
The Impact of Auditor's Industry Specialization on Improving Audit Quality

Huda Mahdi Abdul-Zahra ¹ and Jalil Ibrahim Salih ²

^{1,2} Administrative Technical College, Southern Technical University, Basra, Iraq

hudamahdi6799@gmail.com, jalil.ibrahim@stu.edu.iq

Received: 03/07/2025; Accepted: 30/11/2025; Published: 1/12/2025

Abstract:

This research aims to identify the impact and role of auditor's industry specialization in the auditing process and its effect on improving Audit Quality (AQ). The research sample consisted of 80 auditors from various audit firms and offices in the public and private sectors. The practical and applied aspects of the research concluded that an auditor's industry specialization contributes to improving the quality of the auditing process by increasing the confidence of users of financial reports and ensuring their freedom from the risk of material misstatements.

Keywords: Industry Specialization, Audit Quality.

1. INTRODUCTION:

The topic of an auditor's industry specialization is of significant scientific and practical importance. Many studies in recent years have focused on examining the auditor's experience in the activities of the company being audited, which is referred to as the auditor's industry or sectoral activity (Savitskyi & Parshakov, 2020). An auditor's industry specialization is a modern approach to developing the auditing process. It is also called the auditor's specialized expertise. An auditor's industry specialization is characterized by possessing a broad range of knowledge and professional experience, in addition to scientific and practical skills in a specific field (Feng et al, 2023). In essence, an auditor's industry specialization means that they focus their professional activity on a specific economic sector, possessing specialized knowledge and practical experience in the tasks of the auditing process within that sector, which leads to an increase in the quality of professional performance in the area of industry specialization (Samiolo et al., 2024). Researchers have also confirmed that an auditor's industry expertise leads to more accurate information than a non-industry auditor, enabling them to conduct a high level of audit accuracy (Talab et al., 2019; Hasan et al., 2023). Furthermore, an industry-specialized auditor benefits from gathering more evidence to build specialized industry knowledge, which they can then apply when auditing another company. This knowledge encourages the industry-specialized auditor to exert more effort in improving the quality of the audit process (Haddab, Z. S., 2023). Under these conditions, an industry-specialized auditor exerts less effort than a non-specialized auditor (Arianpoor & Farzaneh, 2023). Furthermore, the dynamic nature of the auditing profession and its ability to evolve to meet the needs of audited companies, coupled with the continuous changes in the business environment in recent years, including the increased size and complexity of audited companies, the diversification of their operations, and the proliferation of relevant standards and regulations (Williams & Knechel, 2023), mean that the characteristics of audit firms, such as the auditor's industry specialization and the size of the audited companies, play a role in achieving excellence and continuous improvement in the services provided by the auditor. This, in turn, enhances the efficiency of their decisions and judgments, as well as the timeliness of the auditor's report (Hussein & Azzam, 2021). The auditor's industry specialization and the size of their firm are considered important determinants that can shorten the timeframe for issuing the auditor's report, thereby improving the timeliness of financial reports. All of this contributes to improving the quality of the audit process (Wiedjaja & Eriandani, 2021).

2. METHODOLOGY

2.1 Research Problem:

The trend in the audit process for auditors has become towards adopting higher levels of industry specialization. This is due to the increasing intensity of competition and the diversity of policies for using accounting standards specific to each industry activity. Therefore, audit firms and offices have begun to look for ways to differentiate themselves from their competitors, which in turn improves the quality of the audit and strengthens the competitive position of audit firms. Therefore, the research problem is summarized in the following question: Does the industry specialization of the auditor affect the improvement of the quality of the audit process?

2.2 The importance of the research:

The importance of the research stems from the fact that it highlights the subject of industrial specialization of the auditor, as one of the approaches to development in the practice of the auditing profession, as the industrial specialization of the auditor contributes to keeping pace with the continuous changes in the business environment. Likewise, the industrial specialization of the auditor is an approach to excellence and continuous improvement in the services provided by the auditor, as it is one of the factors affecting the improvement of the quality of the auditing process.

