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The Impact of Joint Audit Relationship with The Local and International Experience of External Auditors on Audit Quality

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Abstract:

The purpose of the research: This study aims to investigate the effect of joint audit on audit quality through the experience of the external auditor whether local or international.

Data and materials and methodology: This study uses a random sample of 43 Yemeni legal auditors in Yemeni audit offices and firms. The questionnaire was used as a tool for data collection, and the data were analyzed using regression and path analysis using SPSS software. Results: The results show that joint audit has a positive and significant effect on the local external auditor's experience, but not on the international external auditor's experience. The results also show that the external auditor's experience has a positive and significant effect on audit quality, but joint audit does not have a direct significant effect on audit quality. However, joint audit has an indirect significant effect on audit quality through the local external auditor's experience, but not through the international external auditor's experience. Main findings: The results of this study indicate that joint audit contributes to raising the level of quality and professionalism in audit reports and helps to develop the external auditors' experience and improve their performance in report preparation. These results are consistent with some of the theories and previous studies that confirmed the role of joint audit in enhancing audit quality and external auditors' experience.

Kaywords: joint audit, international experience of external auditor, local experience of external auditor, audit quality.

1. Introduction:

Joint audits have gained attention as a potential solution to improve audit quality and trust in financial statements, particularly after the global financial crisis. This approach involves two independent audit firms working simultaneously and independently to share responsibility for the opinions expressed in the audit report (Bedard & Schatt, 2020). The primary goal is to reinforce auditor independence and elevate the services provided by auditors. Joint audits aim to bolster auditor independence against managerial pressure and increase financial security by sharing audit work and costs. The premise is that two sets of audit evidence offer more information than a single set, potentially leading to improved quality and reliability of audit reports, although empirical evidence supporting these claims has been limited and inconsistent (Abdollahiebli, 2018).

Joint audits involve the examination of financial statements by more than one auditing firm, with the aim of improving audit quality. This method allows for the involvement of two independent auditors from different firms, benefiting from their diverse experiences. Joint audits entail making joint decisions on client acceptance, jointly developing a comprehensive audit strategy and plan, conducting the audit work together, engaging in periodic cross-reviews and mutual quality controls, issuing and signing a single audit report, and sharing joint liability in the event of an audit failure (Mahmoud, 2023). The idea of joint audits has gained attention as a means of achieving audit quality and reducing profit management in banks listed in the Iraqi markets exchange (Brovkina., 2022). Joint audits are used when the internal audit function is comparatively small and competent, when it focuses on risk and strategy-related tasks, and when it is decentralized (Berhend & Eulerich, 2022). The emergence and evolution of mandatory joint audits have been influenced by regulatory measures and resistance from local audit firms (Fatma, Kim, & Nadia, 2022). Joint audits have been found to enhance the quality of the audit, particularly when involving one of the Big 4 firms and an audit partner with industry specialization (Mohamed & Hekmat, 2022).

While numerous studies have focused on the impact of joint audits on final stages of the auditing process such as audit quality and financial reporting quality, this essay will focus on the significance of external auditors' experience in relation to joint audits. Specifically, it will investigate how both local and international experience of external auditors can influence joint audits and ultimately affect audit quality (Abdelmoula, 2020).

In general, joint audits offer advantages such as enhancing auditor independence and dealing with pressures from client management. However, there are also challenges associated with this approach such as coordination costs and potential free riding. The adoption of joint audits may vary depending on regulatory requirements in different countries (Barghathi, Ndiweni, & Lasyoud, 2020).

In summary, comprehending the influence of joint audit relationships on audit quality is essential for both regulators and auditing firms. By examining factors that affect decisions to participate in joint audits and analyzing case studies that demonstrate their impact on audit quality, this essay aims to provide insight into strategies for improving overall audit quality in joint audit relationships.

1.1. joint audit and audit quality:

A joint audit, as defined by (Ratzinger-Sakel, Audousset-Coulier, Kettunen, & Lesage., 2012), involves two independent auditors collaborating to audit financial statements, sharing the audit effort, and issuing a single auditor's report with joint liability in case of an audit failure. It is important to distinguish joint audits from double audits, as the former involves collaborative audit planning, work allocation, and fee distribution. The auditors review each other's work and deliver a unified audit opinion. Joint audits are implemented in various countries on either a mandatory or voluntary basis. For instance, in France, all companies preparing consolidated financial statements are required to undergo joint audits. State-owned enterprises in India and banks in Saudi Arabia and Algeria also mandate joint audits (Sakel et al., 2013).

