, which highlights that the strength of beliefs and values within the individual ring one upholds, determines actions, decisions and thoughts (Sarraf-Yazdi et al., 2021).

When one interrogates the values participants noted as personal values, dimensions such as fairness, principled, integrity, transparency, accountability, and respect for others emerged. The five fundamental principles of ethics in line with the International Code of Ethics for Professional Accountants (IESBA) are integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. A comparison of the two sets of values shows high degree of congruence.

Analysis of responses to the research sub-question 4 delves deeper into how participants perceive personal attributes in relation to professional identity. The results show minimal threat to professional identity in participants with high similarity between respected and personal identity characteristics. A salient personal identity may threaten an auditor if it is stronger than their professional identity (Dellaportas et al., 2019) and may result in misalignment in expected behaviour (Daoust & Malsch, 2019). These results demonstrate a positive influence of personal identity over the professional identity.

Theme 4: Professional identity informed by other identities
A second pertinent theme pertains to the contribution of multiple identities to professional identity. These profile references stem from professional standards laid out by governing bodies; the influence key client identities; the effects of disadvantaged childhood backgrounds that endures through extended family, as well as fear of failure. Notably, participants were motivated to avoid disappointing outcomes and were acutely aware of the risk of reverting back to the poverty-stricken social conditions they had escaped.

Social identities are informed by individuals' various roles in key groups or institutions. Inclusion in a subset influences a sense of identity and brings meaning to the individual through attributes such as profession, demographics, or even organisational membership (van Knippenberg, 2023; Goto, 2021). Literature highlights the impact of social identity in influencing behaviour as consensus is reached on the group's norms, shared beliefs and aspirations (Charness & Chen, 2020; van Knippenberg, 2023). The insights from this theme support the importance of the influence of other social identities, and in this respect the impact of these in informing a professional identity.

The data reveals a closer alliance of identity to professional bodies as custodians of professional standards. Having an earlier encounter with these before working for the firms eclipses the influence of the latter. The standards that participants are exposed to through academic training set the base of expected conduct and serve as a foundation for professional identity.

Academics have defined professional identity as the adoption and sense of belonging within a profession, acceptance and commitment to the disciplines and ethical values (Broberg et al., 2018). Studies acknowledge the mutuality of reinforcement between professional identity, work role and professionalism in conduct. Attaining professionalism as an outcome requires adopting a shared belief system through technical training and consistently displaying behaviours set as professional principles (Stack & Malsch, 2022; Goto, 2021; Fitzgerald, 2020; Sarraf-Yazdi et al., 2021).

 Goto (2021) highlights the role of professional associations in facilitating collective role identity formation. The associations provide guidelines that significantly impact how individual identity is enacted in daily professional work contexts.

A second group of identities was noted to be founded on key clients as a primary influence on one's professional profile register. Participants acknowledged the impact of client identities on practising auditors who come to appreciate the nature of an external audit work culture.

Whilst these identities were not part of the scope of the study, the depth of participant's responses called for further investigation. Garcia-Falie`res & Herrbach (2015) recommended that further research into the dynamic interrelations between different identities should provide context on their source and character.

Theme 2: Professional identity informed by firm identity

Participants categorised in this theme credited influence on professional identity to the audit firm values through the teaching and coaching, as well as exposure and opportunities provided within the firm. The participants' experience in this regard, resonates with the existing literature that organisational identity encapsulates the extent an individual feels a shared bond with the organisation, its belief system and see it as a self-reference point (Broberg et al., 2018; Garcia-Falie`res & Herrbach, 2015).

Important values experienced were excellence and professional conduct. Values relating to caring for employees, teamwork, trust, and the vision to make an impact also positively influenced participants' level of relatability to the firm identity. Literature shows that when values of the professional identity and those of the firm are consistent, they act as reinforcement mechanisms for the auditor, thereby providing insulation from potential identity conflict and related adverse consequences (Garcia-Falie`res & Herrbach, 2015).

Another aspect of the firm with impact reported was the opportunity for development, which participants felt supported aspirations for growth. The participants' experiences in this respect resonate with Stack and Malsch (2022), who observed that the firm identity yields a high influence, such that it informs the professional identity of the auditor.

The character of and experiences with a firm's leadership also impact professional identity. The type of support enjoyed within the firm's structures and processes demonstrates a positive outcome of social influence from the firm (Hazgui & Brivot, 2020). The processes and structures enable collective participation in firms and the pursuit of common goals (Broberg et al., 2018; Broberg, 2013).

There was a fine line between the positive and negative effects of a culture perceived by some participants to be of conformance. For one group of participants, this was a safety net in that it left limited room to deviate, whilst others saw it as a looming threat to being ousted or threatening progression within the firm. The fears of the second group are reflective of the findings of other studies that highlight that managers and junior auditors felt the need to demonstrate compatibility with the firm and its practices to advance (Stack & Malsch, 2022; Hazgui & Brivot, 2020).

However, the finding of this study present an interesting contradiction to the findings of Garcia-Falie`res & Herrbach (2015) who found that auditors in big firms were less likely to experience conflict between the firm identity and own professional identity. This contrast invites further interrogation of whether coercion to conform minimises the risk of professional and organisational conflict. Garcia-Falie`res & Herrbach (2015) also noted that auditors with more salient professional identities might experience difficulty in an audit environment where the firm is seen as the socialisation driver. This may be the differentiator between the two groups of participants: those who experience the conformance culture as a positive safeguard versus those who see it as a threat. The second group possesses a more salient professional identity and will struggle with any pressure to fit in.

