

Improving Audit Quality and Business Decision-Making: The Role of Emotional Intelligence and Professional Skepticism in Conjunction with Professional Ethics

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Citation: Arifuddin, Hanafi, K., Achmad, F. A. & Utami, R. (2025). Improving Audit Quality and Business Decision-Making: The Role of Emotional Intelligence and Professional Skepticism in Conjunction with Professional Ethics, *Journal of Cultural Analysis and Social Change*, 10(4), 2417-2425. <https://doi.org/10.64753/jcasc.v10i4.3234>

Published: December 13, 2025

ABSTRACT

This study examines the influence of emotional intelligence and professional skepticism on audit quality and business decision-making, while also assessing the moderating role of professional ethics. Using Structural Equation Modeling–Partial Least Squares (SEM-PLS), data were collected from auditors working in Public Accounting Firms (KAP) across South Sulawesi. From an estimated 100 active auditors, respondents were chosen through probability sampling, specifically simple random sampling, to ensure representative findings. The results show that emotional intelligence has a significant and positive impact on both audit quality and business decision-making. Auditors with higher levels of emotional intelligence are better equipped to regulate emotions, address ethical dilemmas, and deliver superior audit outcomes and managerial judgments. In contrast, professional skepticism does not significantly influence either audit quality or decision-making, suggesting that its role may depend on contextual or organizational conditions. Importantly, professional ethics strengthen the relationship between emotional intelligence, professional skepticism, audit quality, and decision-making, highlighting the critical importance of ethics in professional practice. Future research is encouraged to expand the sample size and incorporate diverse methods such as interviews and observations to reduce bias and enrich insights. Further exploration of professional skepticism is also recommended, particularly regarding behavioral consistency and the influence of work environments.

Keywords: Emotional Intelligence, Professional Skepticism, Professional Ethics, Audit Quality, Business Decision-Making.

INTRODUCTION

In today intensely competitive global business landscape, ensuring transparency and accountability in financial reporting is vital for Organizations sustainability. External audits serve as a governance mechanism to verify that financial statements are accurately represented and free off major errors. Public auditors need not only technical expertise but also the psychological resilience and ethical standards required to detect fraud and facilitate objective decision-making (Francis, 2011; DeFond & Zhang, 2014).

In Indonesia, financial scandals such as those involving PT Asuransi Jiwaseraya (2019) and Asabri (2020) underscore that inadequate audit quality can result in state losses and erode public trust in the accounting profession. This highlights the necessity for research on non-technical factors influencing audit quality, including emotional intelligence (EI), professional skepticism (PS), and professional ethics.

Emotional intelligence, a concept introduced by Salovey and Mayer (1990) and popularized by Goleman (1995), involves the ability to recognize, understand, and manage one's emotions and those of others. Recent studies suggest that auditors with high EI are more adept at managing stress, maintaining objectivity, and communicating effectively with clients (Chong & Pitt, 2021; Dwekat, 2023). Conversely, low EI can lead to emotional bias, interpersonal conflicts, and diminished decision-making quality. Meanwhile professional skepticism, involves an auditor's mindset of being consistently critical, questioning audit evidence, and not merely accepting management's assertions (Nelson, 2009; Hurtt et al., 2013). Adequate levels of PS have been shown to enhance auditors' ability to detect fraud (Quadackers et al., 2014; Zarefar et al., 2022). However, excessively high PS can strain auditor-client relationships and increase audit costs because of unnecessary procedures (Mahdavikhou & Khotanlou, 2022).

The optimal scenario was a blend of EI and PS. Auditors with high EI can leverage their interpersonal skills to effectively apply PS without provoking client resistance (Wolters et al., 2021). In contrast, applying PS without EI support can result in rigid and conflict-prone audit relationships. Beyond emotional intelligence (EI) and professional skepticism (PS), professional ethics plays a crucial moderating role. The accounting profession's code of ethics, as outlined by the IFAC (IESBA Code, 2018) and endorsed by the IAPI in SPAP (2021), stresses the importance of integrity, objectivity, confidentiality, professional competence, and ethical conduct. Studies by O'Boyle et al. (2011) and Hossain and Prakash (2018) demonstrate that strong ethical standards enhance the positive relationship between auditors' psychological attributes and audit quality. Therefore, this study explores how the combination of EI, PS, and professional ethics can improve audit quality and enhance business decision-making effectiveness.