Advocates of joint audits believe that they contribute to higher audit quality by leveraging the diverse experience of auditors from different firms. This includes jointly making client acceptance decisions, developing comprehensive audit strategies and plans, performing audit work, conducting cross-reviews and quality controls, and sharing liability in case of an audit failure (Zerni, Haapamäki, Järvinen, & Niemi., 2012); Alanezi et al., 2012). They argue that having another auditor review the work can enhance problem detection and improve auditor independence due to lower economic bonding with the client (Mazars, 2010 ; (Zerni, Haapamäki, Järvinen, & Niemi., 2012).

On the other hand, opponents of joint audits express concerns about potential high organization and coordination costs, free riding, and internal opinion shopping (Neveling, 2007); (Deng, Tong, Simunic, & Ye., 2012). Additionally, there is limited evidence supporting the idea that mandatory joint audits lead to higher quality.

In conclusion, it is evident that joint audits offer benefits such as increased independence and diversified experience but also pose challenges related to costs and coordination.

1.2. the experience of external auditors and audit quality:

The decision to participate in joint audits can be influenced by a multitude of complex factors. One key consideration is whether the joint audit regime is voluntary or mandatory. The choice between two auditors in a voluntary joint audit regime or a mandatory joint audit regime can have a significant impact on the decision-making process. Additionally, the composition of joint auditors appointed, such as two big 4 auditors, two non-big 4 auditors, or one Big 4 auditor paired with one non-big 4 auditor, can also sway the decision to engage in a joint audit (El-Hamdi, 2016). Additionally, the relative significance of the auditor pair combination types can also play a substantial role in influencing the decision to engage in a joint audit. For instance, the presence of Big 4 auditors or affiliated auditors may influence companies' decisions regarding their choice of auditors for a joint audit relationship (Deng, Tong, Simunic, & Ye., 2012).

To summarize, there are various factors that influence the decision to engage in a joint audit, including considerations related to regulatory requirements, type of joint audit regime, mix of appointed auditors, and potential impact on audit quality (Chen et al., 2013).

The role of international experience in external auditors is pivotal in determining the quality of audits. The importance of international experience lies in the auditors' ability to comprehend and adjust to different accounting standards, regulations, and business practices across various countries. This exposure enables auditors to bring a global perspective to their audit engagements, enhancing their ability to identify and assess risk factors that may impact financial reporting (Mohamed & Hekmat, 2022). Auditors with international experience are better equipped to navigate complex cross-border transactions, evaluate the implications of currency exchange rates and regulatory differences, and understand the cultural nuances that may influence business operations. This heightened awareness allows them to conduct more thorough risk assessments and tailor their audit procedures accordingly (Noordin, Khaled, & Ahmad, 2022).

Solely relying on international experience presents challenges and limitations for auditors working in foreign jurisdictions. Language barriers, differing legal frameworks, and varying cultural norms can create obstacles for auditors (Yusoff, Khoiri, Suhaimi, Noor, Anuar, & Sulaiman, 2023). Additionally, auditors with limited local knowledge may struggle to fully grasp the intricacies of a company's operations and internal controls (Tom & Ying, 2022). It is important for auditors to have a deep understanding of the national environment, including political, economic, and business environments, legal frameworks, and culture, in order to maintain high-quality auditing (Hamid, 2023). To overcome these challenges, auditors should consider involving local foreign auditors who have experience serving as opinion-issuing auditors for U.S. issuers (Nataliia, 2022).Training, knowledge sharing, and professional practice are also key factors in facilitating effective adoption of International Financial Reporting Standards (IFRS) (Malik & Maged, 2023).

