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The Role of Joint Auditing in Enhancing the Quality of External Auditing A Field Study in Iraqi Audit Offices and Firms

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Abstract: This study aims to determine the role of joint auditing in enhancing the quality of the audit process, by demonstrating the role of (contracting and engagement, cooperation and coordination, and distribution and allocation of work) in enhancing audit quality. The descriptive approach was adopted, applied to audit offices and firms subject to the supervision of the Iraqi Securities Commission. A questionnaire was distributed to a sample of 80 licensed audit firms and offices in Iraq, and 78 valid questionnaires were retrieved for statistical analysis.

The SPSS statistical program was relied upon to analyze the questionnaire, present descriptive statistics for the study variables based on arithmetic means and standard deviations, and test the hypotheses using simple and multiple linear regression.

The study found a statistically significant positive relationship between joint auditing and enhancing the quality of the audit process, through a statistically significant positive relationship between (contracting and engagement, cooperation and coordination, and distribution and allocation of work) and enhancing audit quality, in Iraqi audit offices and firms.

Keywords: Joint audit, contracting and engagement, cooperation and coordination, distribution and allocation of work, audit quality.



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1. Introduction

Background

Joint auditing is one of the methods of external auditing. Many countries have applied it, with varying experiences ranging from mandatory adoption to voluntary adoption, and it is relied upon by institutions regardless of their legal forms. It can be applied in financial institutions in general and banks in particular. The idea of joint auditing is based on two audit offices jointly carrying out the audit work and issuing a joint audit report with shared, joint-and-several responsibility between the two offices, which brings many benefits to both offices and overcomes many of the problems that accompany individual auditing [1].

Many international professional organizations have supported joint auditing as one of the most interesting topics regarding its role in enhancing the quality of external auditing.

Problem Statement

Professional Practice, Supervision and Auditing System No. 3 of 2000 did not address the topic of joint auditing. Due to the circumstances and constraints experienced by Iraqi banks, the Central Bank of Iraq issued Resolution No. 9/M/167 dated 4/28/2016, which mandates that private banks be audited using the joint auditing method starting from the final accounts of the fiscal year 2016, given the scale of banking operations and activities carried out [2]. Accordingly, the study problem is represented in answering the following main question:

Does joint auditing play a role in enhancing the quality of external auditing? The following sub-questions branch from it:

1. Is there a guide that regulates the procedures of the joint auditing process between Iraqi audit offices and firms?
2. Does contracting and engagement, as one of the requirements of joint auditing, contribute to enhancing the quality of the audit process?
3. Does cooperation and coordination, as one of the requirements of joint auditing, contribute to enhancing the quality of the audit process?
4. Does distribution and allocation of work, as one of the requirements of joint auditing, contribute to enhancing the quality of the audit process?

Research Gap

The reviewed literature shows that prior Arabic studies have focused on the relationship between joint auditing and earnings management or earnings quality outcomes, while Hassoun and Zabin focused on the expectations gap and Qurayt et al. focused on statistical sampling efficiency. Among the foreign studies, Hegazy, Biehl et al, and Velte and Azibi examined joint auditing's effect on audit quality and audit fees in Egyptian, French, and German contexts. None of these studies decomposed joint auditing into the three operational requirements examined here – contracting and engagement, cooperation and coordination, and distribution and allocation of work – and tested their individual and combined effect on audit quality specifically within Iraqi audit offices and firms subject to the supervision of the Iraqi Securities Commission [3]. This distinguishes the present study and justifies its contribution.

Research Objectives

This study aims to demonstrate the role of joint auditing in the quality of the audit process at Iraqi audit offices and firms, from which the following sub-objectives branch:

1. To identify the guide that regulates the procedures of the joint auditing process between Iraqi audit offices and firms.
2. To identify the importance of contracting and engagement, as one of the requirements of joint auditing, in enhancing the quality of the audit process.
3. To identify the importance of cooperation and coordination, as one of the requirements of joint auditing, in enhancing the quality of the audit process.
4. To identify the importance of distribution and allocation of work, as one of the requirements of joint auditing, in enhancing the quality of the audit process [4].