2.3 Research Aims:

The main objective of this research can be defined as follows: (1) To demonstrate the importance of the auditor's industry specialization in improving AQ. (2) To demonstrate the extent to which the auditor's industry specialization contributes to raising the level of professional performance in the auditing process.

2.4 Research Hypothesis:

In light of the research problem and its objectives, the following hypothesis can be formulated: The auditor's industry specialization has an impact on improving the quality of the auditing process.

2.5 Research Sample:

The research sample consisted of a number of auditors working in audit firms and offices licensed to operate in Iraq. The sample was based on the 2025 Bulletin of Licensed Auditors to Work in Iraq, which included 80 auditors.

3. PREVIOUS STUDIES AND HYPOTHESES DEVELOPMENT:

The study by Ogiriki & Pabraebiwei (2024) aimed to examine industry specialization in auditing and the quality of financial reports for listed oil and gas companies in Nigeria. The researchers relied on a retrospective data analysis design. Data from eight randomly selected oil and gas companies were used, covering the period from 2015 to 2022. The data were examined using E-views software and a squared regression approach. The researchers concluded that there is a positive effect of accrual estimates and revenue growth rates for Nigerian oil and gas companies on the specialization of the auditing industry. The study by (Elgendy & Hashad, 2025) aimed to find out how the industry specialization of the auditor affects the quality of joint audit performance. The study included a discussion of the idea of industry specialization of the auditor and its importance, in addition to its impact on the quality of professional performance. The study population consisted of auditors in accounting and auditing firms in Egypt, as the sample size reached 150 individuals, in addition to academics in the accounting departments of the faculties of commerce in Egyptian universities, specifically those specializing in auditing, whose number reached 50 individuals. The researchers concluded that the industry specialization of the auditor leads to improving the efficiency of performance in the joint audit process and reducing its negatives from the point of view of the study sample. While the study by Al-Sanasleh et al. (2025) focused on the importance of sustainability, relying on two variables—integrated reporting and auditor quality—it concluded that the interaction between integrated reporting and audit firm specializations has a significant

impact on sustainability. This study anticipates a marked improvement in sustainability performance—whether financial, environmental, social, or governance-related—with specialized auditors overseeing integrated reporting. The study by Guo et al. (2022) aimed to explore the value of specialization in the audit sector using a discrete choice model to determine the primary demand for specialization. The results showed that companies under audit generally prefer specialization, whether at the firm or audit office level. Specialization at the firm or audit office level is also considered an alternative. Larger and more complex companies under audit have a stronger demand for audit office-level specialization. While Knechel & Williams (2023) aimed to examine specialization within the sector based on the economic theory of industrial clusters (geographical areas with high industrial concentration), the study also explored the potential for sharing expertise among firms specializing in this sector. Furthermore, audit firms with close relationships within a firm in a clustered market can command a fee premium compared to more distant firms, highlighting the benefits of knowledge transfer. Uthman et al. (2022) aimed to improve AQ by examining the relationship between audit specialization and AQ in non-financial companies listed in Nigeria. The researchers analyzed data collected from the financial reports of 40 listed Nigerian companies covering the period between 2005 and 2019, comprising a total of 517 observations. The study concluded that separating organizational functions across different sectors is crucial for better understanding the interaction of audit specialization, and it also emphasized the importance of developing policies that contribute to improving AQ. While the study by Kharuddin and Basioudis (2022) aimed to identify the determinants of audit specialization, its impact on fees and AQ, and the regulatory body's optimal choice of audit standards within a specialization framework, the researchers relied on data analysis collected through fieldwork. They concluded that specialization benefits auditors by lowering expected fees and improving the quality of audit reports, but it only enhances the report's usefulness to investors when the specialist invests significant effort in the audit. The study by Gal-Or and Gal-Or (2022) aimed to analyze the strategic path auditors take toward specialization in a specific sector, considering their investments in acquiring specialized knowledge and their pricing behavior. The researchers based their study on descriptive data analysis and concluded that both initial investments in quality improvement and experience gained by attracting a larger pool of audited firms play a role in achieving specialization. Furthermore, serving more audited firms promotes learning and fosters enhanced expertise in the sector.

