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Investigating the Effect of Auditors' Behavior Biases on Decision-Making and Errors within the Capital Market, with Emphasis on the Auditor's Personal and General Characteristics

Bakhtyar Ashrafi [1], Zohre Hajiha [2*], Reza Tehrani[3]

[1] Ph.D. Student in Accounting, Department of Management and Economics, Science and Research Branch, Islamic Azad University, Tehran, Iran.
[2] Professor and Faculty Member, Department of Accounting, East Tehran Branch, Islamic Azad University, Tehran, Iran.*
[3] Professor and Faculty Member Department of Management and Economics, Science and Research Branch, Islamic Azad University, Tehran, Iran.

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Abstract
Behavioral biases are defined as systematic errors in judgment. Researchers have identified and presented a long list of types of behavioral biases. Recent studies have introduced more than fifty types of known behavioral biases about investors, while many behavioral biases have not yet been identified. The purpose of this study is to provide a model of auditors' behavioral bias or individual psychological. Identifying these biases can help auditors improve their abilities to exercise professional skepticism in the process of professional judgment by employing an effective decision-making process. This study used a combined quantitative and qualitative method to present the research model. Based on the capital market's nature, accountants' and auditors' information is provided by an effective influence of personal decisions and market results, derived systematically by information structure and market participants' features. Perception, judgment, and decision options processes influence auditors' choices, which may affect auditing errors. The study's purpose is to investigate auditors' different biases and decision-making factors regarding errors based on a cognitive approach in the capital market. The model's objective is practical and based on a descriptive-analytical methodology. The study's statistical population includes all certified auditors of Iran's Securities and Exchange Organization, who were provided with the researcher-made questionnaires with valid narration and reliability. The collected data were analyzed by AMOS software. The findings indicate that components of the cognitive bias are predictable by auditors' errors based on the priority level and maximum influences, including mental accounting bias, availability bias, heuristic bias, and ambiguity aversion bias. Also, components of decision-making are predictable by auditors' errors based on the priority level and maximum influences, including decision case, job experience, decision-making situation, and individual features.

* Corresponding Author: journal@srbiau.ac.ir

1. Introduction

The continuous growth and complexity of society justify the need for relevant economic information and information systems and information-producing processes. They also extend the market for auditing as part of the financial reporting process. The use of auditing services in different parts of society will be maximized if the role of auditing in society is clearly defined through a comprehensive effort (Salehi et al., 2021). Clarifying this role requires understanding the nature of auditing and its inherent limitations. The auditors' report is the end product of the auditing process. The role of auditors – i.e., to provide adequate and appropriate assurance to control the economic affairs of companies – has now evolved. Of course, the responsibility for ensuring the adequacy of corporate internal controls by management is still in place. On the other hand, auditing is one of the fundamental pillars of the accountability process because accountability requires reliable information, and the ability to rely on information requires reviewing them by a person independent of the information provider. This importance is conducted through the audit process; the audit creates added value by making relevant comments by determining the information's validity in the accountability process. A bridge is thus created between the auditors' findings and those inside and outside the company in the form of audit comments, which play an important role in warning users of financial statements to recognize the problems facing the company. If objections and distortions exist, the audit company will not easily pass it, affecting the audit opinion.

The capital market refers to interactions among firms or organizations with funding needs and investors with surplus funds for investments whereby firms raise debt and equity capital for their operations, and investors make funds available to firms either in the form of debt or equity investments at a return. In highly developed capital markets, firms can raise debt or equity capital from the market much more easily and investors can place their surplus funds much more easily. The converse is the case for less developed capital markets where it is difficult for firms to raise capital and those who have surplus funds do not have readily available channels for placing those funds for productive ventures (Atuilik & Salia, 2018).

Several factors may influence the level of development of capital markets. The appropriate legal and regulatory infrastructure, such as an effective Securities Exchange Commission, an active stock exchange market, and the availability of accurate and reliable corporate financial information about firms' financial performance and financial position are key influencers of the level of development of the capital market. Thankfully, Osei (1998) observed that there seem to be appropriate and effective legal and regulatory structures in Ghana to promote the development of the Ghanaian capital market (Raposo & Lehmann, 2019).