Research Importance / Significance

The importance of the study is reflected in the results it presents and the recommendations it puts forward, which demonstrate the importance of the topic of joint auditing and the credibility of the audit process outputs resulting from it.

Prior Studies

Al-Sarai: This study aimed to identify the role of joint auditing in the relationship between audit quality and earnings management. The study relied on information published by banks listed on the Iraq Stock Exchange, selecting 15 banks over the period 2011 to 2021, using the Eviews statistical analysis program. Among the most important conclusions: there is a statistically significant inverse relationship between audit quality and earnings management, and audit quality has a significant inverse effect on earnings

management under joint auditing – indicating that as audit quality increases under joint auditing, management's earnings management practices decrease [5].

Biehl, Bleibtreu, and Stefani: This study aimed to analyze the effect of joint auditing on audit quality in French companies, using the descriptive analytical approach, with a study population of 3 audit firms over the period 2017–2020. The study found that audit quality is higher and audit fees lower when both auditors are well matched to the client's characteristics; imbalances in the allocation of audit work and task distribution can lead to lower audit quality and higher audit fees.

Fahd: This study aimed to identify the impact of joint auditing on earnings quality, measuring earnings quality characteristics (accrual quality and earnings persistence) and testing their effect on the external auditor's opinion (unqualified vs. qualified opinion), for a sample of 19 banks on the Iraq Stock Exchange, using multiple regression analysis over the period 2012–2019 [6]. The study found a positive correlation between joint auditing and accrual quality, a negative relationship between joint auditing and earnings persistence, and a negative relationship between joint auditing and the auditor's opinion; it also found a positive relationship between the auditor's opinion and accrual quality (higher accrual quality was associated with a clean/unqualified opinion), while a negative relationship was observed between the auditor's opinion and earnings persistence.

Hassoun and Zabin: This study aimed to show the effect of applying the joint auditing method and its effect on reducing and narrowing the appearance of the expectations gap from the perspective of auditors, based on the information collected for 160 auditors out of 291 auditors, using the descriptive analytical approach. The results showed an effect of joint auditing in reducing the expectations gap, and it was found that joint auditing has a positive and significant effect on the audit quality, and the most important reason cited by the respondents was that joint auditing improves the quality of the audit and the financial report [7].

Hegazy: This study aimed to evaluate whether a joint audit engagement leads to higher audit quality compared to an individual audit, based on the information collected from managers, deputy managers, senior auditors and auditors in 5 internationally affiliated audit firms, of which two were Big Four firms, in Egypt, and 250 questionnaires were distributed during the second half of 2020 (50 per firm) and 176 were returned. A five-point Likert scale was used. The results revealed that joint auditing enhances audit quality, as auditors in joint audit engagements deliver high audit quality and ensure continuity with the client. The results also confirm the importance of joint audit engagements that include one Big Four firm together with an audit partner with industry specialization relevant to the audit engagement.

Qurayt, Hamidan, and Safi: This study aimed to identify the joint auditing method for financial statements and the stages required to complete the audit process using statistical sampling, based on information collected from auditors in Damascus, with 75 questionnaires distributed and 58 retrieved. A number of statistical methods (central tendency and dispersion measures) were used along with SPSS [8]. The results showed a role for joint auditing in raising the efficiency of using attribute sampling in auditing, particularly the joint evaluation of test results, as well as a role for joint auditing in raising the efficiency of using variable sampling, particularly the joint estimation of materiality.

Velte and Azibi: This study aimed to discuss joint audit engagements and their role in increasing audit quality and reducing audit market concentration in Europe, and to present the theoretical basis for joint audit engagements. Using the descriptive analytical approach, the study population comprised audit firms in France and Germany, with a sample of 306 German and French firms selected over the period 2008–2012. The study found a weak effect of joint audit engagements on audit quality, but a strong association between joint auditing and increased audit fees [9].

