

Auditor's Judgement Within the Scope of Baumeister's Ego Depletion Theory

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Extensive Summary

1. Introduction

In this study, 'ego depletion', one of the factors affecting the auditor's judgment, is discussed in the theoretical framework. There have been numerous academic studies associated with this issue under the name of 'occupational burnout' in Turkey. These studies extensively examined occupational burnout and investigated the existence and causes of occupational burnout statistically. On the other hand, it is seen that there is no detailed scientific account of the theoretical background of occupational burnout, in other words the cause of depletion in related studies. This study examines the theory of ego depletion in order to overcome the deficiencies found in the related Turkish literature.

In the study, the subject of how the ego depletion is realized by moving from three parts of the personality is emphasized. Here, the willpower seems to play an important role. In the light of the ego depletion theory put forward by Roy Baumeister, it is examined how the occupational burnout has occur. Without a doubt, it is possible to relate the theory of ego depletion to all occupational fields. In this study, ego depletion was associated with the audit profession and the impact on the auditor's judgment was discussed.

2. Ego Depletion Theory

Roy Baumeister is at the forefront of scientists who study on the willpower that expresses the self-control of individuals. Baumeister created ego depletion theory in the late 1990s. At the core of the ego depletion theory, there is the study of the effects of constraints on the behavior of individuals. In Baumeister et al. (2000) study, they found

that the limited resources were consumed during self-control. When the habits and tendencies are under control, consumption will be much more. It is also possible to think that the source mentioned in this study as a kind of energy.

In such and similar studies, scientists first create a situation, that requires the use of the willpower, in which participants should control themselves such as not eating from a cookie, watching a sad movie but not react. Subsequently, the performances of the participants are tested with various activities such as solving puzzles, playing games or having an activity that requires a cerebral effort. The common aim of all of these is to prove the validity of the ego depletion and willpower as a depleted resource when it is used too much.

1. The Impact of Ego Depletion on Auditor's Judgement

Professional members may experience ego depletion while performing their duties. Ego depletion can affect the decisions and judgments that employees make, as well as affect their behaviors. As a result of ego depletion, individuals may make erroneous decisions and be found in faulty judgments.

Ego depletion is a behavioral (psychological) field examined. Therefore, the existence and concrete effect of ego depletion can only be demonstrated through experimental studies. Even if we are faced with occupational burnout researches actualized by the questionnaire studies in the literature, these studies are far from the conclusions that we can achieve in order to demonstrate the existence and concrete effect of ego depletion. It is also necessary to theoretically frame how ego depletion affects occupations in order to be able to show how the concept of ego depletion, which is the theoretical cause of occupational depletion, causes professionally depleted work.

It is possible to relate the theory of ego depletion to all occupational fields. In this study, ego depletion was associated with the audit profession and the impact on the auditor's judgment was discussed. The main objective of the independent auditor is to collect and evaluate evidence that will provide reasonable assurance for the view to be reached. During this evaluation process, the audit report in accordance with the independent audit standards is formulated. In order to ensure quality and reliability in audits, it is necessary to act independently in the framework of ethical rules.

Independent audit activity is often carried out in environments where the willpower is to be used extensively. In other words, there is the possibility that independent auditors may face an ego depletion problem and have an inappropriate opinion. Without a doubt, this possibility is one of the elements that increase the audit risk. For this reason, it is necessary to try to explain theoretically the effect of ego depletion on the audit risk. This is also the main goal of the study.

The audit risk (AR), in other words the risk of misinterpretation, consists of three main components. These are inherent risk (IR), control risk (CR) and detection risk (DR): $AR=IR \times CR \times DR$. Inherent and control risks are components that the auditor cannot directly intervene in order to ensure the predicted level of audit risk. Inherent risk presents the possibility of incorrect or fraudulent reporting due to the structural and environmental characteristics of the economic transactions performed by the

organization. The control risk refers to the risk of inaccurate or fraudulent transactions that cannot be prevented by the organization's internal control system. In this regard, the auditor draws inferences within the framework of the information obtained in relation to the IR and the CR and determines the risk level for these components. The level of detection risk is determined by the auditor in order to achieve the desired level of audit risk. In this sense, detection risk is a risk component that is controlled by the auditor, unlike other risk components.

Audit risk composition should be assessed according to the auditor's role when ego depletion occurs. In the case of ego depletion, the auditor will not be able to use his/her knowledge and experience as it should and may lose his/her independence; also, will ultimately make nonconforming determinations for IR and CR and/or manipulate material errors or make mistakes in the context of the level of detection risk.

In this study, RT was used as a factor of detection error based on ego depletion for IR and CR; RB was used as a factor for influencing the detection risk in the composition of audit risk, which was tried to be formulated in the framework of the effect of ego depletion. In this context, the audit risk composition including ego depletion was expressed as $AR=[(IR \times KR) \times (RT)] \times [DR \times (RB)]$.

2. Conclusion

Ego depletion arises from conditions that create high usage of willpower. In many occupations, ego depletion is frequently encountered. There are many studies in the literature which are usually made under the title of occupational burnout. However, when we look at the contents of these studies, we can see that the theoretical framework of occupational burnout is not mentioned in detail and are mostly based on the questionnaires in order to conduct a situational investigation.

In this study, the theory of ego depletion has been examined in order to overcome the theoretical gap of relevant researches based on the concept of occupational burnout found in the Turkish literature. Because ego depletion is the behavioral (psychological) cause of occupational burnout. In this study, the effect of ego depletion on the auditor's judgment was studied. From this point of view, it is possible to say that the main difference of institutional auditing firms according to non-institutional is the inclusive human resources policy they apply in order to reduce the conditions under which the auditor may experience ego depletion.