FACTORS AFFECTING THE ROLE OF AUDITORS IN PRACTICE: A FIELD STUDY

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1. Introduction

Auditing cannot be considered as a static phenomenon but it must be referred to as a complex and heterogeneous activity (Öhman et al., 2012). More in depth, according to some scholars auditors have divided duties (Jenkins and Lowe, 2011; Öhman, et al., 2006) and consequently they have to behave in order to achieve two aims: an institutional one and a more commercial or consulting-oriented one (Gendron and Spira, 2009; Mueller et al., 2011). In fact, on the one hand, auditors must act in the interest of companies' owners and external stakeholders, in providing reasonable assurance that financial statement information are free from material misstatements. On the other, they must satisfy and maintain a functional working relationship with audited firms' management, who have the responsibility for creating the financial statements and have considerable influence over auditors' retention (Jenkins and Lowe, 2011; Sanchez, et al., 2007). Therefore, in addition to the fulfilment of the regulatory requirements of an independent audit in the interest of the owners and the other external stakeholders, the statutory audit function has to be also perceived as useful by the client firms (Hellman, 2006).

The institutional and the commercial aims that auditors have to achieve are, partly, in conflict. In fact, regulators tend to see auditors as "watchodogs" or guarantor of companies' financial disclosure in order to ensure efficient and effective financial markets dynamics while auditors' clients would like to have auditors that act as "advocates" able to support and improve the accounting and financial disclosure processes (Beattie, et al., 2000; Humphrey, et al., 2002; Jenkins and Lowe, 2011; Scott, 1997). The existence of this conflict implies that, in the everyday life, each auditor must achieve a complex balance between his perceptions of the traditional and institutional function of attesting the fairness of financial statement information and his perceptions of the provision of services that the audited firms consider as useful and valuable (Sanchez, et al., 2007). In other words,

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each auditor tend to behave in relation to its role (so called "role behaviour") in order to fulfil the diverse expectations that are expressed in the audit environment. The extant literature has highlighted some of the factors that affect the way how auditors balance their institutional and commercial cultures and consequently the factors that contributes shaping auditors' role and behaviour (McCraken et al., 2008; Hellman, 2006; Öhman et al., 2012; Gosh and Moon, 2005; Cameran et al., 2010). Nevertheless, these studies tend to focus only on single aspects and consequently there is a lack of a systematic analysis of these factors and of how auditors perceive these factors and behave in order to perform their work in practice.

Stemming from this and in order to answer to the call for qualitative studies in auditing (Power and Gendron, 2015), the aim of this study is to investigate which factors are perceived to affect auditors' role and behaviour in the current business and legal environment and how they influence auditors' role behaviour. To achieve this aim, a field study methodology has been adopted in order to compare different perspectives: the one of the audit clients and the one of the auditors themselves.

The study is structured as follows. The next section will provide a brief review of the available literature on the topic of auditors' role in order to understand how the current audit environment may influence the role assumed by auditors in performing their work. In the central part, the authors will attempt to understand the case findings and to develop theoretical arguments of the study. Finally, some valuable insights are extracted and systematised in order to draw some conclusions and to purpose possible research opportunities.

2. The impact of the current audit environment on auditors' role

Roles and role behaviours are multidimensional social phenomena that are the results of complex processes (Dansereau, et al., 1975; Ebaugh, 1988; Rizzo, et al., 1970; Roussy, 2013). More in depth, Ebaugh (1988) identifies two types of processes: a "role taking" process and a "role making" one. According to the former social roles are interpreted as sets of behavioural expectations associated with given positions in the social structure while the latter assumes that roles are defined by individuals that forge partial sets of established meanings and behavioural patterns or adaptations within which they can interact. According to the latter perspective, therefore, the "role making" is a constant, ongoing process of perceiving, evaluating and decision making. Stemming from this, the author states that, although it is undeniable that behavioural expectations culturally prescribed and associated with a given social role do exist, individuals are also engaged in a role making process, due to the fact that they interpret and adapt role expectations to given situations (Ebaugh, 1998).