4. THE THEORETICAL FRAMEWORK OF AUDITOR SPECIALIZATION AND AQ:

4.1 The Concept of Industrial Specialization:

An auditor's industrial specialization is defined as "the auditor's specialization in performing audits of companies under audit that belong to a single industrial or service sector" (AbdElazeim, et al., 2025). (Michas, et al., 2025) defines industrial specialization as "the auditor's provision of independent audit services to companies belonging to a single industrial sector, including the similarity of the nature of the operations carried out by other companies under audit in the same sector, and the possibility of acquiring knowledge and experience related to the nature of those audit operations." (Axelton, et al., 2025) defines industrial specialization as "the specialization and distinction of the auditor from other auditors in the auditing of accounts and operations of a specific industrial or service sector, enabling them to provide distinguished and high-quality audit services to the companies under audit in that sector." (Nurbaiti & Elisabet, 2023), indicate that Industry specialization is defined as an auditor providing independent audit services to companies within a single industrial sector, where the nature of the audit processes required by the activities of those companies is similar, and where the auditor possesses the necessary knowledge and experience related to those processes. (Mousa, 2022) defines industry specialization as an auditor acquiring a high degree of experience and knowledge specific to the activities of the company under audit as a

result of training and practice auditing companies within the same industrial sector. (Prayogi and Setyorini, 2022) define it as an auditor's deep understanding of the general and specific accounting guidelines of the company's industry. (Chiang et al., 2021) define it as an auditor possessing specialized experience and knowledge of the company's industry through prolonged service to companies within the same industrial sector. A researcher can further define industry specialization, based on the preceding definitions, as an auditor specializing in providing audit services to companies within the same industrial sector. The same applies whether this activity is service-oriented, industrial, or commercial, which facilitates the auditing process for the auditor and improves the quality of the audit.

4.2 The Importance of Industry Specialization for the Auditor:

The importance of industry specialization for the auditor lies in the following: (1) Industry specialization develops the auditor's understanding of the items and improves their ability to understand audit processes (Dunakhir, 2023). (2) Industry specialization contributes to increasing the auditor's professional competence and helps them develop knowledge and experience specific to the industry or sector of the company being audited, leading to the provision of high-quality audit services (Bills et al., 2015). (3) It improves the auditor's performance and the quality of the audit process by strengthening the internal control system, reducing audit risks, and increasing confidence in financial reports (Gal-Or & Gal-Or, 2022). (4) Industry specialization enhances the auditor's professional judgment when the auditor has extensive experience in a particular industry (Dekeyser et al., 2024). The Advantages of an auditor's industry specialization are a) Experience in applying standards: The auditor's knowledge and experience in the industrial sector plays a vital role in the quality of the audit process, as the auditor's industry specialization enables them to gain experience in applying standards (Khudhair et al., 2023). b) Proper audit planning: The first fieldwork standard emphasizes that the audit process should be properly planned, and part of this planning is understanding the environment and industry sector in which the audited company operates (Abdelazeim et al., 2025). c) Achieving competitive advantage: Industry specialization contributes to improving the reputation of audit firms by providing high-quality services, which leads to increased confidence in the quality of the audit and thus attracting new clients and retaining existing ones (Yeboah et al., 2023). d) Raising the level of professional performance quality: The industrial specialization of the auditor helps to transfer expertise and specialized knowledge in the industry sector between clients in the same industry when evaluating and proposing audit procedures for companies wishing to be audited, which contributes to reducing the time required to issue the audit report (Bills et al., 2015).