Adverse responses were also provided over the firm experiences, and the resultant dissonance between the professional identity and the firm identity. The research sub-question interrogating identity conflict was covered in sub-question 3. In this part of the responses, participants were highlighting characteristics of the firm that contradict characteristics of professional identity.

Participants reflected on the prioritisation of the firm brand at all costs, client prioritisation at the expense of professional standards and protecting employees given the competitive environment of operations impacts employees. These findings confirm the findings of previous studies on the social expectations of audit firm employees to be ultra-competitive, and able to juggle competing priorities such as maintaining professional ethics rules and driving profitability whilst upholding public interest (Hazgui & Brivot, 2020).

Participants' experiences demonstrate the effects of the firm socialisation process that participants found to contradict what they believed acceptable (Hazgui & Brivot, 2020). It was emphasised that the firm identity does not influence professional identity, supporting the theory that where there is harmony between professional and organisational values, the auditor is less likely to differentiate professional identity from the firm identity (Garcia-Falie`res & Herrbach, 2015).

A related aspect posits that an auditor's professional identity is magnified or intensified in the midst of negative experiences within the firm or with the firm identity. This creates pressure to differentiate one's professional identity from the firm.

In conclusion, it was found that personal identity and other social identities exert more influence on whether the professional identities of the participants were influenced by personal identity or that of the firm. Where the personal identity has a greater influence on the professional identity, the individual's values strongly align with the professional ethical principles, thereby creating harmony between personal values and the conduct desired by the profession.

Other social identities, as informed by the professional bodies, client exposure, and personal backgrounds, seem to have a higher influence on the professional identities of participants. This reflects exposures during the formative years of auditors before entering the profession. Similarly, time in technical training, as well as day-to-day exposure to clients, is where most junior auditors spend their time as opposed to the actual firms.

Whilst the firm identity also seems to have a notable influence on auditors' professional identity through its values, structures and opportunities, the pressure for conformity within audit firms poses both positive and negative effects on candidates, depending on the saliency of a professional identity. Furthermore, issues of firm's prioritisation of its brand and clients at the expense of its employees and professional standards, and the competitive culture prevalent in the firms were amongst characteristics of the firms that participants felt hurt professional identity.

6.4 Research sub-question 3: Have auditors experienced congruence or clashes between professional and firm identities?

Research conducted on auditors in the Big 4 firms found that auditors are exposed to two forms of identity: firm identity and professional identity, which are two distinct identities (Garcia-Falie`res & Herrbach, 2015). Ideally there should be a high degree of congruence between the two, however where there is distinction it poses potential for conflict which may impact on the values, beliefs and conduct of auditors.

Auditors with a strong attachment to the firm identity may be exposed to the threat of compromising professional requirements. Similarly, auditors with a closer affiliation to professional standards may find tension when there is contradiction with firm's norms and beliefs, threatening acceptance within the firm (Garcia-Falie`res & Herrbach, 2015; Stack & Malsch, 2022).

Equally, an auditor with a weak professional identity and a stronger self-identity may threaten what is considered acceptable behaviour within the profession when faced with extreme pressure (Dellaportas et al., 2019).

Participants were asked if they had experienced conflict between their professional identity and the firm's. Table 8 summarises the themes that emerged from the analysis of interview responses.

Table 8: Themes of conflicting identities

	Themes	Categories	Level 1 codes
Theme 1	Inconsistent ethical principles and values	6	
Theme 2	Work exposure, development, and progression	7	32
Theme 3	Equality is not an ethical value for firms	10	
Theme 4	Billable hours count more than people	5	
Theme 5	It's not about the firm, it's the people	4	

Theme 3 and 2: Inequality, limited exposure and progress opportunities

Theme 2 and theme 3 yielded the highest codes regarding identity conflict between professional and firm identity of five themes. The discussion on the two code groupings is combined as both outline issues of marginalisation due to racial bias in the participant experiences. From the interview outcomes, the main cause was the lack of congruence between the firm identity and participants' experiences of inequality. This was said to manifest through lack of equal opportunities for development and exposure and disparities in salary in comparison to similar level white peers.

It is notable that seven out of the 15 participants—all South African-born black individuals — pointed to discrimination experiences as the basis for conflicting identities with the firms. The feedback represented exposure at the "Big" firms and smaller units. Three had only worked at one firm, while others had worked at multiple firms within their auditing careers. This demonstrates that marginalisation within the industry is not limited to a specific type of firm and seems to transcend tenure.

Similarities within a group through shared values and norms are important characteristics in professional identity formation (Dellaportas et al. 2019); however, feeling marginalised affects the sense of belonging. Participants questioned the authenticity of the firm and its commitment to inclusivity and employment equity targets as part of the nationally upheld transformation agenda.

Appreciating that entry and inclusion in the community of practice is a fundamental attribute of professional identity. The individual derives self-esteem from belonging to the group and promotes the adoption of shared beliefs and norms. It would be important to understand the implications of marginalisation on the professional identity of practising auditors (Fitzgerald, 2020; Charness & Chen, 2020; Dellaportas et al., 2019).