Moving from this considerations, auditors' role may be interpreted as a balance between a "role taking" and a "role making" process. On the one hand, indeed, auditors' must comply with the boundary imposed by the regulatory framework, which represent the expectations associated with their given social role. On the other, however, they must also adapt their behaviour in order to achieve an amicable and cooperative relationship with the client firms' management and thus fulfil their expectations about auditors' role. In this respect, therefore, it is possible to assume that there are two main categories of actors, which express expectations about auditors' role: companies' owners and the user of financial statement information (the interests of whom are represented by the audit regulatory framework), and the management of client firms.

This need to cope with opposite responsibilities is attributable to the increasing commercialization of auditing profession that, since the 1990s, has led audit companies to de-emphasise their traditional role of granting the reliability of corporate financial reporting, in favour of a view of the statutory audit as a valuable service to the client company (Humphrey, et al., 2002; Marchi, 1998). Several authors, in fact, have underlined that auditors continually seek to ensure that public interest is served and to preserve their image as trusted and independent guarantor of management's financial information (Jenkins and Lowe, 2011). At the same time, however, the development of what may be referred to as a "value-added audit" has led client firms' management to increasingly seek additional support and advice from auditors on specific accounting issues and on internal control systems (Beattie, et al., 2000; Scott, 1997). It may be argued, therefore, that public accounting firms are characterized by a conflict between two cultures: professional and commercial (Gendron and Spira, 2009; Mueller et al., 2011).

The phenomenon of audit commercialization as well as corporate financial collapses during the early 2000s have also raised questions about the existence of a gap between what is expected from auditors and what auditors actually do in performing their work (Dennis, 2010). The "audit expectation gap" (Liggio, 1974) is one of the most serious issues facing auditing practitioners and regulators (Humphrey et al., 1992) and has a long and persistence history (Koh and Woo, 1998). Empirical studies on the nature and structure of the expectation gap aim to elicit the actual as well as the perceived roles and responsibilities of auditors and attempt to uncover the factors contributing to the expectation gap. Several studies, therefore, have investigated, mainly from a quantitative perspective, some of the factors that can affect auditors' role and behaviour. Scholars have mostly made a general reference to legal social, cultural, economic and ethical factors (Gendron and Spira, 2009; Mueller et al., 2011; Humphrey et al., 1993; Shafer, et al., 2001; Baron et al., 1977).

More in depth, some scholars have highlighted the relevance of the nature and intensity of the interaction and negotiation processes between auditors and the management of their client firms. Interactions between auditors and their client, indeed, have a considerable impact not only on the process which lead to the development of the financial statement, but also on the audit process itself (Hellman, 2006) as it represents a continuing co-operative and consensual process, which benefits from the mutual recognition and understanding of each party's role (Beattie, et al., 2000). In this context, some have pointed out the relevance of the relationship between auditors and CFOs (Gibbins et al, 2007; McCracken et al., 2008; Kolb, 2004). Instead, other scholars have underlined the relevance of the auditing regulatory framework in shaping auditors' role (Cooper and Neu, 2006; Sanchez, et al., 2007; Tsui and Gul, 1996;). In particular, national and international regulators have enacted norms in order to considerably limit the provision of consulting services to audit clients (Cooper and Neu, 2006), and this has contributed to make even more complex the achievement of a balance between the traditional function of the statutory audit and the provision of a value-added audit services (Sanchez, et al., 2007). To sum up, the factors affecting auditors' role seems to be referable to the auditor's personal culture, to the regulatory bodies and to the auditor-client interactions. In spite of this, the perceived relevance of each factor seems to be underinvestigated as well as how different factors get considered and combined by every single auditor in order to define his behaviour.

Moving from these considerations, it becomes of interest, therefore, to analyse, from a systemic perspective, i.e. focusing not only on one factor, the elements that contribute shaping auditors' behaviour and also to understand the perceived relevance of these factors.

In comparison to the extant literature, this study does not aim to define an exhaustive list of the factors that affect auditors' behaviour or determine a gap between what is expected from auditors' role and what auditors actually do. The aim of this study is rather to understand which factors are perceived as relevant in shaping the way in which they behave during an audit engagement and how they get combined by auditors. In other words, this study is not based on a static and atomistic perspective but on a dynamic and systemic one. Moreover, this study is not based on a quantitative analysis but one a qualitative one that can offer different insights regarding each factor. Finally, this study sheds a light on how auditors behave in practice and not in theory.

