



## Enhancing Auditor Independence in Developing Countries in Context of Globalization – Evidence in Vietnam

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### Abstract

*Purpose: Globalization brings many opportunities and challenges for developing countries. So, does globalization create a motivation to improve the auditing profession's ethics? Independence is one of the most important components of auditing professional ethics, which must be maintained throughout the audit process. This article delivers a full insight into identifying factors that enhance the auditor independence promoted in the international integration process. Design/methodology/approach: This article approached from international integration process that affect auditor independence from auditors' awareness, working environment and professional association. This article used a mixed approach based on the experimental methodology. This article used the archival research method and group discussions method to analyze and assess the research problems and verified by experimental data. The article took the group discussions with experts and survey 280 directors, auditors, auditor assistants who are working in 70 auditing firms. Findings: The results showed that globalization support auditors, audit firms, and professional Association to improve auditor independence. Especially, the factors that enhance the auditor independence driven by international integration: Knowledge, Technology, Competition, Management, Monitoring. Practical implications: The article implied to improve auditor independence in the context that Vietnam is strongly integrating internationally. Originality/value: The article has taken a new approach on auditor independence from globalization in Vietnam.*

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## 1. Introduction

Recent economic integration within the region and around the globe in Vietnam has shown a clear step. Vietnam became a member of the Association of Southeast Asian Nations - ASEAN in 1995, joined Asia-Pacific Economic Cooperation in 1998, signed a bilateral trade agreement with the United States in 2000. The milestone of Vietnam joining the World Trade Organization - WTO in 2007 marks the comprehensive integration of Vietnam into the world economy (Cling, Razafindrakoto, & Roubaud, 2011). Along with the efforts to participate in the industrial revolution 4.0, international economic integration has created opportunities for Vietnamese businesses to gain valuable experience in management, modern technology, and advanced production lines in view of production development, trade and services.

The year 1991 marked the first forming period in the history of the independent audit industry in Vietnam. Starting with two established auditing firms, by the end of 2017, Vietnam had 169 auditing firms with nearly 11,000 employees (VACPA, 2008). From here, the independent audit of Vietnam has gradually developed strongly compared to other countries in the region in both quality and quantity, meeting the requirements of information transparency of the society. Especially, in the context that Vietnam officially joined international organizations / forums such as ASEAN, Asia-Pacific Economic Cooperation (APEC), WTO, and so on. Auditing activities confirmed the integration development strategy of the Ministry of Finance of Vietnam and the determination of VACPA in completing the legal environment in accordance with international practices. So far, Vietnam has issued 26 accounting standards and 39 auditing standards in accordance with international accounting standards (IAS) and international auditing standards (ISA). In these standards, it is worth noting that the issued professional ethics standards are closely related to the independence of auditors. Currently, financial reporting standards are also being implemented with respect to the International Financial Reporting Standards (IFRS). Simultaneously, Vietnamese businesses are stepping up their participation in international auditing firms to improve the quality of audit activities based on professional ethics.

Auditor independence is the most important components of professional ethics, which must be maintained throughout the audit process (Previts & Merino, 1998). In Vietnam, the legal system on auditing is quite complete, including legal documents on auditor independence. Auditing companies are applying these regulations in maintaining the auditor independence in the audit process. However, through the results of the annual service quality test of the VACPA, there are still many auditing firms and auditors who have not yet met requirements in the implementation of the practice regulations related to the independence of auditors. It can be seen that, although the auditing industry in Vietnam has made remarkable progress but still in the new stage of development, there are still many certain difficulties and limitations, including the maintenance of auditor independence.

Currently, There are many studies on the auditor independence with different approaches in each specific context such as economic approach (Adams, Krishnan, & Krishnan, 2021; DeAngelo, 1981; Geiger, North, & O'Connell, 2005) behavioral approach (Goldman & Barlev, 1974; Mustikarini & Adhariani, 2021) access to risk (Hao, 2021; Johnstone, Warfield, & Sutton, 2001; Turner, Mock, & Srivastava, 2002) framework approach (Bakar, Rahman, & Rashid, 2005; Beattie, Brandt, & Fearnley, 1998; Hoang, Thuong, Minh Duc, & Hoang Yen, 2019; Ndaba, Harber, & Maroun, 2021). However, based on the review results in the research period, there are no studies on the auditor independence from the perspective of international economic integration promote enhancement of auditor independence. Research based on this perspective plays an important role in the context of countries with strong international integration, such as Vietnam. Particularly, it positively changes the socio-economic situation as well as production and business activities, including independent audit activities. The objective of this paper is to explore the factors driving the enhancement of auditor independence as a result of the effects of international integration on auditors. The purpose is to help audit firms actively improve their professional capacity, quality and reputation. From here, we have used a mixed research method to answer the specific research question posed: (Q1) what are the factors that promote the independence of auditors from international integration and (Q2) how does each of these factors impact on auditor independence?