4.3 Audit Quality:

Trust and confidence are fundamental in the financial environment, as users of financial data rely on accurate and reliable financial information to make informed decisions. AQ is the cornerstone of the audit process, ensuring confidence in financial reports and their freedom from material misstatements. The audit process conducted by auditors must accurately reflect the true economic reality of the company under audit (Flayyih et al., 2019). Furthermore, the link between AQ and user confidence in financial data is vital for attracting investment and enhancing the company's positive image. AQ is also a fundamental requirement for all users of financial data and beneficiaries of the auditing profession. While there are various perspectives on defining AQ, there is no single, universally agreed-upon definition, despite its central importance in understanding the audit process. One definition of AQ, in terms of adherence to auditing standards, is the level of compliance with professional auditing standards and the rules and ethics of professional conduct during the audit process (Pham ETAL, 2025). The concept of AQ has also been defined as "the auditor's ability to detect material misstatements in financial statements and disclose such

misstatements upon discovery" (Francis, 2024). (Meanwhile, Jeroh & Ozegbe ,2022) defined AQ as "the honest expression of the company's true financial position, free from material errors and misstatements, and that its financial reports are prepared without exaggeration and with honest realism regarding the financial items and accounts of the company under audit." (Ayedh & Fatima , 2022) indicated that AQ is "a set of policies and procedures that can be formulated to achieve the highest level of efficiency and effectiveness in the quality of service provided to the company under audit."

4.4 The Importance of AQ: The importance of AQ for auditors is evident in several areas, as follows:

(Ikhsan, 2024), (Al Shbail et al., 2025), and (Rastegari & Mahdavi, 2020) (a) It ensures adherence to professional standards. (b) It helps narrow the expectations gap. (c) AQ contributes to the detection and disclosure of material misstatements made by financial statement preparers. (d) AQ ensures that financial reports prepared by auditors are suitable for decision-making by their users. (e) AQ contributes to supporting the concept of corporate governance. (f) AQ is a competitive advantage among audit firms and auditors.

4.5 The Impact of the Auditor's Industry Specialization on AQ:

An auditor's experience in a specific industry sector is a crucial factor in their competence, positively impacting AQ in several ways. An industry-specialized auditor is more likely to conceptualize problems based on stored information from their past experiences, which they use to fully understand the operations of the company under audit (Ail et al., 2023). They are also better able to distinguish between relevant and irrelevant information for resolving problems they may encounter in the company under audit. Furthermore, an industry-specialized auditor possesses the necessary expertise to make professional judgments with a lower error rate compared to a non-specialized auditor (Elgendy & Hashad, 2025). An auditor's industry expertise is a combination of specialized knowledge and practice in a particular industry, which can be acquired individually by the auditor or at the level of the audit firm (Hung et al., 2024).

5. RESULTS

5.1 About the Research Sample:

Based on the research problem and to achieve its objectives and prove its hypotheses, the research sample consisted of a number of professional auditors working in the public and private sectors, in addition to a group of academics representing the teaching staff of Iraqi universities, totaling 61 auditors. The questionnaire forms were distributed electronically, as shown in Table (1) below:

Forms distributed	Valid forms	percentage	Rejected forms	percentage
80	61	%76.2	19	%23.8
Total	61	%76.2	19	%23.8

7.2 Research Methodology

The researcher relied on a questionnaire as a key source of data to prove the research hypotheses. The questionnaire was designed to accurately and objectively collect the required data. A five-point Likert scale was used to convert descriptive opinions into quantitative data.

5.2 Research Population and Sample:

5.3 Data Collection and Processing Tools:

A two-part questionnaire was used. The first part included general information about the study sample to define its characteristics, including educational or professional qualifications, professional experience, the field of auditing services provided, and the number of auditing firms within the specialization. The second part consisted of 11 statements divided into two axes, addressing the two variables: industry specialization and AQ. The SPSS statistical software was

used to analyze the data, determine the general trend in the research sample's responses, and assess their consistency with trend indicators.

5.4 Presentation and Analysis of Field Research Results:

This section includes a study of the general information characteristics of the research sample and an analysis of the results obtained. To achieve this, statistical processing was performed on the data collected through the questionnaire using the SPSS statistical package.