3. Design of the study

This research adopts the field study method to investigate the abovementioned roles. The field study method can be considered a research design that embraces a relatively small number of companies, as opposed to a wide-ranging survey or intensive case enquiries in two or three companies (Kaplan, 1986; Roslender and Hart, 2003; Scapens, 1990). By analysing several organisations, it becomes possible to understand complex phenomena such as client firms' expectations about the external audit function and the behaviour adopted by auditors in order to meet these expectations which seems to be still under-investigated (Jenkins and Lowe, 2011). Moreover, "field research is increasingly being employed by audit researchers around the world" (Malsch and Salterio, 2015).

This study is based on the evidences collected from 16 Italian auditors (6 of which belonging to companies authorized by the National Oversight Commission - the Consob) and from CFOs of 23 Italian listed companies. The analysis has been focused on Italian context because the author is Italian and this have allowed the development of a good relationship with the interviewees.

Limited resources meant that the study could not cover either all Italian auditing firms, or all Italian listed companies. Moreover, not all the contacted companies were willing to take part in the research. Finally, as this study is not based on a quantitative approach but on a qualitative one, it is not necessary to have a statistically relevant number of cases but, instead, to have cases that highlight differences (Eisenhardt and Graebner, 2007).

The main data-gathering technique was semi-structured interviews because the aim of the analysis was to reach a deep understanding of the phenomenon under research (Carrington and Catasús, 2007; van der Steen, 2009; D'Onza et al., 2015) and to compare the expectations of the role senders with the role behaviour assumed by auditors. Semi-structured interviews were selected as a means of data collection because they are well suited for the exploration of the perceptions and opinions of respondents regarding complex and sometimes sensitive issues and they allow the interviewer to probe for more information and elicit clarification of answers. In this situation, although a list of questions to submit to the interviewee is prepared beforehand, 'the interview unfolds in a conversational manner offering participants the chance to explore issues they feel are important' (Wengraf, 2001, p. 103).

In this study, the main interviewees were the partners and/or the managing directors of the mentioned 16 audit firms and the CFOs of 23 Italian listed companies. We chose to interview the apical figures of the auditing companies as they tend to be considered as the most informed ones on the audit process and the ones that interact more frequently with the customers and the institutions. The choice to contact the CFOs of the audit clients is due to the consideration that they are the managers responsible for the financial statements used by markets and other external stakeholders, so they represent the principal party with which auditors interact in performing their work (McCracken et al., 2008; Gibbins et al, 2007). It has been highlighted, moreover, that auditors and CFOs are involved not only in negotiation processes focused on specific accounting issues, but also in a so-called shadow negotiation (Kolb, 2004) within which they mutually define their role and their relationship (McCracken et al., 2008). Scholars, moreover, have highlighted that CFOs views about their relationship with the auditors are largely absent from academic business research and in accounting literature (Gibbins et al., 2007).

Interviews were conducted during fall 2012-spring 2013 and lasted from 1 to 2 hours and were all tape-recorded and then transcribed for analysis. In each firm two to three interviews had been carried out, and notes were taken during all of them. The first contact in the field was via e-mail. Representatives of companies then approved the research project and identified the participants in the study from within the partners or the senior managers, with reference to the audit firms, and from within their management with reference to audited companies. To overcome bias, the analysis was carried out through analyst triangulation (Patton, 1990; Yin, 2003). Post-communications with the respondents helped the authors to ensure the accuracy of collected data.

Several sources have been analysed in order to reach a proper understanding of the regulatory requirements established for a statutory audit (i.e. the behavioural expectations of companies' owners and external stakeholders in general). Information have been extracted from the national legal norms enacted in order to regulate the statutory audit, the International Auditing Standards, which represent the auditing standards system currently in force in Italy, and the Code of Ethics of Professional Accountants developed by IFAC and also adopted by Italian regulators. Thus, in this case, a desk research approach has been adopted and a text analysis has been carried out. Also in this case, in order to overcome bias, the analysis was carried out through analyst triangulation (Patton, 1990; Yin, 2003).