## **2. Research Method**

Applying the methodology and model of Olalere (2012) on empirical research methods in the field of accounting, the article used a mixed approach combining qualitative and quantitative methods. Initially, the article reviewed previous studies to identify factors that impact on auditor independence that suitable with the research context and research objectives (globalization). Then, the article took a qualitative approach using a one-on-one interview with a semi-structured questionnaire. So, the article can cover the concepts of auditor independence motivated by the international integration process. The research sample is selected by experts in Vietnam (data saturation points is 10) (Appendix 1), includes leaders of the accounting and auditing training program of high ranking universities, leaders of VACPA, directors of auditing companies, auditors who have many years of experience. In addition, the article expects to discover some new factors that previous studies have not yet discovered. We assume that the identified factors may affect each other. So, we use Partial Least Square - Structural Equation Modeling (PLS - SEM) to measure. Estimated results are determined after performing the process of testing the reliability of the data and the suitability of the research model.

## **3. Research Overview**

In the process of audit and issuing the audit report, the opinion of the auditor must be formulated on both independence in mind and independence in appearance (IFAC, 2016). Auditor independence is an important attribute in the auditing of financial statements (Previts & Merino, 1998). Auditor independence is also professional ethics attribute that increase the perceived value of users because information on the audit report is guaranteed to be professional, objective and unbiased. Previous studies about auditor independence can be

grouped into three approaches: (i) auditor's characteristics, (ii) environment of audit company and (iii) institutional environment (Figure 1).

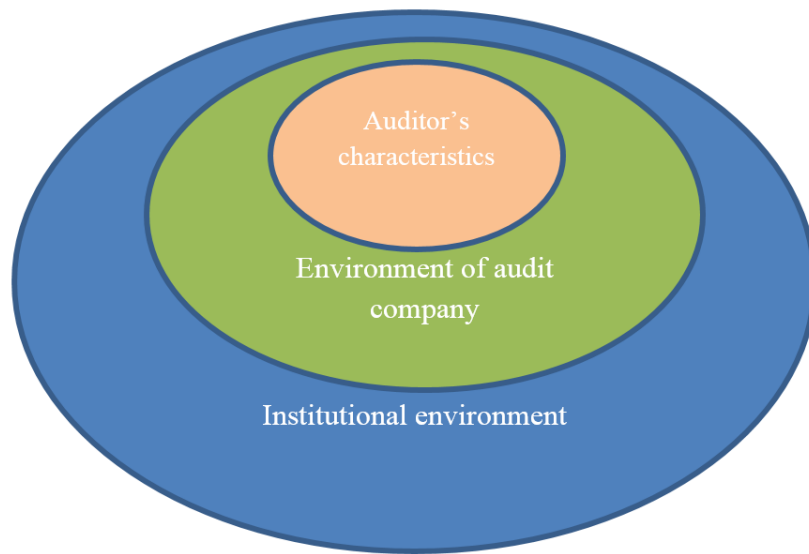


Figure-1. Group of approaches about auditor independence.

*(i) The Characteristics of the Auditor*

Auditors begin their career at the time of meeting the ethical and professional standards, working experience and passing the auditor's certificate exam organized by the Ministry of Finance. Annually, auditors must maintain professional expertise as well as professional ethics to continue practicing. Awareness of audit professional ethics formed from the motivation and behavior of learners in the training process (Armstrong, Ketz, & Owsen, 2003; Ge & Thomas, 2008; Modarres & Rafiee, 2011) and are increasingly perceived in the early stages of audit careers (Weeks, Moore, McKinney, & Longenecker, 1999). The more experienced and older auditors are, the better ethical awareness they have (Eweje & Brunton, 2010). In addition, gender can also affect ethical perception (Larkin, 2000) although this effect is not so clear (Ahson & Asokan, 2004; Iyer, Raghunandan, & Rama, 2005).