On the other hand, There are generally two approaches regarding personal errors: the behavioral approach, which considers mistakes resulting from personal interaction with the environment, and the cognitive approach, which searches for errors inside individuals and explains their process. In recent years, as cognitive sciences develop with more positive effects in eliminating personal errors and solving problems, (scholars intend to complete researching this field (Kohandel, 2019).

Incidentally, accounting plays a prominent role in capital markets, since an entity‘s financial statements provide a summary of economic outcomes from business activities, depicting them as financial statements to be transferred to shareholders and other economic information users. Here are the area auditors meticulously review the statements with their unbiased nature of profession to provide accurate and precise economic information. Auditing is in essence process of adjudication, in which auditors implement their professional judgment to create a general credit on corporates‘ financial statements because auditors‘ judgment quality can be affected by individual characteristics (Nealchi & Ahmadian, 2017).

Also, cognitive processes include a group of perception, judgment, and decision choices processes encompassing information shifting and modification of the decision-maker’s behavior encountering auditing information. Decision makers’ judgments determine their analyses and perception of information. Decision choices are affected by perception and judgment processes (Mollanazari & Esmaeili Kia, 2014).

Professional adjudication is affected by several key factors. Scholars are currently studying auditing business environments, decision-making process, as well as qualitative features of judgment; notwithstanding the applied instruments and methods, it seems that auditing is a judgment-based process more than anything else and auditors need to decide and make judgments (Abbasian Fereydoon; et al., 2015).

Moreover, what was found to be a problem is the non-reflection of all available financial information on stock prices (Salami and Acquah-Sam, 2013). Embedded in this problem is the question of the reliability of the financial information generated by firms listed on the Ghana Stock Exchange. It is in this regard that it is necessary to take steps first to improve the credibility of the financial information generated by firms listed on the Stock exchange, and then to ensure that the financial information available is used by investors to make investing decisions. Generating reliable financial information by firms listed on the Ghana Stock Exchange is thus a necessary step towards uplifting Ghana_s capital market (Aloke et al., 2009).

Investor confidence in the auditing of public financial reporting is critical to expanding our capital markets. Whether the audit is compulsory or not, the companies seeking capital pay for audits to receive a benefit. That benefit is in the form of a lower cost of capital than capital-market participants would otherwise require, access to more capital markets, and greater investor demand for their securities (Harris, 2014). Although it is companies that receive the benefit of the audit, governments, by requiring the audit to enter their capital markets, also invest in audit quality. The audit is a critical contributor to economic growth, without which there is jeopardy to social peace and preservation of our democratic institutions. But the assertions of a broad, public benefit implicit in my first proposition would not now go unchallenged. They see auditing as a regulatory cost — a required cost of doing business, best kept as low as possible to meet the compliance objective.

The PCAOB's work increasingly involves coordination with our counterparts in other jurisdictions, many of whom have representatives here today, and that coordination runs deep. Together, we have begun, and are making stronger still, a foundation upon which our nations can build vibrant programs for capital formation and investment, and economic growth (Doty, 2015). They would point to the fact that the public rarely shows interest in auditing. They do not feel the pull of public demand. For its part, the public takes auditing for granted and demonstrates little interest in it, except in the breach. Breaches attract acute public interest. But if the breaches are rare, some might yet think that the breaches are a bearable cost of a protection system that is not unbearably costly the rest of the time (DeFond & Zhang, 2014). The mission of the PCAOB as spelled out in Section 101 of the Act is "to protect the interests of investors … in the preparation of informative, accurate and independent audit reports…" We work to ensure that audits are conducted properly by independent auditors (Harris, 2014).

However, the increasing need for more effective and efficient tasks by auditing and auditors considers a prominent role of psychology in the auditing process. Besides, in auditing literature, using analytical examinations in independent auditing is introduced as a technique driving more efficiency and lowering auditors' biases (Nikoomaram et al. 2014).

Cognitive biases may also affect human judgments in the decision-making process of any subject, specifically though they are more destructive in complex issues and under comprehensive systematic pressures, as well as imposed pressures on auditors' judgments during independent auditing (Kohandel, 2019). Psychological studies reveal that cognitive biases are usually seen in adjudicating and repetitious jobs. There are many examples of assumptions affecting auditors' judgments mostly due to their interests. Excessive expectations or pre-judgment about a contractor's unmodified report are evidence of an auditor's lack of independence (Fattahi Asl et al. 2013).