4. The field study

The concept of role assumption process upon which this study is based consists of a process of balancing behavioural expectations that are culturally assumed for a given social role (i.e. those expressed within the audit regulatory framework) with those expressed by the client firms' management. Therefore, the first issue that has been addressed has concerned the analysis of role expectations expressed by the identified role senders: the legislator (which acts in the public interest, and thus in the interest of the users of financial statement information, i.e. both companies' owners and external stakeholders) and the client firms' management.

Referring to the role expectations expressed by regulators, the author analysed the audit regulatory framework currently in force as well as the auditing professional and ethical standards adopted in the Italian context (Marchi, 2000). The purpose of this phase was to find out which function is attributed to the statutory audit and which requirements auditors must have in order to comply with the norms and the standards legally in force.

With reference to the expectations expressed by the client firms' management, instead, respondents were asked what the main functions attributable to an external audit are, in their opinion, and which of them they perceive as the most valuable and useful for their company.

The second topic addressed in the present analysis refers to the way in which auditors perceive the expectations expressed by their role senders and how they behave in order to accomplish the received role.

Factors affecting auditors' role that emerges from regulatory framework and professional standards

Traditionally, the function of an external audit is to validate the information disclosed through companies' financial statement, thus ensuring the efficient and effective functioning of capital markets (Kilgore, et al., 2011; Pentland, 1993; Power, 1999; Marchi, 1988). Over time, national and international regulatory bodies have enacted rules in order to guarantee the effectiveness of audit function. At the same time, they have recognized the need to provide guidelines, which may support professionals in conducting their work, i.e. professional standards with which auditors must comply in order to conduct properly the audit engagements.

According to the International Standards of Auditing, which represent the auditing standards currently in force, «*The purpose of an audit is to enhance* *the degree of confidence of intended users in the financial statements. This is achieved by the expression of an opinion by the auditor on whether the financial statements are prepared, in all material respects, in accordance with an applicable financial reporting framework*» (ISA 200, IFAC).

With reference to the Italian mandatory regulation, it imposes that *«The auditor and the audit firm must be independent from the audited company and they must not be involved in any way in its decision making process»*. On the same issue, the IFAC Code of Ethics states that «*independence of mind and in appearance is necessary to enable the professional accountant in public practice to express a conclusion, and be seen to express a conclusion, without bias, conflict of interest or undue influence of others*».

Considering the Italian regulatory framework, the Codes of Ethics for Professional Accountants (developed by IFAC and adopted in the Italian context too), it emerges that the regulatory body and professional associations act in the public interest, i.e. in the interest of companies' owners and other external stakeholders in order to reduce the information asymmetry between users and preparers of financial statements (Healy and Palepu, 2001). Thus, independence and professional scepticism should be considered as prerequisites for auditors to conduct a proper audit work in the public interest due to the fact that on these attributes depends the reliability of the auditors and, consequently, the credibility to stakeholders of the audited firms' financial statements (Öhman, et al., 2012).

To sum up, therefore, it may be argued that institutional role senders expect auditors to be independent from the audited firm, and to conduct their work with professional scepticism, without being involved in auditor-client relationships that might be perceived as compromising their independence.

Factors affecting auditors' role that emerges from client firms' management

As previously claimed, the auditor-client relationships have a great relevance in shaping auditors' behaviours.

The first matter worth of notice consists in the fact that, somehow surprisingly, only half of the respondents have attributed to the external auditors the role of guarantor of the trustworthiness of financial statement information.

> *«The external users of financial statement information consider them trustworthy if they have been audited by an external professional. The role of an external audit is exactly to*

guarantee the quality of accounting information shared by the company on financial markets» (CFO from company A)

Other respondents, instead, have attributed to the external audit the role of increase the likelihood to discover material misstatements due to frauds or error.

«Auditors' activity should facilitate the verification of the fairness of financial statement. Auditors, indeed, have the most suitable means in order to discover whether there are material misstatements in accounting information or someone has committed a fraud» (CFO from company M).

«The presence of an external auditor and the legal obligation of an audited financial statements guarantees that company's accountants will work properly and will try to avoid errors in accounting information» (CFO of company J).

«If an external professional must audit financial statement information and must express an audit opinion about the fairness of these information, we have an incentive to keep an accurate accounting, that is as much fair as possible» (CFO from company D).

