
The Impact of Emotional Intelligence Orientation on Audit Sustainability: Empirical Evidence from Vietnam*

Hai Thanh PHAN1, Thuong Thi MAI2, Tung Thanh NGUYEN3

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Abstract

The study investigates and measures the impact of the emotional intelligence orientation on audit sustainability in Vietnam. Survey data for this research were collected from 260 auditors (CPAs) currently working in auditing firms, for the period from April 2020 to July 2020. In this study, we have built a model with two dependent variables (Emotional intelligence orientation and Audit sustainability) and six independent variables (Proactive audit vision, Continuous audit development, Dynamic audit experience, Audit environmental change, Stakeholder expectation pressure, Advocacy culture). The research methods used include Cronbach’s Alpha test, exploratory factor analysis (EFA), confirmation factor analysis (CFA) and linear structural model analysis (SEM). The results showed that (1) Proactive audit vision, (2) Continuous audit development, (3) Dynamic audit experience, (4) Audit environmental change, (5) Stakeholder expectation pressure are positively related to emotional intelligence orientation. However, Advocacy culture is not positively related to Emotional intelligence orientation. The findings of this study suggest that emotional intelligence orientation positively impacts audit sustainability (similar to the findings by Thapayom, Ussahawanitchakit, & Boonlua, 2017, 2018 in Thailand). The results of this study provide a scientific basis for managers at auditing firms to make appropriate decisions to improve auditing activities in the coming years.

Keywords: Emotional Intelligence Orientation, Audit Sustainability, Auditor, CPAs, Vietnam

JEL Classification Code: M4, M42, M12, Q56

1. Introduction

Previous studies showed that human intelligence is a factor affecting the performance and the success of works in life. Human intelligence includes two parts: intelligent quotient (IQ) and emotional quotient (EQ). People with a high IQ usually are not successful in their careers, but people with high EQ are the opposite (Goleman, 1998a). There are also views that success in life depends 20% on IQ and 80% on EQ (Mayer & Salovey, 1995). The emotional quotient EQ is defined by Mayer and Salovey (1997, p.10) as the ability to perceive and express emotion, assimilate emotion in thought, understand and reason with emotion, and regulate emotion in the self and others. In the audit field, auditors’ EQ is considered as perception, managing, and controlling skills in the working process, and in the relationship with their customers (Bhattacharjee, Moreno, & Riley, 2012). Having good EQ would reduce stress in working, ensuring the balance between work pressure, judgment ability, and decision-making of auditors (Yang, 2013).

Some outstanding studies related to the effect of emotional intelligence on auditor’s judgment include the research by Yang, Brink, and Wier (2017), Yang (2013), Angelidis and Ibrahim (2011), Chung, Cohen, and Monroe (2008), Jannopat and Ussahawanitchakit (2013), Handoko, Lesmana, and Kosasih (2019). There are also a few studies about audit sustainability and the effect of emotional intelligence on audit sustainability such as research by

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In Vietnam, according to the Ministry of Finance, as of March 2020, there are currently 193 qualified audit firms with more than 2,216 registered auditors. Issues related to auditors have always interested scholars such as Nguyen et al. (2020), Doan et al. (2020), Nguyen and Nguyen (2020); however, there is no research on audit sustainability yet. Research on emotional intelligence is still limited and mainly about the effect of emotional intelligence on the working pressure of the auditors, and some other related area such as Dung and Hue (2019) and Hang and Linh (2016). This research provides more scientific evidence on the topic of emotional intelligence orientation and audit sustainability, and their relationship through the perception of auditors.

Besides the introduction and the conclusion parts, we include the literature review and hypothesis development, data and research methodology, analysis and discussion of research results.

2. Literature Review and Hypothesis Development

2.1. Audit Sustainability

Audit sustainability is a term that is mentioned and defined differently by different scholars. Basically, we can divide the definition into two different groups: sustainability of the audit projects (narrow viewpoint) and sustainability of the audit works performed by the customers' request (broad viewpoint).