The literature reveals a significant research gap, specifically the lack of studies that integrate emotional intelligence and professional skepticism with ethics as moderating factors in the context of audit quality and business decision-making. Previous research has mainly focused on one of these elements, overlooking the combined effects of all three elements. This study aimed to fill this gap by evaluating a comprehensive conceptual model.

THEORETICAL FRAMEWORK

Locke and Latham's goal setting theory (1990) emphasizes the importance of personal goals in motivating effort and initiating action. Personal goals serve as motivators by providing incentives to boost effort. Research shows that specific and challenging goals lead to greater effort than vague, simple, or absent goals. Conversely, Expectancy Theory posits that motivation is crucial for understanding individual behavior in organizations (Campbell, 1976), suggesting that people are motivated to act when they expect to receive the desired rewards from their work. Additionally, agency, stakeholder, and ethical decision-making theories are used to explain the relationship between emotional intelligence, professional skepticism, audit quality, business decision-making, and the moderating role of professional ethics.

Audit Quality

Key factors that influence audit quality include independence, competence, and auditor integrity (Francis, 2011). The importance of audit quality has increased, especially following major accounting scandals such as Enron, WorldCom, Jiwarsaya, and Asabri. Professional skepticism involves an auditor's critical approach to continuously questioning audit evidence rather than simply accepting management claims (Nelson, 2009). Hurtt (2010) developed a comprehensive model of professional skepticism that includes personality traits, analytical skills, and auditor experience. Research by Quadackers et al. (2014), Zarefar et al. (2022), and Mahdavikhou and Khotanlou (2022) suggests that professional skepticism improves the effectiveness of fraud detection, although excessive skepticism can create tensions with clients. Emotional Intelligence (EI), introduced by Salovey and Mayer (1990) and later popularized by Goleman (1995), consists of five dimensions: self-awareness, self-regulation, motivation, empathy, and social skills. Recent studies have found that auditors with high EI are better at managing stress, communicating, and making ethical decisions (Chong & Pitt, 2021; Dwekat, 2023). A meta-analysis by Mayer et al. (2021) confirmed that EI is positively associated with professional performance, including that of auditing. The professional ethics of accountants is governed by the IFAC code of ethics (IESBA Code, 2018) and SPAP IAPI (2021). The core principles include integrity, objectivity, professional competence, confidentiality, and professional behavior. Research by O'Boyle et al. (2011), Hossain and Prakash (2018), and Sari and Nugroho (2017) shows that ethics enhance the positive relationship between auditors' psychological factors and audit quality and decision-making.