In this study, as a result, the role of biasing and deciding based on auditors' errors regarding the cognitive approach is reviewed in the capital market.

2. Literature Review

an auditor is an individual or entity which bears the final responsibility for financial statements, auditing, or providing related services (Royaie et al., 2014). Auditing is an orderly and regulated process to collate and evaluate unbiased evidence regarding economic activities and events to determine their adaptability with determined parameters and to report the results to stakeholders (Asgari, 2013).

Auditing can be categorized based on different foundations: content, job execution method, organizational allegiance, and the commissioning reason (Hajiha et al., 2012).

can be the result of a- wrong calculation (mathematical errors), b- wrong application of accounting principles (methods), and c- overlooking and wrong perception of existing realities in financial statements preparation. An example of correction is shifting from unorthodox accounting principles (method) to a conventional and accepted accounting principle (method) (Auditing Organization Technical Committee, publication 2008).

Many auditing errors are discovered as a result of the implementation of adapters in the two-sided registration system. Although local adapter systems in a business unit may disclose some auditing errors, some of them might remain undisclosed until future periods. In some cases, errors may be never discovered. The major problem is happening when errors report the business unit's income incorrectly or unrealistically.

Cognitive biasing is repeating or insisting on errors in thinking, evaluating, or other cognitive processes, and is the deviation paradigm from judgment standards, and based on that deductive results might be illogical. Cognitive biasing is a paradigm that may cause deviation in judgment or reasoning, and may subsequently bring illogical results about other individuals or situations.

Individuals make up their ―mental social reality‖ through observing inputs. Forming an individual's ―social reality‖ dictates the personal behavior in a society, but not objective inputs of the individual; as a result, cognitive biasing may finally distort perception and cause incorrect judgment, irrational interpretation, or what is widely called indiscretion.

Cognitive inclinations include mental accounting, self-attribution, heuristics, conservatism, ambiguity aversion bias, etc.

Intuitive behaviors also include overconfidence, anchoring and adjustment, availability bias, and representativeness. Emotional inclinations result from motivation and intuition, encompassing endowment bias, loss aversion bias, self-control bias, etc (Knapp & Knapp, 2012).

The bias is an attempt to tackle mental discomfort caused by two cognitions‘ conflict. By cognition, it means attitude, emotions, beliefs, and values. Individuals usually experience a kind of mental discomfort once they face some new information in conflict with their previous perceptions. Availability bias is a type of imbalance in response as an attempt or a challenge to make conflicts compatible and to overcome mental discomfort (Hirshleifer & Hirshleifer, 2017).

People react to unknown possibilities distribution with an interest to accept risks. They are generally hesitant against ambiguous situations with an inclination which is called ambiguity aversion. Overall, unknown situations are scarier than risky ones (Knapp & Knapp, 2012).

In such a bias, the reality frame is more reacted than its essence by a decision maker. As an example, a pack of coffee and a mug together in a store may seem less expensive than buying coffee and the mug separately, since both items are in one box. In reality, the offering frame is initially considered before noticing if there is any bulk discount on the product, and the consideration drives more purchasing with a mental judgment for the discount (Hirshleifer & Hirshleifer, 2017).

The bias refers to the fact that individuals are willing to decide about different financial issues in separate mental accounts, ignoring the hypothesis that all decision-making is better made in a portfolio. Mental accounting declines the interaction between different decision-making (Rahnamay Roudposhti & Jalili, 2010).

Such techniques reduce cognitive bias effects (Hilbert, 2012).

It refers to different methods of information processing. There are various classifications for the methods, categorized into two groups: 1- practical or management individuals with their initial analyses based on differences or situation changes; 2- scholars or scientists with judgments based on similarities discovered in comparing situations and objectives (Masih Abadi & Pour Yousef, 2008).

The factors that make mental (cognitive) processes select an action among attractive actions are called decision cases, which are indicated as prescriptive or descriptive kinds (Hassas Yeganeh & Rahimian, 2007).