The Concept of Joint Auditing

Joint auditing is a relatively recent phenomenon in the practice of auditing, being one of the methods of performing external audit work and representing an advanced stage in the professional relationship between audit offices and firms. This method has been relied upon and applied since the 1930s, having been applied on a mandatory basis in Denmark from 1930 to 2004, after which it became voluntary; listed companies on the French stock market have remained obligated to apply it since 1966.

This term is used to describe the case in which two auditors jointly plan and perform audit work, interpret

the results of audit procedures, and issue an audit opinion. It also represents a procedure performed by two different audit firms (a large firm and a small firm) auditing a given company for a pre-agreed fee, after which the two firms share their audit opinions and results, meaning that the two audit firms also share responsibility [10].

It is also a process carried out by two different audit firms (a large firm and a small firm) to carry out an audit of a specific company for a pre-agreed fee, after which the two firms exchange their opinions and audit results, so the two audit firms also share responsibility. It is also defined as a systematic process carried out by two or more independent auditors to audit the financial statements in a way that includes the planning and performance of audit work based on joint audit efforts, and the distribution of work and tasks between the auditors in a balanced share, mutual quality control, and the issuance of a unified audit report, signed jointly by the auditors assuming joint and several responsibility.

The researcher views joint auditing as an audit in which work efforts are distributed between two independent audit offices that share the effort exerted by dividing the work between them, issuing a single report, and bearing joint and several responsibilities for the information it contains.

Objectives and Importance of Joint Auditing

Joint auditing seeks to support and enhance auditor independence, ensure a higher level of audit quality, and achieve better application of audit procedures, through drawing on the shared expertise of the auditors participating in the audit process, based on participation and diversity, in addition to each auditor verifying the procedures and work performed by the other auditor, which ensures better audit quality. The importance of joint auditing lies in transferring expertise between the two audit offices carrying it out, increasing the accuracy of the audit report, increasing users' confidence in the information it contains, and achieving balance in the division of labor between those performing the joint audit in terms of preparing the audit plan, gathering evidence, and preparing the audit report, which in turn earns the audit offices performing joint audits a strong reputation in the audit market [11].

In this regard, the researcher agrees with the studies that have addressed the importance of joint auditing in transferring expertise between the two audit offices and enhancing the quality of the audit process.

Forms of Implementing Joint Auditing

A distinction is usually made between three forms of joint auditing, whether its application is mandatory or voluntary. Several forms have been found for applying the joint auditing method: performing joint audit work through a Big Four audit firm; performing joint audit work through a Big Four firm together with a non-Big Four office; and performing joint audit work through two non-Big Four offices.

The Concept of Audit Quality

The term audit quality refers to the characteristic of the external auditor's professional opinion when auditing financial statements, the development and improvement of that professional opinion, and the reduction of the expectations gap by bridging the gap between what the profession provides and what users of financial statements expect, thereby increasing society's satisfaction with the auditing profession in general [12].

It also refers to the auditor's ability to detect and disclose material errors and irregularities in financial statements, in addition to reducing the information asymmetry that arises between management and shareholders and protecting their interests. Audit performance quality varies, and high audit quality is likely associated with high-quality information in financial statements, because financial statements audited by highly experienced auditors are less likely to contain material errors and irregularities.

Audit quality is also defined as the implementation of the audit process with high efficiency and effectiveness in accordance with professional standards to meet the needs of all stakeholders in the audit process.

The researcher views audit quality as the performance of the audit process with efficiency and effectiveness in accordance with professional auditing standards and the rules and ethics of professional conduct issued by professional organizations, in order to obtain audit evidence and disclose the errors and irregularities discovered, thereby achieving the expected objectives of the audit process for relevant parties and meeting their implicit and explicit, current and future, needs and desires [13].

The Importance of Audit Quality

The need for a high-quality audit process emerged with the growing need for a strong audit system to evaluate the effectiveness of a company's internal controls, in order to achieve the company's objectives and detect and prevent fraud or any deceptive practices that may arise. The auditor, through the audit process, seeks to ensure that information is free of material errors, and a high-quality audit process should contribute to enhancing the credibility of reported information.