5.5 Presentation and Analysis of Sample Characteristics Results

In this section, we will present the data results related to the general information of the research sample, using frequencies and percentages to illustrate its characteristics. This will help determine the type and nature of the collected data, as illustrated in the following five tables:

5.5.1 Academic Qualifications:

Looking at Table (1), we observe that the percentage of accountants and auditors holding a master's degree and a bachelor's degree constitutes 27.4% and 6.03%, respectively. The percentage of those holding a doctorate is approximately 29%, and the percentage of experienced accountants and auditors holding a professional certificate is 8.2%. Furthermore, it includes individuals with a master's degree among professional auditors, representing approximately 4.8%. This means that the majority of the sample possesses qualifications at an acceptable level, which enhances the reliability of the collected data.

Table No. (1) Statistical Description of the Research Sample Regarding Academic Qualifications

No.	Academic Qualifications	Frequency	Percentage
1	Legal Accounting	19	30.60
2	PhD	18	29.20
3	Master's	17	31.80
4	Bachelor's	7	8.4
	Total	61	%100

The source was prepared by the researcher and is based on data analysis.

Table (1) shows that the majority of the research sample members hold advanced academic qualifications. Master's degree holders comprise 31.6%, PhD holders 29.2%, and Certified Public Accountants (CPAs) 30.6%. These qualifications together constitute approximately 90% of the research sample, a high percentage indicating that the sample possesses advanced academic qualifications enabling them to answer the questionnaire items accurately and objectively, thus enhancing the reliability of the data used in analyzing the research results.

5.5.2 7.5.2 Work Sector Analysis:

The research sample members were distributed according to the work sector into two categories: the public and private sectors.

Table (2) shows the distribution of respondents from the sample according to the work sector.

No.	Sector Number	Frequency	Percentage
1	General	26	0.43
2	Special	35	0.57
Total		61	%100

Table (2) shows that the percentage of employees in the public sector is 43%, while the percentage of employees in the private sector is 57% of the research sample. This relatively close percentage indicates a degree of parity within the research sample.

5.5.3 Analysis of Years of Service:

Table (3) Distribution of Respondents in the Sample by Years of Service

No.	Category	Frequency	Percentage
1	5-10 years	9	0.15
2	11-15 years	23	0.38
3	Over 15 years	29	0.47
Total		61	%100

Table (3) shows that the percentage of those with less than 5 years of experience in accounting and auditing is (0.15), a low percentage, while the percentage of those with more than 15 years of experience is (0.47), a good percentage indicating that the research sample possesses sufficient experience in this field, which qualifies them to answer the questionnaire items effectively and contributes to supporting the evaluation of the hypotheses.

5.6 Analysis of the Questionnaire Items:

The arithmetic means, standard deviations, and coefficient of variation for the questionnaire items related to professional specialization were analyzed and then reinforced with the opinions of academic specialists, as follows:

5.6.1 Presentation and Analysis of the Results of the First Axis:

In this section, we will present the results of the first axis related to the contribution of industrial specialization in auditing firms to improving AQ. This is evident from the following table, which illustrates the trends in the responses of the study sample based on the statistical indicators.

No.	Phrases	Mean (Average)	Direction (Trend)	Direction (Trend)
1	An auditor's industry specialization contributes to developing the necessary skills and experience in detecting material misstatements.	2.03	0.82	I agree
2	An auditor's industry specialization reduces the effort required to complete the audit process.	2.37	1.05	I agree
3	An auditor's industry specialization allows them to simplify the analytical procedures for the audited company compared to non-specialized auditors.	2.38	1.01	I agree
4	An auditor's industry specialization reduces the time needed to understand the audited company's accounting system.	2.22	0.89	I agree
5	An auditor's industry specialization contributes to effective planning of the audit process for the audited company.	2.06	0.88	I agree

Source prepared by the researcher using SPSS software output.

Table (5) shows that the general trend of the study sample is towards agreement with all statements of the first axis, which relates to the impact of the auditor's industry specialization on improving AQ. The average value of the axis as a whole was 2.21, a high value belonging to the agreement category.