It may be argued, therefore, that in some cases the role expectations expressed by regulators do not fully correspond with those expressed by client firms' management. Only part of the respondents have considered the certification of the fairness and trustworthiness of financial statement information as one of the most relevant role of the external audit function.

Most of the respondents, instead, have also identified the provision of advice on relevant or complex accounting issues as a key function of the statutory audit.

«Auditors are accounting specialists, so they should help us in solving relevant accounting issues. In example, when we had to complete the transition to International Accounting Standards we heavily rely on the advice of the external auditors» (CFO from company G).

«Being subject to external auditing should allow a discussion process with accounting experts over complex issues, such as those linked with accounting valuations» (one of the respondents from company W).

Moreover, a considerable portion of respondents considers a key role of the external audit the provision of advice about the proper development and functioning of the internal control system of the firm.

«Auditors focus much of their activity on assessing the reliability of the company's internal control system, and this allows us to get advice and monitoring on the feasibility and the proper functioning of our internal control system» (CFO from company F).

In these cases, respondents consider auditors as advisors for their company and expect auditors to behave as accounting experts who should help firm's management in solving accounting issues or in developing a suitable internal control system.

Assumed role behaviour in auditing

One issue addressed with the interviewed auditors regards which role auditors perceive to assume in performing an audit engagement, in order to fulfil both the institutional expectations and those expressed by the client firms' management.

The first topic emerged from the interviews concerns the fact that all respondents have clearly perceived the expectations prescribed by the current regulatory framework.

«The role of the external audit is to perform substantive and corrective controls on financial statement information, because this is what the norms impose to our profession since its introduction and due to the obligations related to auditors' independence» (a senior manager from Alpha).

«The aim of the external audit is to verify whether a financial statement has been drafted in accordance with the applicable accounting standards system. Moreover, we must refer to the applicable auditing standards in order to understand what we have to do in reaching the objective of the external audit» (a senior manager from Beta).

«Our role basically consists in the inspection of companies' accounting information and this tendency has been emphasized with the current financial crisis, which has led our profession to perform verifications that are much more invasive for the client firm» (a partner from Epsilon).

It seems to emerge, therefore, that auditors show a strong awareness on prescribed behavioural expectations and a high level of commitment in satisfying them, probably in order to not have to cope with legal liabilities.

Another interesting topic emerged from the interviews refers to the impact that the commercial strategy of the network to which auditors belong exercise on their behaviour:

«One of the strategic objectives of the international network to which I belong refers to the need to widen our customer basis, so I must offer to potential customer firms more than a simple statutory audit whilst, at the same time, I have to comply with the norms about auditor independence and the provision of non-audit services» (a managing director of Gamma)

From another point of view, however, auditors seem also to perceive the need to establish a synergic relationship with their clients, even though they have shown different reasons and have highlighted several factors that increase the complexity in balancing different expectations.

«We share the same aim of our clients, i.e. to draft a fair financial statement. It is important, therefore, to behave as supporters and advisors for company's accountants in order to establish a collaborative relationship, which leads to share in advance the information and to solve accounting issues before they might impair the fairness of financial statement» (a senior manager from Beta).

Some of the factors that seem to impede the establishment of a synergic auditor-client relationship seem to be referred to the clients' perception about auditors' role or the last regulatory intervention about auditors' independence:

«Many clients, however, still perceive auditors as accounting watchdogs, as if we must judge the work performed by each single employee» (a partner from Eta).

«At the beginning of the audit engagement, the client firms' management views auditors as watchdogs, but over time we try to develop a more collaborative relationship, which adds value to the audit function. Succeed in establishing a synergic relationship with the client is the core objective of the audit profession as it allows to solve accounting problems in advance» (a partner from Delta).

«Recent regulatory intervention in auditing have considerably bind auditors' role. The current tendency, both from national and international regulatory bodies, is to limit as much as possible the establishment of cooperative relationships between auditors and their client in order to guarantee auditors' independence. In my opinion, however, this tendency is sharable more from a formal than from a substantive point of view, because being also an advisors for our audit client leads to an improvement of the auditors' professional abilities, which reflects on auditors' ability in performing their traditional role» (a senior manager from Delta).

