

1995 International Audit Judgment Symposium

May 22 and 23, 1995

Presented by

**The University of Southern California
School of Business Administration
School of Accounting
Center for Accounting Research**

and

**The University of Limburg
Faculty of Economics and Business Administration
Department of Accounting and Finance
Maastricht Accounting and Auditing Research Center**

Sponsored by

Grant Thornton International

Objectives

The Symposium is designed both to critically review existing audit research and to evaluate prospects for future research. Each session will include both a formal discussion of the papers and time for audience participation.

The Symposium brings together internationally recognized academic audit researchers, behavioral decision scientists, and practitioners responsible for audit research.

Overview

- International aspects of auditing research.
- Discussion of auditor litigation and auditor liability research.
- Critical review of audit judgment research including analytical modeling, expert systems, and knowledge representation.
- Presentations and critique of current audit research concerning auditor judgment.
- Discussion of methodological issues in audit research.

Monday, May 22, 1995

6:30 a.m. **Breakfast. Surf Room, Mandalay Beach Resort**

8:45 a.m. **Welcome & Symposium Overview**

Theodore J. Mock

Director, Center for Accounting Research
University of Southern California

Steven Maijor
Maastricht Accounting and Auditing Research Center
The University of Limburg

Richard A. Stewart

Managing Partner

Grant Thornton

9:00 a.m. **International Aspects of Auditing Research: Update & Agenda**

Moderator : Ted Mock

State of the Profession in a Regulated, Global Environment

Arnold Schilder

University of Limburg and University of Amsterdam
Coopers & Lybrand
The Netherlands Institute of Registered Accountants (NIVRA)

State of the Art Review of European Audit Research

Steven Maijor

University of Limburg

Setting a Research Agenda for Auditing Issues in the People's Republic of China

Lynford E. Graham
Rutgers University

10:30 a.m. **Coffee Break**

11:00 a.m. **Panel & Discussion**

Moderator: Karen Pincus

Robert S. Roussey

University of Southern California

John Hegarty

Secretary General, Federation of European Accountants

12:30 p.m. **Luncheon**

2:00 p.m. **Audit Judgment Research**

Moderator: Sarah Bonner

The Effects of Decision Consequences on Auditors' Reliance on Decision Aids in Audit Planning

James R. Boatsman
Arizona State University

Cindy Moeckel
Arizona State University

Buck K. W. Pei
Arizona State University

Multiple-Hypothesis Representation and Revision in Auditing

Stephen K. Asare
University of Florida

Arnold Wright
Boston College

Discussants:

Ira Solomon, University of Illinois
Peter Gillett, University of Kansas

Audience Participation

3:30 p.m. **Coffee Break**

4:00 p.m.

Concurrent Sessions

Concurrent Session I: Experimental Markets Research in Auditing

Moderator: Mark DeFond

The Effect of the Self Fulfilling Prophecy and Auditor Variance on the Incidence of Going Concern Decisions and Auditor Switches

Ella Mae Matsumura
University of Wisconsin-Madison

K. R. Subramanyam
University of Southern California

Robert R. Tucker
University of Illinois - Chicago

Discussants

A. Steele (U. of Warwick)
T. Bell (KPMG) or (R. Dassen, D&T, Netherlands)

Audience Participation

Concurrent Session II: Audit Communications Research

Moderator Dan O'Leary

A Conceptual Framework for Audit Communication Research and Some Empirical Evidence

Trimbak Shastri
University of Windsor, Canada

Bart Ward
The University of Oklahoma

Discussants

Hun-Tong Tan (Nanyang University, Singapore)
Fred Handcock (Grant Thornton, L.A.) or
Anthony Tyen (Grant Thornton, Hong Kong)

Audience Participation

6:00 p.m. **Reception**

7:00 p.m. **Banquet**

Host: Ken Merchant

The Auditing Profession - Opportunities and Problems

Edward Nusbaum
National Director, Accounting and Auditing
Grant Thornton International

Tuesday, May 23, 1995

6:30 a.m. **Breakfast. Surf Room, Mandalay Beach Resort**

8:30 a.m. **Auditor Litigation/Liability**

Moderator Steven Maijoor

Capping Auditor Liability: The German Experience

Miles B. Gietzmann
Copenhagen Business School and
London School of Economics

Reiner Quick
University of Mannheim

Joint Liability of Auditors and Directors, Statutory Audit Requirements and Demand for External Audit Services: A Micro-Economic Analysis

Marleen Willekens
Catholic University of Leuven

Discussants:

Mandira Sankar, University of Southern California
Philip Wallage (U. of A, KPMG) or Roger Dassen (U. of L. & D&T, Practice)

Audience Participation:

10:30 a.m. **Coffee Break**

11:00 a.m. **Collaboratory Audit Research: Progress and Prospects**

Moderator: Robert Roussey

Auditing Practice and Research: A Productive Collaboration

Arnold Wright

Boston College

**AAA Audit Section Task Force on Future Audit, Attestation and Assurance Services: Update
and Future Plans**

William W. Holder

University of Southern California

12:00 p.m. **Adjournment**