THE EFFECTS OF FUTURE IDENTITY AND UTILITY VALUE ON AUDITORS' COMPLEX TASK PERFORMANCE

by

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(Under the Direction of Jacqueline Hammersley)

ABSTRACT

Theory suggests that auditors who find tasks more personally appealing (i.e., having more task value) have higher critical thinking (i.e., elaboration) and better performance on complex tasks. Auditors commonly anticipate leaving the audit profession in the future; thus, I expect auditors with a salient future outside the audit profession (i.e., future non-auditor identity) will perceive less value from audit tasks than those with a salient future in audit (i.e., future auditor identity). I experimentally examine whether emphasizing audit tasks' broader usefulness (i.e., utility) for audit and other business careers restores task value, elaboration, and performance in future non-auditors compared to only emphasizing utility for audit careers. Contrary to expectations, auditors with salient future auditor identities and audit utility perceive lower value in audit tasks and have lower elaboration than all other conditions. While auditors with salient future non-auditor identities and/or broad utility elaborate more, the future non-auditor/broad utility condition elaborates in support of client assertions, leading to worse performance than auditors whose elaborations challenge client assertions. My findings suggest future non-auditor identities inspire higher task value and elaboration, which can either improve audit quality or increase reliance on client-supportive information depending on the auditor's focus.

INDEX WORDS: Future Identity; Utility Value; Auditor Motivation; Complex Tasks

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CHAPTER 1

INTRODUCTION

Practicing auditors commonly imagine themselves leaving the audit profession for other career opportunities, often perceiving audit positions as a "launch pad" for careers outside public accounting (Daoust 2020; EY 2023). As a result, while auditors often intend to stay in the audit profession for several years, they also consider "exit opportunities" throughout their time as an auditor (Covaleski, Earley, and Zehms 2021). The PCAOB and audit firms express concern that this transitional view of one's audit career may harm audit quality (PCAOB 2024b). This concern raises the question of whether and how auditors' future plans to leave the audit profession – in other words, whether they see their future self, or identity, in the audit profession – influences their current performance, particularly on complex tasks requiring higher engagement and critical thinking (i.e., elaboration). In this study, I examine how auditors' perceptions of their future professional identities affect their current elaboration and performance on complex tasks. Moreover, I examine an intervention to restore elaboration and performance absent a motivating identity – namely, a task's perceived usefulness to auditors' professional goals (i.e., its utility).

To provide high-quality judgments on complex audit tasks, auditors must elaborate through the tasks' ambiguous, interrelated, and diverse cues (Griffith, Kadous, and Young 2021). Elaboration – i.e., systematic, analytical cognitive processing – is inherently effortful, requiring motivation to activate and sustain (Crano and Prislin 2006; Stanovich and West 2008). Auditors lacking the motivation to elaborate may not properly integrate or evaluate available information (Kadous and Zhou 2019; Griffith 2018), thus harming audit quality (PCAOB 2023).

Psychology theory suggests that identity provides a powerful mechanism to motivate elaboration on audit tasks. Specifically, Situated Expectancy-Value Theory posits that motivation and subsequent performance increase when individuals perceive greater subjective value from a task (Eccles et al. 1983). Task value refers to the reasons why individuals find tasks appealing (Rosenzweig, Wigfield, and Eccles 2022). One source of task value is future identity: the set of meanings individuals use to define who they see themselves becoming in the future (Markus and Nurius 1986; Burke and Stets 2009). Individuals perceive greater value from tasks that seem congruent (i.e., relevant to) with their future identity (Rosenzweig et al. 2022; Oyserman, Bybee, and Terry 2006). Given the prevalence of exiting the audit profession, auditors often envision future identities in careers both inside and outside audit (Daoust 2020). Thus, when a future auditor (non-auditor) identity becomes salient, auditors may perceive more (less) value in audit tasks, as audit tasks seem congruent (incongruent) with a future audit (non-audit) career. Greater (lower) task value from one's future identity then results in greater (lower) task motivation and performance. This link from identity to performance aligns with extant audit research finding that salient and/or stronger auditor identities help maintain motivation and performance on audit tasks (Bauer 2015; Estep 2021; Mendoza and Winn 2022), while auditors observe lower-quality work from coworkers planning to exit the audit firm (Andiola, Dalton and Harp 2024).

If auditors lose motivation to elaborate and perform well on complex tasks when their future identities lie outside audit, they can gain motivation when the task's subjective value increases in other ways. Situated Expectancy-Value Theory proposes that a task's value also increases when the task helps one achieve one's goals; this value is known as utility value (hereafter, utility) (Rosenzweig et al. 2022). Utility, and one's subsequent motivation, increase when individuals link the task to their short- or long-term goals, especially when prompted to

consider a task's usefulness (Canning and Harackiewicz 2015). Thus, audit teams may try to increase elaboration and performance in auditors with future non-auditor identities by framing the utility of audit tasks (i.e., the utility framing) around how audit tasks help these auditors achieve their long-term professional goals.

However, I expect the success of utility framing to depend on its fit with the auditor's salient future identity. Audit teams typically frame task utility in terms of how the task benefits one's audit career (i.e., audit utility framing) (Baudot, Kelly, and McCullough 2022). While audit utility framing fits future auditors' career goals well, resulting in higher utility, auditors whose long-term goals involve leaving audit may not perceive tasks framed as primarily useful to audit careers as useful to their own professional goals, resulting in lower utility. Alternatively, audit teams can frame task utility more broadly, speaking to how a task benefits both audit careers as well as other business careers (i.e., broad utility framing). With broad utility framing, auditors with future auditor and non-auditor identities will perceive higher utility. Combining future identity with utility framing, I expect an ordinal interaction, such that auditors who perceive higher (lower) value from audit tasks will have higher (lower) elaboration and performance. Specifically, I expect auditors with future non-auditor identities and who frame audit tasks as primarily useful for audit careers will have lower elaboration and performance on complex tasks than those with future auditor identities or who frame audit tasks as broadly useful for both audit and other business careers.

I examine my predictions using a 2 x 2 between-participants experiment that manipulates auditors' salient future identity (auditor or non-auditor) and the task's utility framing (audit or broad). I obtain data from audit associates at ten audit firms. Auditors complete an inventory valuation task involving a potential obsolescence issue and determine the inventory's current per-

unit value. Seeded information in the case suggests inventory should be valued at a lower net realizable value than its current carrying cost. I manipulate future identity and utility framing through descriptions of a hypothetical auditor named Jordan. In the future auditor (non-auditor) condition, Jordan sees their future self in an audit career (a career outside audit). In the audit (broad) utility framing condition, Jordan reads about the usefulness of inventory tasks to audit (and other business) careers. I measure auditors' elaboration as the proportion of elaborated to total free-response statements, and content and direction of elaboration (e.g., skeptical or supportive of client assertions) in a supplemental analysis. I measure performance as auditors' per-unit value estimates and reasonableness judgments.

I successfully manipulate auditors' salient future identity. I find that auditors in all conditions see audit work as meaningful and important to their future identities, implying that all conditions perceive value in audit work given their future identity. However, contrary to expectations, auditors value audit tasks significantly more when they have a salient future non-auditor identity, rather than a salient future auditor identity. I also find that auditors in the future auditor/audit utility condition perceive the lowest utility from inventory tasks. While unexpected, my results reveal a nuanced relationship between auditors' future professional identities and their views of current audit tasks. Auditors commonly believe the skills learned during their audit career will help them excel in careers outside audit (Daoust and Malsch 2019). Consequently, salient future non-auditor identities appear to highlight, rather than diminish, the importance of current audit tasks to one's future self. In this way, a future non-auditor identity may serve as an incremental source of motivation for auditors to draw upon (Oyserman and Markus 1990). As a result, auditors value audit tasks more when reminded of future non-auditor identities and/or utility

for both audit and business careers, compared to future auditor identities and utility primarily for audit careers.

My results generally support my theorized process once I incorporate my unexpected task value findings. Given that the future auditor/audit utility condition has the lowest task value from identity and utility sources, my theorized process would predict, and I find, that this condition has the lowest elaboration. Further, conditions with higher task value and elaboration (i.e., future non-auditor/audit utility and future auditor/broad utility) perform better, while conditions with lower task value and elaboration (i.e., future auditor/audit utility) perform worse. Interestingly, this pattern does not hold for the future non-auditor/broad utility condition. While these auditors elaborate more, their elaboration focuses on defending the client's reported balance rather than audit skepticism. This suggests motivated reasoning in favor of the client (e.g., Kadous, Kennedy, and Peecher 2003), as these auditors deploy increased elaboration to increasingly defend the client's position, absent salient auditor norms or values that may otherwise constrain such support.

I run supplemental analyses to examine further process evidence. Auditors use a higher proportion of case-relevant issues in their explanations in conditions with greater task value, indicative of higher elaboration. Auditors report exerting marginally more (less) effort in conditions with more (less) task value, consistent with higher motivation on the task. I do not find significant differences in auditors' current identification with audit professional norms, suggesting the unique influence of future identity. In addition, I do not find evidence that my manipulations trigger different time horizons for when auditors anticipate achieving or acting upon their salient future identity.

Given my unexpected results, questions remain whether my findings result from my experimental design or auditors perceiving task values differently than populations studied

previously. Extant studies typically apply future identity and utility framing interventions to improve learning outcomes in students. To provide further support for my theorized process, I conduct a second experiment with masters of accounting students intending to enter the audit profession upon graduation. I use identical manipulations and a similar inventory valuation case as the auditor experiment. I find evidence supporting my hypothesized process. Namely, students in the future non-auditor/audit utility condition value audit tasks less than all other conditions. Moreover, these students demonstrate worse performance via worse application of accounting standards. Comparing the implications from the auditor and student experiments, while broader utility consistently increases task value, working auditors and auditing students differ in which future identity inspires more task value. Future research can investigate why and how working auditors transition to valuing audit work more when envisioning a future outside audit.

My study contributes to practice and theory. First, my study speaks to how audit firms can motivate the next generation of audit talent. Responding to the accounting profession's high turnover and declining enrollments (Ellis 2022; Maurer 2023; Duong and Jiles 2023), audit firms increasingly motivate new recruits by highlighting the relevance of skills learned in public accounting to one's future career success (EY 2024). This messaging may foster the perception of audit as a transitional (rather than long-term) career, and critically, may also foster a future non-auditor identity that current auditors can strive for and be motivated by. My findings suggest that reminding auditors of a career outside audit increases value perceptions and elaboration on audit tasks, indicating that auditors who intend to leave the audit profession still value and strive to perform well on audit tasks. However, because auditors may support client positions when focusing on a future outside audit, firms must balance higher elaboration with constraints that

focus auditors on their current audit responsibilities. Thus, my findings also partially support concerns that a short-term view of one's audit career may harm audit quality (PCAOB 2024b).

I also contribute to the auditor identity literature by testing the power and limitations of future identity to improve audit quality. Prior studies on auditor identity suggest that having a stronger current auditor identity improves audit quality by improving motivation (Mendoza and Winn 2022), highlighting professional values and norms (Bauer 2015), or leveraging in-group biases that support audit quality (Estep 2021; Proell, Ricci, and Trotman 2023). In contrast, my study examines identity as a future, aspirational (i.e., goal) state, revealing different implications for auditor/non-auditor identities compared to extant research. While I find future auditor identities inspire task value (i.e., auditor identities are not de-motivating), I also find future non-auditor identities provide incremental task value and, in contrast to prior findings, can improve audit quality compared to future auditor identities via increased elaboration. Thus, to my knowledge, my study is the first to identify a boundary condition for the auditor identity's ability to improve audit quality. Moreover, supplemental analysis suggests that making auditors' future identity salient does not change auditors' current identification with the audit profession and professional values, suggesting a unique influence of future identity on audit quality.

Finally, I contribute to research on auditor motivation and elaboration on complex tasks. Extant research suggests auditors can improve complex task performance by increasing elaboration (Griffith et al. 2015; Griffith, Hammersley, and Hickey 2025) or one's motivation to elaborate through intrinsic motivation (Kadous and Zhou 2019), increased risk (Griffith 2018), or accuracy-focused goals (Rowe 2019; Griffith et al. 2021). I add to this discussion by providing alternative means to motivate elaboration: audit tasks' connection to one's future identity and utility to one's career goals. Moreover, my study highlights an important boundary condition for

increased elaboration on audit quality. While moving from less to more elaboration can improve auditors' judgments, increased elaboration can harm audit quality when applied to support the client (Kadous et al. 2003; Koch and Salterio 2017; Aghazadeh and Hoang 2020), suggesting that motivation to elaborate, alone, may be insufficient to improve audit quality without constraints reducing client-favorable biases (Griffith, Nolder, and Petty 2018). Thus, my study bridges the literature on auditor elaboration and motivated reasoning by highlighting how both the extent, as well as the direction, of auditors' elaboration influences judgment quality on complex tasks.