*(ii) Environment of Audit Company*

The auditor is required to work full-time under a labour contract or capital contribution in an audit company. They must comply with the company's regulations while performing an audit in accordance with the audit process. The audit process begins with the audit contract being signed between the audit firm and the client. Audit fee paid by the client is specified in the contract to perform audit services. This payment is legal, recognized by the State and Association of Certified Public Accountants (Dogui, Boiral, & Heras-Saizarbitoria, 2014). Estimating the appropriate audit fee ensures that the audit is conducted carefully and appropriate steps are taken in the process. However, too low an audit fee (DeAngelo, 1981) or too high (Choi, Kim, & Zang, 2010) is likely to undermine auditor independence because the auditor may omit some procedures or compromise opinions with clients. This is self-interest risk because financial interests affect the judgment or behavior of auditors.

So, the auditor's working environment may present specific risks to the auditor independence. Furthermore, the nature of each signed contract for the assigned tasks may differ. It depends on the service provided which is audit service or non-audit service. Hence the risks incurred from each client will not be identical. Identification of situations could compromise the auditor independence and provide appropriate protective measures. So, risks can be eliminated or reduced to acceptable levels. However, it can be based on scientific reasoning. The measures are not easy to implement because the relevant research results are not consistent. Recently, many studies have shown that non-audit services reduce the auditor independence such as Bakar et al. (2005); Robinson (2008); Jenkins and Lowe (2011); Blay and Geiger (2013); Mohamed Ali (2015); Van Liempd, Quick, and Warming-Rasmussen (2019). However, many other studies show that auditor independence is not affected by non-audit services, like DeFond, Raghunandan, and Subramanyam (2002); Ashbaugh, LaFond, and Mayhew (2003); Ghosh, Kallapur, and Moon (2009).

In addition, during the audit, familiarity may arise due to the long-term or close relationship between the auditors and the clients. Recent studies discovered that this relationship affects the independence of auditors (Adams et al., 2021; Mustikarini & Adhariani, 2021; Quick & Warming-Rasmussen, 2015; Ye, Carson, & Simnett, 2011). However, there are opposing studies that suggest otherwise (Mautz & Sharaf, 1961). To

mitigate these risks, the auditors should undertake the audit tenure. Presently, there are still many arguments about the time needed to prolong the audit tenure to improve auditor independence. For example, [Carcello and Nagy \(2004\)](#) showed that short audit tenure affects auditor independence, but if prolonged, it minimizes such effects. Meanwhile, [Garcia-Blandon and Argiles \(2015\)](#) suggested the opposite. In addition, many studies showed that the impact of audit tenure on auditor independence is negligible ([Ruiz-Barbadillo, Gomez-Aguilar, & Carrera, 2009](#); [Wang & David, 2013](#)).

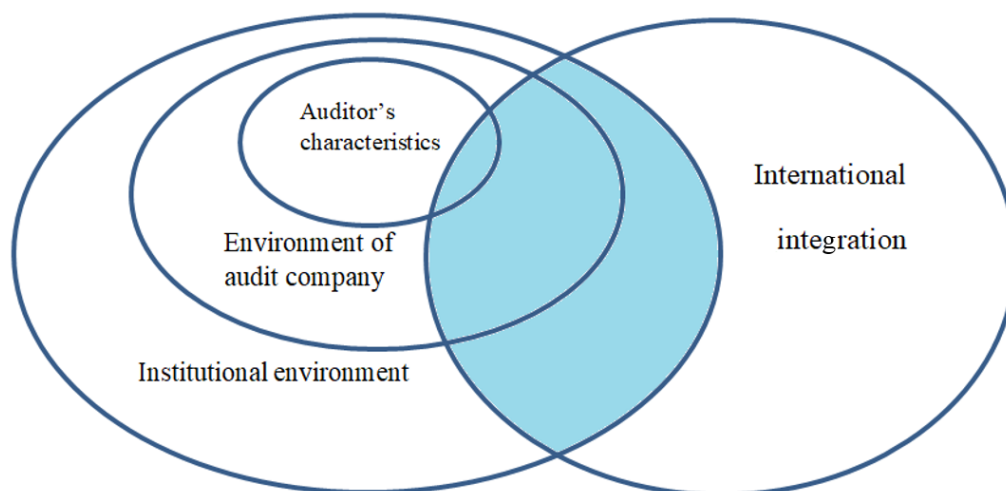
Moreover, when an auditor is working at an audit firm which classified as large ([Chepkorir, 2013](#)) well-known ([Mohamed Ali, 2015](#)) competitive environment ([Bakar et al., 2005](#); [Muthui, Muturi, & Kabiru, 2014](#)) the awareness and behavior related to auditor independence will be significantly affected.