The importance of audit quality also stems from its role in enhancing public and stakeholder confidence in the profession and improving society's view of it, which elevates its reputation, giving investors greater confidence in audited financial statements and reducing the risk of misstatement in financial statements, and making financial statements more persuasive to their users, in addition to contributing to enhancing confidence in the audit report and the credibility of financial statements, since attention to audit quality is important for reinforcing confidence in audit reports [14].

The researcher believes that the importance of audit quality lies in enhancing confidence in the auditor's report when a high-quality audit process is performed, thereby enhancing confidence in the profession as a whole.

The Relationship between Joint Auditing and Audit Quality

Joint auditing was proposed by the European Commission to improve audit quality, given its role in improving auditor efficiency and independence, and reducing audit market concentration by encouraging the emergence of small audit firms.

Joint auditing contributes to improving audit quality by combining the expertise of the auditors performing the joint audit, particularly the skills of auditors from different geographic regions, increasing the reliability of financial reports, and reducing audit market concentration. It also contributes to enhancing auditor independence and increasing the likelihood of detecting material errors such as the misclassification of financial statements, given the existence of an audit by another auditor, which increases the auditor's ability to detect errors and affects their intention to report them.

The researcher believes that joint auditing has an effective role in audit process quality, because sharing the audit process generates an exchange of diverse professional and scientific expertise, which produces a positive reflection on the audit process and reduces the level of audit process errors.

Hypotheses Development

Main Hypothesis: There is a statistically significant relationship between joint auditing and enhancing the quality of the audit process. The following sub-hypotheses branch from it:

1. There is a statistically significant relationship between contracting and engagement, as one of the stages of joint auditing, and enhancing the quality of the audit process.
2. There is a statistically significant relationship between cooperation and coordination, as one of the stages of joint auditing, and enhancing the quality of the audit process.
3. There is a statistically significant relationship between distribution and allocation of work, as one of the stages of joint auditing, and enhancing the quality of the audit process [15].

2. Methodology

2.1 Research Design

The descriptive approach was adopted to achieve the study's objectives and test its hypotheses, as this approach describes the phenomenon under study as it exists in reality, seeking to describe it precisely and express it both qualitatively and quantitatively in order to obtain scientific results that are then interpreted

objectively, consistent with the actual data of the phenomenon. The descriptive approach is based on the principles of comparison, interpretation, and evaluation, with the aim of reaching generalizable results that carry meaning capable of expanding knowledge related to the subject of the study, leading to appropriate results and recommendations.

Spatial boundaries: Employees working in Iraqi audit firms and offices.

Temporal boundaries: The study was conducted during 2023.

2.2 Population and Sample

The study population comprised Iraqi audit offices and firms licensed by the Iraqi Securities Commission during 2023, and the study sample consisted of the offices and firms specialized in auditing the accounts of Iraqi banks.

2.3 Data Collection Tool

The study analyzed the opinions of the sample through a questionnaire designed for the purposes of the study, distributed to auditors licensed by the Iraqi Securities Commission. A total of 80 questionnaires were distributed, of which 78 were retrieved and used to analyze the results and test the hypotheses using SPSS version 24, at a significance level of 0.05.

2.4 Variables

The independent variable is joint auditing, operationalized through three dimensions: (1) contracting and engagement, (2) cooperation and coordination, and (3) distribution and allocation of work. The dependent variable is audit quality. Each dimension was measured through a set of questionnaire items rated on a five-point Likert scale.

2.5 Statistical Methods / Tools

The Statistical Package for the Social Sciences (SPSS, version 24) was used to analyze the collected data. A number of descriptive and inferential statistical measures and tests appropriate to the study's hypotheses and objectives were used: the arithmetic mean, the most widely used measure of central tendency; the standard deviation, a commonly used and valid measure of dispersion; Cronbach's Alpha to measure questionnaire reliability; and simple and multiple linear regression to test the hypotheses.