CHAPTER 2

BACKGROUND AND HYPOTHESIS DEVELOPMENT

2.1 Background

Auditors commonly envision themselves leaving the audit profession in the future for other careers. Multiple organizational and social forces lead auditors to develop career plans outside audit. The "up-or-out" organizational structure of audit firms, with a limited number of partnership positions, requires many auditors to exit the profession before making partner (Nouri and Parker 2020; Lupu and Empson 2015). Moreover, firms, recruiters, and other mentors often advertise audit as a "launch pad" for both audit and non-audit careers given the valuable technical and soft skills learned as an auditor (EY 2023; Daoust 2020). Many auditors also plan future exits to meet long-term work-life balance or family goals (Baudot et al. 2022; Covaleski et al. 2021; Andiola et al. 2024). As a result, while auditors intend to stay several years in audit, they also consider exiting the audit profession throughout their audit careers – in some cases, as early as their audit internship (Covaleski et al. 2021; Daoust 2020).

Despite the prevalence of planned or possible exits from audit, it is unclear how auditors' *future* plans to leave the audit profession influence their *current* task performance, though the PCAOB and audit firms suggest future exit plans may threaten firms' culture of audit quality (PCAOB 2024b). One way that future exit plans may influence audit quality is through auditors' motivation to elaborate on audit tasks. The skills that enable auditors to address complex issues – e.g., analytical processing, critical thinking, problem-solving (Deloitte US Careers 2023; PwC 2023; Franzel 2017) – require motivation to activate and sustain effortful thought processes

(Willingham 2008; Griffith et al. 2021). Auditors lacking motivation fail to integrate or properly evaluate available information (Kadous and Zhou 2019; Griffith 2018), placing audit quality at risk (PCAOB 2023, 2024a). Thus, audit stakeholders must understand how misalignments between auditors' current tasks and future career plans affect their elaboration and performance.

2.2 Auditor and Future Identities

To examine the link between auditors' career plans, elaboration, and task performance, I turn to psychological and accounting theory on the auditor professional identity and future identities. An identity is the set of meanings an individual uses to define who one is (Burke and Stets 2009; Oyserman and Destin 2010). The auditor professional identity, specifically, is how one defines oneself as a member of the audit profession (Bamber and Iyer 2007; Bauer 2015).

Extant research suggests that thinking about oneself as an auditor – i.e., activating an auditor professional identity – improves auditor task performance and audit quality, in part by sustaining task motivation. Psychological theory suggests that individuals feel motivated on tasks that align with or feel relevant to a current or future identity (Oyserman 2014). Audit research findings support this theory: individuals with stronger current auditor professional identities report more motivation on simple audit tasks, leading to better task performance (Mendoza and Winn 2022). Activating auditors' current professional identity also benefits audit quality beyond motivation. Making auditors' current professional identity salient activates norms and values that promote audit quality-enhancing behaviors, such as taking skeptical actions (Bauer 2015; Blum and Hatfield 2025), communicating identified issues (Clor-Proell, Kadous, and Proell 2021; Proell et al. 2023), or more appropriately incorporating specialist input (Estep 2021). In contrast, auditors perceive lower-quality work and greater detachment in coworkers planning to exit the firm (Andiola et al. 2024), further supporting that a departure from one's auditor identity worsens

performance. In all, extant research consistently suggests that the current auditor identity improves audit task performance and quality (Abdollahi, Peixinho, and Cândido 2024).

In addition to current identities, individuals also have future identities (Markus and Nurius 1986).[1] Future identities are possible selves an individual envisions themselves becoming in the future, even if becoming this future self is unlikely or uncertain (Markus and Nurius 1986; Oyserman, Destin, and Novin 2015). Given the audit profession's standard career trajectory from staff to partner, current practicing auditors likely envision a future version of themselves in the audit profession (e.g., as an audit partner), creating a future auditor identity. Moreover, given the prevalence of planned or prospective careers outside of audit, auditors also likely envision a future version of themselves outside of the audit profession (e.g., as a chief financial officer). Similarly, this envisioning creates a future identity outside the audit profession (hereafter, future non-auditor identity).[2] Importantly, individuals can have multiple current and future identities simultaneously (Markus and Wulf 1987), meaning that working auditors can – and likely – hold both future auditor and non-auditor identities. While audit research acknowledges the possibility of auditors having a future non-auditor identity (Bamber and Iyer 2007; Bauer 2015), it does not specifically investigate the effect of future identities on task performance.

Because auditors likely have both future auditor and non-auditor identities, either identity can influence behavior when made salient. The psychology literature suggests that a specific future identity can become more salient than other current or future identities when prompted (Markus

[1] The psychological literature uses *future* and *possible* identities interchangeably (Markus and Nurius 1986). In this study, I use *future* identities to denote identities that one envisions becoming in the future.

[2] I use "future non-auditor" as a collective term for any future identity in a role or career outside of the audit profession (e.g., industry, self-employment, advisory, etc.). While individuals can also have future selves they wish to avoid or fear becoming (Markus and Nurius 1986; Oyserman and Markus 1990; Oyserman et al. 2015), I do not suggest that those who define their future self in a role outside of audit (e.g., as a CFO) primarily define their future self as "not an auditor."

and Wulf 1987). Once salient, future identities influence subsequent behaviors and motivation (Markus and Nurius 1986; Oyserman et al. 2006; Oyserman and Destin 2010).

Several dispositional and situational factors within the audit environment can increase the salience of an auditor's future identity, thus influencing subsequent behavior. Dispositionally, practicing auditors already possess a current auditor professional identity (Bauer 2015), which theory suggests increases the salience of a future auditor identity (Oyserman 2014). In contrast, auditors who plan to exit the profession after specific life events or career milestones likely have chronically accessible future non-auditor identities (Andiola et al. 2024). Situational factors can also increase the salience of non-auditor identities. The stress and demanding schedule of public accounting can lead to burnout (Vozza 2022), which increases turnover intentions (Nouri and Parker 2022; Duong and Jiles 2023). Moreover, observing turnover in one's firm can prompt current employees to reevaluate their career prospects and possible turnover (Porter and Rigby 2021). That said, auditors have several routes by which they can evaluate their current and potential career opportunities, making either future auditor or non-auditor identities salient.

In summary, extant research suggests that the current auditor professional identity improves auditor motivation and task performance compared to a non-auditor (e.g., client) identity. This implies that when auditors' future non-auditor identities become salient, this will reduce auditors' elaboration and performance on complex tasks. To investigate this further, and to provide an intervention for this loss in elaboration and performance, I next turn to theory on how to improve task performance with or without a motivating future identity.

2.3 Situated Expectancy-Value Theory

Stemming from educational psychology, Situated Expectancy-Value Theory proposes that one's motivation and subsequent task performance depend on the value one places on the task

(Eccles et al. 1983; Eccles and Wigfield 2020). Task value refers to the reasons why individuals find performing a task appealing, such as the task's inherent importance to one's current or future identity (i.e., attainment value), how the task fits with one's goals (i.e., utility value), and/or the enjoyment one receives from the task (i.e., intrinsic value) (Rosenzweig et al. 2022).[3] Educational studies find that increasing the perceived value of a task increases task motivation and improves performance (Johnson and Sinatra 2013; Perez, Cromley, and Kaplan 2014; Harackiewicz et al. 2016). Extant accounting research corroborates the link between task value and performance in the audit setting. For example, Kadous and Zhou (2019) find emphasizing the intrinsic value of complex tasks, such as satisfying one's curiosity, improves performance. [4]

Task value that comes from a task's meaning and importance to one's future identity is known as attainment value. Tasks gain meaning (i.e., attainment value) by having a congruent (i.e., relevant) connection to one's identity (Eccles et al. 1983; Oyserman 2014). In this way, individuals feel motivated to take actions and perform well on tasks that feel congruent with a salient future identity, but not on tasks that feel incongruent with that identity (Oyserman et al. 2006). This aligns with findings linking the auditor identity with task motivation. For example, having a stronger dispositional (i.e., measured) auditor identity corresponds with sustained motivation on simple audit tasks in auditing students (Mendoza and Winn 2022), consistent with students with strong auditor identities perceiving greater attainment value from audit tasks.

Situation Expectancy-Value Theory suggests that different sources of task value can substitute for one another (Eccles et al. 1983), implying that motivation can increase in the absence

[3] In Situated Expectancy-Value Theory, task values are subjective: they are based on individuals' perceptions of the task rather than objective measures (Rosenzweig et al. 2022). Thus, perceived task values can vary between individuals. From the same task, individuals can perceive different magnitudes (X perceives higher utility value than Y), and/or sources of value (X perceives high utility value while Y perceives high attainment value).

[4] Increased motivation has the greatest ability to improve task performance when the individual has sufficient domain knowledge to perform, or learn how to perform, the task (Eccles et al. 1983; Griffith et al. 2021).

of attainment value by increasing task value via another source. A separate source of subjective task value, and subsequently motivation, is a task's utility value. Utility value comes from the individual's perception of how well a task helps them accomplish their short- or long-term goals (Rosenzweig et al. 2022). Goals motivate focus and effort on goal-related actions, creating greater persistence and deeper engagement in goal-relevant tasks (Locke and Latham 2002). Thus, individuals who frame a task as a means to achieving their goals (i.e., increasing utility value) experience greater task motivation. Prior studies influence utility value perceptions by having participants think about a task's usefulness to their lives or goals (e.g., linking algebra to accomplishing chores or life tasks) (Canning and Harackiewicz 2015). Similarly, qualitative studies hint that accounting firms and employees try to increase task motivation by altering utility value perceptions, though reports of its effectiveness in the audit setting remain mixed. For example, individual accountants report motivating themselves by thinking about the usefulness of skills learned in public accounting to their future work (Daoust 2020). In contrast, audit firms that try to motivate effort by emphasizing the development opportunities of working additional hours receive mixed results, as staff often do not personally believe the firm's message around the utility value of additional billable hours (Baudot et al. 2022). Thus, while utility value interventions typically improve task performance in educational settings (Rosenzweig et al. 2022), contextual factors in the audit setting may moderate their effectiveness.

2.4 Hypothesis Development

Applied to the audit setting, I propose that auditors who perceive more task value from identity (i.e., attainment value) and/or utility (i.e., utility value) will have more motivation to elaborate and perform better on complex audit tasks. Moreover, if auditors perceive lower task value given their future identity, auditors can restore elaboration and performance by increasing a

task's utility value, such as by framing the task as useful for their career goals. However, I also expect the success of this utility framing to depend on its fit with auditors' salient future identity. Specifically, I expect auditors to perceive greater utility value, resulting in higher elaboration and performance, only when framing a task as goal-relevant to the auditors' salient future identity.

To start, if an auditor feels that working on an audit task is congruent with a salient future auditor identity (e.g., audit partner), they will perceive more attainment value from the audit task and feel more motivated to perform well (Eccles et al. 1983; Oyserman 2014). However, this motivation may break down if the auditor holds a salient future non-auditor identity (e.g., CFO). For these auditors, an audit task may appear less congruent with a future non-auditor identity, reducing attainment value and the motivation to elaborate on the task. If auditors perceive lower attainment value from a task, they can instead gain motivation to elaborate if they perceive higher task utility value. Individuals vary in their capacity to generate utility value for a given task, often needing a salient reminder or sufficient knowledge of a task's potential uses to self-generate utility value (Canning and Harackiewicz 2015). This finding extends to the audit setting, as auditors do not consistently think about the utility value of their assignments (Daoust 2020). Thus, auditors will benefit from an intervention that emphasizes the goal-usefulness of a complex task, allowing them to perceive utility value more consistently.

However, simply reminding auditors that a task *can* be useful does not guarantee auditors will perceive the task as useful to their own goals. Rather, the success of a utility framing intervention depends on whether it advances or conflicts with auditors' salient future identity. Future identities operate as goal end-states (Markus and Nurius 1986; Oyserman et al. 2015), suggesting that auditors see their current actions as either valid or invalid means to achieve an identity goal (Miller and Brickman 2004; Greene et al. 2004). Thus, auditors may only perceive

utility value from a task if it helps them achieve their desired future identity. Audit supervisors typically frame task utility in terms of how the task will benefit one's audit career (Baudot et al. 2022). This framing will elicit utility value for auditors whose career goals are to remain in audit. However, auditors who see their future selves outside of audit will not see tasks primarily associated with an audit career as a valid means to achieve their identity goals. Alternatively, audit teams can frame task utility more broadly, speaking to how a task benefits audit careers as well as other business careers (i.e., broad utility framing). Under this broader framing, auditors will perceive utility value and motivation even if they envision themselves leaving audit.

Overall, I expect that framing the utility value of a complex task as broadly instrumental to audit and other business careers can mitigate a loss of elaboration in auditors with future non-auditor identities. Auditors who perceive more (less) task value from identity and/or utility sources will engage with and elaborate more fully on the task. Auditors with salient future auditor (non-auditor) identities will view tasks framed as primarily useful to audit career goals as congruent (incongruent) with their future identity, resulting in higher (lower) attainment and utility value. Higher (lower) task values will then increase (decrease) auditors' motivation to engage with the audit task, increasing (decreasing) elaboration. However, if auditors frame this same task as broadly useful to career goals in audit and other business roles, it will appear goal-relevant and congruent for auditors with future auditor and non-auditor identities, increasing utility value and, thereby, elaboration. Thus, I expect an ordinal interaction: auditors with salient future non-auditor identities and who view a complex task as primarily useful for audit careers will elaborate less on audit tasks compared to auditors with salient future auditor identities or who view a complex task as broadly useful for audit careers and other business careers outside the audit profession (see Figure 1 for predicted interactions).