The average value of individual responses for each statement ranged between 0.3 and 83.2. In addition, the standard deviation for the axis as a whole was 0.54, while the standard deviation values for each individual statement ranged between 0.82 and 1.05. These values indicate a range of opinions regarding the research sample, confirming that industry specialization does indeed have an impact on improving AQ.

5.6.2 Presentation and Analysis of the Results of the Second Axis

In this section, we will present the results of the second axis related to AQ. This is evident from the results of the following table, which illustrates the trends in the research sample's responses to the analysis, based on statistical indicators.

Table (6) Research Sample Results on AQ.

No.	Phrases	Mean (Average)	Direction (Trend)	Direction (Trend)
1	A sound assessment of the effectiveness of the internal control system contributes to improved oversight of financial data.	1.67	0.59	I agree
2	The quality of the audit process contributes to better decision-making and addressing problems that arise during implementation.	1.72	0.79	I agree
3	Applying correct procedures in accordance with standards enhances the credibility of the audit process and its results.	1.74	0.74	I agree
4	A high-quality audit reduces the risk of fraud in the companies being audited.	1.93	0.86	I agree
5	The quality of the audit is positively impacted by the skills and experience of the audit team.	2.14	0.86	I agree

Table (6) indicates that the research sample's opinions focused on agreeing with half of the second axis, while the other half received strong agreement. This is reflected in the overall average value of the axis, which reached 1.83 and falls within the second category of the five-point Likert scale. The averages of individual responses for each statement ranged between 1.67 and 2.14.

Furthermore, the standard deviation for the axis as a whole is 0.48, while the standard deviation for each individual statement ranges between 0.59 and 0.86. Thus, the research sample's responses are consistent, confirming the importance of AQ for auditors.

5.7 Testing the Study Hypothesis:

In this section, the research hypothesis will be tested using a one-sample t-test.

The objective is to discover statistically significant differences in the selected research population by comparing them to the assumed mean (a t-test value of 3 indicates a positive effect, thus confirming the alternative hypothesis; a p-value of 0.05 indicates confirmation of the null hypothesis). The research hypothesis concerns the extent to which the auditor's industry specialization affects AQ. Therefore, the null hypothesis (H0) and alternative hypothesis (H1) are formulated as follows:

Null Hypothesis (H0): The auditor's industry specialization does not affect AQ.

Alternative Hypothesis (H1): The auditor's industry specialization does affect AQ.

The following table presents the results of a one-sample t-test for this hypothesis.

Table (7): T-test to measure the effect of the auditor's industry specialization on improving AQ.

Test Value = 3					
T	Dd1	Sig (Two-tailed)	Average Difference	95% Confidence Interval for the Difference	
				Lower	Upper
-11.208	61	0.000	-0.782	-0.92	-0.64

Table (7) indicates that Sig 0.05 has a value of 0.000, which means there is a statistically significant difference. Therefore, we reject the null hypothesis and accept the alternative hypothesis, which indicates that the auditor's industry specialization has an effect on improving AQ. This aligns with the results of most previous research, allowing us to generalize the findings related to the first axis to the research population.

6. Conclusion:

Through diagnosing and addressing the problems from both theoretical and practical perspectives, it becomes clear that the study hypothesis has been confirmed and that it agrees with most previous research. This indicates that the research results reflect reality and can be generalized to the research population as follows: - The responses of the research sample are consistent with the consensus that the auditor's industry specialization has an effect on improving AQ. The role of an auditor's industry specialization is evident in improving the quality of the audit process. An industry-specialized auditor is better equipped to plan the audit effectively, possesses expertise in applying audit standards, and enhances the professional competence necessary to detect discrepancies between financial statements and the audit process. This, in turn, improves the overall quality of the audit. Furthermore, an auditor's industry specialization contributes to the excellence of the audit services offered by audit firms, thereby increasing their competitiveness.