Decisions are a function of decision-makers perceptions of their actions, abilities, and capacities. Decision-making conditions are formed based on the decision-maker’s perception of their environmental features (Jalili & Moshiri, 2013).

These conditions can be classified based on different factors; however, they are regarded by three new points of timing, complexity, and level of thought, each includes the followings: based on timing (urgent, delayed, approximate), based on complexity (simple, complicated), and based on level of thought (emotional, logical, collaborative) (Rajni & Parmod, 2015).

In this article, individual differences are intended by individual features, which are caused by cognitive and motivational styles, as well as personality (Masihabadi & Pour Yousef, 20080).

The decision frame implemented by decision-makers is a function of job structure and individual features of decision-makers. The features include confidence in personal judgment, organizational independence and status, professional qualification, and moral capacity (Turkmani, 2010).

It is referred to as a profession adopted by an individual for a considerable period of a lifetime, including promotional opportunities (job, welfare, and social security ministry). That an investor's attitude toward the capital market is a function of personal psychology, ideas, viewpoints, as well as positioning against risks. Studies reveal that numerous micro and macro factors, measurable or otherwise, affect investors‘ behaviors (Gorji and Khan Mohammadi, 2017).

3. Literature

Barzideh et al. (2018) have designed and developed the identity paradigm in auditing judgment. The quantity reviews show that environmental conditions affect auditing judgment and professional identity authority. Moreover, identity in auditing judgment is effective on the significance and authority of professional identity. Finally, the significance and authority of the professional identity have effects on auditing quality level improvement and the macro and national consequences of auditing. Valian and Safari Gerayli (2018) provided a paradigm to comprehend auditors‘ professional hesitancy with an approach to analyzing content. Considering the research findings at the quality level, 4 main and 13 subsidiary parameters are introduced as model parameters. At the quantity level, regression model testing results indicate that psychological and personality features, professional skills, and environmental factors have positive and meaningful effects on auditors‘ professional hesitancy.

NiIlchi and Ahmadian (2017) analyzed the accounting role of behavioral finance. In this study, it is mentioned that mental evaluations usually include biasing with human factors‘ interference. As individual judgments are applied in different financial steps of standard setting, financial statements preparation, and official auditing, the remarks are based on inner factors and several properties including the auditor‘s culture, knowledge, and expertise, as well as professional and institutional commitment and gender affect them. Moreover, accountants can reduce decision-making errors raised by such factors by identifying and better understanding the behavioral effective parameters.

Saidi Geraghani and Naseri (2017) reviewed individual differences and auditors' professional judgment. In this study, the effects of four individual features, including two demographic (gender and experience) and two psychological (optimism and self-confidence) features on professional judgments were reviewed. The statistical population of the research is the employed auditors in the member institutions of the Iranian Association of Certified Accountants. To do the study, an experimental project, and to collect data and examine subjects' personalities, a standard psychological questionnaire is applied. The collected data are analyzed by the student‘s t-test. Findings indicate that all variables of optimism, self-confidence, experience, and gender emphasize the existence of a difference in auditors‘ professional judgment.

Alizadeh (2017) reviews perception biasing in auditing. The studies confirm that the auditing profession is also affected by individuals‘ perception bias, i.e. individuals‘ expectations may change immediately once a decision‘s result is reached. Negative emotional burden resulting from situations with undesirable returns creates unreliable expectations from auditors; as a result, the auditor will complain and the equities will be sold when negative results are reached; such an incident is not a negative point for the profession though.

Karami and Parvizi (2017) studied cognitive biases in auditors‘ professional judgment. In this review, a cognitive bias is considered as the individual's interest in committing and adjusting systematic errors at the time of decision-making. Such errors usually result from mental revelation behaviors or information processing shortcuts, which have substituted human beings in the decision-making process. Dozens of cognitive biases have been identified and categorized by psychologists, while some of them are even used in daily conversations; however, a number of them have more importance in auditing.

Hormozi et al. (2016) reviewed the psychological effects on auditors‘ professional hesitancy. The findings indicated that the studied biases have negative effects on auditors‘ professional hesitancy, and reduced auditors‘ capabilities to implement an adequate level of professional hesitancy in the auditing process.