H1: Auditors with salient future non-auditor identities and who frame a task as primarily useful to audit careers will elaborate less than auditors with salient future auditor identities or who frame a task as broadly useful to audit and business careers.

However, it is unclear *ex ante* how future identity influences performance or adds *incremental* task value beyond one's current auditor identity in practicing auditors. Given prior findings linking weaker auditor identities to lower performance (Bamber and Iyer 2007; Bauer 2015; Mendoza and Winn 2022), my hypotheses assume auditors perceive audit tasks as congruent with future auditor identities and incongruent with future non-auditor identities. This incongruence reduces motivation and performance in laboratory and classroom settings among student populations (Oyserman et al. 2006; Rosenzweig et al. 2021). However, working auditors envisioning their future selves may have a different relationship with audit tasks than students envisioning future selves further removed from their current student identity. Qualitative research suggests auditors see the skills learned during one's audit career as instrumental to their success in careers outside audit (Daoust and Malsch 2019; Daoust 2020). This belief may make audit tasks feel congruent, even vital, to careers outside audit, highlighting the importance of current audit tasks to non-auditors. Consequently, a future non-auditor identity may serve as an incremental source of attainment value and motivation for auditors to draw upon (Oyserman and Markus 1990). Thus, auditors may have incrementally more task value and elaboration with a future non-auditor identity or a task's utility for other business careers, compared to a future auditor identity and/or task utility primarily for audit careers.

Transitioning to task performance, I expect auditors with higher (lower) elaboration will perform better (worse) on complex audit tasks. Auditors require elaboration to appropriately analyze and integrate a complex audit task's various diverse or ambiguous cues (Griffith et al. 2021), allowing auditors to identify and incorporate more relevant information, thereby making

higher-quality judgments and decisions on complex audit tasks (Griffith et al. 2025; Griffith 2018). Thus, I expect that auditors who elaborate less (i.e., those with salient future non-auditor identities and who view a complex task as primarily useful for audit careers) to perform worse on audit tasks compared to auditors who elaborate more (i.e., those with salient future auditor identities or who view a complex task as broadly useful for audit careers and other business careers outside the audit profession) (see Figure 1).

H2: Auditors with salient future non-auditor identities and who frame a task as primarily useful to audit careers will perform worse than auditors with salient future auditor identities or who frame a task as broadly useful to audit and business careers.

However, *ex ante*, increased elaboration may not guarantee that auditors exhibit higher-quality performance on complex tasks. If individuals approach tasks with a biased focus, they can deploy their increased elaboration to increasingly support this focus, rather than analyze the data in a purely objective manner (Petty, Wegener, and Fabrigar 1997; Griffith et al. 2018). Thus, while elaboration is often a prerequisite for appropriate skeptical judgments on complex audit tasks (Griffith et al. 2015), the direction of auditors' focus also dictates their judgment quality. For example, theory on motivated reasoning in auditing suggests that auditors who focus on supporting their client's assertions will increasingly overweigh (underweigh) client-supportive (contradictory) evidence (Kunda 1990; Kadous et al. 2003). As a result, while I anticipate that increased elaboration will prompt deeper analysis of available evidence and better performance, auditors with increased elaboration may perform worse on complex audit tasks – especially when complexity comes from relevant, but ambiguous, information – if they possess a strong bias (e.g., given economic pressure or client affinity) to elaborate in support of the client.

CHAPTER 3

METHOD

I experimentally examine my predictions using a 2x2 between-participants design that manipulates auditors' salient future identity (auditor or non-auditor) and the utility framing of their current task (audit or broad). I obtain my data from auditors at ten audit firms, ranging from all Big 4 firms to small local firms. I collect my data online through Qualtrics, and my sample includes 125 auditors (100 staff and 25 seniors).[5] Participants' average experience is 17.8 months, with a range from 5 to 52 months.[6]

3.1 Task

Auditors complete an inventory valuation task for an electronics manufacturer. After a brief introduction to the task, participants view two descriptions of a hypothetical staff auditor. The two descriptions contain my manipulations for future identity and utility framing, respectively (described below). Auditors then review client information relating to the inventory valuation task,

[5] I obtained institutional review board approval for all studies discussed. Auditors opened the link to my study 221 times and 129 auditors finished. I eliminated data from four auditors: three failed manipulation checks, and one indicated low effort and/or attention to the case materials. The low-effort participant took 1.38 minutes to read all case-relevant information, which is 9.7% of the average completion time of 14.2 minutes, and did not complete the free response question relating to two dependent variables. Moreover, this participant spent an average of 3 seconds on pages with multiple paragraphs of case-relevant information, suggesting they advanced without reading the case-relevant information. A binary logistic model suggests the likelihood of exclusion does not differ across conditions (main effect and interaction p's all > 0.19), suggesting that random assignment is preserved after these exclusions.

[6] A series of one-way ANOVAs reveal that audit experience, rank, CPA status, and inventory valuation experience do not differ across conditions (all $p > 0.10$). Inventory experience (yes/no) differs by condition (significant disordinal interaction, $p = 0.017$). However, including inventory experience as a covariate (as a main effect or interaction) does not change the interpretation of my results in any of my analyses. The experience and demographic variables do not interact with or significantly affect the dependent variables, except CPA status, which has a marginally significant interactive effect on reasonableness ratings ($p = 0.053$). Following Piercey (2023), I compare models containing the interaction and the reduced ANOVA model and do not find evidence of an unexpected covariate effect. Including these measures as covariates (as a main effect or interaction) does not change the interpretation of my results in any of my analyses. Therefore, I do not discuss these measures further or include them in my analyses.

such as how the client valued inventory in prior years. Auditors learn about a potential obsolescence issue with the client's product; their task is to determine the inventory's current per-unit value and whether a write-down is necessary. Seeded information within the case (e.g., a competitor developing a technologically superior product at a significantly lower promotional price) suggests that the client's inventory should be valued at a lower net realizable value than its current carrying cost. After viewing all available information, auditors make judgments about the inventory balance. They estimate the per-unit value of inventory, assess the reasonableness of the client's inventory account, and explain how they came to their estimate. Afterward, auditors answer post-experimental questions.

3.2 Independent Variables

I manipulate two independent variables between participants: auditors' salient future identity and the utility framing of the inventory task (see Appendix 1 and 2 for full text). Both manipulations occur through descriptions of a hypothetical staff auditor named Jordan.[7] I manipulate the salient future identity at two levels: auditor vs. non-auditor. I manipulate future identity by describing the career that Jordan sees themselves having in the future. In the future auditor condition, Jordan sees their future self in an audit career, such as an audit partner or director. In the future non-auditor condition, Jordan sees their future self in a career outside of audit, such as in industry or consulting. Next, participants rank a list of five strategies that Jordan can take to achieve their future self. The focus of the five strategies varies by condition (i.e.,

[7] I use a third-person vignette for each manipulation to reduce social desirability bias (Fisher 1993; Steiner, Atzmüller, and Su 2016). Because I recruit auditors through their employer firms, auditors may be reluctant to express any personal desire to leave audit or report audit tasks are not useful compared to predicting how a third party would make these same conclusions. Individuals project their own thoughts, feelings, and experiences when predicting how third parties behave (Van Boven and Loewenstein 2003). Therefore, introducing Jordan's future identity and utility framing makes these constructs salient for auditors reading about Jordan, while also reducing auditors' reluctance to address these constructs truthfully.

Networking with "audit professionals" vs. "professionals outside of audit").[8] Finally, auditors describe a time when they felt, behaved, or acted like Jordan.[9] The ranking and description activities strengthen the salience of Jordan's future identity, strengthening this identity's influence on auditors' behaviors. Specifically, forming strategies that link one's current identity with a future identity increases the relevance of the future identity to current behaviors (Oyserman et al. 2006), while describing how one has acted similarly to Jordan connects Jordan's experience to auditors' personal experiences.

I also manipulate the utility framing of the inventory task at two levels: audit vs. broad. In the audit utility framing condition, Jordan reads about the usefulness of inventory tasks to audit careers. For example, Jordan reads about the usefulness of inventory tasks given their impact on other audit transaction cycles and engagement planning. In the broad utility framing condition, Jordan reads about the usefulness of inventory tasks relating to business operations (e.g., payroll, pricing, and investment decisions), which is framed as useful to understand for careers in audit as well as other business careers. Auditors then rate and describe whether Jordan sees inventory testing as useful for their long-term goals, strengthening the salience of the manipulation.

3.3 Dependent Variables

I measure three primary dependent variables. First, I measure auditors' elaboration about the inventory estimate. In a free response, auditors explain how they came to their conclusions on the case. Individuals with higher motivation to elaborate develop a deeper, more analytical, understanding of issues, characterized by greater relative elaboration (i.e., making more elaborated

[8] I use the ranking task to have auditors think about strategies that link Jordan's future identity with current actions. That said, the ranking auditors assign to each option does not matter, so long as I have evidence that the auditors elaborated during the ranking task (i.e., if their ranking differs from the default order of the options). All but one auditor changed the default ranking (99.2%), suggesting auditors in both conditions attended to the manipulation.

[9] All participants in my sample completed the free response. Of these, 94% of Future Auditor (97% of Future Non-auditor) participants' descriptions match Jordan's future career plans in (outside of) the audit profession. Given their attention to the manipulation, I retain all auditors within my sample.

statements while suppressing, replacing, or generating fewer non-elaborated statements) (Evans 2006; Stanovich and West 2008; Griffith 2018). Therefore, I expect auditors to have higher proportions of elaborated to total statements in their explanation compared to auditors who value the task less. To measure elaboration, I parse auditors' explanations into thought units. Two coders (the author, blind to experimental condition, and a coder blind to hypotheses and experimental condition) independently coded each unit into one of two categories.[10] Elaborated statements make evaluations and connections or recognize patterns, relationships, or inconsistencies in the case. In contrast, statements that lack elaboration repeat facts or statements from the case without further elaboration or conclusions.[11] I use the proportion of elaborated to total statements to measure auditors' relative elaboration about the task.[12]I have two measures for task performance. First, I measure auditors' estimated per-unit value of the client's inventory at year-end. The seeded information within the case suggests a significant decline in the inventory's market value, which should result in a per-unit value below the current carrying cost. Thus, lower inventory values indicate that auditors incorporate more seeded information, indicative of better performance and higher-quality judgments. Lastly, I measure auditors' assessments of the reasonableness of the

[10] Coders met and resolved all differences through discussion. Initial inter-rater agreement of 86.9%, Cohen's Kappa of 69.6 ($p < 0.001$) indicate substantial reliability (Landis and Koch, 1977).

[11] Examples of elaborated statements include: "[T]hough the competitor may charge more later, the lack in advancement in technology will cause Product A to lose retail value" (relates the competitor's technology to the effect on inventory) and "Based on the historical data of selling the product, the inventory appears to correctly be valued at the lower of cost or market value" (compares the outcome with the inputs and infers from the comparison that the focal item is reasonable). Examples of statements that lack elaboration include: "[T]he competing company will not be able to ship their product for another 8 months" (repeats case facts without additional inference) and "60,000 * 315 = 18,900,000 which is what is being reported" (restates how book inventory was computed without opining on the appropriateness or results of the computation).

[12] The proportion of elaborated units to total thought units measures auditors' *relative* elaboration better than the number of elaborated units. For example, compare two auditors who each produce two elaborated items: Auditor 1 writes two thought units (100 percent elaborated), but Auditor 2 writes four thought units (50 percent elaborated). Auditor 1 makes relatively more elaborated statements about the inventory value than Auditor 2. Alternatively, if Auditor 1 produces two elaborated items from four total thoughts (50 percent elaborated) while Auditor 2 produces four elaborated items from eight total thoughts (50 percent elaborated), there is no difference in their relative elaboration. Overall, the proportion measure better captures relative elaboration about the inventory value.

inventory balance on an 11-point Likert scale (0 = Not reasonable at all, 10=Extremely reasonable). Given the seeded information, lower reasonableness assessments indicate higher-quality judgments and better performance.

For my supplemental analysis, I measure the content and skeptical direction of auditors' elaboration about the inventory estimate. Seeded issues within the case suggest the auditors should challenge client assertions (i.e., express skepticism), yet contain enough ambiguity where auditors may elaborate in support of client assertions. Using the same parsing as my elaboration variable, the two coders independently categorized thought units into one of three categories, depending on the content and direction of auditors' explanations. In skeptical elaborations, auditors challenge or question the client's assertions that the current inventory valuation is reasonable. In supportive elaborations, auditors elaborate in support of the client's assertions. Finally, in neutral elaborations, auditors do not elaborate on the reasonableness of inventory or the client's assertions (e.g., elaborating on historical data from the audit workpapers), or the direction (challenging vs. supporting) is not evident.[13] I use the number of thought units in each category in my analysis to determine the directional content of auditors' elaboration.[14]

[13] Initial inter-rater agreement of 79.6% and Cohen's Kappa of 68.9 ($p < 0.001$) indicate substantial reliability (Landis and Koch, 1977).