Completely different, instead, is the opinion expressed by one of the respondents form Gamma:

«The current audit environment is highly competitive, and the ability in establishing cooperative relationships with our clients is relevant factor in the development of our market share. Moreover, the ability to provide advice services to the audit client also represents a way to facilitate our work during the audit engagement» (a senior manager from Gamma).

The collected data seem to suggest that auditors have a less clear perception of client firms' behavioural expectations about their role. Moreover, these expectations seem to be affected by "audit culture" within the client firm and by the duration of the audit engagement. Finally, it appears that the regulatory framework strongly limit the ability of auditors in fulfilling clients' expectations, especially when they expect support and advice about accounting and internal controls issues.

5. Discussion and conclusions

The aim of this study was to investigate which factors are perceived to affect auditors' role and behaviour in the current business and legal environment and how they influence auditors' role behaviour. To achieve this aim, a field study methodology has been adopted in order to compare different perspectives: the one of the audit clients and the one of the auditors themselves.

The main findings are the following.

First, the collected evidences seem to suggest that auditors' role cannot be referred to as a unique concept, but it results from a continuous and variable process of coordination between different behaviours, which auditors adopt in order to fulfil the divergent expectations expressed by both regulators and client firms' management. All the surveyed auditors, indeed, have a clear awareness of what auditing is about, i.e. to act as a trusted guarantor of the public interest by issuing an independent opinion on the fairness and the reliability of corporate financial statements. Auditors, however, also behave in the interest of their clients, whose expectations about their role may often diverge from those expressed by regulatory bodies. In fact, the cases presented in the previous section have shown that only half of the surveyed CFOs expect that auditors just attest the trustworthiness of company's financial information. A relevant number of respondents, instead, expect that external auditors also act as a deterrent against the commission of accounting errors or frauds or as advocates by offering support and advice in solving complex accounting issue and in developing a proper internal control system.

In this context, it may be argued that, although all the auditors share the same objective, i.e. to balance the role legally imposed by regulators and the need to act as their clients expect from them, the way in which auditors behave in order to reach this objective may considerably differ depending on the specific auditor-client dyad. In other words, each auditor seems to assume a peculiar process of role assumption emerging from the specific "equilibrium" they want to achieve between different expectations. This is consistent with the theory developed by Ebaugh (1988), according to which individuals are engaged in a role making process that consists in interpreting and adapting behavioural expectations to given situations within the boundaries imposed by culturally prescribed role expectations. In other words, there is not one role or one auditors' behaviour but each different auditor-client relationship tend to lead to different behaviours and shape different roles.

With reference to the factors that affect auditors' role assumption process, it is possible to refer to three different dimensions: strength, i.e. the degree of influence exercised the specific factor; specificity, that is the extent to which an element is made clear and detailed; and intensity, that is the extent to which individuals are free to choose whether comply or refuse compliance to a peculiar factor (Katz and Kahn, 1978).

The gathered data seem to suggest that the risk to incur in legal liabilities exercise a relevant impact on auditors' behaviour. This factor, indeed, may be considered strong, specific and intense. This is because regulators communicate the prescribed role expectations by means of mandatory norms as well as through professional and ethical standards, also providing for specific sanctioning measures in order to punish non-compliant behaviours.

In other words, the legal setting seems to play a relevant role in shaping auditors' behaviour.

Another factor which impact on the role performed by auditors in specific situations refers to the network's expectations and the consequent risk to incur in so-called commercial liabilities. Some respondents, indeed, have underlined that in order to reach the strategic aims of the international network to which they belong they must offer value added services to potential client firms. The binding norms enacted in order to promote auditors' independence, however, might represent a significant obstacle in fulfilling network's expectations. It seems that auditors tend to stretch the boundaries imposed by the regulatory framework in order to fulfil clients' (or potential clients) expectations. These boundaries, however, tend not to be broken considering the different strength and intensity of the considered factor. Clients' expectations (and even more the expectations of potential clients) are weaker, less clear and less intense than regulatory expectations. In fact, while a non-compliant behaviour with imperative norms may impede auditors to exercise their profession, non-compliance with client firms' expectation may at most determine the loss of the client.