REFERENCES:

- AbdElazeim, Y. M., Kamel, M. F., & Ahmed, A. A. (2025). An Experimental Investigation of the Effect of Auditor Industry Specialization and Firm Risks on The Disclosure of Key Audit Matters in Audit Report. *Alexandria Journal of Accounting Research*, 9(2), 1-41.
- Al Shbail, M. O., Jaradat, Z., Al-Hawamleh, A., Hamdan, A., & Musleh Alsartawi, A. M. (2025). Enhancing audit quality in non-Big 4 firms: the role of remote auditing and audit staff capabilities. *Journal of Financial Reporting and Accounting*, 23(2), 700-720.
- Ali, S. I., Al-taie, B. F. K., & Flayyih, H. H. (2023). The effects of negative audit and audit environment on the internal auditor performance: mediating role of auditing process independence. *International Journal of Economics and Finance Studies*, 15(1), 64-79.
- Al-Sanasleh, A., Jaffar, N., & Saidin, S. F. (2025). The Impact of Audit Firm Industry Specialization on the Relationship between Integrated Reporting and Sustainability Performance: Conceptual Paper. *International Journal of Academic Reserach in Economics and Management Sciences*, 14(1).
- Arianpoor, A., & Farzaneh, N. (2023). Auditor industry specialization and cost of equity on earnings management: the moderating role of institutional ownership. *International Journal of Law and Management*, 65(2), 125-151.
- Axelton, Z., Gramlich, J., & Harris, M. K. (2025). Auditor industry expertise and the predictive power of the deferred tax valuation allowance. *Accounting & Finance*, 65(1), 323-364.

- Ayedh, A. M., & Fatima, A. H. (2022). Audit Quality Framework's Input Factors: An Islamic Perspective. *AL-HIKMAH: INTERNATIONAL JOURNAL OF ISLAMIC STUDIES AND HUMAN SCIENCES*, 5(2), 62-88.
- Chiang, S., Kleinman, G., & Lee, P. (2021). The effect of auditor industry specialization and board independence on the cash flow reporting classification choices under IFRS: evidence from Taiwan. *International Journal of Accounting & Information Management*, 29(1), 147-168.
- Elgendy, T. Y. A. A., & Hashad, T. M. O. (2025). External Auditor's Industrial Specialization and Impact on the Quality Joint Audit Performance: A Field Study. *Journal of Organizational Behavior Research*, 10(2-2025), 126-137.
- Feng, Z. Y., Sharma, D. S., Dao, M., & Huang, H. W. (2023). Global-level auditor industry specialization and the cost of equity capital. *Accounting Horizons*, 37(3), 117-146.
- Flayyih, H. H., Mohammed, Y. N., & Talab, H. R. (2019). The role of accounting information in reducing the funding constraints of small and medium enterprises in Iraq. *African Journal of Hospitality, Tourism and Leisure*, 8(4), 1-10.
- Francis, J. R. (2024). What exactly do we mean by audit quality?. *Accounting in Europe*, 21(2), 123-133.
- Gal-Or, E., & Gal-Or, R. (2022). A theory of 'why and how' audit firms choose to specialize. *European Accounting Review*, 31(4), 819-842.
- Guo, Q., Koch, C., & Zhu, A. (2022). The value of auditor industry specialization: Evidence from a structural model. *The Accounting Review*, 97(7), 193-222.
- Haddab, Z. S. The Effect of Adopting the Strategy of Industrial Specialization and Its Role in Reducing Audit Risks: A Survey of the Views of A Sample of External Auditors in Iraq. *American Journal of Business Management, Economics, and Banking*, 10, 1-18.
- Hasan, S. I., Saeed, H. S., Al-Abedi, T. K., & Flayyih, H. H. (2023). The role of target cost management approach in reducing costs for the achievement of competitive advantage as a mediator: an applied study of the Iraqi electrical industry. *International Journal of Economics and Finance Studies*, 15(2), 214-230.
- Hung, W. J., Gong, L., Wang, Y., & Wang, Y. (2024). Exploring the impact of auditor industry specialization on income smoothing. *Humanities and Social Sciences Communications*, 11(1), 1-12.
- Hussein, W. N., & Azzam, W. H. The Effect of The Characteristics of Audit Offices on The Level of Sectoral Specialization: An Exploratory Study on A Sample of Auditing Offices and Companies in Iraq.
- Ikhsan, A., Rosari, D., Pambudi, J. E., Lubis, P. K. D., & Fadillah, T. D. (2024). The effect of audit committee, internal auditor and audit quality on firm value on hotel industry in Indonesia. *International Journal of Economics and Finance Studies*, 16(1), 337-354.
- Jeroh, E., & Ozegbe, K. K. (2022). Audit quality and the financial performance of quoted companies in Nigeria: Empirical discourse. *Acta Universitatis Danubius. Œconomica*, 18(5).
- Kharuddin, K. A. M., & Basioudis, I. (2022). A review of theories on auditor industry specialisation. *International Journal of Academic Research in Business and Social Sciences*, 12(9), 1701-1714.
- Knechel, W. R., & Williams, D. (2023). The effect of client industry agglomerations on auditor industry specialization. *Journal of Accounting Research*, 61(5), 1771-1825.
- Michas, P. N., Russomanno, D., & Zhao, M. (2025). The opportunity for partner industry knowledge sharing within audit offices and audit quality. *Review of Accounting Studies*, 1-52.