2. Literature Review and Hypotheses Development:

2.1. The impact of joint audit on the local experience of the external auditor:

The advantages and perks of conducting joint audits with local experienced auditors are substantial. Research indicates that joint audits contribute to the quality of the audit by delivering high audit standards and ensuring consistency with the client (Mohamed & Hekmat, 2022). Joint audits offer valuable synergies, such as increased professional skepticism, accountability, bias mitigation, peer consultation and review, and overall enhanced joint expertise (Marnet, Barone and Gwilliam, 2018). Furthermore, joint audits can play a role in improving audit quality by reducing auditor reliance (Velte, 2017). The combined knowledge of two audit firms may help mitigate the risk of erroneous judgments in the evaluation of complex financial instruments and risks. Additionally, companies that voluntarily opt for joint audits tend to exhibit a higher level of earnings conservatism and lower abnormal accruals compared to companies with just one auditor (Sakel et al., 2013).

H1: *There is no effect of joint audit on the local experience of the external auditor.*

2.2. The impact of joint audit on the international experience of the external auditor:

Research has shown that companies implementing collaborative audits exhibit higher earnings conservatism, lower abnormal accruals, improved credit ratings, and reduced perceived risk of insolvency compared to those using single auditors (Hegazy, 2020). However, not all studies have found a clear positive correlation between collaborative audits and audit quality. It is also noteworthy that no significant variation in audit quality was observed in collaborative audits compared to single audits for listed versus non-listed companies, even when there are disparities in the level of competence and experience among the collaborative audit partners. While there are potential benefits associated with global exposure in collaborative audit partnerships, it is crucial to consider various factors such as client characteristics, economic environment, and regulatory requirements when evaluating their impact on audit quality (Gerald et al., 2013).

H2: *There is no effect of joint audit on the international experience of the external auditor.*

2.3. The impact of the external auditor’s experience on the audit quality:

Collaborative audit relationships with both domestic and global experience have been shown to positively influence audit quality in multiple countries, including Kuwait, Italy, France, Egypt, Finland, Sweden, and Austria (Yosra & Imen, 2023); (Mahmoud, 2023). Involvement of Big Four auditors in collaborative audits has been linked to enhanced audit quality in countries like France and Egypt (Sheldon, 2023). Locally experienced auditors have improved earnings conservatism in Egypt (Jie, Hui, Chenhuang, Qunshan, & Zhenjie, 2023). However, there are conflicting results regarding the makeup of the auditor pair in a collaborative audit, with some studies showing smaller income-increasing abnormal accruals for companies with two Big Four auditors (André, 2022). The impact of different auditor pairs on audit quality may vary based on the proportion of each auditor pair type in the sample.

The evidence on cost implications and efficiency gains associated with single versus collaborative audits is inconclusive. Reports show significantly higher audit fees in mandatory collaborative audit systems without a corresponding increase in audit quality (Mark & Sheldon, 2023). However, voluntary adoption of collaborative audits in Sweden has been linked to higher audit fees believed to result from improved audit quality rather than inefficiency (Cherif, 2023)

H3: *There is no effect of the external auditor's experience on the audit quality.*

2.4. The impact of joint audit on the audit quality:

Various research studies have delved into the impact of joint audit relationships on audit quality, revealing valuable insights. Aburaya's study in Egypt found that joint and dual audits increase auditors' likelihood to modify audit opinions, emphasizing potential for improved audit quality (Mahmoud, 2023). (Zerni, Haapamäki, Järvinen, & Niemi., 2012) research in Sweden showed that firms involved in joint audits demonstrated higher conservatism, lower abnormal accruals, and higher credit ratings, affirming the positive impact of joint audits on audit quality (Mohd, Ismail., & Faozi, 2023). Ebrahim's survey-based assessment of external auditors revealed that joint audits enhance audit quality and ensure continuity with the client (Abdalla, 2023). Additionally, Mohanty's investigation into Indian companies concluded that joint audits have a positive impact on earnings quality and financial statement reliability (Zaytoun & Elhousy, 2023).

Joint audits have been supported by the European Commission to enhance competition in the audit profession and address concerns about auditor independence (Radomir, 2023). (Deng, Tong, Simunic, & Ye., 2012). discuss the potential benefits of joint audits, while also highlighting concerns about auditor independence ^[Context_?]. Bedard et al. argue that joint audits give auditors greater incentive to stand their ground in cases of disagreement . However, evaluation found inconsistent empirical evidence supporting the positive role of joint audits Previous studies have also raised concerns about increased costs associated with joint audits (Berhend & Eulerich, 2022).