3. Results and Discussion

3.1 Descriptive Statistics

Questionnaire Reliability Test

Questionnaire reliability was tested using Cronbach's Alpha to measure the internal consistency of its items. Cronbach's Alpha values range between 0 and 1, and for a scale to be considered reliable, the coefficient value should not be lower than 0.60.

Table 1. Cronbach's Alpha Reliability Test Results.

Dimension	Cronbach's Alpha Value
Contracting and Engagement	0.782
Cooperation and Coordination	0.763
Distribution and Allocation of Work	0.729
Audit Quality	0.777

Source: Prepared by the researcher based on SPSS output.

Table 1 shows the results of the Cronbach's Alpha analysis for the items of each dimension of the questionnaire related to the study variables, all of which exceeded 0.6, a value considered good for internal consistency reliability and acceptable for statistical analysis purposes, meaning that the sample's responses can be relied upon in deriving results related to the study population [16].

Descriptive Statistics of the Study Variables

Descriptive statistics include the arithmetic mean and standard deviation for each questionnaire item and for the overall score of each dimension, to arrive at the relative importance of each. The midpoint value of 3 (neutral, on the five-point Likert scale) was taken as the cutoff between high and moderate importance (5 = strongly agree, 4 = agree, 3 = neutral, 2 = disagree, 1 = strongly disagree).

Table 2. Descriptive Statistics – First Dimension: Contracting and Engagement.

#	Item	Mean	Std. Dev.	Result
1	Two audit offices are selected and share in the audit work.	4.0385	0.61247	High agreement
2	Both offices agree on the general audit strategy.	3.9872	0.63437	High agreement
3	Clear laws, regulations, and instructions govern the joint audit process and define the responsibilities of both offices.	4.0641	0.40579	High agreement
4	Joint auditing allows audit offices to contract with other clients due to the shorter audit duration.	4.2692	0.47463	Very high agreement
5	Both offices work together to set out a program showing the audit workflow.	4.5385	0.50175	Very high agreement
6	Both offices use specialized software to prepare the audit timetable.	4.3846	0.48965	Very high agreement
Contracting and Engagement (Overall, n=78)		4.2137	0.31543	Very high agreement

Source: Prepared by the researcher based on SPSS output.

Table 2 shows that the overall mean for this dimension was 4.21, with very high agreement and a standard deviation of 0.31; all items received a high level of agreement exceeding the 3.4 cutoff, indicating that respondents agreed with the content of these items. This confirms that implementing contracting and engagement, as one of the stages of joint auditing, contributes to achieving quality in the audit process from the perspective of the sample.

Table 3. Descriptive Statistics – Second Dimension: Cooperation and Coordination.

#	Item	Mean	Std. Dev.	Result
1	Coordination takes place between the two offices regarding the performance of the audit process.	4.4103	0.49506	Very high agreement
2	Both offices establish an effective communication plan between them.	4.2564	0.56834	Very high agreement
3	The two offices cooperate in preparing memoranda and documents such as engagement letters with the client.	4.4103	0.49506	Very high agreement
4	Each office tries to demonstrate its professional competence relative to the other office to sustain the client relationship.	4.4231	0.49725	Very high agreement
5	Both auditors maintain joint-and-several responsibility between the offices, which drives them to assist one another.	4.3590	0.53390	Very high agreement

6	The two offices cooperate in preparing flowcharts aimed at understanding the client's internal controls.	4.4231	0.49725	Very high agreement
Cooperation and Coordination (Overall, n=78)		4.3803	0.40192	Very high agreement

Source: Prepared by the researcher based on SPSS output.

Table 3 shows that the overall mean for this dimension was 4.38, with very high agreement and a standard deviation of 0.40; all items exceeded the 3.4 cutoff, confirming that cooperation and coordination, as one of the stages of joint auditing, contributes to achieving quality in the audit process from the perspective of the sample [17].

Table 4. Descriptive Statistics – Third Dimension: Distribution and Allocation of Work.