*(iii) Institutional Environment*

Auditors must be supervised by audit firms, professional associations, and State ([IFAC, 2016](#)). Annually, auditors must register to practice. Then, they have granted a registration certificate which ensures all the standards for updating knowledge, professional ethics and actual practicing time in audit firms ([IFAC, 2016](#)). Periodically, the Association of Certified Public Accountants and the State Securities Commission inspect the audit quality and take sanctions for violations ([Kaka, 2021](#)). Therefore, regulations, supervision and control are expected to increase auditor independence.

In addition, the auditor forms the opinions based on the conformity of the collected evidence with the accepted auditing/accounting standards. Vietnam's accounting/auditing standards are changing positively, step by step in harmony with the world. Therefore, the regulation changes will further enhance the auditor independence to ensure audit quality and meet social expectations.

Three main research approaches on auditor independence above [(i), (ii), (iii)] are considered in the context of auditing activities in countries, such as Vietnam, which is gradually moving closer to international practices in a process of strong global integration. However, there are no studies that focus on the impact of the integration process on auditor independence. This is a new research approach that is suitable for the current context to timely assess and proactively seize opportunities to improve the auditor independence in the orientation of enhancing audit capacity and audit quality. Therefore, we study the factors that promote the independence of auditors from the impact of the international integration process [Figure 2](#).



**Figure-2.** Approach to factors promoting auditor independence from international integration.

**4. Research Results**

*4.1. Qualitative Research Results and Identify Research Model*

The reliability in the qualitative research results is confirmed through a designed one-on-one interview process with clear evaluation criteria. Firstly, the theory has been built into communicability through the development of an open questionnaire based on a clear and meaningful research topic. Thereafter, the discussion process is continually recorded in transcripts until the research concept achieves a certain level of coherence to form a theory. Next, the data analysis was studied according to the appropriate steps ([Corbin & Strauss, 2015](#)): (i) Categorization and clean-up of data: initial analysis, create records, import and store information; (ii) Analyzing and presenting information: Encoding data, finding case studies, labeling groups, developing data systems, showing relationships between groups; (iii) Conclusion and verification of information, synthesizing opinions: Prepare reports, verify the information. The results of steps (i) and (ii) help determine the approach to research on auditor independence in the context of international integration, fully identify the concepts that promote enhancing the auditor independence from the international integration process. Step (iii) aims to verify and identify a set of factors affecting auditor independence, which helps answer the research question (Q1). As a result, we have identified the transparency of the theory in terms of defining

concepts that enhance auditor independence from the impact of the international economic integration process Appendix 3.

4.2. Testing Result

4.2.1. Research Model and Scale

With the concepts extracted from the expert group discussion Appendix 3, we define each concept as a factor influencing the auditor independence driven by the international integration process. We developed a research model Figure 3 scale design Appendix 2, collect data and analyzed statistics using Partial Least Square - Structural Equation Modelling (PLS - SEM) to support research question Q2.