Andeelini et al. (2016) research auditors' relationships and focus on decentralized decision-making issues. The study reviews information transfer between two decision-makers who perform certain measures on two dates. The first decision maker has private information about the nature of the related information. The first decision maker sends a message to the second decision maker. The second party may choose only to view the message or has the authority to supervise the first party, auditor‘s operations, and confirm the situation. In the balanced status, no decision will be confirmed, and the second decision maker may choose between auditing and disclosure. When a disorder happens in priority choice, and operational bias (bias on the decision-makers' performance by the person) is indicated, the second decision-maker chooses to audit in the balance status. When a disorder happens in priority choice and ideological bias is indicated, a decision maker prefers to act with a bias comparing other decision-makers; therefore, in greater disorders, the second decision maker chooses disclosure in the balanced status. Research findings indicate avoidance ability in accounting out values for the secondary status.

Tahir (2015), in a Ph.D. dissertation, reviews auditors' independence development in decision-making through the shareholder‘s viewpoint. Heuristic analysis findings demonstrate there are 9 structures and components for measuring auditors‘ independence: perceived objectivity, perceived integrity, perceived hesitancy, avoiding personal interest threat, avoiding self-evaluation threat, avoiding acquaintance threat, avoiding the intimidating threat, avoiding the supportive threat, and safeguarding implementation. The second stage is to review such measurements and evaluations among national directors and selected companies. Data from 62 CFOs of large companies were collected and analyzed by structural equation modeling. The results indicate that accountants‘ independence measurement for decision-making is highly reliable and practicable. Ojala et al. (2014) reviewed auditing quality and corporate decision-making. It found that there was no considerable relationship between the four auditors‘ partnerships and no auditing benefit existed. However, the findings provide some compatible evidence regarding the relationship between business owner/director perception and external accounting reliability, as well as perceptional benefits in auditing. It was also figured out that the companies not using electronic processes in their accounting systems, more possibly value internal control benefits provided by an auditor.

Knapp & Knapp (2012) evaluated cognitive biases in auditing operations. In this study, cognitive bias refers to a situation in which personal interests will unconsciously lead to a systematic wrong decision-making process. Such errors usually result from professional behaviors and shortcut methods, as well as individual initiatives established in information processing as a habit to make adjudicative decisions.

4. Hypotheses

1. considering the mediating role of auditors' individual and general characteristics Different biases are effective on auditors‘ errors based on the cognitive approach in behavioral finance.

2. considering the mediating role of auditors' individual and general characteristics Decision making factors are effective on auditors‘ errors based on cognitive approach in behavioral finance.

3. There is a meaningful difference between various biases and each decision-making factor over auditors‘ errors.

4. The bias of financial behavior affects investment decisions.

5. Methodology

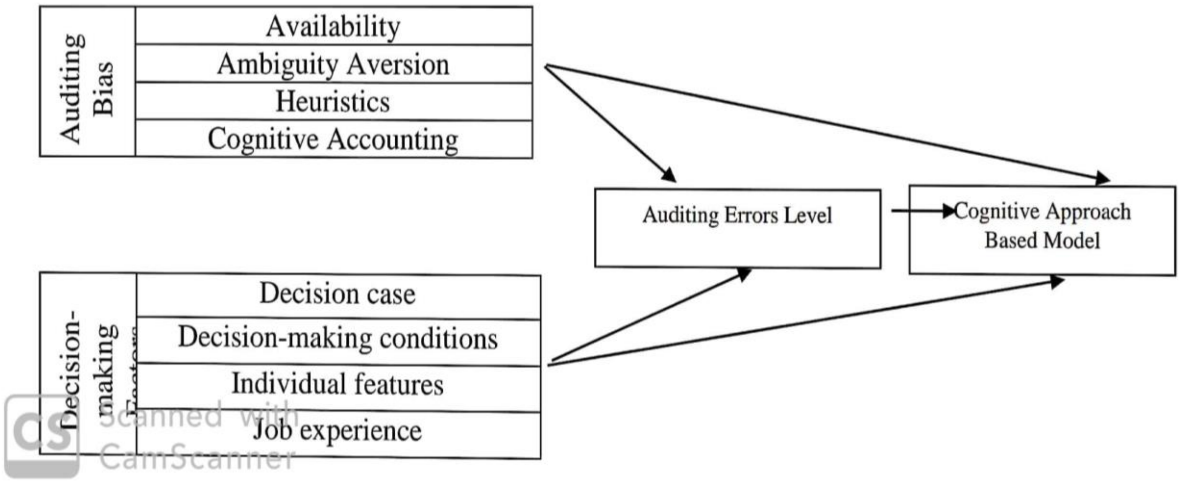
The research philosophy is realistic with an inductive (minor to major) approach. It was done in a specific period. The study‘s objective is a fundamental one, accomplished in a hybrid form. The collection method of data is the library field. In the hybrid method, the researcher uses different instruments to collect information, which includes interviews, records, and questionnaires. The existing researcher-made questionnaire comprises two parts of demographics and related dictions of research variables. Different stages of doing the research will be given later. Initially, library studies were done, and significant related indicators of the subject were extracted. Based on the projected variables, the questionnaire was designed. It was tested for reliability and narration.