One more element that influences auditors-client relationship is attributable to the client firms' expectations about auditors' role and the related behaviour assumed in their relationship with the engaged auditors. According to this idea, it may be suggested that auditors behave in order to fulfil the expectations expressed by their client, with which they have a direct relationship, while they simultaneously try to stay within the limits imposed by the regulatory framework. This result is also consistent with the extant literature on auditor-client relationship, according to which the audit process takes considerable advantage from an amicable relationship with client firms' management, due to the fact that it represents the main source of information on which auditors base their professional opinion about the reliability of financial statements (Hellman, 2006). The collected information from surveyed auditors, indeed, highlight that auditors adopt a more cooperative or inspective behaviour in performing a statutory audit engagement according to the "audit culture" within the client firms. In other words, they act as "watchdogs" if the client expects that auditors must detect and constitute a deterrent to the commission of accounting errors or frauds. Otherwise, they tend to behave more as "advocates", whether the client expects the provision of guidance and advice in solving accounting issues or in developing the internal control system of the company.

The collected data have also highlighted the relevance of the time dimension in the auditors' role assumption process. More in depth, it emerges that the duration of the audit engagement positively affects the clarity and the intensity of CFOs' role expectations and has a not negligible impact in shaping auditors' behaviour in their relationship with the clients. As respondent auditors have underlined, in fact, the clearness and intensity of managers' expectations, as well as their cognition of these expectations, increase throughout the audit engagement, thus leading to a more synergic relationship with the client firms' managers and improving the mutual recognition of each party's role. The results of the analysis, indeed, seem to confirm that auditors and their clients are involved in what McCracken, et al. (2008) call "shadow negotiation", within which each party's role is determined and the relationship between negotiators is defined. The evidences gathered from the interviews conducted with the auditors, indeed, seem to suggest that auditor-client relationship evolve over time and become more and more synergic with increasing duration of the audit engagement. These results might suggest that the role assumption process is a long-term dynamic process that continue for the entire duration of the audit engagement. Throughout the audit-client relationship, indeed, clients seem to increase their trust in auditors and their awareness about auditors' role, while, at the same time, auditors enhance their ability to achieve a balance between the role legally imposed by regulators and the role expected from their clients.

In sum, it is possible to argue that auditors' role is a fluid and evolving concept. The analysis of this phenomenon should not be limited to the investigations of the factors that influence auditors' role, but should be expanded to include the analysis of the evolutionary dynamics that these factors undergo over time. Time, in fact, has a relevant impact on the strength, specificity and intensity of factors affecting auditors' behaviour. Moreover, it seems that individual perceptions strongly influence auditors' role assumption process. The study conducted seem to suggest that, although all the auditors share the same general objective in conducting a statutory audit (i.e. to fulfil clients' and network's expectations and simultaneously remain within the boundaries set by imperative norms about auditors' independence), the behaviour assumed in a specific situation seem to be largely linked to the peculiar auditor-client dyad. There is the need, therefore, to shift the analysis from a macro to a micro and longitudinal level, in order to deepen our understanding of the phenomenon of auditors' role.

This paper has both theoretical and empirical implications. From a theoretical perspective, indeed, this paper offers a contribution to the literature on auditors' role and on auditor-client relationship, allowing a deeper understanding of what auditors do in practice in order to manage the need to balance their different responsibilities. From an operational perspective, instead, this study offers some valuable insights about the effectiveness of the current regulatory safeguards on auditors' independence and provides an interpretive framework through which understand which are the factors that shape the auditor-client relationship in order to intervene in regulating them.

The main limitation of this study is largely linked to the methodology adopted. The author believes that, even if the analysis has highlighted the main aspects related to auditors' role assumption process, it is possible that the "picture" proposed is not complete as it was not possible to interview all the existing auditors and managers of auditing companies. Moreover, as the author focused on the visualisation of the phenomenon, i.e. how the auditors' role can be/is perceived in practice, this study does not offer a statistically relevant analysis regarding the intensity of the roles, i.e. how many stakeholders, managers and auditors themselves perceive the role of the auditors as watchdogs or as advocates and what elements can statistically influence these perceptions.

Future research opportunities can be the followings. First, it is possible to deepen the investigations on role dynamics, i.e. how factors affecting auditors' role evolve over time and the reasons of this change. Second, scholars might develop micro and longitudinal analysis of the phenomenon of auditors' role, in order to compare results emerging from different contexts.

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