Research Framework and Hypothesis

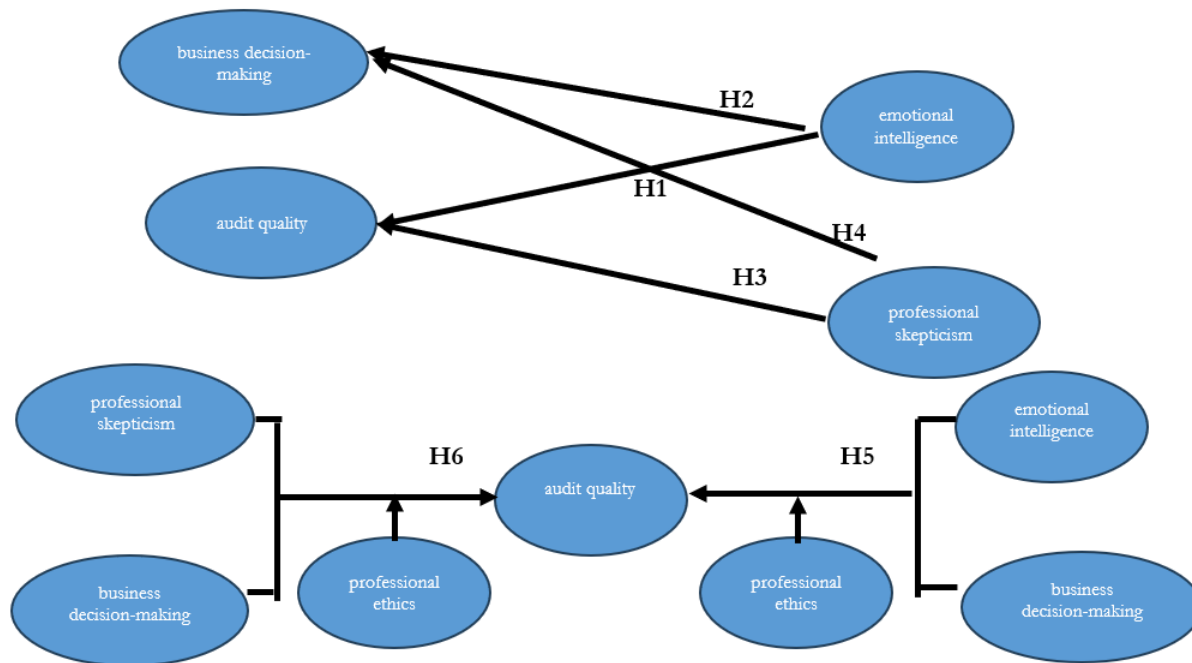


Figure-1

Hypothesis

Elevated Emotional Intelligence Levels in Auditors Positively Influence Audit Quality.

Salovey and Mayer (1990) established a foundation for recognizing Emotional Intelligence as a unique cognitive ability. Emotional intelligence has been defined through various models, notably the ability and mixed models, each providing valuable perspectives on how emotional competencies can affect individual behavior and decision-making in a professional setting. According to Churakova et al. (2021), emotional intelligence enhances auditors' capacity for ethical reasoning, which is essential for upholding independence and objectivity—the fundamental principles of professional conduct in auditing. Research by Ghaffari et al. (2021), Mayer et al. (2021), Jha et al. (2021), and Houghton et al. (2021) indicate that organizations prioritizing emotional intelligence training for auditors not only see improvements in individual performance metrics but also experience an overall enhancement in audit quality. Studies by Dwekat (2023), Jackson et al. (2021), and Wolters et al. (2021) reveal a significant link between auditors' emotional intelligence and their propensity to report unethical behavior. These findings suggest that auditors with higher emotional intelligence are more adept at identifying ambiguous ethical situations and more likely to act in accordance with ethical standards. Aghaei et al. (2023) contribute to the ongoing discussion on the significance of emotional intelligence in the accounting field by offering a modern viewpoint on how EI can act as a catalyst for maintaining objectivity and integrity in auditing. Based on the aforementioned research and theories, this study's hypotheses are as follows:

H1. The emotional intelligence of auditors positively influences the quality of audits

Auditors with Higher Emotional Intelligence Positively Influence Business Decision-Making.

Mayer, Salovey, and Caruso (2004) explored the relationship between emotional skills and job performance. Although this study was not solely about auditors, it found that effectively processing emotional information is linked to making sound decisions, particularly in complex and stressful scenarios. O'Boyle et al. (2011) conducted a study that demonstrated a significant connection between emotional intelligence and job performance, including decision-making aspects. These findings offer empirical evidence that emotional intelligence enhances decision quality across various professions, including auditing, where emotional stress and high pressure are common. Wong (2014) focuses on auditors in Southeast Asia and discovers that emotional intelligence mediates the relationship between work stress and decision quality. Auditors with high emotional intelligence can maintain objectivity under pressure from supervisors or clients, which positively affects the integrity and accuracy of business decisions. Zulkifli and Hamzah (2017) examine the influence of emotional intelligence on audit quality in Malaysia. Their study revealed that auditors with greater emotional intelligence tend to execute audit procedures more thoroughly and make more rational decisions, especially in ambiguous situations and when faced with

conflicting information. Based on the aforementioned studies and theories, the hypotheses of this study are as follows:

H2. Emotional intelligence positively affects business decision-making.

Maintaining a Moderate Degree of Professional Skepticism Enhances the Quality of Audits.

According to Francis (2004), auditors who exhibit high levels of skepticism are generally more diligent in identifying significant risk areas. In their research, Brazel, Agoglia, and Ye (2002) explored the connection between auditors' critical attitudes, indicative of their professional skepticism, and their overall audit performance. Their findings reveal that auditors with elevated skepticism levels tend to generate more precise audit reports and are more adept at detecting material misstatements. Cahan, Gunny, and Jensen (2014) discovered that in high-pressure settings, auditors who exhibit strong professional skepticism are less likely to allow material misstatements in audit reports. Eilifsen et al. (2010) observed that in organizations fostering a culture of independent thinking and integrity, auditors are more inclined to adopt a skeptical stance, thereby enhancing audit quality. Research by Nugroho and Sari (2017), along with Bogan, Prawira, and Widjaja (2009), indicated that auditors who undergo intensive training in professional skepticism and are given autonomy in audit decision-making tend to deliver more thorough and accurate audit reports. Drawing from theory and various prior studies, the hypotheses of this study are as follows:

H3. Professional skepticism positively influences audit quality.