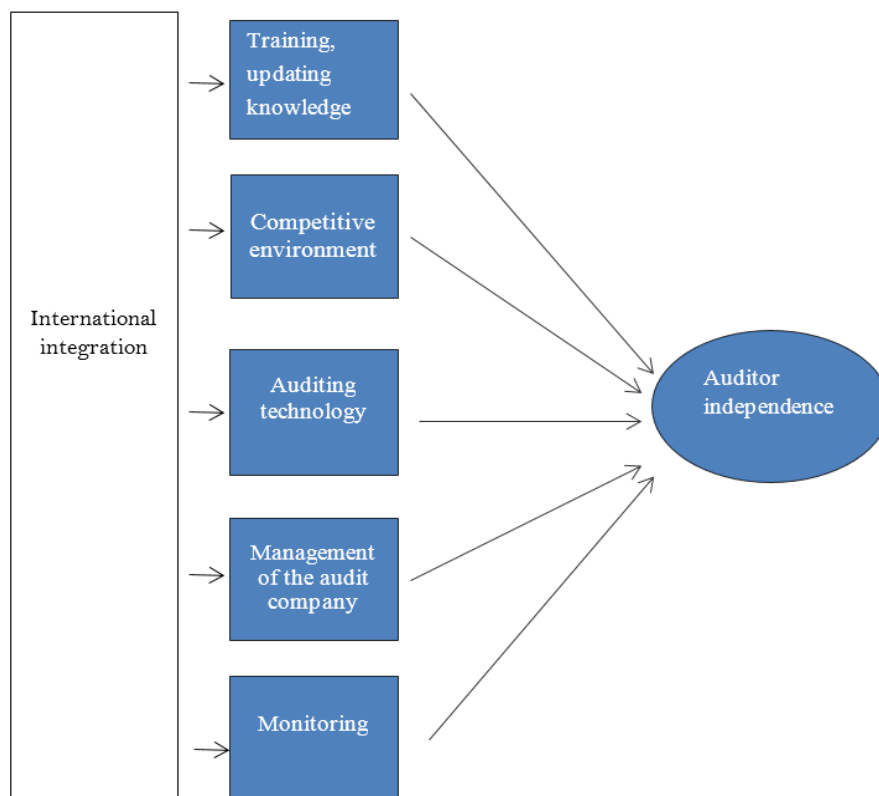


Figure-3. Research model.

The variables in the proposed model are denoted as follows in Table 1.

Table-1. The variables in the proposed model.

Concept	Variable
Auditor independence	Independence
Training, updating knowledge	Knowledge
Auditing technology	Technology
Competitive environment	Competition
Management of the audit company	Management
Supervision and monitoring	Monitoring

4.2.2. Research Hypothesis

To start the testing process, we hypothesize about the impact of each factor on auditor independence.

(i) Training and Updating Knowledge

Auditors should have the appropriate training and skills. Moreover, in the context of economic integration, there are many new professions and special transactions. Therefore, the auditors must have got industry-specific expertise (Gul, Fung, & Jaggi, 2009) to ensure professional judgments and opinions. The auditors must update new relevant knowledge from the universities, auditing firms. Therefore, the article assumes:

H1: Training and updating knowledge increase the independence of auditors

*(ii) Competitive Environment*

An independent auditor is registered to practice and work full time at an auditing firm. Therefore the environment of auditing firms will have an impact on auditor independence. In a highly competitive operating environment, the risk of auditor independence is affected (Bakar et al., 2005; Muthui et al., 2014). However, in the context of international integration, the auditors themselves and the auditing firms must improve the quality and reputation based on ensuring auditor independence. Therefore, the article assumes:

*H2: The competitive environment increases the auditor independence*

*(iii) Auditing Technology*

Auditors may be supported by computer audit tools and techniques in the following forms: electronic working papers, professional word processors, spreadsheets, statistical analysis software and computer programs (Braun & Davis, 2003). The use of technology stems from behavioral intent (Davis, 1989). Auditors use technology when they are useful and easy to use. From there, auditors can also analyze data and verify data directly in a variety of databases and software (Braun & Davis, 2003; Debreceny, Lee, Neo, & Toh, 2005). As a result, they help improve job performance (Venkatesh, Morris, Davis, & Davis, 2003) audit quality and objective judgments, thereby improving the auditor independence. The article assumes:

*H3: Auditing technology increases the auditor independence.*

*(iv) Management of the Audit Company*

Management refers to the concurrent application of principles related to the planning functions, organizing, direction, and control effectively. Management exploits physical, financial, human, and information resources to achieve organizational goals (Cadbury, 1992) following a statutory and social practice. In the auditing firm, managers use the division of labour, the audit process, the review process, the quality control process to perform the independence, achieve quality. These activities must be consistent with the business philosophy and goals of the company in compliance with professional ethics. An auditing firm that operates under well-performing management will increase the awareness of professional ethics (Minh, Thi, Hoang, Hoang, & Hung, 2019) and raise the audit quality (Bahrawe, Haron, & Hasan, 2016). Therefore, the article assumes:

*H4: A high level of management in the auditing firm will increase the awareness of the auditor independence*

*(v) Monitoring*

Association of Certified Public Accountants conducts quality reviews about auditors and auditing firms yearly. The results reflect the audit firm classification and whether the auditor is qualified. These activities maintain professional ethics, audit quality and reputation. Through the reviews, the Association of Certified Public Accountants has assessed the current situations to improve the audit quality to regional level in the context of international integration. Moreover, the auditing firms also improve the inspection and review of the audits. They supervise the professional ethics of auditors under international practice and requirements of international auditing firms when they become a member. Therefore, the supervision and control of the Association of Certified Public Accountants and the auditing firm can increase the auditor independence (Minh et al., 2019).

*H5: Examination of the Association of Certified Public Accountants and auditing firms increases the auditor independence.*

*4.2.3. Test the Reliability and Appropriateness of the Model*

A sample of 280 observations was taken from 280 audit directors, auditors, auditor assistants practicing at Vietnamese auditing firms Table 2. All the respondents have bachelor's degrees or higher (university: 73.9%, postgraduate: 26.1%). They meet the statutory criteria and long working years, from 5 years or more (75.4%). The gender is relatively balanced, consistent with the characteristics of the audit profession.

**Table-2.** Statistics of observations.

<b>Observe</b>	<b>Frequency</b>	<b>Percent</b>
Level	280	100.0
University	207	73.9
Postgraduate	73	26.1
Working period	280	100
Less than 5 years	69	24.6
5-10 years	111	39.6
10-15 years	66	23.6
Over 15 years	34	12.1
Sex	280	100
Male	151	53.9
Female	129	46.1

Next, the article evaluated the appropriateness of the estimates through Cronbach's Alpha coefficients. Cronbach's Alpha reflects the coefficient evaluating the reliability of the scale. Estimates have good confidence when Cronbach's Alpha values are between 0.7 and 1.0. At the same time, the observed variables used in the analysis have Corrected Item-Total Correlation coefficients of 0.3 or more (Nunnally & Bernstein, 1994). From the results, Cronbach's Alpha values Table 3 show that the estimates are consistent and reliable.

Table-3. Summary of measurement results.

Group variables	Cronbach's Alpha	Variable	Corrected item-total correlation
Knowledge	0.716	Knowledge 1	0.741
		Knowledge 2	0.597
		Knowledge 3	0.563
		Knowledge 4	0.160
Technology	0.932	Technology 1	0.925
		Technology 2	0.869
		Technology 3	0.789
Competition	0.894	Competition 1	0.925
		Competition 2	0.869
		Competition 3	0.789
Management	0.850	Management 1	0.750
		Management 2	0.632
		Management 3	0.628
		Management 4	0.768
Monitoring	0.718	Monitoring 1	0.578
		Monitoring 2	0.656
		Monitoring 3	0.397
Independence	0.880	Independence 1	0.742
		Independence 2	0.800
		Independence 3	0.763

However, the article did not continue to use Knowledge 4 for further steps because of Corrected item-total correlation less than 0.3.

The article analyzed the EFA factor on variables. The article examined the convergence of observational variables and found that the KMO coefficient is [0.5; 1] and Sig = 0.000 < 0.5 Table 4. So, the independent factor and dependent factor analysis are appropriate.

Table-4. KMO and Bartlett's test.

	Dependent variable	Independent variables
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.738	0.703
Bartlett's Test of Sphericity	Approx. Chi-Square	449.081
	Df	3
	Sig	0.000

To assess the model's suitability with market data, chisquare/df, Tucker - Lewis index (TLI), CFI comparison index, RMSEA determine the suitability of the model compared to the population. Researchers often distinguish two cases: chi-square/df < 5 (with sample size N > 200); or < 3 (when sample size N < 200), the model is considered good. In this study, the sample size is 280 (N > 200). Therefore, if the model receives chi-square/df < 5 (also known as cmin/df < 5), TLI, CFI ≥ 0.9, RMSEA ≤ 0.08 then the model is considered suitable. Confirmation factor analysis (CFA) is presented in Table 5. Results show CMIN/DF = 1.976 < 5, CFI = 0.956 > 0.9, RMSEA = 0.059 < 0.08 So, the model is appropriate.