The statistical population includes all certified auditors of the Securities and Exchange Organization who received the confirmed questionnaire as a census and via electronic mail. Then resultinglted data were entered into AMOS software to be analyzed. The variables were rated by Expert Choice software. Tests were exercised in descriptive and deductive forms. In the descriptive part, a review of mean, abundance, and abundance percentage is pointed out, including the questionnaire's demographic review. In the deductive part, the relationship level between variables and each of their effectiveness was specified by correlation tests between variables and structural equation model tests. Finally, the conclusions were made and compared with the previous studies.

The independent variables of the research include various cognitive biases of auditors (availability, ambiguity aversion, heuristics, cognitive accounting) and decision-making factors (decision case, decision-making conditions, and auditory features). In this study, the dependent variable is the auditing error level. At the end of the research, a model is provided based on a cognitive approach.

6. Findings

Respondents are mostly (79%) male and about 20% female. Most of them (53%) were reported as graduates, and as few as 9% were associate degree holders. Those with 11 to 20 years of job experience outnumbered 75%, and respondents with 21 to 30 years of experience were only 10% of the total.



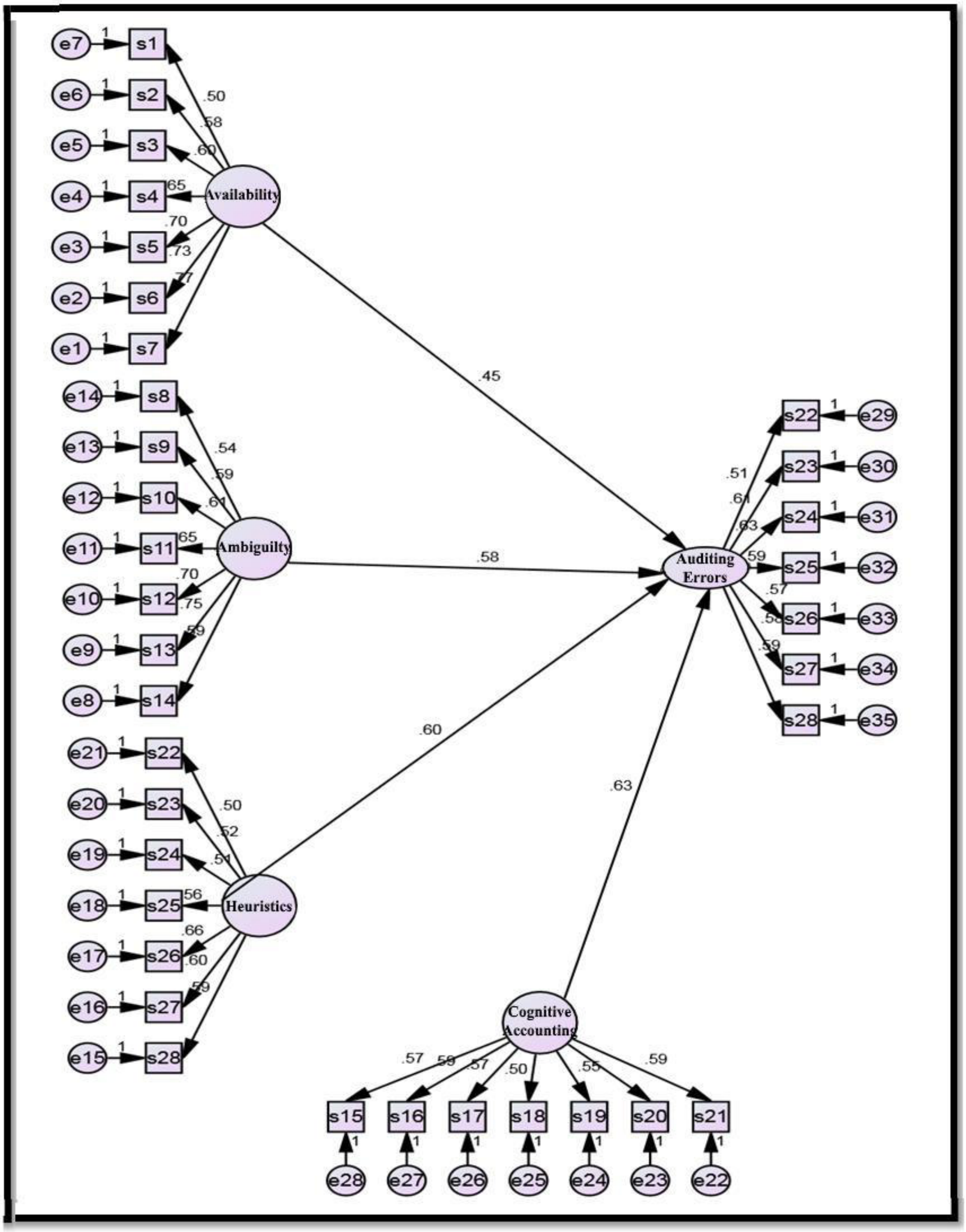
To normalize the data distribution of research variables, the Kolmogorov-Smirnov test limitation is its high sensitivity to critical amount and quantity fluctuations. The test‘s findings review indicates that data distribution is normal. Therefore, parametric tests are proper tests to review the research‘s hypothesis. To continue with testing hypothetical model accuracy and calculating coefficients of effectiveness, the structural equations modeling method with Amos software was applied.