Furthermore, participants felt that although certain individuals conducted discriminatory practices, this was known within the firm, and culprits were not held to account. Existing research has found that organisational identity is how an individual feels a shared identity with the organisation and its belief system (Broberg et al., 2018; Garcia-Falie`res & Herrbach, 2015). It, therefore, poses an opportunity for further research to investigate how marginalisation manifests within firm identity and the desire by audit firms to drive collective participation (Broberg et al., 2018; Broberg, 2013).

There was, however, contradictory in sentiment. Five still described these firms as ethical even when participants expressed concern over racial inequalities. Despite opposing this unfair practice, participants did not see it as unethical. Professional ethical fundamentals were ringfenced as the only values pertinent to ethics. Further research is recommended to understand the ethical definition boundaries of practising auditors and its impact on the social aspect of identity.

Theme 1: Inconsistent ethical practises

Participants highlighted behaviours and practises that are inconsistent with the ethical principles and values espoused by the audit profession as a third theme on conflicting identities from experiences within firms. Considering the firm identity's influence, instances where the firm identity is more salient than the professional identity, it place auditors at risk of non-compliance to professional standards and fundamental ethical principles (Dellaportas et al., 2019; Broberg et al., 2018). It is however assessed based on the participants' experiences and shared data, that this conflict may pose a lesser risk based on their ability to identify the inconsistencies, which may be attributed to a stronger professional identity.

Balancing the dual allegiance to the profession and the firm can positively contribute to the firm identity. However, it risks auditors' professional conduct (Garcia-Falie`res & Herrbach, 2015). The risk posed by conflicting identities is mitigated by technical exposure and socialisation aspects related to forming professional identity (Dellaportas et al., 2019; Sarraf-Yazdi et al., 2021). The exposure to technical training, personal identity values, and socialisation exposure may strengthen professional identity to withstand negative aspects of firm identity and other undesirable practises.

In conclusion, the study found that there are two main areas that auditors experience conflict between professional identity and the firm identity. Namely, failure to uphold inclusive practises in how black auditors experience the firm and in practises inconsistent with the desired ethical values. In the latter, the strength of one's professional identity can mitigate risk of conduct that may not be aligned to the professional standards. However, this may adversely impact the sense of belonging within the firm, which is also a fundamental aspect of professional identity. Further research is recommended on the professional identity formation for auditors who experience marginalisation. An additional recommendation is for assessment of the effects of marginalisation on the audit firm's pursuit for collective participation and identity.

6.5 Research sub-question 4: Is their ethical behaviour more aligned with and influenced by the firm's identity, professional identity, or self-identity?

Previous studies have noted congruence between an identity and related behavioural aspects. A professional identity that is not firmly established can be overpowered by traits of a dominant alternative identity (Dellaportas et al., 2019). Where the self-identity of an auditor or the firm identity is stronger than the professional identity, the individual's conduct is at risk of not adhering to the professional requirements and related ethical values (Dellaportas et al., 2019; Broberg et al., 2018).

Participants were asked to reflect on whether their ethical values and behaviour were aligned to personal, professional or the firm identity.

Table 9: Alignment of identity to ethical attributes

	Themes	**Categories**	**Level 1 codes**
Theme 1	Personal internalisation of ethics as a value	3	
Theme 2	Attributes acquired from academic training and informed by professional standards and ethics	7	18
Theme 3	Ethics training at firm or firm exposure, which contributed to ethical character	5	
Theme 4	One participant felt that their ethical attributes are more aligned to their holistic social identity, rather than just their professional identity	1	

The paragraphs below provide detailed analysis following the sequence of themes with strong emphasis in the codes.

The ethical attributes of the participants interviewed were mainly informed by professional standards and fundamental ethical principles, as well as exposure to training. Furthermore, ethical values adopted by the firm are expected to be closely aligned with the ethical principles of the community, as the profession is highly regulated.

Theme 2: Attributes acquired from academic training and informed by professional standards and ethics

Closer examination of participants' views on how ethical attributes are informed by academic training, demonstrates that childhood interaction with values during the formative years yield deeper impact in influencing the mindset and behaviour when one starts work. Participants felt that time spent at university also created a foundation of what is expected of them in professional settings and enabled an easier transition into practical experiences encountered in firms. The responses align with the Dellaportas et al. (2019) study that posits that conduct is strongly influenced by the expectations of the group one belongs to, motivating regulation of responses to be compliant with set standards.

Furthermore, participants reported that ethical posture is closely aligned to the professional standards; articulation of the fundamental principles enables a rule-based approach to ethics in practise. The existence of the standards was endorsed as highly effective in regulating the conduct of auditors. Guidelines serve as a reference point. This outcome contradicts the challenge Samsonova-Taddei & Siddiqui (2016) posed on the effectiveness of the regulations. The scholars argue that regulation by nature is limited in its ability to create and sustain ethical commitment, a notion not supported by this study. The findings confirm that merely following rules does not disadvantage auditors in building ethical values.

This study further confirms that congruence between the professional and personal identity enables auditors to comply with disciplines and adopt the ethical norms and behaviours of the profession (Dellaportas et al. 2019; Sarraf-Yazdi et al., 2021).

Across all the themes, academic training and professional standards were shown to play a significant role in shaping the professional identity of auditors and consequently ethical attributes as reflected in this question. The findings herein agree with previous studies on the impact of academic and technical training as key contributors to professional identity This in turn helps regulate ethical conduct (Stack & Malsch, 2022; Goto, 2021; Fitzgerald, 2020; Sarraf-Yazdi et al., 2021).