From a broad point of view, auditing is a service originating from the expectations of the society, investors, owners, and other parties interested in the financial status of a business entity (enterprises, corporations, units in the public sector, etc.) Arens, Elder, and Beasley (2005) believed that the main reasons leading to the lawsuits faced by accounting firms are business failures and audit failures. Business failures are because firms are unable to pay debt obligations or unable to meet the investors’ expectations. On the other hand, audit failures occur when the auditor cannot perform the audit works following the audit criteria and issue wrong audit opinions. Issuing wrong audit opinions would reduce the public trust about the audit firms and therefore would affect the existence and development of the audit profession. In other words, audit sustainability would be affected by the quality of the audit opinion and auditors’ judgment about the audit projects. Therefore Chang et al. (2008) agree that auditors need to have a clear understanding of the business field and the firms that they are providing audit services for, before accepting the audit works to increase the audit quality and limit the potential legal risks.

Under this broad viewpoint, the audit sustainability is the public acceptance of audit firms’ reputation and audit quality, through which would help audit firms to retain their current customers as well as attract more new customers. Increasing audit quality is the best solution to achieve the audit objectives, which would also help to ensure the continuation of the audit activities (Chen, Tsui, & Farh, 2002; Thapayom, Ussahawanitchakit, & Boonlua, 2017, 2018).

Regarding the narrow point of view, audit sustainability is considered as an evaluation criterion of audit services provided to the customers. Coyne (2006) considered audit sustainability as testing and evaluation activities focusing on three factors: economic, environmental, and social. Therefore, during the past, audit sustainability is a research topic of many different scholars, and depending on the approaching methods, there are different factors affecting audit sustainability such as factors from audit firms, factors from audit customers, and other factors. In this study, we chose to research about the factors from audit firms, with the hypotheses that the auditors’ emotional intelligence orientation would affect the audit sustainability.

2.2. Emotional Intelligence Orientation

Emotional intelligence is a topic getting a lot of attention and is studied by different approaches. Salovey and Mayer (1990) defined emotional intelligence as “the subset of social intelligence that involves the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions” (pg. 189). After that, this definition is reviewed and adjusted as “the ability to perceive and express emotion, assimilate emotion in thought, understand and reason with emotion, and regulate emotion in the self and others” (Mayer & Salovey, 1997, p.10). This definition becomes widely accepted in many types of research. Goleman (1998a), Bar-On (2000) concluded that emotional intelligence is a good way to reduce stress, communicate effectively, and overcome obstacles.

Scholars have suggested that many factors are creating emotional intelligence. Mayer and Salovey (1997) and Mayer and Caruso (2000) suggest a 4-factor model of emotional intelligence including: (1) awareness of one’s own and others’ emotion; (2) emotional facilitation; (3) emotional understanding; and (4) management of one’s own and others’ emotions. The first component is the ability to perceive emotion: this ability combine skills that help an individual to perceive, understand and show his emotion. The second component is the ability to use emotions to support, motivate thinking: this ability uses emotions to support judgment, recognizing that mood changes can lead to changing the alternative perspectives and understands that a change in emotional state and outlook can encourage different types
of problem-solving abilities. The third component is the capacity to understand emotions and the laws of emotions: this capacity helps to understand the causes and processes of emotions, understand the temporary complex mix of emotions, and devise the law of love. The fourth component is the ability to manage emotions: this ability helps to control, control one’s own emotions, organize emotions to support a certain social goal, and control the emotions of others.

At the same time, Goleman (1995) defined emotional intelligence as “self-control, zeal and persistence, and the ability to motivate oneself”. Goleman’s model includes five different aspects of emotional intelligence: (1) knowing one’s emotions; (2) management emotions; (3) motivating oneself; (4) recognizing emotions in others; and (5) handling relationships. Bar-On (1997) defined emotional intelligence as emotional-social intelligence comprised of five key components: intrapersonal skills, interpersonal skills, adaptability, stress management, and general mood. Under this point of view, emotional intelligence is a combination of individual characteristics and cognitive abilities including the ability to perceive, understand, and know-how to express one’s emotions; the capacity to recognize, understand, and sympathize with others; the ability to cope with emotions and control your own emotions; the ability to adapt to changes and to solve personal or social problems; maintain a stable and positive overall mood.