Table-5. Analysis of factors confirmed CFA.

Model	CMIN/DF	CFI	RMSEA
Default model	1.976	0.956	0.059
Saturated model		1.000	
Independence model	18.965	0.000	0.254

From the test results of the appropriate model, the article concludes that the research model is reliable. Specifically, the regression model is estimated as follows in Table 6.

**Table-6.** Summary of estimating.

<b>Relationship between concepts</b>	<b>Correlation of the variables in the standardized estimation model</b>	<b>Impact coefficient</b>
Auditing Technology - Auditor independence	Technology ----> Independence	+ 0.033
Knowledge updating and training - Auditor independence	Knowledge ----> Independence	+ 0.023
Management of auditing firms - Audit independence	Management ----> Independence	+ 0.017
Monitoring, supervision - Auditor independence	Monitoring ----> Independence	+ 0.015
Competition environment - Auditors independence	Competition ----> Independence	- 0.025

Source: Author extracted results from AMOS.

The above table shows that the factors promoting auditor independence according to the level are: Auditing technology; Training, updating knowledge; Management of auditing firms; Monitoring and supervision. Meanwhile, the competitive environment reduces auditor independence. Assuming that other factors are constant, the direction of the impact of factors on auditor independence is consistent with the original hypotheses H1, H2, H4, H5. However, hypothesis H3 is not appropriate because of its negative correlation with the original. In the short term, the article can explain that the competitive pressure has created a negative situation such as reducing audit fees, reducing some audit procedures to lower costs. However, in the long term, competition can increase auditor independence by enhancing audit quality.

## 5. Implications

Vietnam is a developing country. So, Vietnam has many different characteristics from developed countries. Therefore, research on auditor independence in Vietnam has many differences compared to studies in other countries. In recent years, Vietnam is also in the internationalization trend taking place strongly around the world. The internationalization process is a motivation that influences and changes auditor independence. Therefore, the empirical evidence in Vietnam reflects a global shift in the audit industry and audit professional ethics. Since then, the following implications are useful not only for Vietnam but also for other countries.

International integration is an inevitable trend taking place in most countries around the world. Therefore, to survive in the new trend, every individual, organization in the audit industry need to have heightened awareness to actively seize the opportunities, new knowledge and technology. At the same time, the organization must proactively improve its reputation and audit quality in the context of global competition. For enhancing the auditor independence, the article implies on views of the training institution, the auditor, the auditing firm and the practicing auditors as follows:

### *(i) Knowledge and Training*

Universities should improve training programs specialized in audit, focus on professional ethical standards consistent with international practices. Besides, universities support soft skills such as foreign languages, audit techniques. Association of Certified Public Accountants should constantly renew the training and certification of auditors. Vietnamese auditor certificate should be improved to recognize by countries in the region. Besides, auditors themselves must actively sharpen professional skills and foreign languages in compliance with international standards. So, they could participate in the high-qualified work in the integration trend and the fourth industrial revolution.

### *(ii) Technology*

Auditors must actively improve their audit ability according to audit processes and techniques that match trends from research results. In addition, the inheritance of modern audit techniques of "international auditing firms" and improving the manipulating data for auditing work is very important. Auditing firms should build an audit information system in the context of current information technology development, which combines human factors, processes, auditing procedures, data (mining, analysis, storage), engineering and technology into a complete system.

### *(iii) Competition*

To improve the competitiveness, auditing firms should join members of international auditing firms to absorb modern audit technology, techniques, procedures. In addition, on the part of the audited client, it is also necessary to consider establishing an audit committee to select the auditing firm and supervise all audit stages.

### *(iv) Management of the Auditing Firm*

Auditing firms should (i) build an effective and advanced audit process; (ii) complete the firm's quality control system; (iii) internal audit focused on the effectiveness of work and compliance with the professional



ethics and regulations; (iv) improve management processes such as audit, recruitment, training processes. Moreover, the Association of Certified Public Accountants improves the management of auditing firms by annual audit quality tests and proposing improvements to the weak management system.