There is a meaningful difference between each kind of bias on auditors‘ errors based on the cognitive approach in behavioral finance. Availability bias is effective on auditors' errors and the level of this relationship is 49% statistically confirmed, as the significance level is lower than 0.05 in the positive direction. In other words, it is possible to use availability bias variables based on structural equation tests and standardized data numbers to forecast up to 49% of auditors' errors. Based on the table, it can be stated that ―ambiguity aversion bias‖ can forecast up to 58% of auditors' errors based on structural equation model tests and standardized beta numbers. ―Heuristics bias can forecast the errors by using structural equation model tests and standardized beta numbers up to 60% based on the cognitive approach in behavioral finance. ―Cognitive accounting bias‖ forecasts up to 63% of auditors‘ errors based on structural equation model tests and standardizes beta numbers.

the coefficient between auditors‘ errors acceptance covert variable and accounting bias is 63%, heuristics 60%, ambiguity aversion 58%, and availability 95%. Also, the static coefficient for auditors‘ errors is considered 1. For the second time factor analysis, these path coefficients are meaningful at a 95% level of confidence. Therefore, important bias parameters effective on auditors‘ errors are rated by respondents, respectively as accounting, heuristics, ambiguity aversion, and availability biases. These variables affect the mentioned biases over auditors‘ errors. There is a meaningful difference between any decision-making varieties over auditors‘ errors based on the cognitive approach in behavioral finance Initially, the model‘s fitness indices were reviewed.

case|| forecasts up to 58% of auditors‘ errors based on structural equations model tests and standardized beta numbers. Up to 54% of auditors‘ errors can be also predicted by ―decision conditions‖ based on structural equations model tests and standardized beta numbers. ―Individual feature‖ is using the same model test and standardized beta number to forecast up to 45% of auditors‘ errors based on the cognitive approach in behavioral finance. ―Job experience|| can predict up to 57% of auditors‘ errors based on structural equations model test and standardized equations model test and standardized beta number.