Professional Skepticism Positively Impacts Business Decision-Making.

According to Francis (2004), companies whose management employs professional skepticism often experience more consistent financial performance as their strategic decisions are grounded in thorough analysis rather than mere assumptions. Brazel, Agoglia, and Ye (2002) discovered that professionals exhibiting high skepticism levels are better at accurately identifying risks and making precise decisions. Subsequent studies have expanded on these findings to explore similar effects in business decision-making. Johnson et al. (2012) observed that managers who consistently maintain a skeptical approach when assessing investment and business expansion proposals tend to steer clear high-risk decisions lacking a solid analytical foundation. This study highlights that professional skepticism can differentiate between reactive decisions and those that are strategic and well-considered. Miller and Davies (2010) find that a skeptical mindset aids managers in filtering information, spotting inconsistencies, and ultimately selecting alternative decisions that enhance company value. Anderson (2008) discovered that in the technology sector, executives who apply professional skepticism are more innovative in developing product strategies. Chen (2013) found that incorporating professional skepticism into managerial meetings improves the quality of strategic discussions. Based on these theories and research, the hypotheses in this study are as follows:

H4: Professional skepticism has a positive influence on business decision-making.

Professional Ethics Play a Crucial Role in Moderating the Impact of Emotional Intelligence on Audit Quality and Business Decision-Making, enhancing this Connection when Ethical Standards are Highly Implemented.

According to Hossain and Prakash (2018), the consistent application of professional ethics ensures that auditors rely not only on emotional intuition but also on thorough verification, thereby enhancing audit quality. Professional ethics acts as an internal control mechanism that fosters objectivity and transparency. The study found that auditors with high emotional intelligence tend to produce more precise reports. O'Boyle et al. (2011) discovered that emotional intelligence significantly affected job performance. Their research also indicated that organizational settings that prioritize professional ethics amplify the positive effects of emotional intelligence, leading to more structured and objective audit processes and strategic business decisions. Through qualitative research in several public accounting firms in Indonesia, Sari and Nugroho (2017) demonstrated that high professional ethics significantly moderate the relationship between emotional intelligence and business decision-making. Miller and Davies (2010) found that companies that comprehensively implement ethical values benefit from more consistent decision making, particularly in complex situations and under external pressures. Based on these theories and research, the hypotheses of this study are as follows:

H5. Auditor ethics moderate the influence of emotional intelligence on audit quality and business decision-making, thereby strengthening this relationship at higher levels of ethical implementation.

Auditor Ethics Play a Crucial Role in Moderating the Impact of Professional Skepticism on Business Decision-Making, thereby Enhancing the Connection When Ethical Standards are Applied at High Levels.

Hossain and Prakash (2018) found that auditors who exhibit a high degree of professional skepticism are more likely to generate precise audit reports. According to O'Boyle et al. (2011), professional skepticism significantly influences auditor job performance. Sari and Nugroho (2017) conducted qualitative research on various public accounting firms in Indonesia and demonstrated that strong professional ethics enhance the link between professional skepticism and the quality of business decision-making. Auditors and managers who maintain high levels of skepticism while upholding ethical principles tend to identify risks more comprehensively and offer more accurate recommendations. Miller and Davies (2010) found that companies with a robust ethical culture benefit from more consistent and transparent decisions as professional ethics help mitigate emotional influence and cognitive bias. Gramling et al. (2004) noted that consistently applying ethical values aids auditors in not only relying on intuition, but also ensuring thorough data verification, thereby enhancing audit quality. Eilifsen et al. (2010) found that an organizational culture prioritizing integrity and professional ethics positively affects the application of professional skepticism. Simnett (2003) demonstrated that audits characterized by high professional skepticism can reduce bias and improve the accuracy of financial reports, particularly when supported by strong ethical policies within the organization. Based on the aforementioned theories and research, the hypotheses of this study are as follows:

H6. Professional ethics moderate the effect of professional skepticism on audit quality and business decision-making, thereby strengthening the relationship at high levels of ethical application.