Overall, the case studies provide diverse perspectives on the impact of joint audit relationships on audit quality. Some studies suggest that joint audits can lead to lower profit management practices and higher audit quality (Mahmoud, 2023). Other studies indicate that joint audits are used when the internal audit function is small and competent, and when it focuses on risk and strategy-related tasks (Berhend & Eulerich, 2022). Additionally, the case studies highlight the emergence and evolution of mandatory joint audits in different countries, with varying levels of success in sustaining the model (Fatma, Kim, & Nadia, 2022). Furthermore, research suggests that sharing auditors among firms in banking relationships can result in information transfers that improve audit quality (Karen, 2022). Finally, in the Egyptian environment, joint audits have been found to have a positive impact on audit planning quality . These findings collectively contribute to our understanding of joint audits and offer valuable insights for future research and practice.

H4: *There is no effect of joint audit on the audit quality.*

2.5. The impact of joint audit on the audit quality through the local experience of the external auditor:

Joint audits can have both positive and negative effects on audit quality. Research has shown that joint audits can enhance audit quality by providing a more comprehensive evaluation of financial statements (Mahmoud, 2023). They can also strengthen the auditor-auditee relationship and augment resources for the internal audit function (Mohd, Ismail., & Faozi, 2023). However, there is also evidence suggesting that joint audits may have a non-significant effect on audit quality (Magdy & Fawzy, 2023). Therefore, it is crucial for companies to carefully evaluate the potential impacts of joint audits on audit quality before deciding to partake in them.

Regulatory requirements and recommendations can indeed impact the decision to engage in a joint audit (Radomir, 2023). In certain countries, there are regulations that mandate or encourage the use of joint audits for specific types of companies (). These regulations create incentives for companies to choose a joint audit relationship (Fatma, Kim, & Nadia, 2022).

In summary, participating in a joint audit partnership with local experienced auditors can yield numerous benefits that positively influence audit quality. These benefits encompass heightened professional skepticism, improved expertise, decreased auditor dependence, and a greater degree of earnings conservatism. These findings underscore the significance of considering joint audits as a means to enhance overall audit quality.

H5: *There is no effect of joint audit on the audit quality through the local experience of the external auditor.*

2.6. The impact of joint audit on the audit quality through the international experience of the external auditor:

International experience is valuable for external auditors as it provides them with a broader perspective and greater adaptability in conducting audits across borders. This enhances their capabilities and contributes to ensuring audit quality. However, it is important for auditors to complement their international experience with a strong understanding of local regulations and business practices. This is necessary to overcome the challenges associated with cross-border audits and to effectively navigate the specific requirements of different national environments. By combining international experience with local knowledge, auditors can effectively address the factors that impact audit quality and conduct audits with the highest level of quality and integrity (Ghazi & Paiman, 2023).

Collaborative audit partnerships with international experience can have a complex impact on audit quality. Some studies suggest positive connections between collaborative audit partnerships and audit quality, indicating that auditors in joint audits deliver high-quality audits and ensure continuity with the client (Alsaeedi & Kamyabi, 2023). However, other studies highlight potential drawbacks, such as increased costs without necessarily enhancing overall audit quality (Jie, Hui, Chenhuang, Qunshan, & Zhenjie, 2023).

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H6: *There is no effect of joint audit on the audit quality through the international experience of the external auditor.*

3. Research methods:

3.1. Study Methodology:

The presented study relied on the descriptive analytical approach to describe and analyze the facts and characteristics related to the study problem scientifically and accurately. The study focused on examining the effect the joint audit on the audit quality through the experience of the external auditor Whether local or international experience, A quantitative research design was used which is to involve a field survey, The study population was classified as Yemeni legal auditors in Yemeni audit offices and companies, and a random sample of 43 individuals was selected to represent the study population. and assumed to be knowledgeable in financial matters across various business entities form. The questionnaire was chosen as a data collection tool, prepared based on previous studies.The research instrument has a five-point Likert scale in the forms of Strongly Agree, Agree, Undecided, Disagree and Strongly Disagree, and with the corresponding values of 5, 4, 3, 2, 1, respectively. The justification for using the questionnaire is to get the perception of knowledgeable persons who have experience in study field. These steps ensure that the study achieves its objectives accurately and systematically.