coefficient between the covert variable of auditors‘ errors acceptance and decision case factor is 0.54, decision conditions 0.58, individual features 0.45, and job experience 0.57. Also, number 1 is considered for the path coefficient of auditors‘



errors, which is fixed by the researcher for the second time factor analysis; such path coefficients are meaningful at the confidence level of 95%. As a result, it can be stated that important parameters of decision-making factors affecting auditors‘ errors are ranked respectively as decision-making conditions, job experience, decision case, and individual features; such variables affect decision-making factors over auditors‘ errors. Moreover, as Table (3) information demonstrates, the stats covered the surface of the perceived standardized beta was more than 5%, which means that the collected data related to variables indicates an appropriate fitness from different bias varieties. Also, based on Table (4) root mean squared error of approximation is another criterion that will turn the model into an inappropriate one if the index exceeds 10%. Because the error level in the model is 4%, the model‘s fitness is proper. Other fitness indices of the model also seem suitable.

There is a meaningful difference between each bias variety over auditors‘ errors based on the cognitive approach in behavioral finance. The findings of the Friedman test indicate that the decision-making factor over auditors‘ errors in the decision-making case and the least important one is individual features this relationship is also statistically confirmed since the perceived significance level is lower than 0.005; therefore, it can result that there is a meaningful relationship in each decision making factors over auditors‘ errors based on the cognitive approach in the behavioral finance.

7. Results and discussion

The present study‘s findings show that cognitive bias parameters based on priorities include cognitive accounting, availability, heuristics, and ambiguity aversion biases over auditors‘ errors. Moreover, decision-making parameters are categorized based on the most effects, respectively as decision case, job experience, decision-making conditions, and individual features, resulting in auditors‘ errors.

Different biases are effective over auditors‘ errors based on the cognitive approach. Also, availability bias is effective over auditors‘ errors by 45%, cognitive accounting by 63%, and heuristics by 60%, as well as ambiguity aversion bias which is effective over auditors‘ biases by 58%, and decision case by 54%; the effect is 58% by decision-making conditions, and 45% by individual features. Job experience also affects auditors‘ errors by 57%.

The significant difference between each kind of bias over auditors‘ errors is confirmed. Also, the significant difference is confirmed between each decision-making factor over auditors‘ errors, and finally, proper de-biasing was provided for each of the auditors‘ errors. It was accompanied by some mechanisms for each of the auditors‘ biases; the cognitive accounting mechanisms include: dismissing any mental assumption regarding numbers in calculations, not comparing mental calculations with each other, and implementing a correct perception of numbers in each equation separately. The heuristic mechanisms are: viewing a single phenomenon from different angles, accurate perception of relating, and avoiding too much attention over a single issue.

The availability mechanism includes partial compatibility of old sciences with new situations, realizing values, and opinions, and perceiving new ideas, especially from new generations. The mechanisms of ambiguity aversion are named as avoiding too much reliance of mind on expertise and considering different voices, gradual learning in various fields, consulting with other professionals, and removing the effect of mental assumptions. Decision case mechanisms are given as an accurate understanding based on timing, an accurate understanding based on personal-institutional internet, an accurate understanding based on past, present, and future conditions, reviewing other experiences, and consulting with experts. The mechanisms for decision-making conditions include: reviewing factors resulting in decision-making conditions, accurate understanding of the situation and decision appropriately, accurate understanding of the situation, and deciding promptly.

The mechanisms for individual features include: mental focusing on internal issues of the job environment and considering the decision-making, avoiding mental focus on people's physical, age, and marital status for proper decisions, and mental focus on decision-making consequences. The mechanisms of job experience are provided as mental disregarding of past mistakes in the job and avoiding the effect of mental assumptions, as well as mental disregarding of others' job experience for making proper decisions. In the end, for further studies, it is recommended to review the most frequent behavioral and cognitive biases, including confirmability, conservatism, self-control, event orientation, regret-aversion, loss aversion, etc in auditors' society. Group psychological training courses such as capital market, empowerment, etc. should be designed and provided for auditors to lower different cognitive and behavioral biases.

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