RESEARCH METHODOLOGY AND OPERATIONAL DEFINITION OF VARIABLES

Research Methodology

This study employs a quantitative design with an explanatory approach, focusing on exploring the relationships between variables through hypothesis testing. A cross-sectional study design was selected as the data were gathered at a single point in time. Additionally, the study is correlational in nature (Sekaran, 2009), and aims to assess the strength of the relationships among independent, dependent, and moderating variables. Statistical analysis using SEM-PLS is the data analysis method applied in this study. Structural equation modeling (SEM) was used for data analysis. The study population comprises auditors from Public Accounting Firms (KAP) located in the South Sulawesi region, with an estimated population size of 100 active auditors. The sampling technique involved probability sampling, specifically using a simple random sampling method. Considering practical aspects and assuming a normal distribution, the minimum sample size was determined to be 100 respondents. To account for potential non-responses, 110 questionnaires were distributed in total.

Operational Definition of Variables

Emotional intelligence (EI) was assessed using Goleman's indicators (1995) alongside the MSCEIT tool (2002). Professional skepticism (PS) was evaluated using the Hurtt Scale (2010). DeAngelo (1981) characterizes audit Quality (AQ) as the likelihood that an auditor will detect and disclose significant misstatements. Decision Making (DM) was gauged using the Scott and Bruce (1995) scale. Professional Ethics (EP) was measured using the Accounting Ethical Attitudes Questionnaire (Cohen, Pant, & Sharp, 1998). The research instrument is a questionnaire that employs a Likert scale ranging from 1 to 5, where 1 signifies strong disagreement, and 5 indicates strong agreement. Each variable construct was assessed using a minimum of four to six statement items. The questionnaire was divided into three sections: respondents' demographic data, items pertaining to independent and dependent variables, and items for moderating variables.

RESEARCH RESULTS AND DISCUSSION

a. Research Results

Descriptive Statistics

The findings regarding respondents' perceptions of the business decision-making variable (DM) revealed an average score of 4.418, whereas professional ethics (EA) scored 4.374, audit quality (QA) 4.700, emotional intelligence (KE) 4.438, and professional skepticism (SP) 4.409. Overall, these results suggest that respondents held a positive view and generally concurred with the elements assessed in each research variable. Furthermore,

Data Quality Testing

Table 2.1 Results of Average Variance Extracted (AVE) Test

Variable	AVE Before Modified	AVE After Modified
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Business Decision-Making (DM)	0.408	0.583
Professional Ethics (EA)	0.349	0.564
Emotional Intelligence (KE)	0.530	0.757
Audit Quality (KA)	0.690	0.690
Professional Skepticism (SP)	0.445	0.588

Source: Processed primary data, 2025

Table 2.1 reveals that the AVE values for all variables, following modifications, exceeded 0.5. This indicates that the variables fulfill the necessary criteria and can be considered a robust model. An AVE value above 0.5 signifies that over half of the variance in the indicators is accounted for by the construct being measured, showcasing strong convergent validity. Consequently, this research model was deemed valid and reliable for subsequent analysis.

Table 2.2 Composite Reliability Test Results

Variable	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)
Business Decision-Making (DM)	0.918	0.926	0.939
Professional Ethics (EA)	0.898	0.920	0.917
Emotional Intelligence (KE)	0.906	0.926	0.920
Audit Quality (KA)	0.950	0.952	0.957
Professional Skepticism (SP)	0.860	0.868	0.895

Source: Processed primary data, 2025

According to Table 2.2, the composite reliability values for all constructs exceeded 0.6, and Cronbach's alpha values were above 0.5. This suggests that all the constructs in this study exhibited good internal consistency and met the necessary minimum threshold values. A composite reliability value over 0.6 signifies that the indicators within each construct are dependable for assessing that construct.

Table 2.3 Estimated R-Square (R²) Results

	R-square	R-square adjusted
Business Decision-Making	0.574	0.560
Audit Quality	0.825	0.802

Source: Processed primary data, 2025

Table 2.3 indicates that the R-Square value for the dependent variable, business decision, is 0.574, which is considered moderate, whereas for audit quality, it is 0.825, indicating a strong relationship. This suggests that the independent variables in the model account for approximately 57.4% of the variation in the business decision variable, and 82.5% of the variation in the audit quality variable.