*(v) Monitoring*

Association of Certified Public Accountants should set up a committee or a department with an independent control function, to regularly control the observance of professional ethics. In addition, the Government should (i) continue to improve the legal framework on independent audit based on inheritance and customization from international auditing/accounting standards; (ii) build a framework of audit fees to reduce unfair competition among auditing firms; (iii) perfect the sanction framework for sanctioning violations in the audit field and (iv) strengthen the quality control of audit firms and auditors periodically and irregularly.

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## Appendix

Appendix-1. List of experts participating in a one-on-one interview.

No	Expert (encrypted)	Location and work place	Work experience
1	Expert 1	Leader, Vietnam Association of Certified Public Accountants	22 years
2	Expert 2	Secretary, Vietnam Association of Certified Public Accountants	20 years
3	Expert 3	Leader of audit training program in a university	25 years
4	Expert 4	Leader of audit training program in a university	18 years
5	Expert 5	Leadership of accounting training program in a university	15 years
6	Expert 6	Director of an audit firm	19 years
7	Expert 7	Director of an audit firm	17 years
8	Expert 8	Auditor	10 years
9	Expert 9	Auditor	11 years
10	Expert 10	Auditor	11 years

Appendix-2. Scale and survey questions.

The scale is designed according to Likert 5 steps, measured according to the levels:

1. Strongly disagree; 2. Disagree; 3. No comments; 4. Agree; 5. Strongly agree

Concepts	Representative variable	Variable measurement	The basis of the scale
Training, updating knowledge			
Training, updating knowledge	Knowledge 1	Independent auditors regularly self-study, update, improve professional qualifications, professional ethics and auditing techniques from international.	(*)
	Knowledge 2	Auditing firm regularly organizes courses for employees on auditing/ accounting standards, professional ethics and auditing techniques from international.	(*)
	Knowledge 3	Association of Certified Public Accountants introduces content of auditing accounting standards, professional ethics and audit techniques from international for auditors.	(*)
	Knowledge 4	The universities regularly update the accounting and auditing standards, professional ethics and auditing techniques from international to specialized training programs in accounting, auditing and finance.	(*)
Auditing Technology	Technology 1	Auditing technology increases the performance of auditors	Curtis and Payne (2014)
	Technology 2	Auditing technology gives auditors many favorable promotion opportunities	

	Technology 3	Auditing technology increases audit quality	
Competition	Competition 1	The competition between auditors improves audit quality	(*)
	Competition 2	The competition between auditing companies improves audit quality	
	Competition 3	Association of Certified Public Accountants improves the quality of members	
Management	Management 1	Auditing firm improve auditing process	(*)
	Management 2	Auditing firm improve control of professional ethics	(*)
	Management 3	Association of Certified Public Accountants improve quality review process	(*)
	Management 4	Association of Certified Public Accountants consulting and promulgating auditing/accounting standards, professional ethics	(*)
Monitoring	Monitoring 1	Control of the audit company	(*)
	Monitoring 2	Supervision of professional organizations	(*)
	Monitoring 3	Quality audit review	(*)
Ethical awareness from independent auditors			
Auditor Independence	Independence 1	Auditors do not take any action to harm the auditor independence during the audit process.	Behn, Carcello, Hermanson, and Hermanson (1999); Beattie, Brandt, and Fearnley (1999); Fatima, Kami, and Zaimah (2014)
	Independence 2	Auditors do not have any perception or attitude that harms the objectivity and honesty during the audit process.	
	Independence 3	Auditors consider and maintain "professional skepticism" in the audit process	

Note: (\*) The article developed a new scale suitable for the Vietnamese context.

**Appendix-3. Identify the concepts promoting auditor independence from international integration.**

Experts	Auditor	Audit firm	Association of Certified Public Accountants	University
Expert 1, Expert 2, Expert 3, Expert 4, Expert 6, Expert 7, Expert 9, Expert 10			Training, updating knowledge	
Expert 1, Expert 6, Expert 7, Expert 9,			Competitive environment	
Expert 6, Expert 7, Expert 8, Expert 10			Auditing technology	
Expert 6, Expert 7		Manage		
Expert 1, Expert 2, Expert 6, Expert 7, Expert 10			Check, monitor	