[14] Theory suggests that auditors' higher elaboration will focus on issue-relevant information, but its direction can vary given auditors' increased likelihood of both objective and biased elaboration (Petty, Wegener, and Fabrigar 1997). Moreover, elaborating in one direction (i.e., skeptical) does not necessarily suppress elaborations in other directions (i.e., neutral). Thus, the count of directional content measures what auditors chose to elaborate on better than a relative (i.e., proportional) measure, which represents how much auditors elaborate in a specific direction compared to other items.

CHAPTER 4

RESULTS

4.1 Manipulation Checks

I evaluate participants' perceptions of their future identities and attainment value for audit tasks. When asked "What are your long-term career plans? Where do you see yourself in 10 years?", participants more frequently report staying in an audit career in 10 years in the future auditor identity condition compared to the future non-auditor identity condition (M = 34.4% vs. 21.3%, $t_{123} = 1.63$, $p = 0.053$, one-tailed), suggesting that I successfully influenced auditors' salient future identities.[15,16]

Next, I evaluate whether future identity influences perceptions that audit work is meaningful and important to one's current and future self (i.e., attainment value). Participants rate four questions about the importance of audit tasks on 7-point Likert scales (1 – Strongly disagree, 7 – Strongly agree). These include questions on auditors' current identity [(1) "Doing well on audit work is important because my performance is a reflection of who I am." (2) "Doing well on audit work is personally meaningful to me."] as well as auditors' future identity [(3) "Performing well on audit work is important for how I see myself and my future." and (4) "Audit work feels relevant to who I see myself becoming in the future."]. When analyzing the sum of responses, both

[15] Except where specifically noted, I report two-tailed p-values.

[16] One firm within my sample had a divergent pattern compared to all other firms: auditors more frequently reported staying in audit in the future non-auditor condition. When comparing an ANOVA model containing the interaction between identity and this firm and the model containing identity only, I find an unexpected covariate interaction (Piercey 2023). The main effect of future identity on long-term career plans is stronger ($p = 0.008$, one-tailed) when I include the interactive effect ($p = 0.029$). Including this firm as a covariate (either as a main effect or interaction) does not change the interpretation of results in my other manipulation check or dependent variable analyses. Therefore, I do not discuss this firm effect further.

conditions value audit tasks above the scale midpoint of 16 (future auditor: M = 22.16, t_{63} = 1.36, p = 0.089, one-tailed; future non-auditor: M = 23.39, t_{60} = 2.10, p = 0.040). This indicates that auditors find audit work meaningful and important in both conditions. However, against expectations, participants do not rate attainment value from audit tasks higher in the future auditor condition than in the future non-auditor condition (M = 22.16 vs. 23.39, t_{123} = -1.71, p = 0.956, one-tailed). Rather, the pattern of means suggests my manipulation may affect auditors' perception of task value, but in the opposite direction than predicted: auditors appear to value audit tasks *more* with a salient future *non-auditor* identity, rather than a salient future auditor identity. I test and discuss this unexpected finding further in my Supplemental Analysis.

I next evaluate participants' perceptions of the utility value of inventory tasks. I test attention to the manipulation through auditors' ratings of how useful *Jordan* sees inventory testing to achieving their long-term career goals. Participants in the future non-auditor/audit utility condition rate Jordan's utility lower than all other conditions (5.97 vs. 6.87-7.52, t_{121} = 2.87, p = 0.002, one-tailed).[17] This is consistent with my expectation that the future non-auditor/ audit utility condition would have the lowest utility value from inventory tasks. Participants also rate their *personal* perceptions of utility value. Participants rate their agreement with "Inventory testing could be useful for careers outside of audit" on a 7-point Likert scale (1 – Strongly disagree, 7 – Strongly agree), where I expect the broad utility condition to have a higher rating than the audit utility condition. Participants in the broad utility condition do not agree with this statement more than auditors in the audit utility condition (M = 5.48 vs. 5.23, t_{123} = 1.16, p = 0.124, one-tailed), suggesting an unsuccessful manipulation. Lastly, participants rate their *personal* agreement that

[17] Planned contrast weights are [+1, -3, +1, +1] for the interaction. The residual between-cell variance is not significant ($F_{2,121}$ = 0.80, p = 0.452), and the q^2 = 0.15, indicating the hypothesized contrast describes the data well (Guggenmos, Piercey, and Agoglia 2018).

(1) "Inventory testing could be useful to me in my future career," (2) "Inventory testing is valuable for achieving my goals," and (3) "Inventory testing is not very useful for achieving my goals" (reverse coded) on 7-point Likert scales (1 – Strongly disagree, 7 – Strongly agree). I expect and test an ordinal interaction in which the future non-auditor/audit utility condition has the lowest reported utility value. I do not find significant differences between conditions, and participants in the future non-auditor/audit utility condition do not rate their utility value lower compared to all other conditions (14.65 vs. 14.12–14.87, $t_{121} = -0.09$, $p = 0.535$, one-tailed).[18] Overall, my results suggest auditors make the predicted utility value judgment for a third party (i.e., Jordan). However, auditors' personal perceptions of inventory tasks' utility value are not consistent with my predicted ordinal interaction. I analyze utility framing implications further in the Supplemental Analysis.

4.2 Tests of Hypothesis 1

Hypothesis 1 predicts that auditors with salient future non-auditor identities and who frame the task as primarily useful for audit careers will elaborate less on complex tasks compared to auditors with salient future auditor identities or who frame the task as broadly useful for audit and business careers. Figure 1, Panel A illustrates my predicted and observed results, and Table 1 provides descriptive statistics, ANOVA models, and contrast testing for auditors' proportion of elaborated to total statements. Inconsistent with my expectations, the planned contrast testing Hypothesis 1, shown in Panel C of Table 1, is not significant (M = 66% vs. 51-71%, $t_{121} = -0.60$, $p = 0.724$, one-tailed).[19] Visually, the future auditor/audit utility condition appears to have the lowest proportion of elaborated statements of all conditions. This evidence does not support Hypothesis 1. I discuss the unexpected ordinal pattern further in the Supplemental Analysis, where

[18] I test this contrast using mean weights of [+1,-3,+1,+1]. The residual between-cells variance for this contrast is not significant ($F_{2,121} = 0.34$, $p = 0.709$) and q^2 is 0.989, suggesting the data fits the contrast poorly.

[19] I test this contrast using mean weights of [+1,-3,+1,+1]. The residual between-cells variance for this contrast is not significant ($F_{2,121} = 2.35$, $p = 0.100$) and q^2 is 0.931, suggesting the data fits the contrast poorly.

I demonstrate how this result is consistent with my theoretical process given that auditors appear to value audit tasks more (less) in the future non-auditor (future auditor) condition.

4.3 Tests of Hypothesis 2

Hypothesis 2 predicts that auditors with salient future non-auditor identities and who frame the task as primarily useful for audit careers will perform worse on complex tasks compared to auditors with salient future auditor identities or who frame the task as broadly useful for audit and business careers. I measure performance in two ways: auditors' judgments about the per-unit value of the client's inventory and assessments of the reasonableness of the inventory account. Table 2 reports descriptive statistics, ANOVA models, and contrast testing for auditors' inventory per-unit value judgments.[20] Figure 1, Panel B illustrates my observed results, which are not visually consistent with my hypothesized pattern but instead resemble a disordinal interaction. The planned contrast testing Hypothesis 2, shown in Panel C of Table 2, is not significant (M = \$309 vs. \$313-324, t_{120} = -1.65, p = 0.949, one-tailed).[21] I also analyze participants' assessments of the reasonableness of the client's inventory (see Figure 1, Panel C and Table 3). Visually, my results again resemble a disordinal interaction, and the planned contrast testing Hypothesis 2, shown in Panel C of Table 3, is not significant (M = 6.06 vs. 6.18-6.84, t_{121} = -1.69, p = 0.953, one-tailed).[22] The results of these tests do not support Hypothesis 2.

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[20] I exclude one auditor's per-unit value estimate from this analysis because it appears to have been recorded in error. The evidence in the case suggests a range of \$280-315 for the per-unit inventory value and \$410 as the highest historical selling price of the inventory. While all other auditors reported between \$200-\$420, this auditor reported an estimate of \$4.02 (i.e., more than seven standard deviations from the mean). The participant's intended response in US dollars is not evident from their explanation for their per-unit estimate. Thus, I exclude the observation given the uncertainty around this intended response. If I include this observation, results are directionally consistent, but the disordinal effect is not significant (p = 0.418) and the predicted contrast remains insignificant.

[21] I test this contrast using mean weights of [-1,+3,-1,-1]. The residual between-cells variance for this contrast is not significant ($F_{2,120}$= 1.01, p = 0.366) and q^2 is 0.433, suggesting the data fits the contrast poorly.

[22] I test this contrast using mean weights of [-1,+3,-1,-1]. The residual between-cells variance for this contrast is significant ($F_{2,121}$= 3.15, p = 0.046) and q^2 is 0.715, suggesting the data fits the contrast poorly.

In summary, I do not find support for my predicted ordinal interaction for task performance. Rather, the pattern of results for per-unit values judgments and reasonableness assessments consistently implies a disordinal interaction. I examine the unexpected disordinal patterns and whether they are consistent with my theorized process in the Supplemental Analysis.

CHAPTER 5

SUPPLEMENTAL ANALYSIS

5.1 Analysis of Theorized Process

My results reveal three unexpected patterns: (1) salient future non-auditor (auditor) identities appear to increase (decrease) the value auditors place in audit tasks, (2) auditors in the future auditor/audit utility condition appear to elaborate less than all other conditions, and (3) auditors exhibit a disordinal pattern for task performance. I investigate potential causes for the difference between my predictions and the observed patterns in this section.

To understand these unexpected findings, I revisit my theorized process. Recall, auditors who value the inventory task more, either given their identity or the task's utility, should have higher motivation to elaborate on the task, resulting in better task performance. Given theory and research findings linking auditor identities to higher motivation (e.g., Mendoza and Winn 2022), my predictions assumed that auditors with future auditor identities would value audit tasks more than auditors with future non-auditor identities unless provided with broad utility framing. However, when I re-examine whether auditors view audit tasks as meaningful and important to their current and future selves (i.e., attainment value) using two-tailed t-tests, I find the opposite: participants rate their attainment value from audit tasks marginally *lower* in the future auditor condition than in the future non-auditor condition ($M = 22.16$ vs. 23.39, $t_{123} = 1.71$, $p = 0.089$). Further, this effect is significant when isolating the two questions that relate to auditors' future identities ($M = 10.64$ vs. 11.57, $t_{123} = 2.29$, $p = 0.024$). This suggests that auditors value audit tasks significantly more when they have a salient future *non-auditor* identity, rather than a salient future

auditor identity. While unexpected, these results may stem from beliefs that audit careers serve as an important training ground for other business careers. Accountants commonly see their audit careers as important to their professional development and obtaining positions outside audit (Daoust and Malsch 2019; Covaleski et al. 2021). Thus, reminding auditors of a future outside the audit profession may also remind them of the importance of audit tasks to their future selves, increasing the task's value to these auditors.

Following this logic, if auditors perceive more attainment value with a salient future non-auditor identity, this implies the future auditor condition has more potential to benefit from differences in utility framing. Moreover, if auditors value audit tasks more when reminded of careers outside audit, framing tasks as broadly useful for audit and business careers will increase auditors' utility value compared to framing tasks as useful primarily for audit careers. Taken together, this implies that auditors within the future auditor/audit utility condition will have lower task value from identity and utility sources than all other conditions. Under these revised assumptions, I would expect an ordinal pattern, with the lower task value of the future auditor/ audit utility condition leading to lower elaboration and performance than all other conditions.

I test these assumptions with a series of (two-tailed) contrast tests. First, I test if auditors perceive inventory testing as useful for careers outside of audit. The contrast testing whether the future auditor/audit utility condition is lower than all other cells is marginally significant (M = 5.03 vs. 5.42–5.47, t_{121} = 1.70, p = 0.092, untabulated).[23] This suggests auditors in the future auditor/audit utility condition find inventory tasks less useful compared to all other conditions.

I also examine auditors' proportion of elaborated statements (Table 1, Panel D). The contrast testing whether the future auditor/audit utility condition exhibits lower relative elaboration

[23] I test this contrast using mean weights of [-3,+1,+1,+1]. The residual between-cells variance for this contrast is not significant ($F_{2,121}$= 0.03, p = 0.972) and q^2 is 0.017, suggesting the data fits the contrast well.

than all other conditions is significant (M = 51% vs. 63–71%, t_{121} = 2.08, p = 0.040).[24] This evidence is consistent with my theorized process: conditions with lower task value (i.e., future auditor/audit utility) elaborate less than conditions with higher task value (i.e., future non-auditor and/or broad utility).