b. Hypothesis Test Results

Table 2.4 Bootstrap Test Results, Relationship, description

Relationship	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	description
KE → KA	0.334	-0.274	0.283	2.183	0.037	Accepted
KE → DM	1.014	1.012	0.340	2.980	0.003	Accepted
SP → KA	0.399	0.354	0.241	1.655	0.098	Rejected
SP → DM	-0.269	-0.236	0.348	0.772	0.440	Rejected
EA x KE → KA	0.039	0.018	0.289	2.134	0.043	Accepted
EA x SP → KA	-0.005	0.03	0.156	0.020	0.041	Accepted

Source: Processed primary data, 2025

DISCUSSION

1. The Impact of Auditors' Emotional Intelligence on Audit Quality is Positive

Emotional intelligence significantly impacts audit quality, as indicated by a t-statistic of 2.183 and p-value of 0.037. The effect is positive, with an original sample (O) value of 0.334, suggesting that higher emotional intelligence in auditors correlates with improved audit quality. This underscores the importance of emotional intelligence for enhancing audit quality. This finding aligns with the research by Salovey and Mayer (1990) and the meta-analysis by Mayer et al. (2021), which confirms that EI training in emotional intelligence boosts individual performance and overall audit quality. Additional studies by Churakova et al. (2021) and Ghaffari et al. (2021) revealed that emotional intelligence enhances auditors' ethical reasoning, which is crucial for maintaining audit independence and objectivity. Furthermore, researchers such as Dwekat (2023), Jackson et al. (2021), and Wolters et al. (2021) highlight that auditors with high emotional intelligence are better equipped to identify and manage ethical dilemmas, and are more likely to report unethical conduct, thereby promoting better audit quality. Thus, emotional intelligence not only improves interpersonal skills, but also fortifies auditors' professional ethics and morals, leading to more precise and trustworthy audit results.

2. Emotional Intelligence Positively Impacts Business Decision-Making

Emotional intelligence significantly affects business decision making, as evidenced by a t-statistic of 2.980 and a p-value of 0.003. The influence is positive, with an original sample (O) value of 1.014, suggesting that auditors' higher emotional intelligence leads to improved business decisions. These findings align with those of Daniel Goleman (1995), Mayer et al. (2004), O'Boyle et al. (2011), and Prasetyo et al. (2016), all of whom demonstrated that emotional intelligence is positively linked to making more precise and ethical decisions, particularly in complex and high-pressure environments. Wong (2014) indicated that auditors with elevated emotional intelligence can maintain objectivity and integrity even under work-related stress. Zulkifli and Hamzah (2017) and Hossain and Prakash (2018) further highlight the importance of emotional intelligence in enhancing audit quality and business decisions. Consequently, the conclusion that emotional intelligence has a positive and significant impact on auditors' business decisions is well supported by the literature, underscoring its role in professionalism, emotion management, and effective decision-making within the auditing sector.

3. Professional Skepticism Positively Impacts Audit Quality

Professional skepticism does not affect audit quality, as indicated by a t-statistic of 1.6550 and p-value of 0.098. This finding suggests that professional skepticism does not influence audit quality. Theoretically, professional skepticism is deemed crucial for enhancing audit quality by mitigating bias, improving risk detection, and fostering auditor independence; however, empirical studies reveal that this factor does not consistently have a statistically significant impact on audit quality. Previous research has indeed highlighted the positive effect of professional skepticism on audit quality, as noted by DeAngelo (1986), Francis (2004), and Brazel et al. (2002), who stressed the importance of skepticism in enhancing vigilance and conducting more thorough testing of audit evidence.

4. Professional Skepticism Positively Impacts Business Decision-Making

Professional skepticism does not affect business decision making, as evidenced by a t-statistic of 1.6550 and a p-value of 0.098. This suggests that professional skepticism does not significantly impact business decision making. Professional skepticism is a vital mindset in the decision-making process, as it enables individuals to question, verify, and avoid accepting information at face value, thereby minimizing bias and promoting thorough risk assessments. Previous research, including studies by DeAngelo (1986), Francis (2004), and Brazel, Agoglia, and Ye (2002), highlights the role of professional skepticism in fostering more rational and strategic decision-making. However, the findings of this study, with a t-statistic of 1.6550 and a p-value of 0.098, suggest that professional skepticism does not significantly influence business decision making within this research context. This could be attributed to the complex interplay of various factors in business decision making, where the impact of professional skepticism might be moderated or overshadowed by elements such as experience, competence, or organizational conditions.