Theme 3: Ethics training at a firm or practical exposure, which contributed to ethical character

The data also indicates that ethical attributes are influenced by firm identity due to the training received within firms and exposure to internal practices. This outcome aligns with the findings of Sarraf-Yazdi et al. (2021) that professional and consequent conduct cannot only be informed by technical exposure but should also be supported by socialisation.

Whilst firm exposure has played a role in the professional identity formulation of participants and influenced ethical attributes as outlined in this theme, there is ever-present reference back to professional standards. This demonstrates that auditors may not be at risk of failing to adhere to the standards. The outcome confirms existing argument that individuals are at risk of not adhering to professional ethical values where the self-identity or the firm identity are stronger than the professional identity (Dellaportas et al., 2019; Broberg et al., 2018).

Although not to the same extent as the two findings above, personal ethical values aligned to the personal identity seem also to influence behaviour. The role of personal ethics in enabling auditors to practise the required ethical principles is consistent with Morales-Sánchez et al. (2020) definition of ethical behaviour as being individualistic in nature. The outcome is highlighted in the findings of question 2, which shows congruence between participants' personal values and professional ethical principles. Again, demonstrating a strong influence of personal identity over the professional identity (Daoust & Malsch, 2019; Dellaportas et al. 2019).

In summary, the findings to this question demonstrate that early exposure to professional standards through academic training positively influences auditors' ethical attributes and differentiates the professional identity. This outcome supports the findings of previous studies on the effect of professional identity on behaviour. Academic training assists auditors in transitioning to practice, with on-the-job training cementing foundational learnings.

The existence of personal values aligned to professional ethical principles also plays a significant role in building a strong basis of ethical conduct for participants. This demonstrates the positive impact of professional standards, an insight not exposed by previous studies. Therefore, consistency in ethical values between personal identity and professional standards is instrumental; coupled with early exposure to professional fundamentals, auditors are more prepared for the practical world. The support provided by the employing firms cements the foundational work.

6.6 Research sub-question 5: What is required in audit firms to strengthen the ethical behaviour of auditors?

The role the firm plays in the professional identity formation of auditors, as well in defining the socialisation aspect through internal interactions, puts an important responsibility on firms to positively contribute to maintaining an ethical posture within the profession (Samsonova-Taddei & Siddiqui, 2016; Dellaportas et al., 2019; Sarraf-Yazdi et al., 2021; Broberg et al., 2018). Participants were asked to suggest how audit firms could improve the ethical conduct of employees.

Table 10: Participants recommendations for firm participation to improve ethics

	Themes	**Categories**	**Level one code**
Theme 1	Acknowledge ethical threats	14	
Theme 2	Uphold current processes and safeguards	14	
Theme 3	Assessment of ethical character as part of recruitment	2	40
Theme 4	Periodic ethics or value-based coaching through key professional milestones	3	
Theme 5	Ethics training that is responsive to the evolving world	3	
Theme 6	Maintaining a firm culture that is conducive for ethical practises	4	

The paragraphs below provide detailed analysis on the most prevalent themes.

Theme 1: Acknowledge ethical threats

One pertinent outcome of the research sub-question was the theme of audit firms acknowledging ethical threats. Findings related to this theme focused on ethical threats auditors face in delivering services in their daily roles. Emphasis was on those dimensions that are not adequately acknowledged by firms and consequently not appropriately addressed.

The focus on commercial returns pressures auditors to secure business at all costs. Samsonova-Taddei & Siddiqui (2016) found that one of the key contributors to reported corporate failures was the growing culture to prioritise profit maximisation. Relatedly, participants in this study reported that the training focus was biased towards matters relating to professional competence, independence, and objectivity. However, the guidance comes short of balancing the pressure to secure new business and maintaining fundamental ethical principles (Hazgui & Brivot, 2020). This introduces a conflict of interest that firm processes are not designed to mitigate. Meanwhile, the pressure for firm sustainability is a priority that all are collectively measured on.

Maintenance of common goals and beliefs is a key attribute of social identity, and in this case, the need to demonstrate prioritising common goals within the firm seems to pose a risk to the auditor's professional identity. They are unable to adhere to professional ethics. This insight aligns with previous research (Broberg et al., 2018; Dellaportas et al., 2019) in instances where the firm identity is more salient than the professional identity.

A second threat arises from firm identity or elements related to firm identity imposing on personal and professional identity. This relates to the interference of audit seniors and partners on audit outcomes to prioritise expected outcomes stipulated by clients. Samsonova-Taddei & Siddiqui (2016) highlight this conflict in priorities. Firm leaders' influence in defining acceptable behaviour can undermine the ethical reasoning of junior team members and decision-making (Hazgui & Brivot, 2020). This poses difficulty for auditors in balancing professional and public expectations in performing work with objectivity and independence whilst maintaining the pressure to prioritise clients' interests for retention (Samsonova-Taddei & Siddiqui, 2016). Under pressured circumstances, the dominant identity prevails. Participants and scholars concur that firm identity easily overpowers the individual (Broberg et al., 2018; Morales-Sánchez et al., 2020).

A final pertinent aspect of ethical threat related to compromised audit quality due to the lack of competence within the human resources allocated to an audit. In these circumstances, even though one can identify behaviour inconsistent with professional standards, the firm's significance adversely dominates auditor conduct (Stack & Malsch, 2022; Dellaportas et al., 2019; Broberg et al., 2018).

