

## **AFAANZ 2021 Research Grant – Final Report**

**Project Name:** Professional Scepticism Toolkit

**Researchers:** Dr Prerana Agrawal, Prof Jacqueline Birt, Dr Mark Holub, and Dr Warrick Van Zyl

**Grant Awarded:** \$6431

**Project Description:** Developing a sequence of specifically designed activities (toolkit) to develop the trait “scepticism” in accounting classrooms, and examine whether the more targeted approach is effective in improving professional scepticism in students.

### **Major Outcomes:**

1. A specifically designed toolkit comprising of four independent activities was developed.

These activities targeted key focus audit issues including payroll, inventory, accounts receivable and impairment. To successfully complete the excel based activities, students had to critically evaluate multiple pieces of evidence (information) provided, think about “what can go wrong”, identify misstatements embedded within the activities; identify the cause of these misstatements and evaluate possible financial and compliance implications of the same. These activities required students to have a questioning mindset and be aware of potential bias.

2. The professional scepticism toolkit was effective in developing the trait in accounting students

Results show a statistically significant improvement in students’ level of scepticism (measured using the Hurtt scale) after completion of the professional scepticism toolkit.

3. Two potential publications in reputed journals are expected (work-in-progress)

(1) Accounting Education (ABDC A) - The development of the trait scepticism in accounting classrooms

(2) Issues in Accounting Education (ABDC A) – The Professional Scepticism Toolkit.

### **Use of funds:**

1. One Research Assistant – to go through the existing case studies, and assist with the development of the Professional Scepticism Toolkit

2. Three Research Assistants - to pilot test the multiple versions of the Professional Scepticism Toolkit