Next, I examine my performance variables: inventory per-unit value and reasonableness assessments. Recall, the pattern of results for these variables visually resembled disordinal interactions. First, I test auditors' inventory per-unit value in Table 2, Panel B. I observe a significant disordinal interaction ($F_{2,120}$ = 4.37, p = 0.039). The future auditor/broad utility and future non-auditor/audit utility conditions report lower per-unit values (M = $309-313) than the future auditor/audit utility and future non-auditor/broad utility conditions (M = $321-324). Lastly, I test reasonableness assessments in Table 3, Panel B. I find a significant disordinal interaction ($F_{2,121}$ = 6.13, p = 0.015). The future auditor/broad utility and future non-auditor/audit utility conditions report lower reasonableness assessments (M = 6.06-6.18) than the future auditor/audit utility and future non-auditor/broad utility conditions (M = 6.70-6.84).

In summary, my results suggest that auditors in the future auditor/broad utility and future non-auditor/audit utility conditions make higher-quality judgments, as indicated by lower per-unit values and lower reasonableness assessment, compared to the future auditor/audit utility and future non-auditor/broad utility conditions. Moreover, my results generally support my theorized process linking task value, elaboration, and improved performance, helping to explain my unexpected findings. Conditions with higher task value (i.e., future non-auditor/audit utility and future

[24] I test this contrast using mean weights of [-3,+1,+1,+1]. The residual between-cells variance for this contrast is not significant ($F_{2,121}$= 0.38, p = 0.689) and q^2 is 0.159, suggesting the data fits the contrast well.

auditor/broad utility) elaborate more and perform better on the complex task, while those with lower task value (i.e., future auditor/audit utility) elaborate less and perform worse.

Interestingly, the link from task value to performance does not hold for the future non-auditor/broad utility condition, which exhibits higher task value and elaboration but worse performance. To understand this disconnect, I analyze the content and direction of auditors' elaboration. Specifically, while higher elaboration can help auditors objectively evaluate seeded issues and challenge inconsistent client assertions in their elaborations, strong attitudes in favor of the client may prompt auditors to deploy their elaboration in support of client assertions (Griffith et al. 2018). I first test skeptical elaboration (Panel B of Table 4) and observe a marginally significant disordinal interaction ($F_{2,121}$ = 2.99, p = 0.086). The future auditor/broad utility and future non-auditor/audit utility conditions make marginally more skeptical elaborations (M = 0.91-1.10) than the future auditor/audit utility and future non-auditor/broad utility conditions (M = 0.58-0.63), mirroring the disordinal pattern found for task performance. I next test elaboration that supports the client's assertions (Table 4, Panel C) and find that future non-auditor/broad utility auditors elaborate more in support of the client's position compared to all other conditions (1.40 vs. 0.73-0.97, t_{121} = 2.29, p = 0.024).[25]

In the future non-auditor/broad utility condition, the combination of decreased skeptical elaboration and increased client-supportive elaboration suggests motivated reasoning in favor of the client (Kunda 1990; Kadous et al. 2003; Bhaskar, Hopkins, and Schroeder 2019). Auditors with a directional goal to support their clients' positions overweigh client-supportive information and underweigh evidence contradicting client positions (Kadous et al. 2003). Similarly, auditors in the future non-auditor/broad utility condition appear to weigh client-supportive evidence over

[25] I test this contrast using mean weights of [-1,-1,-1,+3]. The residual between-cells variance for this contrast is not significant ($F_{2,121}$= 1.40, p = 0.251) and q^2 is 0.111, suggesting the data fits the contrast well.

contradictory evidence when making their conclusions. This suggests auditors who primarily focus on a future non-auditor identity and broad utility develop an affinity and directional goal to support the client, perhaps because auditors view their future self as a client or client advocate. Thus, these auditors may deploy their increased elaboration to increasingly defend the client's position, absent salient auditor norms or values that may otherwise constrain such support.

In summary, I find evidence consistent with my theorized process, but in an unexpected direction. I find that auditors' task value incrementally increases when reminded of a future non-auditor identity and/or utility for both audit and business careers. This incremental task value and resulting elaboration lead to better complex task performance when auditors remain skeptical of client assertions. However, my results also indicate that increased elaboration lacking a focus on one's current audit responsibilities may also lower task performance, as seen with the increased client-supportive elaboration in the future non-auditor/broad utility condition. This suggests that while incremental task value can improve audit quality through increased elaboration, auditors who focus heavily on future non-auditor career goals may deploy their elaboration to support client claims unless checked.

5.2 Process measures

5.2.1 Item use

Theory suggests that higher elaboration allows auditors to identify and rely on relevant, rather than irrelevant, issues when making judgments (O'Keefe 2012; Griffith et al. 2021). The case contains four relevant seeded issues: a competitor is (1) currently selling a technologically superior product (2) at a price lower than the clients' current carrying cost, while the client (3) expects no changes in their customer base and (4) to sell more than its average volume by entering new, lower-income markets. I measure whether auditors discuss these seeded issues in their

explanations. Because auditors with higher elaboration focus more on task-relevant information and less on task-irrelevant information (O'Keefe 2012), I use the proportion of seeded issues to all issues identified as the extent of auditors' focus on relevant information. Consistent with theory, conditions with less elaborated explanations (i.e., future auditor/audit utility) use a lower proportion of relevant items in their explanation than conditions with more elaborated explanations (i.e., future non-auditor and/or broad utility) (M = 51% vs. 66–76%, t_{121} = 2.31, p = 0.023, untabulated).[26] This provides additional support that, while auditors identify and rely on more relevant issues with higher elaboration, whether they use the items to support or challenge client assertions depends on the direction of their focus (skeptical vs. client-supportive).

I do not find significant differences in the length (i.e., number of words; all p's > 0.303), total number of thought units (i.e., elaborated and non-elaborated; all p's > 0.574), or total evidence items used (seeded and other items; all p's > 0.554) in the auditors' explanation by condition. This implies that auditors with higher elaboration identify and use more relevant evidence in their judgments, rather than simply listing more items or statements.

5.2.2 Effort

Theory suggests that future identity and utility framing influence performance via increased motivation (Eccles et al. 1983). In addition to examining elaboration above, which is inherently effortful and therefore requires motivation to activate and sustain (Griffith et al. 2021; O'Keefe 2012), I examine auditors' perceptions of their effort on the task as further evidence of motivation. I measure auditors' perceptions of the effort required on inventory tasks on two 7-point Likert scales (1 – Strongly disagree, 7 – Strongly agree).[27] I also measure how difficult

[26] I test this contrast using mean weights of [-3,+1,+1,+1]. The residual between-cells variance for this contrast is not significant ($F_{2,121}$= 0.538, p = 0.586) and q^2 is 0.179, suggesting the data fits the contrast well.

[27] Questions include (1) Dealing with inventory testing and other audit tasks drains a lot of my energy and (2) Doing inventory testing and other audit tasks is exhausting to me.

auditors perceive the task on an 11-point Likert scale (0 - Not difficult at all, 10 – Extremely difficult). Against my hypothesized pattern, but in line with my theorized process, auditors with lower task value (i.e., future auditor/audit utility) perceive the inventory task as requiring less effort (6.42 vs. 7.13-7.79, $t_{121} = 1.86$, $p = 0.066$)[28] and as marginally less difficult (4.29 vs. 4.82-4.97, $t_{121} = 1.88$, $p = 0.063$)[29] than all other conditions. In addition, I measure how hard auditors felt they worked on the case on an 11-point Likert scale (0 - Not hard at all, 10 – Extremely hard). Auditors with salient future non-auditor identities report marginally working harder on the task than those with salient future auditor identities (6.26 vs. 5.72, $F_{1,121} = 3.10$, $p = 0.081$).[30] Thus, in general, results support my theorized process, such that auditors who value the task more (less) exerted more (less) effort on the task, in line with higher (lower) motivation on the task.

5.2.3 Identity Measures: Current Identity and Evidence Source

To rule out the alternative that my manipulations affect elaboration and performance by influencing auditors' current auditor identity, I examine auditors' current professional identity. I measure auditors' current identity by asking "how your personal attributes, qualities, and values align or overlap with the attributes, qualities, and values of the audit profession" using seven Venn diagrams showing increasing overlap between ''Self'' and ''Auditor." Higher values indicate higher identification with the audit profession, which extant research uses to measure current auditor professional identity (Bauer 2015; Mendoza and Winn 2022). I find no significant differences between conditions (M = 3.87–4.17, all $p > 0.288$, untabulated). This null result is

[28] I test this contrast using mean weights of [-3,+1,+1,+1]. The residual between-cells variance for this contrast is not significant ($F_{2,121} = 0.47$, $p = 0.624$) and q^2 is 0.203.

[29] I test this contrast using mean weights of [-3,+1,+1,+1]. The residual between-cells variance for this contrast is not significant ($F_{2,121} = 0.07$, $p = 0.937$) and q^2 is 0.039, suggesting the data fits the contrast well.

[30] I do not find significant main or interactive effects on the amount of time auditors spent on the task (all p's > 356); however, given that increased persistence does not necessarily lead to improved performance on complex audit tasks with a significant cognitive element (Kadous and Zhou 2019; Griffith et al . 2015), this does not contradict auditors' motivation on the task.

consistent with my expectations that auditors' future identities are distinct from their current auditor identity, and that making a future identity salient does not systematically vary auditors' reported oneness with, or inherently lead to disengagement from, auditor profession values or their current auditor identity.

I also examine whether auditors' salient future identity influences the evidence sources that auditors choose to rely on. Identity theory posits that individuals prefer actions and information relating to a salient in-group (Oyserman 2014; LeBoeuf, Shafir, and Bayuk 2010). I find that auditors with salient future auditor identities use more evidence originating from the audit team, such as information from prior- and current-year audit workpapers, compared to those with salient future non-auditor identities (0.59 vs. 0.39, $F_{1,121} = 3.00$, $p = 0.043$, one-tailed, untabulated). In combination with the client-supportive elaboration results from the elaboration content analysis above, my findings suggest that auditors' salient future identity influences the source of evidence that auditors choose to rely upon, consistent with identity theory: future auditors use more evidence from other auditors (e.g., audit workpapers), while future non-auditors use more evidence from other non-auditors (e.g., client inquiry).

5.2.4 Long vs. Short Term Horizon

Another alternative explanation for my results is that auditors perceive achieving a future non-auditor identity as closer in time than a future auditor identity, prompting future non-auditors to work harder on the task. To rule out this alternative, I examine whether auditors perceive the time horizon for achieving their salient future identity differently between conditions. First, I measure auditors' level of construal using a 19-point scale (adapted from Liberman and Trope 1998 and Fujita et al. 2006), with higher-level construal indicating a greater sense of temporal distance (i.e., more distant time horizons). I do not find significant main or interactive effects on

auditors' level of construal (all p's > 0.547), suggesting no differences in how auditors perceive the temporal distance of the task between conditions. Moreover, in examining auditors' responses to the future identity manipulation, I do not observe differences in short vs. long-term horizons for how participants rated items with a long-term focus (developing a timeline for career advancement; $t_{123} = 1.01$, $p = 0.312$; recruiting mentors to navigate a long-term career; $t_{123} = 1.30$, $p = 0.197$), nor in how auditors describe taking action in the short-term to achieve their salient future identity in their free response ($t_{123} = 1.16$, $p = 0.248$). In all, auditors' short vs. long-term horizons do not significantly vary between future identity conditions, which does not support the alternative explanation that the perceived closeness to auditors' salient future identity drives additional effort on the task.

5.3 Discussion

Overall, my results support my theorized process: auditors with increased task value – either from identity or utility sources – have higher elaboration, which in turn affects task performance. However, given auditors' unexpected task value ratings, questions remain whether my findings result from an artifact of my experimental design or from socialized differences in how working auditors perceive task value compared to other populations previously studied. Notably, extant research generally examines future identity and/or utility framing as interventions to improve learning outcomes in student populations without extensive work experience (Oyserman et al. 2006; Rosenzweig et al. 2021). To determine whether my theorized process holds, and occurs more closely to my hypothesized process, in student populations, I conduct an additional experiment using auditing students (see Section VI).

CHAPTER 6

STUDENT EXPERIMENT

6.1 Method

I perform a 2x2 between-participants experiment that manipulates salient future identity (auditor or non-auditor) and the utility value framing (audit or broad). I collect data from 63 masters of accounting students, all of whom intend to enter an audit career upon graduation. As such, these students likely have both future auditor and non-auditor identities, which develop before auditors enter the workforce (Covaleski et al. 2021; Daoust 2020), allowing me to manipulate their salient future identity and utility framing similar to current working auditors.

6.2 Task

Participants complete a similar inventory valuation task as the previous experiment (hereafter, auditor experiment). They read similar client information as the auditor experiment before estimating the per-unit value of inventory, assessing the reasonableness of the client's inventory account, and explaining how they came to their estimate. Independent variables and their manipulations are identical to the auditor experiment.