Firms sometimes compromise on the type of human resources scheduled for an audit. This is mainly intended to maintain reduced cost of billing hours either to keep audit fees low, thereby appeasing the clients, or spending less hours to capture higher profit margins from the audit fees. These findings demonstrate that the ability to maintain professional conduct, as supported by a salient professional identity, requires more than technical training of what is considered acceptable behaviour but should be supported by the norms and conditions to which auditors are socialised (Sarraf-Yazdi et al., 2021).

Theme 2: Uphold current processes and safeguards

A second pertinent theme pertained to upholding current processes and safeguards. Acknowledging ethical safeguards within audit processes is a key mitigation to the ethical threats auditors face. This includes access to subject matter experts when faced with technical or ethical dilemmas (Hazgui & Brivot, 2020), emphasising the importance of maintaining those. Whilst socialisation within firms is noted to pose potential threats to the professional identity within firms (Hazgui & Brivot, 2020), the shared practises within operational processes and tools are found also to have the potential to be an ethical safeguard if aligned to professional standards (Garcia-Falie`res & Herrbach, 2015).

Participants also felt that working in firms with ethical values that align with professional standards and with leadership that allows autonomy to carry out work was invaluable as a safeguard. This is demonstrative of Broberg et al.'s (2018) findings on identity that includes both firm and occupational identity in a harmonised way.

An unexpected emergence on the state of safeguards within firms arose from participants' experiences of working for a public audit firm versus private. There is a notable difference from the absence of pressure for business development. Commercialisation within firms is already highlighted as a prevalent threat in theme 1 above, and absence thereof within public auditing was felt to provide security to participants that had worked in both environments. This further confirms the existing views on the conflict between professionalism and commercialisation (Samsonova-Taddei & Siddiqui, 2016).

Lastly, two themes emerged relating to audit firms' need to develop ethics programs that are responsive to current conditions, from both internal and external perspectives. From an internal perspective, participants highlighted the need for audit firms to have a realistic sense of the firm's culture and behaviours that create vulnerabilities. From an external perspective, recommendations were made to ensure that ethics programs are responsive to the current environment and its evolution. Both these recommendations would require a type of environmental scanning to be conducted to enable informed intervention. The findings in this study confirm that the effectiveness of regulations to regulate conduct may be limited and not adequate to create ethical fortitude as the cornerstone for right behaviour (Samsonova-Taddei & Siddiqui, 2016).

In summary, auditors strongly support existing processes within firms as these are safeguards against unethical conduct. They appreciate the security they afford the practitioner when aligned with professional standards. These findings support the findings of research sub-question 4, indicating that auditors' ethical attributes were mostly aligned to professional standards and academic training, which, when translated within firm processes, provide the ultimate protection or safeguard against ethical risks.

The findings support the theory on the effects of congruency between identities and its positive impact on ethical conduct. Participants demonstrated heightened awareness of ethical threats practising auditors face. These are consistent with existing theories on the conflict over professional standards due to firm focus on commercialisation, also confirming the threat posed by a salient firm identity to the detriment of the profession.

The ability to identify potential threats and escalate them by agitating for one's firm to exercise of appropriate responsive, demonstrates a salient professional identity. This mitigates the risk of a firm's identity misaligned with professional standards. The study found that these are the two main areas in which firms should focus most on strengthening ethical posture within the profession. Recommendations are also made for expanding assessment mechanisms and frequency thereof, as well as training and upholding a culture that enables auditors to comply with ethical principles.

6.7 Conclusion

This study's findings have confirmed that an auditor's professional persona is influenced by a myriad of identities and experiences: personal identity, firm identity, academic exposure, rules of the professional bodies, training, background, and other social influences. The findings contribute to the growing debate on the effects of multiple identities, providing insights on the interrelations between professional identity and the firm identity for auditors operating in a previously under-researched region. The findings also expose new insight into the increased influence of the multiplicity of identities on auditors' professional identity, demonstrating the complexity of these factors on professional identity formation for auditors (Brouard et al., 2017; Garcia-Falie`res & Herrbach, 2015).

The study further found that whilst firm identity has notable impact on the professional identity, its level of influence on ethical attributes of practising auditors is lower than academic training and professional standards as well as personal identity. This contradicts previous studies conducted in different geographical areas (e.g. Brouard et al. 2017; Dellaportas et al., 2019; Stack & Malsch, 2022).

Overall, participants demonstrated heightened ability to differentiate firm attributes that aligned to personal values and professional standards, demonstrating a stronger professional identity than firm identity, as demonstrated in findings to the research sub-questions 2, 3 and 5. What was notable is the alignment between the personal identities and values of the participants and the professional standards, thereby yielding strong professional identities despite the perception of the firm.

In all three questions, respondents highlighted behaviours and practises within the firms that harm professional identity and ethical wellbeing, which in the main contradicted the professional standards; suggesting that professional standards have a higher influence on professional identity and the ethical conduct of auditors. The findings challenge the scope of influence firm identity has on professional identity and ethical conduct. Other exposures such as academic training, professional standards, personal and other social identities were singled out as more impactful.

Future research is recommended on the dynamic interrelation between professional identity and other social identities borne from clients and personal backgrounds. Firm identity exerts positive influence in some areas of the professionals' experiences however some aspects of the firm culture had adverse effects for auditors. These include a culture of conformance, highly competitive conditions and prioritising the firm's brand and clients over employee well-being. Further research is recommended on the impact of firm culture on the professional identity of auditors. Instances of identity conflicts between the professional and the firm manifest in conduct that contradicts professional ethical principles, such as inequality experienced by black professionals within the profession. This discovery was unexpected considering the transformation objectives subscribed to by commercial entities in South Africa.