In later research, Petrides and Furnham (2001) suggested that emotional intelligence is a structure encompassing 15 aspects, divided into four groups: sentimentality, self-control, sociability, and happiness. Sentimentality shows the degree of understanding the feelings of oneself as well as that of others, the ability to express emotions, the ability to build and maintain personal relationships. Self-control is the ability to control emotions, withstand pressure, and manage stress, think carefully, and not act spontaneously. Sociable is the diplomatic and social skills, the ability to influence the emotions of others, to be frank, honest, and ready to fight for their interests. The feeling of happiness is success and confidence, joy, and satisfaction with life, always looking at everything with a positive eye.

In the accounting field, there are many types of research about emotional intelligence from different authors. Cook et al. (2011) determined that emotional intelligence may allow accountants to perform better in leadership, team building, client relations, and decision-making. Other factors related to emotional intelligence, including leadership, team building, and individual relationships, are considered very important, and are mentioned in many accounting organizations such as the American Institute of Certified Public Accountants, Canadian Institute of Chartered Accountants, Institute of Management Accountants, Certified Management Accountants of Canada. In the audit field, research by Jannopat and Ussahawanitchakit (2013), based on interviews of 219 tax auditors in Thailand, identified four factors of emotional intelligence including: self-awareness, self-management, social awareness, and relationship management. On the other hand, Thapayom, Ussahawanitchakit, and Boonlua (2017) suggest an emotional intelligence orientation model with six factors including: proactive audit vision, continuous audit development, dynamic audit experience, audit environmental change, stakeholder expectation pressure, and advocacy culture. Specifically, we analyze the factors as follow:

2.2.1. Proactive Audit Vision

Up to now, there have been many studies on the topic of proactive audit vision. Research by Altiok (2011) said that, proactive audit vision refers to the direction and goals of the audit aimed for success by focusing on creating long-term value for clients and providing a comprehensive audit mechanism, including intention and consideration to achieve long-term success. Proactive audit vision will help audit learning competency and integrative audit resource implementation to the fullest.

While O’Donnell and Schultz (2005) suggested that proactive audit vision has an influence on operational risk assessment identification, analysis, and risk management relevant to the preparation of financial statements presented fairly and according to the GAAP.

Research by Thapayom, Ussahawanitchakit, and Boonlua (2017) concluded that, auditors with great proactive audit vision tend to focus on the audit requirements in the future to achieve the purpose of auditing and considering survives in the audit. Thus, auditors with greater proactive audit vision are likely to improve emotional intelligence orientation for develop the capacity in order to survive in the profession. Based on the results of previous research, the hypothesis is formulated as follow:

H1: Proactive audit vision will positively relate to emotional intelligence orientation.

2.2.2. Continuous Audit Development

According to Generally Accepted Auditing Standards (GAAS) and the Vietnamese Standards of Auditing (VSA), auditors should maintain their professional proficiency though continuous audit development. Continuous audit development is designed to maintain or enhance participants’ skills, knowledge, and aptitudes in areas applicable to performing audits or the attestation of engagements. Especially, maintaining ability through a commitment to learning and development throughout an auditor’s professional life is a significant component for auditors.
Lim-U-Sanno and Ussahawanitchakit (2009) suggested that, “Continuous development enables an auditor to transition from useful knowledge to professional judgments.” Wong and Chueng (2008) approach continuous audit development from a different perspective. They concluded that, “Continuous audit development refers to an auditor’s attitude in long-term learning for developing audit skills and abilities through education, seminars and training in accounting and auditing programs which have been pursued in relevant news such as accounting and auditing standards announcements, dynamic regulation, and economic change. Continuous audit development leads to new and higher levels of thinking and creation of new/superior ideas and creativity, points of view, and knowledge.”

Kaewyong, Muenthaisong, and Ussahawanitchakit (2014) found that professional training was positively correlated with emotional intelligence. While Thapayom, Ussahawanitchakit, and Boonlua (2017) concluded that continuous audit development can help auditors attain more emotional intelligence orientation. Based on the results of previous research, the hypothesis is formulated as follow:

**H2:** Continuous audit development will positively relate to emotional intelligence orientation.

### 2.2.3. Dynamic Audit Experience

Meschi and Metais (2006) suggested that dynamic audit experience leads to inclusive knowledge creation, and wide-ranging, various industry skills help auditors correct a pass in audit engagement. Previously, Wong and Cheung (2008) determined that dynamic audit experience refers to the accumulation of diversity knowledge, know-how, and expertise in work that is transmitted from different audits under the difference of a client’s industry, including learning from the successes and mistakes based on their previous experiences. Jones and Abraham (2009) have found that the diversity of experience is an important factor for developing emotion intelligence. Work experience is an instrument in improving emotional intelligence (Cook et al., 2011; Khanifar et al., 2012).