I measure four primary dependent variables. I measure elaboration, per-unit value, and reasonableness in the same manner as the auditor experiment. In addition, I measure whether participants appropriately apply accounting standards for valuing inventory. Situated Expectancy-Value Theory suggests that participants will more appropriately learn tasks when they have greater motivation via attainment or utility value (Eccles et al. 1983). Accounting students have limited exposure to inventory valuation before entering the audit workforce (Saunders, Keune, and

Hawkins 2023), requiring most participants to learn how to perform an inventory valuation through the case materials. Participants receive guidance detailing accounting standards for valuing inventory based on the lower of cost or net realizable value. Given the facts of the case, the highest plausible per-unit value of the inventory is $315, the carrying cost of the inventory. As such, participants who evaluate the per-unit price above $315 violate accounting standards, suggesting poor task learning and performance.

6.3 Results

6.3.1 Manipulation Checks

I first evaluate participants' salient future identity. As a reminder, all participants intend to enter the audit profession after graduation. As in the auditor experiment, future auditor participants more frequently report seeing themselves in an audit career in 10 years than future non-auditor participants (M = 36.67% vs. 9.09%, $t_{61} = 2.74$, p = 0.004, one-tailed), consistent with a successful manipulation of participants' salient future identity.

Next, I evaluate participants' perceptions of attainment value for audit tasks using the same four attainment value questions as in the auditor experiment.[31] Consistent with my hypothesized process, and in contrast to the auditor experiment, future auditor participants rate their attainment value from audit tasks higher than future non-auditor participants (M = 23.7 vs. 21.79, $t_{61} = 2.13$, p = 0.019, one-tailed).

I evaluate participants' perceptions of the utility value of inventory tasks using the same questions as in the auditor experiment. As in the auditor experiment, I expect and find that future non-auditor/audit utility participants rate *Jordan's* perceived usefulness the lowest of all conditions

[31] Attainment value statements included: "Doing well on audit work is important because my performance is a reflection of who I am.", "Doing well on audit work is personally meaningful to me.", "Performing well on audit work is important for how I see myself and my future.", and "Audit work feels relevant to who I see myself becoming in the future.", each asked on a 7-pt Likert scale (1 – Strongly disagree, 7 – Strongly agree).

(4.50 vs. 6.93-7.33, $t_{59} = 4.11$, $p < 0.001$, one-tailed).[32] Next, participants rate their *personal* agreement with "Inventory testing could be useful for careers outside of audit" on a 7-pt Likert scale (1 – Strongly disagree, 7 – Strongly agree). I expect and find audit utility participants agreed with this statement more than those with broad utility (M = 5.36 vs. 4.67, $t_{61} = 1.92$, p = 0.030, one-tailed). For participants' *personal* utility value ratings for inventory[33], I expect and find an ordinal interaction, where future non-auditor/audit utility participants report lower utility value compared to other conditions (17.89 vs. 20.39-21.60, $t_{59} = 2.25$, p = 0.014, one-tailed[34]), suggesting a successful manipulation of utility value framing. Again, in line with theory, but in contrast to the auditor experiment, participants perceive utility value only when the utility framing fits with their future identity: broad utility framing increases utility value in both conditions, while the audit utility framing only increases utility value perceptions for future auditor identities.

6.3.2 Tests of Hypothesis

Hypothesis 1 predicts that participants with future non-auditor identities and audit utility framing elaborate less than all other conditions. Table 5 provides descriptive statistics and statistical tests for participants' elaborations. Inconsistent with my expectations, participants do not have different proportions of elaborated to total statements (i.e., relative elaboration) between conditions (Panels B and C, all p's > 0.424). I do find that future auditor participants make more elaborated statements than future non-auditor participants (Panel D, 3.17 vs. 2.20, $F_{1,59} = 4.05$, p = 0.049). This provides mixed evidence that future auditor participants elaborate more but does not suggest a mitigating effect of broad utility framing for future non-auditor identities.

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[32] The residual between-cells variance is not significant ($F_{2,59} = 0.26$, p = 0.769), and q^2 is 0.015, indicating that the hypothesized contrast describes the data well (Guggenmos et al., 2018).

[33] Questions include 1) "Inventory testing could be useful to me in my future career," 2) "Inventory testing is valuable for achieving my goals," and 3) "Inventory testing is not very useful for achieving my goals" on 7-pt Likert scales (1 – Strongly disagree, 7 – Strongly agree)

[34] The residual between-cells variance is not significant ($F_{2,59} = 0.23$, p = 0.796), and q^2 is 0.097.

Hypothesis 2 predicts that auditors with future non-auditor identities and audit utility framing perform worse on complex tasks than all other conditions. I measure performance in three ways: participants' estimated per-unit value, reasonableness assessments, and appropriate application of valuation standards.

Table 6 provides descriptive statistics and statistical tests for per-unit value judgments. I do not find my predicted ordinal interaction or any main or interactive effects (Panels B and C, all p's > 0.259), inconsistent with my predictions. I next analyze participants' assessments of the reasonableness of the client's inventory (see Table 7). Participants with broad utility framing rate the inventory as more reasonable than those in the audit utility framing condition (Panel B, 6.69 vs. 5.92, $F_{1,59} = 9.27$, p = 0.068). This is inconsistent with my predicted ordinal pattern. However, the average value for inventory in all conditions ranges from $311 - $322; thus, any adjustment made to inventory would remain within performance materiality for the inventory account. Given these means, participants appropriately rate the inventory account as reasonable in each condition, suggesting a ceiling effect and limiting the inferences drawn from auditors' reasonableness assessments.

Given that inventory valuation is a novel task for auditing students (8/63 participants indicated any valuation experience), I also examine whether participants appropriately apply accounting standards for valuing inventory. Participants who evaluate the per-unit price above $315 fail to follow the valuation standards provided in the case, suggesting poor task learning and performance. See Table 8 for descriptive statistics and statistical tests. Auditors in the future non-auditor/audit framing condition value the inventory above carrying cost marginally more than all other conditions (Panel C, 33.33% vs. 8.33-16.67%, $t_{59} = 1.86$, p = 0.067)[35], suggesting worse

[35] The residual between-cells variance is not significant ($F_{2,59} = 0.08$, p = 0.922), and q^2 is 0.010.

learning and worse performance on a novel inventory task. This is consistent with my hypothesized process: participants with higher task value perform better, such as by appropriate application of inventory valuation accounting standards in a novel task.

6.4 Discussion

I find mixed evidence that auditing students react to future identity and utility framing in line with my hypothesized process. Namely, student participants value audit tasks less in the future non-auditor/audit utility condition compared to all other conditions. Future auditor participants elaborate more than future non-auditor students, though I do not find a mitigating influence of broad utility. However, students with more (less) task value learn to complete a complex task better (worse), as indicated by fewer (more) violations of accounting standards. I do not find consistent results for per-unit value or reasonableness assessments. However, given the novelty of inventory valuation, there is a potential that student participants did not have sufficient task experience or knowledge to perform the task (Libby and Luft 1993; Griffith et al. 2021), limiting inferences from these variables.

In all, results from the student experiment provide support for my theorized process, replicating theoretical takeaways from the auditor experiment. Moreover, these results suggest that audit student populations, who have not yet entered the audit profession, view the inherent importance and usefulness of audit tasks differently than current working auditors. This difference in how future identities influence working auditors and auditing students suggests a transition once auditors enter the workplace in how they see the importance and meaningfulness of audit tasks to their future identity. Future research can determine when and how this shift occurs over the course of auditors' professional careers.

CHAPTER 7

CONCLUSION

Practicing auditors commonly see themselves leaving audit in the future for other career opportunities. Yet, while incredibly common, the audit literature has not investigated the effect of future exit plans on current auditor task performance. I experimentally examine how auditors' future identities and utility framing influence elaboration and performance on complex tasks by affecting the value auditors perceive in audit tasks. However, contrary to expectations, a salient future non-auditor identity *increases* the value of audit tasks for working auditors, and reminders of broad utility for audit and business careers mitigate a loss of task value for those with future auditor identities. Auditors with higher task value and elaboration perform better if skeptical about client assertions. However, auditors who primarily focus on futures and utility outside audit apply their elaboration on client-supportive evidence, leading to worse performance.

My study contributes to the audit literature by introducing an alternative lens to view the auditor professional identity. By viewing identity – not only as a set of norms, values, or group biases – but as an aspirational goal state, I demonstrate the power and limitations of identity to improve audit quality. Goal states provide motivation, such as the motivation to elaborate, as well as a focus and direction for one's thoughts and actions, such as a focus on client-supportive or skeptical evidence (Locke and Latham 2002). Thus, when operating as a goal state, identities have nuanced effects on audit quality. On the one hand, future non-auditor identities offer an incremental identity for which auditors can strive, beyond their current auditor identity. Increased motivation and elaboration can then improve audit quality if deployed in a skeptical manner. This aligns with theory and research linking elaboration to better auditor judgment and decision-making

(Griffith et al. 2021; Griffith 2018; Kadous and Zhou 2019). However, my study also demonstrates a boundary condition on this effect: increased elaboration may also increase reliance on client-supportive information and client-preferential analysis if auditors' goals or focus do not encourage audit quality-enhancing behaviors.

In this vein, my study also contributes to the audit literature on motivated reasoning. Kadous, Kennedy, and Peecher (2003) suggests that having directional goals to support the client's position lowers auditors' judgment quality. Moreover, this effect heightens with increased elaboration on the topic. My study reiterates an often-understated determinant for motivated reasoning: future identity as a client or client advocate. Prior research primarily suggests that auditors engage in motivated reasoning because of commercial pressures, such as preserving a current client relationship (Koch and Salterio 2017). My findings suggest that a focus on identities and utility outside of audit may create a similar directional goal to support client positions. Auditors with a future business focus may develop an affinity for their clients because clients represent a future version of themselves, or because auditors' future careers focus more on client advocacy (i.e., advisory, finance, etc.). Given this focus, my study suggests that auditors can engage in motivated reasoning, not just to appease their current client, but also because they may plan to become the client or anticipate more freely advocating for clients in the future.

Finally, my study contributes to recent conversations about how best to promote the audit profession to future auditors, especially accounting students. My results suggest that auditors value audit tasks incrementally more when reminded of leaving the profession, likely given the prevalent belief that audit serves as a springboard for other careers. This belief lies at the heart of many recent initiatives promoting the accounting major and profession, in which accounting's greatest asset is its flexibility and transferability to various career and industry paths (AICPA 2024; PwC

2024). However, the normative question of whether accounting firms, professors, and mentors *should* promote audit careers in this manner remains unclear, especially if auditors value audit work because they *plan to leave,* rather than because *they desire to stay,* in the profession. My findings, paired with current research, suggest this relationship with the audit profession may create negative long-term consequences for audit quality. For example, auditors maintain motivation and skeptical performance when they believe that audit work meaningfully impacts society – a belief that auditors may not develop, or may actively reject, if they primarily join the profession for its exit opportunities rather than its societal benefit (Rowley 2024; Daoust 2020). As such, audit leaders and mentors must deeply consider the implications of this message when formulating how to motivate the next generation of accounting majors and future auditors.

My study raises the following questions. First, given the differences in how current working auditors and auditing students value audit tasks, my study suggests that a fundamental shift in how one values audit tasks occurs after starting one's audit career. One potential explanation for this shift may be that working auditors spend more time rationalizing their career choices (i.e., why they remain in audit when they could pursue other careers) than students, making the value of audit tasks to non-audit careers increasingly salient to working auditors. Future studies may examine when this shift occurs and/or other mechanisms that shift how and why working auditors value audit tasks.

Moreover, the ambiguity of my setting may heighten the importance of directional bias on auditor judgment quality compared to less ambiguous, but complex, audit settings. I use an inventory obsolescence setting where seeded cues ultimately suggest that inventory is currently overvalued. However, sufficient ambiguity exists to mirror the complexity of auditors' real-world judgments (Griffith et al. 2021) and to create variation in auditors' responses. Given this

ambiguity, the direction of auditors' elaboration (i.e., skeptical vs. client-supportive) has a large influence on auditors' ultimate judgments, creating a break between high elaboration and performance when auditors approach the task with client-supportive attitudes. Future research can determine whether auditors do not experience this break in less ambiguous complex settings, such as settings where auditors require elaboration to identify issues but, once identified, the issues provide objective implications for the audit judgment.

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APPENDIX A

FUTURE IDENTITY MANIPULATION

Notes to reviewers

Text that is underlined indicates the "Auditor" future identity condition.

[Text in brackets] indicates the "Non-auditor" future identity condition.

I randomize initial order of strategies in the ranking activity.

Jordan is currently an audit associate at a public accounting firm. [That said,] Jordan has always imagined themselves as working in audit [*outside* of audit] in the future. When Jordan thinks about the future, they see themselves as becoming an audit partner or director [a CFO in industry or a consultant]. Jordan plans to continue in their current audit role as they decide which audit position (e.g., partner, director) [position outside of audit (e.g., in industry, advisory, or finance)] to pursue long-term.

1. Jordan thinks their current actions will have a large impact on their future. Please rank which strategies Jordan would be most likely to take now, given that they see themselves progressing in [outside of] audit in the future.
   - Network with audit professionals [professionals outside of audit].
   - Develop a timeline for advancing in their audit career [in their next career].
   - Talk to audit partners [leaders in other fields] about their work experiences.
   - Research job descriptions and requirements for various audit careers [careers outside audit].
   - Recruit mentors who will help them navigate a long-term audit career [career outside of audit].