The role of professional standards in informing the ethical attributes of auditors was found to be strong, surpassing firm exposure and personal ethics. This finding provides an affirmative response to the questions on the effectiveness of regulations to maintain ethical conduct for auditors, contradicting the criticism by Samsonova-Taddei & Siddiqui (2016). The uppermost recommendation on how a firm can strengthen the ethical conduct of its auditors relates to acknowledgement and counteracting measures to address ethical threats such as the culture of commercialisation, senior leadership interference on audits and prioritisation of client interests over professional and public interests.

Chapter 7: Concluding remarks

7.1   Introduction

In recent decades, the audit profession has faced fierce criticism and scrutiny due to scandals relating to corporate failures, accounting irregularities, audit quality failures, and unethical practices (Harber & Marx, 2020; Marx & Harber, 2020). The conduct of auditors has been questioned, with concern over the effectiveness of the professional regulations to mitigate ethical threats brought on by multiple factors, such as pressure for commercialisation (Samsonova-Taddei & Siddiqui, 2016).

Academic literature on identity theory hypothesizes alignment between the salience of identity and behavioural conduct (Dellaportas et al., 2019). Studies, mainly conducted in the European and North American markets, have explored professional identity among auditors and found that it is a key aspect in the profession and is driven by the values, social norms and rules at firm level (Brouard et al., 2017; Garcia-Falie`res & Herrbach, 2015; Stack & Malsch, 2022). However, these studies concentrated on auditors in large global firms, also known as Big 4 firms, to the exclusion of medium and small firms. Recommendations were made for similar studies on firms outside of the Big 4, and the study to be extended to socially, politically and economically diverse regions. A challenge embraced by this study.

7.2   Research contribution

This research contributes to scholarly debate on the relationship between the professional identity of auditors, the firm identity and individual personal identity. It examines the extent to which these dimensions influence auditors' professional conduct. The study's objective was to determine how identity theory can be leveraged to positively influence the ethical conduct of auditors, addressing the reputation challenges the profession has faced. Maintaining the credibility of auditors is critical in upholding corporate governance and restoring public trust in the financial and non-financial information of corporates (Garcia-Falie`res & Herrbach, 2015).

7.3   Research setting

Recommendation was made for further research on the professional identity of auditors in firms in under-researched geographical areas, e.g. Africa region: areas with more socio-cultural diversity. Additional recommendation was for research into professional identities of auditors in mid-tier and local firms other than the "big 4"; and those with different personal experiences (Stack & Malsch, 2022; Dellaportas et al., 2019). The setting also supports the recommendation to examine the multiplicity of auditor identity formation within diverse cultures, demographics and socio-related influences. Thus far, literature painted auditor identity as being comprised of professional and firm identities (Garcia-Falie`res & Herrbach, 2015; Broberg et al., 2018)).

In conducting this study, the research setting addressed the literature recommendations and contributed to understanding the professional identity of auditors operating in South Africa. How this influences ethical conduct had not been explored. Meanwhile, irregularities noted within the audit profession have impacted the South African region (Rogers & Malan, 2020).

7.4   What was known/ not know from theory/previous research

Prior studies posit that professional identity is highly influenced by academic exposure, professional specialisation, and the employing firm. A salient identity directs conduct of an individual. When there is conflict between the professional and personal identity of auditors, or that of the employer firm, this impasse threatens auditors' ability to comply to professional standards (Charness & Chen, 2020; Garcia-Falie`res & Herrbach, 2015).

Data shows that auditors' professional identity impacts the behaviour of auditors through shared norms, values and beliefs, and consequently ethical values and conduct (Brouard et al., 2017; Stack & Malsch, 2022). The threat exists where an auditor's immature or weak professional identity is overpowered by a salient self-identity or firm identity inconsistent with desired ethical values (Dellaportas et al., 2019; Sarraf-Yazdi et al., 2021). What was not known from previous insight was the extent that the multiplicity of identities informs professional identity. Further, how increased diversity and socio-cultural conditions of the professional context influence identity formation.

7.5   Research question

This research contributes to the theoretical debate about professional identity formation, focusing on the audit profession. It also assesses any consequential influence on auditors' ethical values and behaviours.

The main research question of the study was to understand how the professional identity of auditors in the South African context is influenced by their respective self-identity and the firm identity, and the consequential effect on the desired ethical conduct, with the below listed sub-questions:

Research sub-question 1: What are the key contributors to the professional identity of an auditor?

Research sub-question 2: Is professional identity influenced by self-identity or the identity of the employing firm?

Research sub-question 3: How do auditors experience congruence or tension between professional and firm identities?

Research sub-question 4: Are personal ethical attributes more aligned and influenced by the firm identity, professional identity or by self-identity?

Research sub-question 5: What is required in audit firms to strengthen the ethical behaviour of auditors?

7.6   Methodological approach

A qualitative research approach was followed to understand inter-relational patterns across the constructs through semi-structured interviews with 15 participants. Each was pre-screened to ensure a minimum of 5 years' experience practising in audit firms of different tiers. The sample also included multiracial representation and foreign nationals from other African countries who had migrated to South Africa.