5. The Ethics of Auditors Play a Moderating Role in The Impact of Emotional Intelligence on both Audit Quality and Business Decision-Making, with the Relationship Becoming More Pronounced When Ethical Standards are Applied More Rigorously.

A p-value of 0.043, below the threshold of 0.05, demonstrates that the interaction between auditor ethics and Emotional Intelligence significantly affects audit quality, thus supporting the hypothesis for this relationship. Emotional intelligence, as described by Salovey and Mayer (1990) and Goleman (1995), encompasses the capacity to identify and regulate emotions as well as empathy and social skills, all of which positively affect decision-making. By contrast, professional ethics consist of values and principles that ensure integrity, objectivity, and transparency in the auditing field. Hossain and Prakash (2018), O'Boyle et al. (2011), and Sari and Nugroho (2017) further validate that a consistent and robust application of professional ethics acts as a moderating element, enhancing the connection between emotional intelligence and audit quality, thereby allowing auditors to make more objective and strategic decisions.

6. Professional Ethics Play a Crucial Role in Moderating the Impact of Professional Skepticism on Audit Quality and Business Decision Making, Thereby Enhancing this Relationship When Ethical Standards Are Applied at Higher Levels.

A p-value of 0.020, which is below the threshold of 0.05, demonstrates that the interaction effect between Auditor Ethics and Professional Skepticism on audit quality is statistically significant, leading to acceptance of the hypothesis in this context. Cognitive Theory suggests that decision making involves two systems: intuitive and analytical. Professional skepticism triggers an analytical system that is essential for critically evaluating information. However, without robust ethical guidelines, this process can be affected by emotional or cognitive biases. Thus, professional ethics acts as a filter, ensuring that the decision-making process remains objective and of superior quality. These findings are consistent with those of Hossain and Prakash (2018). O'Boyle et al. (2011) also find that professional skepticism significantly influences auditor performance, with strong professional ethics reinforcing a more objective and structured decision-making process. Additionally, research by Sari and Nugroho (2017), Miller and Davies (2010), Gramling et al. (2004), and Eilifsen et al. (2010) indicates that professional skepticism, when supported by ethical values, enhances audit effectiveness and objectivity in assessing audit evidence. Simnett (2003) further noted that high levels of professional skepticism can reduce bias and improve the accuracy of financial reports when backed by strong ethical policies.

CONCLUSION AND FUTURE RESEARCH

Conclusion

The findings from hypothesis testing indicate that emotional intelligence positively and significantly impacts both audit quality and business decision-making. Auditors with high levels of emotional intelligence are more adept at managing emotions and confronting ethical challenges, leading to superior quality and more ethical audits and business decisions. Conversely, professional skepticism did not demonstrate a significant effect on audit quality or business decision making in this study, which may be attributed to contextual factors, uniform skeptical behavior among auditors, or the presence of other variables that moderate the relationship. Nonetheless, professional ethics serve as a crucial moderating factor that enhances the connection between emotional intelligence and professional skepticism with audit quality and business decision-making. With robust ethical standards, auditors' decision-making processes become more objective, structured, and less prone to emotional and cognitive bias. These results underscore the importance of the interplay between emotional intelligence and professional ethics in enhancing audit quality and responsible, accurate business decision-making while also suggesting avenues for future research to investigate the impact of context and other supporting factors on professional skepticism.

Future Research

Future research should delve deeper into the impact of professional ethics across different settings to determine how this element can more effectively enhance audit quality and business decision making. Subsequent studies may benefit from employing larger sample sizes and a range of data collection methods, such as interviews and observations, to improve data quality and minimize respondent bias. Additionally, research should be conducted in various organizational contexts or regions to assess the generalizability of the findings and to uncover other moderating or mediating factors. It is also advisable to focus specifically on a more thorough exploration of professional skepticism, particularly in relation to behavioral uniformity and the effects of the work environment. Future investigations could further emphasize the role of professional ethics in strengthening the relationships between variables, utilizing larger samples and more diverse data collection techniques, such as interviews and observations, to enhance data quality and reduce respondent bias..

Authors Individual Contribution: Conceptualization – AR; Methodology – KH; Formal Analysis - AR,FA; Writing – Original Draft - AR and FA; Review & Editing - AR and RU; Supervision – KH,RU and AR; Funding Acquisition – AR

Declaration of Conflicting Interests: The Author declare that there is no conflict of interest.

Acknowledgements: This work was supported by the Open Access Publishing Fund of the Free University of Hasanuddin.

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