2. Think back to a time when you felt and/or behaved like Jordan. Write a sentence or two about how you felt, behaved, or acted like Jordan.

APPENDIX B

UTILITY FRAMING MANIPULATION

Notes to reviewers:

Text that is underlined indicates the "Audit" utility framing condition.

[Text in brackets] indicates the "Broad" utility framing condition.

Your office originally scheduled Jordan to audit SEI's inventory cycle, including inventory valuations of three SEI products. Jordan typically works on clients without inventory balances, so this was going to be Jordan's first time performing inventory testing.

Before the engagement began, Jordan reviewed slides from a recent training that briefly discussed inventory:

> Tests of inventory are essential audit procedures [and important skills to understand for careers outside audit]. Inventory affects all audit transaction cycles [business functions]. For instance, inventory tests can directly impact audits of the expenditure and payroll cycles [a company's expenditure and payroll decisions]. In addition, auditors [businesses] use inventory information to make important decisions about the engagement's audit quality levels, staff scheduling, and billing rates [production levels, market pricing, and where to invest resources in the company], making inventory testing vital to an audit's [a business's] long-term efficiency and effectiveness. That said, learning and applying inventory concepts now will give you insight into the forces that drive audit [business] decisions, which in turn will help you progress in your audit [and other business] career[s].

Based on what you know about Jordan, how useful do you think Jordan sees inventory testing to achieving their long-term career goals?

0	1	2	3	4	5	6	7	8	9	10

Not useful at all Extremely useful

Explain why you believe Jordan sees inventory testing this way.

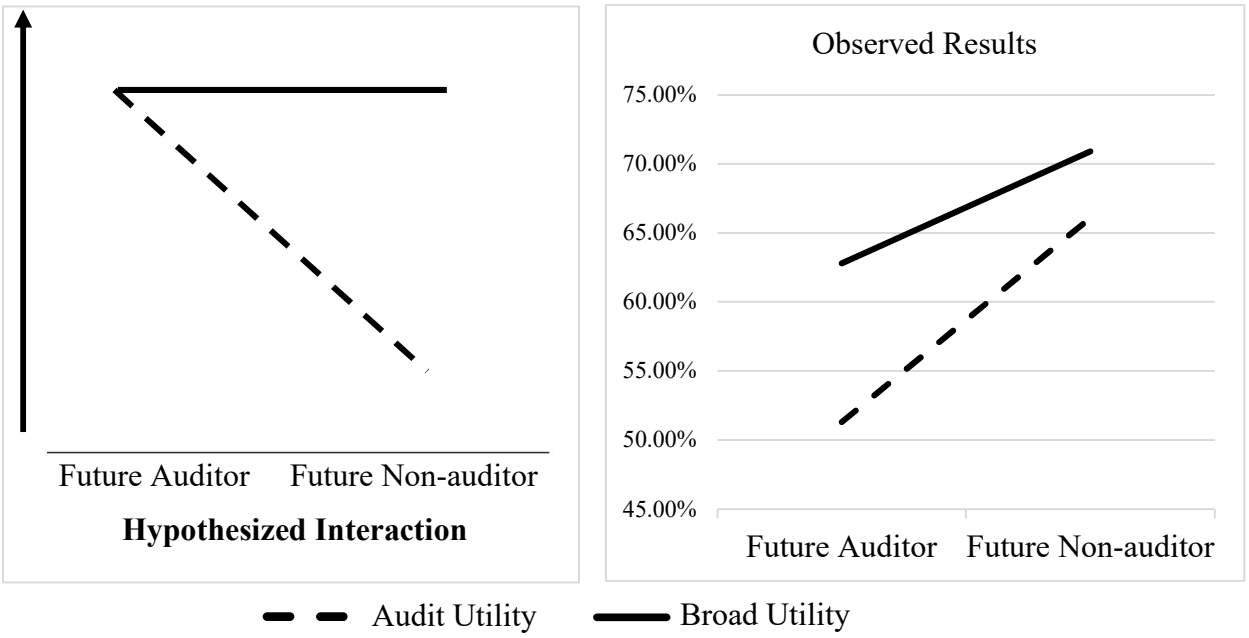

FIGURE 1

Hypothesized and Observed Interactions: Proportion of elaborated to total statements

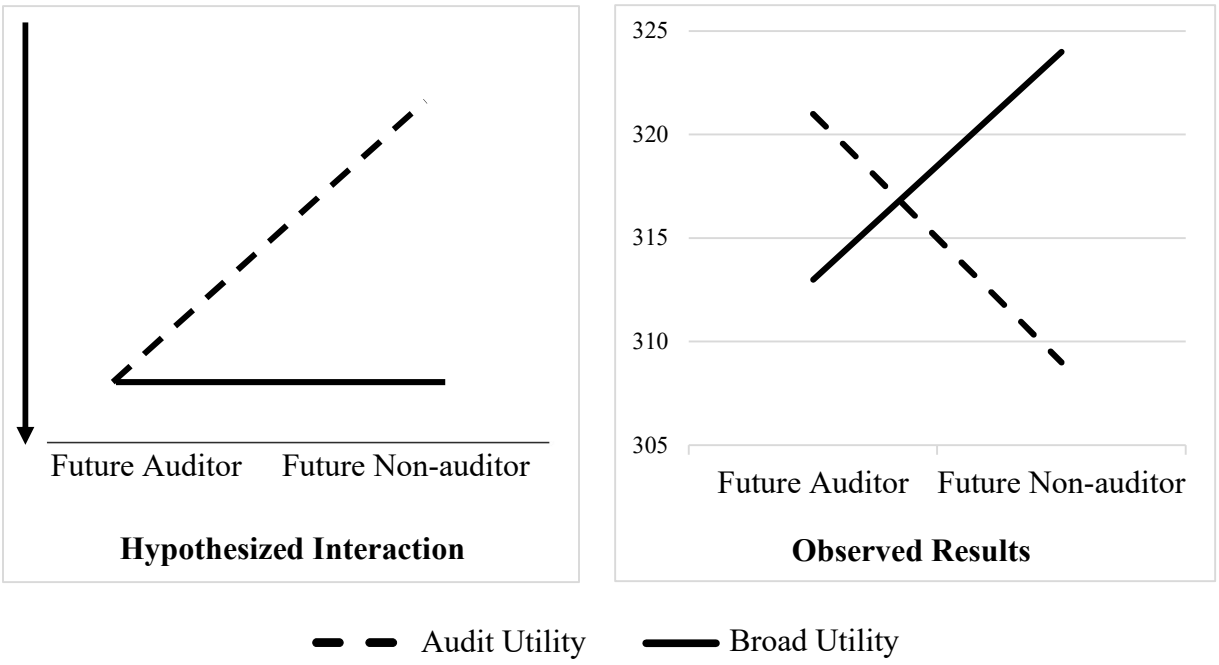

FIGURE 2

Hypothesized and Observed Interactions: Per-unit value of inventory

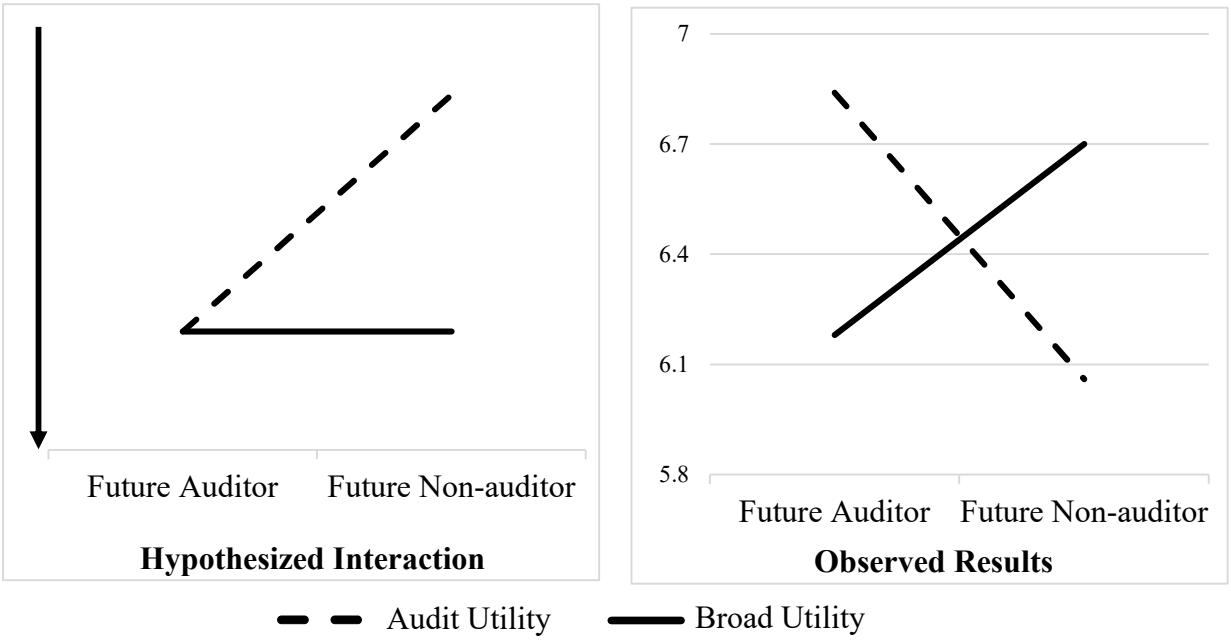

FIGURE 3

Hypothesized and Observed Interactions: Reasonableness of inventory

TABLE 1
Elaboration

Panel A: *Elaboration* – LS Mean (SE) [n]

		Future Identity		
Utility Framing		**Auditor**	**Non-auditor**	**Overall**
Audit Utility	Elaboration	2.10	2.71	2.40
	No elaboration	1.16	0.97	1.06
	Total	3.26	3.68	3.47
	Proportion elaboration	**51.3%**	**66.1%**	**58.7%**
		(6.40%)	(6.40%)	(4.53%)
		[31]	[33]	[64]
		A	B	
Broad Utility	Elaboration	2.42	2.67	2.55
	No elaboration	1.24	1.07	1.15
	Total	3.67	3.73	3.70
	Proportion elaboration	**62.8%**	**70.9%**	**66.9%**
		(6.21%)	(6.51%)	(4.50%)
		[31]	[30]	[61]
		C	D	
Overall	Elaboration	2.26	2.69	
	No elaboration	1.20	1.02	
	Total	3.46	3.71	
	Proportion elaboration	**57.0%**	**68.5%**	
		(4.46%)	(4.57%)	
		[62]	[63]	

Panel B: *Proportion Elaboration* – ANOVA Table

Source of Variation	**df**	**MS**	**F**	**p-value**
Future Identity	1	0.41	3.22	0.076
Utility Framing	1	0.21	1.65	0.202
Future Identity x Utility Framing	1	0.04	0.28	0.601
Error	121	0.13		

Panel C: *Proportion Elaboration* – Planned Contrast [1, -3, 1, 1]

	t_{121}	**p-value**
H1: Future Non-auditor/Audit Utility < all other conditions *,[a]	-0.60	0.724

Panel D: *Proportion Elaboration* – Contrast [-3, 1, 1, 1]

	t_{121}	p-value
Supp. Analysis: Future Auditor /Audit Utility < all other conditions [b]	2.08	0.040
Pairwise Contrasts		
Future Auditor vs. Future Non-auditor in Audit Utility condition (Cell A vs. Cell B)	1.29	0.198
Future Auditor vs. Future Non-auditor in Broad Utility condition (Cell C vs. Cell D)	0.53	0.597
Audit Utility vs. Broad Utility in Future Auditor condition (Cell A vs. Cell C)	1.63	0.105
Audit Utility vs. Broad Utility in Future Non-auditor condition (Cell B vs. Cell D)	0.90	0.370
Future Non-auditor/Audit Utility vs. Future Auditor/Broad Utility (Cell B vs. Cell C)	0.37	0.716
Future Auditor/Audit Utility vs. Future Non-auditor/Broad Utility (Cell A vs Cell D)	2.15	0.034

* I report a one-tailed p-value for this directional prediction.

[a] The residual between-cells variance for this contrast is not significant ($F_{2,121} = 2.35$, $p = 0.100$) and q^2 is 0.931.

[b] The residual between-cells variance for this contrast is not significant ($F_{2,121} = 0.38$, $p = 0.689$) and q^2 is 0.159.