- Mousa, T. U. (2022). The Role of Professional Knowledge of Auditor's Industrial Specialization in Reducing Audit Risks. *International Journal of Research in Management Studies (IJRMS)*, 12(2), 42-52.
- Nurbaiti, A., & Elisabet, C. (2023). The Integrity Of Financial Statements: Firm Size, Independent Commissioners, And Auditor Industry Specializations. *Jurnal Akuntansi*, 27(1), 1-18.
- Ogiriki, T., & Pabraebiwei, E. Z. (2024). Audit Industry Specialization and Quality of Financial Report of Listed Firms in Nigeria. *International Journal of Innovative Finance and Economics Research*, 12(2), 110-119.
- Petrov, E., & Stocken, P. C. (2022). Auditor specialization and information spillovers. *The accounting review*, 97(7), 401-428.
- Pham, H. H., Nguyen, T. H. L., & Tran, M. T. (2025). Audit quality of financial statements of commercial banks, whether or not there is a difference in audit quality provided by Big4 and Non-Big4 audit firms. *International Journal of Economics and Financial Issues*, 15(1), 159.
- Prayogi, A., Lestari, P., & Setyorini, C. T. (2022). Internal factors, external factors and earnings management: moderating effects of auditor industry specialization. *Global Financial Accounting Journal*, 6(1), 13-30.
- Rastegari, N., & Mahdavi, G. (2020). Auditor specialization in the industry and audit market structure. *Journal of Accounting Knowledge*, 11(4), 97-128.
- Samiolo, R., Spence, C., & Toh, D. (2024). Auditor judgment in the fourth industrial revolution. *Contemporary accounting research*, 41(1), 498-528.
- Savitskyi, V. V., & Parshakov, V. M. (2020). Historical aspects of audit development as a type of economic activity. *Проблеми теорії та методології бухгалтерського обліку, контролю і аналізу*, (2 (46)), 52-60.
- Talab, H. R., Maki, M. I., Mohammed, Y. N., Flayyih, H. H., & Ibrahim, A. M. (2019). The role of e-Government on corruption and its impact on the financial performance of the government: An empirical analysis on the Iraqi government. *Journal of Engineering and Applied Sciences*, 14(4), 1349-1356.
- Uthman, A. B., Salami, A. A., & Ajape, K. M. (2022). Impact of auditor industry specialization on the audit quality of listed non-financial firms in Nigeria. *Nigerian Journal of Risk and Insurance*, 12(1), 29-56.
- Wiedjaja, D. A., & Eriandani, R. (2021). Auditor characteristics and audit report lag: Industry specialization and long tenure as moderating variables. *Jurnal Dinamika Akuntansi*, 13(2), 106-116.
- Williams, D., & Knechel, W. R. (2023). The Effect of Client Industry Agglomerations on Auditor Industry Specialization. *The University of Auckland Business School Research Paper*.