The inclusion of different sizes of firms and the concentration on the audit industry in a country with diverse socio-cultural context enabled the closure of gaps recommended for further exploration. The approach enabled the researcher to examine theory on identity to frame understanding of the relationship across concepts as well as identifying other variables contributing to a professional identity. The methodology adopted was similar to previous

research in this field, enabling the researcher to compare the experiences of the sampled participants.

7.7   Summary of findings

The study found that personal identity and other social identities influence the professional identities of participants, diluting the influence of firm-level identity. Where the personal identity has a greater influence on the professional identity, the individual's values strongly align with the professional ethical principles, thereby creating harmony between personal values and the conduct desired by the profession. Other social identities, stemming from clients, academic training, social backgrounds, and professional bodies, influence professional identities. This includes exposures during the formative years in the profession.

While the firm identity also shapes auditors' professional identity through values, structures, and opportunities; conformity to internal culture has both negative and positive effects on the saliency of the professional identity. The findings also confirm that the first firm auditors practised uniquely influences professional formation. These findings demonstrate that professional identity formation is not linear to the firm identity and that the multiplicity of auditor identities enriches self-identity.

Positive influences on the professional identity of the firm are related to firm values, leadership, and structures. Negative influences on the professional identity resulted from firm experiences related to the prioritisation of brand reputation and clients, especially when perceived to be at the expense of its employees. A poor culture of limited care for employees and a highly competitive internal climate detracts from professional identity associations.

Experiences of marginalisation within the firms were reported by black auditors. This was characterised by inequality in growth opportunities, work and client exposure limitations, and opportunities for progression. Marginalisation emerged as a source of conflict between participants' professional and firm identities. This finding applied to firms of different sizes across the sample. However, it was noted that only South African-born black auditors reported such experiences.

An unexpected finding from black auditors with marginalised experiences was that they still described the firms as being ethical. There was a difference towards separating ethics as a value system for professional conduct from expectations of inclusivity and equality for

employees. Practises upheld by firms that display inconsistency to professional ethical fundamentals were underscored as another source of conflicting identities between the firms and auditors.

The findings of this study demonstrate that early exposure to professional standards through academic training yields the highest impact in influencing auditors' ethical attributes, contradicting earlier criticism of the effectiveness of regulations (Samsonova-Taddei & Siddiqui, 2016). Ethics-related training provided by firms helps to cement foundational learnings which serve as essential building blocks for desired ethical posture. Having personal values that are aligned to the professional ethical principles also plays a significant role, demonstrating that consistency in ethical values between personal identity and professional standards is instrumental. This, coupled with early exposure to the fundamentals of the profession, can effectively prepare auditors for the practical world.

Participants expressed confidence in the audit processes and professional safeguards to mitigate the risk of unethical conduct. However, a number of important risk factors threaten ethical posture and require constant attention. These include the commercial pressures that drive audit firms, senior leadership interference, and failure to be responsive to the evolving world.

In conclusion, the study's findings are that professional standards have more influence on professional identity and the ethical conduct of auditors than firm identity. Secondly, congruency was found between the personal identities and professional standards ahead of with firm identity. Therefore, the findings challenge the level of influence firm identity has on professional identity and ethical conduct, and indicate that other exposures such as academic training, professional standards, personal as well as other social identities are more persuasive in informing the shaping of professional identity of auditors in this setting.

7.8   Theoretical contributions

The study's findings contribute to identity theory and understanding of the interrelations between professional identity and the firm identity for auditors. However, they also expose new insight into the increased influence of the multiplicity of identities on auditors' professional identity (Brouard et al., 2017; Garcia-Falie`res & Herrbach, 2015). The firm identity has no exclusive and linear relationship with the auditors' professional identity. Interventions such as academic training and professional standards play a role in shaping an individual's professional persona.

The findings covered auditors from small, medium, and large sized firms operating in South Africa, responding to previous studies' recommendations (e.g. Brouard et al. 2017; Dellaportas et al., 2019; Stack & Malsch, 2022). The study contributes to the understanding of the multiplicity of identities resulting from diverse demographics, cultures, and socio-related identities, demonstrating the complexity of these factors in professional identity formation for auditors.

On matters relating to ethics, the findings support the threats to ethical conduct arising from conflicts in firm priorities in line with earlier findings (Samsonova-Taddei & Siddiqui, 2016). A contrary finding emerged in relation to the criticism over the effectiveness of professional standards in regulating ethical conduct within the profession. This study maintains that understanding measures to leverage identity theory can positively influence ethical conduct by auditors.

7.9   Recommendations for leaders in the profession

The impact of a sense of belonging as a social identity cannot be undermined if audit firms seek to drive common goals, values and the emotional significance (Knippenberg, 2023; Goto, 2021; with Garcia-Falie`res & Herrbach (2015). Based on participants' experiences, audit firm leadership needs to pay attention to building a responsible culture in the firm to influence the professional identity and ethical conduct of auditors positively. Attention should be paid to eradicating experiences of discrimination of auditors within the profession. The leadership should eradicate marginalisation through active interventions such as measuring relevant performance indicators.

The risk of ethical scandals is a persistent threat to the profession (Hazgui & Brivot, 2020). Participants provided substantive inputs on ethical threats auditors face as part of daily exposures, with emphasis on commercialisation and pressure to respond to the evolving environment. If consciously addressed, these can positively contribute to enhancing the ethical posture of the profession. Industry bodies should measure extent of ethical compliance within the profession. Capacitation programs are also set to enhance responsive to ethical threats and introduce mitigation programs.