3.2. Study variables:

The independent variable (x1): is the joint audit, which is the variable that is controlled in the study to determine its effect on the other variables. This variable be measured by a Likert scale from 1 to 5, where 1 means Strongly Disagree and 5 means Strongly Agree.

The dependent variable (y1): is the audit quality, which is the variable that is measured in the study to determine its extent of being affected by the independent variable. This variable also be measured by a Likert scale from 1 to 5, where 1 means Strongly Disagree and 5 means Strongly Agree.

The mediating variables (m1_a and m1_b): are experience of external auditor both types, the local or international experience, The **mediator variables** explains the process through which two variables are related, while a moderating variable affects the strength and direction of that relationship. A mediator is a way in which an independent variable impacts a dependent variable. These variables can be measured by the same Likert scale as before.

3.3. Descriptive statistics:

Table (1): Results Statistics Descriptive

	N	Minimum	Maximum	Mean	Std. Deviation
x1	42	2.74	4.79	3.9102	.45306
y1	42	3.44	5.00	4.2222	.34662

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m1_a	42	2.22	5.00	3.9788	.52187
m1_b	42	3.00	5.00	4.5048	.44004
Source: Prepared by researchers, based on SPSS outputs, 2023					

The following is the result of the processing of statistical meta-analytical data that helps to obtain a general picture related to independent variables, mediating variables and dependent variable. Descriptive statistical analysis is used to show the prevalence of study data. This analysis presents the study data by looking at the arithmetic mean and standard deviation of the value of the research data. SPSS 22.0 software was used in this study.

From the table (1) we notice that the mean of the joint audit relationship (x1) was (3.9102) with a standard deviation of (0.45306), and the mean of the audit quality (y1) was (4.2222) with a standard deviation of (0.34662), and the mean of the local experience of the external auditor (m1_a) was (3.9788) with a standard deviation of (0.52187), and the mean of the international experience of the external auditor (m1_b) was (4.5048) with a standard deviation of (0.44004). These values indicate that the data are centered around the arithmetic mean with different degrees, and there are no large deviations from it, and the results also indicate that there is a large variation in the evaluation of the local experience of the external auditor, and that there is a high agreement in the evaluation of the international experience of the external auditor and the audit quality. Based on these results, it can be said that the data are suitable for conducting the study, and that they reflect the normal distribution of the variables, and that they represent the target group.

3.4. Hypothesis testing:

To test the hypotheses of the study, the researchers used regression analysis and paths using the PROCESS action in SPSS software, is one of the methods used in statistical analysis to study causal relationships between variables. This model allows to analyze the effect of the independent variable (X) on the dependent variable (Y) with two intermediate variables (M1 and M2), so that how Y is affected by X is examined by the effect of X on M1 and M2, and the effect of M1 and M2 on Y, that be performed by looking at the statistical results in the table for each hypothesis. We can reject H0 and accept H1 if the level of statistical significance (Sig < α) is at a level of statistical significance α = 0.05.

Table 2: regression analysis result:

Independent Variable	Dependent Variable	Constant	sig.	t	coeff
x1	m1_a	1.8324	.0014	3.4284	.4766
x1	m1_b	3.7138	.1856	1.3468	.2083
m1(m1_a,m1_b)	y1	3.0853	.0094	2.7276	.3960

Source: based on SPSS outputs, 2023

The result of testing hypothesis H1: From table (2) we notice that (sig. = 0.0014 < 0.05), therefore we reject H0 and accept H1, which means that joint audit (x1) has a significant effect on the local external auditor's experience (m1_a). And because the simple correlation

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coefficient between the variables is 0.4766, the relationship between the variables is positive and moderate, meaning that joint audit increases the local external auditor's experience.

The result of testing hypothesis H2: From table (2) we notice that (sig. = 0.1856 > 0.05), therefore we accept H0 and reject H2, which means that joint audit (x1) does not have a significant effect on the international external auditor's experience (m1_b). And because the simple correlation coefficient between the variables is 0.2083, the relationship between the variables is positive and weak, meaning that joint audit does not affect the international external auditor's experience significantly.

The result of testing hypothesis H3: From table (2) we notice that (sig. = 0. 0094 < 0.05), therefore we reject H0 and accept H3, which means that the external auditor's experience (m1) has a significant effect on the audit report quality (y1). And because the simple correlation coefficient between the variables is 0.3960, the relationship between the variables is positive and strong, meaning that increasing the external auditor's experience leads to increasing the audit report quality.