#	Item	Mean	Std. Dev.	Result
1	Audit work is distributed between the two offices according to each office's knowledge of the client's specialization.	4.0256	0.55769	High agreement
2	Fees are distributed between the two offices according to each office's knowledge of the client's specialization.	4.4103	0.49506	Very high agreement
3	A balance is achieved in distributing audit work so that neither office is assigned a larger share than the other.	4.5385	0.50175	Very high agreement
4	Audit work is distributed according to quantitative criteria such as the estimated number of hours needed to execute the audit program.	4.0769	0.57591	High agreement
5	Audit work is distributed according to qualitative criteria such as the type of expertise held by the audit team members or their specializations.	4.0641	0.72685	High agreement
6	Staff and tasks are better distributed and divided between the two audit teams.	4.5385	0.50175	Very high agreement
Distribution and Allocation of Work (Overall, n=78)		4.2756	0.36120	Very high agreement

Source: Prepared by the researcher based on SPSS output.

Table 4 shows that the overall mean for this dimension was 4.27, with very high agreement and a standard deviation of 0.36; all items exceeded the 3.4 cutoff, confirming that distribution and allocation of work, as one of the stages of joint auditing, contributes to achieving quality in the audit process from the perspective of the sample.

Table 5. Descriptive Statistics – Fourth Dimension: Audit Quality.

#	Item	Mean	Std. Dev.	Result
1	Auditor independence increases as a result of dividing the work between the two offices.	4.1923	0.58238	High agreement
2	At least one office's familiarity with the nature of the client's activity facilitates audit procedures.	4.1026	0.47235	High agreement
3	Distributing audit work between the two offices leads each auditor to focus on specific tasks, thereby improving the quality of audit performance.	4.4103	0.49506	Very high agreement
4	Audit work is completed in less time than when the audit is not joint.	4.5385	0.50175	Very high agreement
5	During joint audit work, each auditor exercises the necessary professional care as a result of each auditor reviewing the other's work.	4.1923	0.58238	High agreement
6	It is difficult for the client to exert pressure on both offices simultaneously.	4.1410	0.71577	High agreement
7	A peer review is conducted, with each office reviewing what the other office has completed.	4.5641	0.49908	Very high agreement
8	Both offices are keen to select a reliable source for gathering audit evidence.	4.2564	0.52064	Very high agreement
9	Participation in the audit process increases the qualification level of the staff preparing audit evidence.	4.5385	0.50175	Very high agreement
Audit Quality (Overall, n=78)		4.3262	0.33036	Very high agreement

Source: Prepared by the researcher based on SPSS output.

Table 5 shows that the overall mean for this dimension was 4.32, with high agreement and a standard deviation of 0.33; all items exceeded the 3.4 cutoff, confirming that joint auditing contributes to achieving quality in the audit process from the perspective of the sample.

Table 6. Summary Descriptive Statistics of the Study Variables.

Dimension	Mean	Std. Dev.	Result
Contracting and Engagement	4.2137	0.31543	Very high agreement
Cooperation and Coordination	4.3803	0.40192	Very high agreement
Distribution and Allocation of Work	4.2756	0.36120	Very high agreement
Audit Quality	4.3262	0.33036	Very high agreement

Source: Prepared by the researcher based on SPSS output.

Table 6 shows that the application of joint auditing was rated very highly by Iraqi audit offices and firms, with mean values above 3.4 for all dimensions, indicating that the sample strongly agrees that joint auditing contributes to achieving audit quality.

3.2 Hypothesis Testing Results

Testing the Main Hypothesis

There is a statistically significant relationship between joint auditing and enhancing the quality of the audit process. To test this hypothesis, a multiple linear regression test was performed to examine the relationship between joint auditing as the independent variable and audit quality as the dependent variable [18].

Table 7. Model Summary – Relationship between Joint Auditing and Audit Quality.

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.934 ^a	0.873	0.868	0.11998

Source: Prepared by the researcher based on SPSS output.

Table 7 shows that the correlation coefficient R equals 0.934, indicating a strong correlation between joint auditing and audit quality, and that the coefficient of determination is 0.868, meaning that joint auditing explains 86.8% of the variation in audit quality.