7.10   Recommendations for future research

While the study focused on the relationship between professional identity, self-identity, and firm identity, new themes emerged that could be considered for future research. The influence of other social identities on the professional identity of auditors is recommended for further interrogation, particularly client identity, professional bodies, and other social relationships and responsibilities.

Further studies are recommended to examine negative experiences that stem from a firm culture of prioritising clients and firm brand, as well as navigating the highly competitive environment. These should seek to determine the extent of the impact on auditors' professional identities.

Several participants reported feeling marginalised as black professionals, coupled with not being afforded equal exposure and growth opportunities relative to white counterparts. Marginalisation due to racial discrimination was not a focal point in the study and requires further interrogation to determine impact on professional identity of auditors as well as the firm identity.

Further research is therefore recommended on the professional identity formation of auditors in the midst of marginalisation within arenas of practice. Studies should also examine the effects of marginalisation on the audit firm's pursuit of collective participation and identity. Lastly, on conflicting identities, the contradiction of firms' assertions to care for employees versus lived experiences results in inconsistencies in how the firm presents its identity. This is an opportunity to further research the conflicts within an institution's identity.

7.11   Limitations of the study

Whilst the researcher had stopped working in the audit industry approximately 18 months prior to conducting the research, she had practised as an auditor in two audit firms for a considerable amount of time and was somewhat familiar with some of the participants and some of the firm experiences shared by the participants.

Secondly, whilst the sampling frame did not require strict specification of gender or race demographics, the participants were heavily skewed towards male and black Africans in profile. This may have influenced the findings.

The application of thematic analysis on the data collected employed subjective reasoning in developing and assigning descriptors of the codes. However, guidance was applied from literature to interpret and model the findings.

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Appendices

Appendix 1 – Interview guide

1. Name and current role

2. Name and period you were in an audit firm

3. What is your tenure within the firm(s)

4. What is/ was the size of firm

5. How would you describe your self-identity

6. And the identity of the firm you practised at?

7. To what extent is your professional identity the same as your self-identity, and?

8. What were the key contributors of your professional identity?

9. To what degree is your professional identity influenced by the firm identity?

10. Have you experiences instances where the three identities seemed to conflict? If so, which did you experience to take precedence and why.

11. How would you describe your ethical character relative to your professional identity, and why?

12. Did you find it more aligned or influenced to the firm identity or influenced by self-identity?

13. In your experience, can the auditor's ethical character exist exclusively from their professional identity?

14. In your experience, is it true that self-identity + firm identity = professional identity?

15. Are your ethical attributes a reflection of self, the profession or the firm one practises in?

16. What is the one thing that audit firms can capitalise on using the firm identity to strengthen its ethical posture?

Appendix 2 – Informed consent letter

Informed consent for interviews

I am conducting research on *the impact of auditors professional identity on their ethical conduct*.

I would greatly appreciate your participation in my research through an interview. Our interview is expected to last approximately 60 minutes and will help us understand how the professional identity of auditors is influenced by their respective self-identity and the firm identity, and the consequential effect on the desired ethical conduct.

Kindly note that your participation is voluntary, and you can withdraw at any time without penalty.

By signing this letter, you are indicating that you have given permission for:

• The interview to be recorded;

• The recording to be transcribed by a third-party transcriber, who will be subject to a standard non-disclosure agreement;

• Verbatim quotations from the interview may be used in the report, provided they are not identified with your name or that of your organisation;

• The data to be used as part of a report that will be publicly available once the examination process has been completed; and

• All data to be reported and stored without identifiers.

If you have any concerns, please contact my supervisor, _____ or myself. Our details are provided below.

Researcher name: **Research Supervisor name**:

Email: **Email**:

Phone: **Phone**:

Signature of participant: _____ Date: _____

Signature of researcher: _____ Date: _____

Appendix 3: Findings themes per research sub-question and related code numbers

RQ	# of Themes		Theme names	Level 1 coding	level 2
1	4	Theme 1	Valued based professional identity	7	56
		Theme 2	Success orientated professional identity	10	
		Theme 3	Impact of academic training	13	
		Theme 4	Contribution of audit firm	26	
2	4	Theme 1	PI informed by personal identity	27	63
		Theme 2	PI based on positive firm identity	16	
		Theme 3	PI hybrid of self and firm	3	
		Theme 4	PI informed by other identities	17	
3	5	Theme 1	Inconsistent ethical principles and values	6	32
		Theme 2	Work exposure, development, and progression	7	
		Theme 3	Equality is not an ethical value for firms	10	
		Theme 4	Billable hours count more than people	5	
		Theme 5	It's not about the firm, it's the people	4	
4	4	Theme 1	Personal internalisation of ethics as a value	3	16
		Theme 2	Attributes acquired from academic training and informed by professional standards and ethics	7	
		Theme 3	Ethics training at firm or firm exposure, which contributed to ethical character	5	
		Theme 4	One participant felt that their ethical attributes are more aligned to their holistic social identity, rather than just their professional identity	1	
5	6	Theme 1	Acknowledge ethical threats	14	40
		Theme 2	Uphold current processes and safeguards	14	
		Theme 3	Assessment of ethical character as part of recruitment	2	
		Theme 4	Periodic ethics or value-based coaching through key professional milestones	3	
		Theme 5	Ethics training that is responsive to the evolving world	3	
		Theme 6	Maintaining a firm culture that is conducive for ethical practises	4	