Table 1 reports results for auditors' proportion of elaboration when explaining their inventory estimate. I manipulate *Future Identity* at two levels. In the Future Auditor condition, Jordan sees their future self in an audit career, such as an audit partner or director. In the Future Non-auditor condition, Jordan sees their future self in a career outside of audit, such as in industry or consulting. I also manipulate *Utility Framing* at two levels. In the Audit Utility condition, Jordan reads about the usefulness of inventory tasks to audit careers. In the Broad Utility condition, Jordan reads about the usefulness of inventory tasks relating to audit and other business careers. *Elaboration* is the number of statements coded as providing evidence of elaboration beyond the case facts. *Proportion Elaboration* represents the proportion of elaborated statements to the total number of statements made (i.e., *Total).*

TABLE 2
Per-Unit Value

Panel A: *Per Unit Value* – LS Mean (SE) [n]

	Future Identity		
Utility Framing	**Auditor**	**Non-auditor**	**Overall**
Audit Utility	321 (5.36) [30] A	309 (5.27) [33] B	315 (3.76) [63]
Business Utility	313 (5.11) [31] C	324 (5.36) [30] D	318 (3.70) [61]
Overall	317 (3.70) [61]	316 (3.76) [63]	

Panel B: *Per-Unit Value* – ANOVA Table

Source of Variation	**df**	**MS**	**F**	**p-value**
Future Identity	1	16	0.02	0.892
Utility Framing	1	337	0.39	0.533
Future Identity x Utility Framing	1	3,768	4.37	0.039
Error	120	862		

Panel C: *Per-Unit Value* – Planned Contrasts

	t_{120}	**p-value**
H2: Future Non-auditor /Audit Utility > all other conditions *,[a]	-1.65	0.949

* I report a one-tailed p-value for this directional prediction.

[a] The residual between-cells variance for this contrast is not significant ($F_{2,120} = 1.01$, $p = 0.366$) and q^2 is 0.433.

Table 2 reports results for auditors' estimate for the per-unit value of client inventory. See Table 1 for definitions of the independent variables. *Per-Unit Value* is auditors' estimated per-unit value of the client's inventory at year-end. The seeded information within the case suggests a significant decline in the inventory's market value. Thus, lower inventory values indicate that auditors have accounted for more seeded information, indicative of better performance and higher-quality judgments.

TABLE 3
Reasonableness

Panel A: *Reasonableness* – LS Mean (SE) [n]

	Future Identity		
Utility Framing	**Auditor**	**Non-auditor**	**Overall**
Audit Utility	6.84 (0.26) [31] A	6.06 (0.62) [33] B	6.45 (0.19) [64]
Broad Utility	6.18 (0.25) [31] C	6.70 (0.27) [30] D	6.44 (0.18) [61]
Overall	6.51 (0.19) [62]	6.38 (0.18) [63]	

Panel B: *Reasonableness* – ANOVA Table

Source of Variation	**df**	**MS**	**F**	**p-value**
Future Identity	1	0.51	0.24	0.625
Utility Framing	1	0.00	0.00	0.967
Future Identity x Utility Framing	1	13.03	6.13	0.015
Error	121	2.13		

Panel C: *Reasonableness* – Planned Contrasts

	t_{121}	**p-value**
H2: Future Non-auditor /Audit Utility > all other conditions *, [a]	-1.69	0.953

* I report a one-tailed p-value for this directional prediction.

[a] The residual between-cells variance for this contrast is significant ($F_{2,121}$= 3.15, p = 0.046) and q^2 is 0.715.

Table 3 reports results for auditors' assessments of the reasonableness of the client's inventory balance. See Table 1 for definitions of the independent variables. *Reasonableness* represents the auditor's judgment on an 11-point Likert scale (0 = Not at all reasonable, 10 = Extremely reasonable). Conditions seeded in the case suggest that inventory obsolescence concerns should cause inventory to fall below the tolerable threshold. Thus, lower reasonableness assessments represent better audit judgment quality.

TABLE 4
Elaboration content

Panel A: ***Elaboration content*** **–** LS Mean (SE) [n]

		Future Identity		
Utility Framing		**Auditor**	**Non-auditor**	**Overall**
Audit Utility	Skeptical	0.58 (0.23)	1.10 (0.23)	0.84 (0.16)
	Supportive	0.84 (0.21)	0.97 (0.21)	0.90 (0.15)
	Neutral	0.68 (0.17)	0.65 (0.17)	0.66 (0.12)
	Total Elaboration	2.10	2.71	2.40
		[31]	[33]	[64]
		A	B	
Broad Utility	Skeptical	0.91 (0.22)	0.63 (0.23)	0.77 (0.16)
	Supportive	0.73 (0.20)	1.40 (0.21)	1.06 (0.15)
	Neutral	0.79 (0.17)	0.63 (0.18)	0.71 (0.12)
	Total Elaboration	2.42	2.67	2.55
		[31]	[30]	[61]
		C	D	
Overall	Skeptical	0.75 (0.16)	0.87 (0.16)	
	Supportive	0.78 (0.15)	1.18 (0.15)	
	Neutral	0.73 (0.12)	0.64 (0.12)	
	Total Elaboration	2.26	2.69	
		[62]	[63]	

Panel B: ***Skeptical elaboration*** – ANOVA Table

Source of Variation	**df**	**MS**	**F**	**p-value**
Future Identity	1	0.45	0.28	0.601
Utility Framing	1	0.14	0.09	0.769
Future Identity x Utility Framing	1	4.89	2.99	0.086
Error	121	1.64		

Panel C: ***Supportive Elaboration*** – Contrast [-1, -1, -1, 3]

Source of Variation	**t_{121}**	**p-value**
Future Non-auditor/Broad Utility > all other conditions [a]	2.29	0.024

[a] The residual between-cells variance for this contrast is not significant ($F_{2,121}$= 1.40, p = 0.251) and q^2 is 0.111.

Table 4 reports results for the direction of auditors' elaboration about the inventory task. See Table 1 for definitions of the independent variables. I code all elaborated statements (i.e., statements providing evidence of elaboration beyond the case facts) into three categories based on the content and direction of these elaborations. *Skeptical* is the number of elaborated statements coded as challenging or questioning the client's assertions that the current inventory valuation is reasonable. *Supportive* is the number of elaborated statements that support the client's assertions that the current inventory valuation is reasonable. *Neutral* is the number of elaborated statements that neither challenge nor support the client's assertions about the current inventory valuation. *Total elaboration* is the total number of statements coded as providing evidence of elaboration beyond the case facts (note, this is displayed as "*Elaboration*" in Table 1).

TABLE 5
Student Experiment: Elaboration

Panel A: *Elaboration* – LS Mean (SE) [n]

Utility Framing		*Future Identity* Auditor	*Future Identity* Non-auditor	Overall
Audit Utility	Elaboration	3.50	2.33	2.92
	No elaboration	1.42	1.06	1.24
	Total	4.92	3.39	4.15
	Proportion elaboration	**67.2%**	**62.7%**	**64.9%**
		(9.14%)	(7.46%)	(5.90%)
		[12]	[18]	[30]
		A	B	
Broad Utility	Elaboration	2.83	2.07	2.45
	No elaboration	1.78	1.13	1.46
	Total	4.61	3.20	3.91
	Proportion elaboration	**57.9%**	**58.9%**	**58.4%**
		(7.46%)	(8.17%)	(5.53%)
		[18]	[15]	[33]
		C	D	
Overall	Elaboration	3.17	2.20	
	No elaboration	1.60	1.09	
	Total	4.76	3.29	
	Proportion elaboration	**62.5%**	**60.8%**	
		(5.90%)	(5.53%)	
		[30]	[33]	

Panel B: *Proportion Elaboration* – ANOVA Table

Source of Variation	df	MS	F	p-value
Future Identity	1	0.00	0.05	0.831
Utility Framing	1	0.06	0.65	0.424
Future Identity x Utility Framing	1	0.01	0.12	0.734
Error	59	0.10		

Panel C: *Proportion Elaboration* – Planned Contrast [1, -3, 1, 1]

	t_{59}	p-value
H1: Future Non-auditor/Audit Utility < all other conditions *,[a]	0.152	0.880

Panel D: *Elaboration* – ANOVA Table

Source of Variation	df	MS	F	p-value
Future Identity	1	14.31	4.05	0.049
Utility Framing	1	3.34	0.94	0.335
Future Identity x Utility Framing	1	0.61	0.17	0.679
Error	59	3.53		

* I report a one-tailed p-value for this directional prediction.

[a] The residual between-cells variance for this contrast is not significant ($F_{2,59} = 0.35$, $p = 0.704$) and q^2 is 0.974.

Table 5 reports results for participants' proportion of elaboration when explaining their inventory estimate. See Table 1 for definitions of the independent variables. *Elaboration* is the number of statements coded as providing evidence of elaboration beyond the case facts. *Proportion Elaboration* represents the proportion of elaborated statements to the total number of statements made (i.e., *Total).*

TABLE 6
Student Experiment: Per-Unit Value

Panel A: *Per Unit Value* – LS Mean (SE) [n]

	Future Identity		
Utility Framing	**Auditor**	**Non-auditor**	**Overall**
Audit Utility	319 (10.90) [12] A	322 (8.90) [18] B	321 (7.04) [30]
Business Utility	317 (8.90) [18] C	311 (9.75) [15] D	314 (6.60) [33]
Overall	318 (7.04) [30]	317 (6.60) [33]	

Panel B: *Per-Unit Value* – ANOVA Table

Source of Variation	**df**	**MS**	**F**	**p-value**
Future Identity	1	21	0.01	0.904
Utility Framing	1	751	0.53	0.471
Future Identity x Utility Framing	1	310	0.22	0.643
Error	59	1,426		

Panel C: *Per-Unit Value* – Planned Contrasts

	t_{59}	**p-value**
H2: Future Non-auditor /Audit Utility > all other conditions *,[a]	0.651	0.259

* I report a one-tailed p-value for this directional prediction.

[a] The residual between-cells variance for this contrast is not significant ($F_{2,59} = 0.18$, $p = 0.832$), and q^2 is 0.495

Table 6 reports results for participants' estimate for the per-unit value of client inventory. See Table 1 for definitions of the independent variables. *Per-Unit Value* is participants' estimated per-unit value of the client's inventory at year-end. The seeded information within the case suggests a significant decline in the inventory's market value. Thus, lower inventory values indicate that participants have accounted for more seeded information, indicative of better performance and higher-quality judgments.

TABLE 7
Student Experiment: Reasonableness

Panel A: *Reasonableness* – LS Mean (SE) [n]

	Future Identity		
Utility Framing	**Auditor**	**Non-auditor**	**Overall**
Audit Utility	5.83 (0.47) [12] A	6.00 (0.39) [18] B	5.92 (0.31) [30]
Broad Utility	6.39 (0.39) [18] C	7.00 (0.42) [15] D	6.69 (0.29) [33]
Overall	6.11 (0.31) [30]	6.50 (0.29) [33]	

Panel B: *Reasonableness* – ANOVA Table

Source of Variation	**df**	**MS**	**F**	**p-value**
Future Identity	1	2.32	0.87	0.356
Utility Framing	1	9.27	3.46	0.068
Future Identity x Utility Framing	1	0.76	0.28	0.597
Error	59	2.68		

Panel C: *Reasonableness* – Planned Contrasts

	t_{59}	**p-value**
H2: Future Non-auditor /Audit Utility > all other conditions *, [a]	-0.89	0.811

* I report a one-tailed p-value for this directional prediction.

[a] The residual between-cells variance for this contrast is significant ($F_{2,59} = 1.79$, $p = 0.176$), and q^2 is 0.845.

Table 7 reports results for participants' assessments of the reasonableness of the client's inventory balance. See Table 1 for definitions of the independent variables. *Reasonableness* represents the participants' judgment on an 11-point Likert scale (0 = Not at all reasonable, 10 = Extremely reasonable). Conditions seeded in the case suggest that inventory obsolescence concerns should cause inventory to fall below the tolerable threshold. Thus, lower reasonableness assessments represent better audit judgment quality.

TABLE 8
Student Experiment: Violations of Accounting Standards

Panel A: *Violations* – LS Mean (SE) [n]

	Future Identity		
Utility Framing	**Auditor**	**Non-auditor**	**Overall**
Audit Utility	8.33% (11.37%) [12] A	33.33% (9.28%) [18] B	20.8% (7.34%) [30]
Business Utility	16.67% (9.28%) [18] C	13.33% (10.17%) [15] D	15.0% (6.88%) [33]
Overall	12.5% (7.34%) [30]	23.3% (6.88%) [33]	

Panel B: *Violations* – ANOVA Table

Source of Variation	**df**	**MS**	**F**	**p-value**
Future Identity	1	0.18	1.16	0.286
Utility Framing	1	0.05	0.34	0.564
Future Identity x Utility Framing	1	0.31	1.98	0.164
Error	59	0.16		

Panel C: *Violations* – Planned Contrasts

	t_{59}	**p-value**
Future Non-auditor /Audit Utility > all other conditions [a]	1.86	0.067

[a] The residual between-cells variance for this contrast is not significant ($F_{2,59} = 0.08$, $p = 0.922$), and q^2 is 0.010.

Table 8 reports results for violations of accounting standards. See Table 1 for definitions of the independent variables. *Violations* is the proportion of participants who violate inventory valuation accounting standards. Participants receive guidance detailing accounting standards for valuing inventory based on the lower of cost or net realizable value. Given the facts of the case, the highest plausible per-unit value of the inventory is $315, the carrying cost of the inventory. As such, participants who evaluate the per-unit price above $315 violate accounting standards.