Table 8. ANOVA – Explanatory Power of the Study Model.

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	7.338	3	2.446	169.915	0.000 ^b
Residual	1.065	74	0.014		
Total	8.403	77			

Source: Prepared by the researcher based on SPSS output.

Table 8 shows the analysis of variance, from which the statistical significance of the model's explanatory power can be determined via the F statistic (169.915) and its significance (sig. = 0.000), confirming the statistical significance of the linear regression model overall.

Table 9. Regression Coefficients – Effect of Joint Auditing on Audit Quality.

Model	B	Std. Error	Beta	T	Sig.
(Constant)	0.880	0.204		4.309	0.000
Contracting and Engagement	0.195	0.058	0.186	3.343	0.001
Cooperation and Coordination	0.121	0.041	0.147	2.912	0.005
Distribution and Allocation of Work	0.874	0.058	0.956	15.123	0.000

Source: Prepared by the researcher based on SPSS output.

Table 9 indicates that the joint auditing dimensions are statistically significant based on the calculated t-values and significance levels below 5%. Distribution and allocation of work, followed by contracting and engagement, and then cooperation and coordination, are the variables with the greatest effect on audit quality.

Testing the First Sub-Hypothesis

There is a statistically significant relationship between contracting and engagement, as one of the stages of joint auditing, and enhancing the quality of the audit process. A simple linear regression test was performed to examine the relationship between contracting and engagement as the independent variable and audit quality as the dependent variable.

Table 10. Model Summary – Relationship between Contracting/Engagement and Audit Quality.

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.504 ^a	0.254	0.244	0.28718

Source: Prepared by the researcher based on SPSS output.

Table 10 shows that R equals 0.504, indicating a moderate correlation between contracting/engagement and audit quality, with a coefficient of determination of 0.244, meaning contracting and engagement explains 24.4% of the variation in audit quality.

Table 11. ANOVA – Explanatory Power of the Study Model.

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	2.135	1	2.135	25.891	0.000 ^b
Residual	6.268	76	0.082		
Total	8.403	77			

Source: Prepared by the researcher based on SPSS output.

Table 11 confirms the statistical significance of the model overall via the F statistic (25.891) and its significance (sig. = 0.000).

Table 12. Regression Coefficients – Effect of Contracting/Engagement on Audit Quality.

Model	B	Std. Error	Beta	T	Sig.
(Constant)	2.102	0.438		4.794	0.000
Contracting and Engagement	0.528	0.104	0.504	5.088	0.000

Source: Prepared by the researcher based on SPSS output.

Table 12 indicates statistical significance based on the calculated t-value and significance below 5%, confirming the hypothesis. The regression equation is: $y = 2.102 + 0.528x$. There is therefore a statistically significant positive relationship between contracting and engagement, as one of the stages of joint auditing, and enhancing the quality of the audit process [19].

Testing the Second Sub-Hypothesis

There is a statistically significant relationship between cooperation and coordination, as one of the stages of joint auditing, and enhancing the quality of the audit process. A simple linear regression test was performed to examine the relationship between cooperation and coordination as the independent variable and audit quality as the dependent variable.

Table 13. Model Summary – Relationship between Cooperation/Coordination and Audit Quality.

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.626 ^a	0.391	0.383	0.25941

Source: Prepared by the researcher based on SPSS output.

Table 13 shows that R equals 0.626, indicating a strong correlation between cooperation/coordination and audit quality, with a coefficient of determination of 0.383, meaning cooperation and coordination explains 38.3% of the variation in audit quality.

Table 14. ANOVA – Explanatory Power of the Study Model.

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	3.289	1	3.289	48.882	0.000 ^b
Residual	5.114	76	0.067		
Total	8.403	77			

Source: Prepared by the researcher based on SPSS output.

Table 14 confirms the statistical significance of the model overall via the F statistic (48.882) and its significance (sig. = 0.000).

Table 15. Regression Coefficients – Effect of Cooperation/Coordination on Audit Quality.