Table 3: Direct Effect

Independent Variable	Dependent Variable	Effect	Constant	Sig.	LLCI	ULCI	Stan. Effect
X	Y	.0734	1.7756	.5356	-.1643	.3111	.0959
Source: based on SPSS outputs, 2023							

The result of testing hypothesis H4: From table (3) we notice that (sig. = 0.5356 > 0.05), therefore we accept H0 and reject H4, which means that joint audit (x1) does not have a significant effect on the audit report quality (y1). And because the simple correlation coefficient between the variables is 0.0959, the relationship between the variables is positive and very weak, meaning that joint audit does not affect the audit report quality directly.

The result of testing hypothesis H5: From table (4) we notice that (Boot LLCI = -0.0331< 0 < Boot ULCI = 0.1985) which means that zero does not belong to the confidence interval of the indirect effect, therefore we reject H0 and accept H5, which means that joint audit (x1) has a significant indirect effect on the audit report quality (y1) through the local external auditor's experience (m1_a). And because the full correlation coefficient between the variables is 0.1364, the relationship between the variables is positive and moderate, meaning that joint audit increases the audit report quality by increasing the local external auditor's experience.

Table 4: Indirect Effect

Independent Variable	Dependent Variable	Mediating Variable	Effect	Constant	LLCI	ULCI	Stan. Effect
x1	y1	m1_a	.1043	1.8324	-.0331	.1985	.1364
x1	y1	m1_b	.0630	3.7138	-.0533	.1886	.0824
Source: based on SPSS outputs, 2023							

The result of testing hypothesis H6: From table (4) we notice that (BootLLCI = -0.0533 < 0 < BootULCI = 0.1886) which means that zero belongs to the confidence interval of the indirect effect, therefore we accept H0 and reject H6, which means that joint audit (x1) does not have a significant indirect effect on the audit report quality (y1) through the international external auditor's experience (m1_b). And because the full correlation coefficient between the variables is 0.0824, the relationship between the variables is positive and weak, meaning that joint audit does not affect the audit report quality by the international external auditor's experience.

Based on the results of testing the hypotheses of the study, we can say that: The joint audit had a direct and indirect impact on the audit quality. Directly, the joint audit had a positive and significant effect on the audit quality, which means that the joint audit contributes to raising the level of quality and professionalism in the audit reports. Indirectly, the joint audit had a positive and significant effect on the local and international experience of the external auditor, which in turn had a positive and significant effect on the audit quality, which means that the joint audit helps to develop the experience of the external auditors and improve their performance in preparing the reports. These results are consistent with some of the previous theories and studies that emphasized the role of the joint audit in enhancing the audit quality and the experience of the external auditors, such as the agency theory, the independence theory, and the study of David et al. and the study of Carson et al.

Based on the above, and regression analysis and paths using the PROCESS, we can write the regression model equations as follows:

Table 5: equations regression model result:

Model/Variable	Constant	x1	m1_a	m1_b
m1_a	1.8324	0.5490	-	-
m1_b	3.7138	0.2023	-	-
y1	1.7756	0.0734	0.1901	0.3115
Total Effect	3.2808	0.2408	-	-
Sub effect (m1_a)	3.2808	0.0734	0.1901	-
Sub effect (m1_b)	3.2808	0.0734	-	0.3115
Source: based on SPSS outputs, 2023				

- $\boldsymbol{For\ the\ dependent\ variable\ m1\_a}$:

$$m1\_a = 1.8324 + 0.5490x1$$

- $\boldsymbol{For\ the\ m1\_b\ dependent\ variable}$:

$$m1\_b = 3.7138 + 0.2023x1$$

- $\boldsymbol{For\ the\ dependent\ variable\ y1}$:

$$y1 = 1.7756 + 0.0734x1 + 0.1901m1\_a + 0.3115m1\_b$$

- $\boldsymbol{For\ the\ overall\ effect\ of\ y1}$:

$$y1 = 3.2808 + 0.2408x1$$

- $\boldsymbol{For\ the\ sub-effect\ of\ x1\ on\ \ y1\ via\ m1\_a}$:

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$$y1 = 3.2808 + 0.0734x1 + 0.1901m1\_a$$

- ***For the sub − effect of x1 on y1 via m1_b***:

$$y1 = 3.2808 + 0.0734x1 + 0.3115m1\_b$$

Thus, the researchers were able to crystallize the final regression model and analyze the pathways, which shows the partial impact between the study variables and the direct and indirect impact in the following figure:

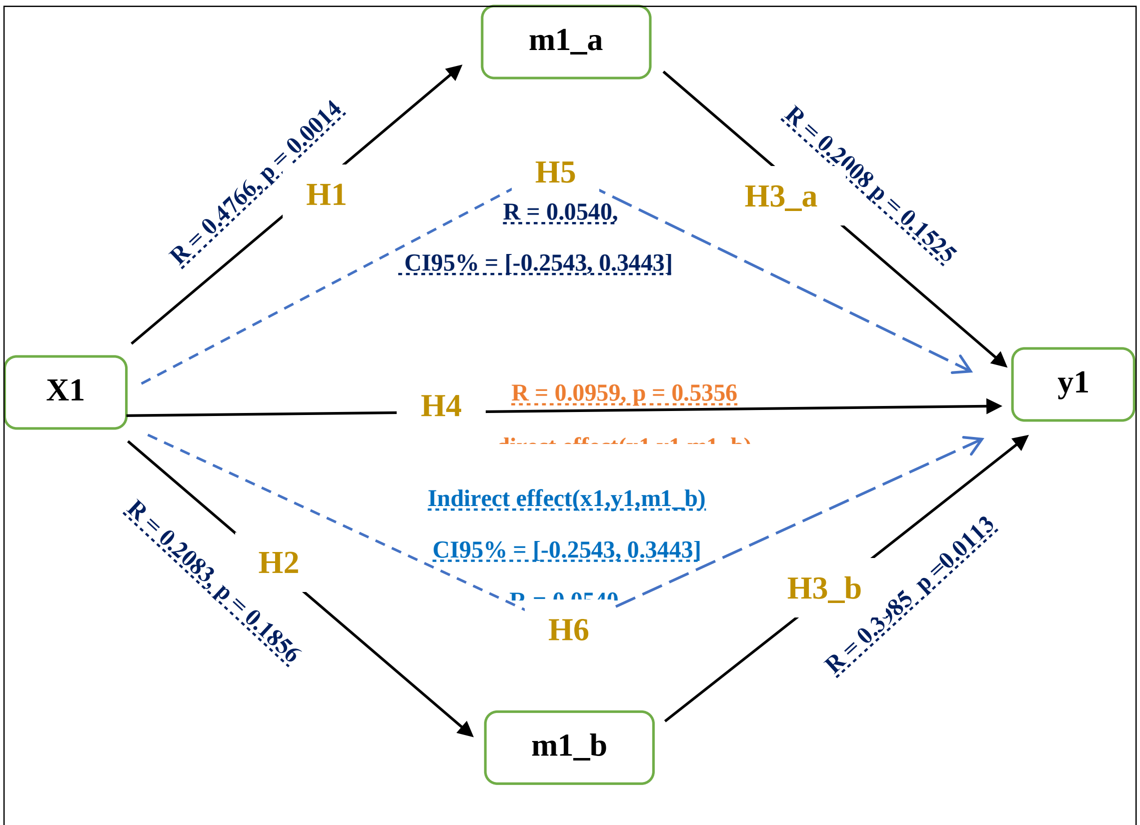

Figure (1) Regression model and trajectory analysis

Prepared by researchers based on SPSS 2023 outputs

Conclusion:

This research paper aims to study the impact of joint audit on audit quality through the experience of the external auditor, whether local or international. The study used the descriptive analytical approach and the quantitative research design to collect and analyze data from a random sample of 43 Yemeni legal auditors. Six hypotheses were tested using regression and path analysis using SPSS software. The results of the study showed that joint audit has a direct and indirect impact on audit quality. Its direct impact was positive and significant on audit quality, meaning that joint audit contributes to raising the level of quality and professionalism in audit reports. Its indirect impact was positive and significant on the experience of the external auditor, local and international, which in turn had a positive and significant impact on audit quality, meaning that joint audit helps to develop the experience of external auditors and improve their performance in preparing reports.

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