Model	B	Std. Error	Beta	T	Sig.
(Constant)	2.074	0.324		6.410	0.000
Cooperation and Coordination	0.514	0.074	0.626	6.992	0.000

Source: Prepared by the researcher based on SPSS output.

Table 15 indicates statistical significance based on the calculated t-value and significance below 5%, confirming the hypothesis. The regression equation is: $y = 2.074 + 0.514x$. There is therefore a statistically significant positive relationship between cooperation and coordination, as one of the stages of joint auditing, and enhancing the quality of the audit process.

Testing the Third Sub-Hypothesis

There is a statistically significant relationship between distribution and allocation of work, as one of the stages of joint auditing, and enhancing the quality of the audit process. A simple linear regression test was performed to examine the relationship between distribution and allocation of work as the independent variable and audit quality as the dependent variable [20].

Table 16. Model Summary – Relationship between Distribution/Allocation of Work and Audit Quality.

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.916 ^a	0.838	0.836	0.13372

Source: Prepared by the researcher based on SPSS output.

Table 16 shows that R equals 0.916, indicating a very strong correlation between distribution/allocation of work and audit quality, with a coefficient of determination of 0.836, meaning distribution and allocation of work explains 83.6% of the variation in audit quality.

Table 17. ANOVA – Explanatory Power of the Study Model.

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	7.044	1	7.044	393.958	0.000 ^b
Residual	1.359	76	0.018		
Total	8.403	77			

Source: Prepared by the researcher based on SPSS output.

Table 17 confirms the statistical significance of the model overall via the F statistic (393.958) and its significance (sig. = 0.000).

Table 18. Regression Coefficients – Effect of Distribution/Allocation of Work on Audit Quality.

Model	B	Std. Error	Beta	T	Sig.
(Constant)	0.746	0.181		4.120	0.000
Distribution and Allocation of Work	0.837	0.042	0.916	19.848	0.000

Source: Prepared by the researcher based on SPSS output.

Table 18 indicates statistical significance based on the calculated t-value and significance below 5%, confirming the hypothesis. The regression equation is: $y = 0.746 + 0.837x$. There is therefore a statistically significant positive relationship between distribution and allocation of work, as one of the stages of joint auditing, and enhancing the quality of the audit process.

3.3 Discussion of Findings

The statistical analysis produced the following findings: there is a statistically significant relationship between joint auditing and enhancing the quality of the audit process, since having a team of joint auditors provides multiple perspectives and an independent evaluation of the internal control system; sharing in the performance of the audit process allows the joint team to draw on diverse skills and experience, which can improve the quality of the work and contribute new insights and creative ideas that strengthen the process, thereby enhancing audit quality. There is also a statistically significant relationship between contracting and engagement, as one of the stages of joint auditing, and enhancing audit quality; a statistically significant relationship between cooperation and coordination, as one of the stages of joint auditing, and enhancing audit quality; and a statistically significant relationship between distribution and allocation of work, as one of the stages of joint auditing, and enhancing audit quality.

4. Conclusion

This study examined the role of joint auditing in enhancing audit quality among Iraqi audit offices and firms supervised by the Iraqi Securities Commission. Based on responses from 78 auditors, the findings confirmed a statistically significant positive relationship between joint auditing and audit quality, with joint auditing explaining 86.8% of the variation in audit quality. The relationship was consistent across the three operational dimensions examined—contracting and engagement, cooperation and coordination, and distribution and allocation of work—with distribution and allocation of work emerging as the strongest predictor, followed by contracting and engagement and cooperation and coordination. These findings demonstrate that joint auditing is not merely a regulatory requirement but an effective mechanism for improving audit quality by strengthening accountability, promoting professional collaboration, and enhancing the reliability of audit outcomes in the Iraqi context. The study therefore highlights the importance of clearly defining the responsibilities of joint auditors, ensuring effective coordination and continuous communication throughout the audit process, and allocating audit tasks according to auditors' expertise and experience to maximize efficiency and improve audit performance. While these findings provide valuable evidence supporting the adoption of joint auditing practices, future research may further explore their long-term impact across different institutional and regulatory environments.

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