Research by Thapayom, Ussahawanitchakit, and Boonlua (2017) concluded that auditors who have dynamic audit experience have accumulated diverse knowledge, know-how, and expertise in work transmitted from different audits under the difference of a client’s industry, including learning from the successes and mistakes based on their previous experiences. Thus, experiences of auditors are an instrument in improving emotional intelligence. Based on the results of previous research, the hypothesis is formulated as follow:

**H3:** Dynamic audit experience will positively relate to emotional intelligence orientation.

### 2.2.4. Audit Environmental Change

Many authors in their studies previously agreed that, in order to have success and survive, an auditor needs to be able to learn and change as external challenges arise. A better understanding of the working environment can help auditors meet the expectations of their own performance. Consequently, auditors are operating in an environment that has changed considerably as a result of rapid changes and uncertainties such as decisions made in uncertain conditions. Research by Rowley and Gibbs (2008) suggested that decision-making processes based on information, knowledge and learning are designed to reduce uncertainty leading to goal achievement. The auditors are aware that they need to be competitive to survive in a global environment. They need to learn from environmental situations.

Research by Jannopat and Ussahawanitchakit (2013) concluded that an uncertain environment may affect performance such as in changes in accounting and auditing standards, the process of express an opinion on financial statements, audit methods and methodologies, regulations, and volatility in competition. So, auditors must learn about the uncertainty in the environment to adjust the emotion, and adapt to keep pace with those changes. This will increase the competitive advantage to succeed and survive in the profession. The authors found that environmental change was positively correlated with emotional intelligence. Thapayom, Ussahawanitchakit, and Boonlua (2017), based on the results of a survey of auditors in Thailand, had similar results. Based on the results of previous research, the hypothesis is formulated as follow:

**H4:** Audit environmental change will positively relate to emotional intelligence orientation.

### 2.2.5. Stakeholder Expectation Pressure

Roome and Wijen (2006) suggested that stakeholder expectation pressure refers to auditor perception of the requirements of financial users, government agencies, clients and stakeholders for information reliability, and audit report responsibility, which affect decision-making. Stakeholder forces impact auditors’ actions consistent with social expectation (Sarkis, Gonzalez-Torre, & Adenso-Diaz, 2010). Externalities often cause stakeholders to increase pressure on auditors to reduce negative impacts and increase positive ones. Thus, stakeholder engagement is important in order for auditors to establish social legitimacy. Moreover, audit abilities that foster cooperation and learning are a critical part of stakeholder engagement. Responding to stakeholder pressure requires audit learning capabilities, especially when there are conflicting forces derived from a diversity of stakeholders (Roome & Wijen, 2006).
McEnrue, Groves, and Shen (2009) found that the expectations of different individuals affect emotional intelligence. So, a person must adapt to meet expectations. It is consistent with Kaewyong, Muenthaisong, and Ussahawanitchakit (2014) who found that stakeholder expectation was positively correlated with emotional intelligence. But Thapayom, Ussahawanitchakit, and Boonlua (2017) found that expectation pressure auditors perceived from stakeholder focuses on the reliability of the financial statements for only benefit in decision-making. But expectation pressures do not focus on personal characteristics of auditors such as emotional intelligence orientation because this factor is not directly affects the reliability of the financial statements. Based on the results of previous research, the hypothesis is formulated as follow:

**H5:** Stakeholder expectation pressure will positively relate to emotional intelligence orientation.

### 2.2.6. Advocacy Culture

Research by Bhimani (2003) concluded that advocacy culture can generally affect the motivation, behavior and performance of audit firm personnel as well as specific decisions and actions such as auditor judgment on materiality, and auditor independence (Windsor & Ashkanasy, 1996). The advocacy culture has an important influence on the values, ethics and attitudes of audit partners and other members of the engagement team, because the environment in which the engagement team works can materially affect the mindset of partners and staff, and consequently the way they discharge their responsibilities. Also, prior research found that the differences of culture among auditors can affect their judgments (Cowperthwaite, 2010).

Meanwhile, Thapayom, Ussahawanitchakit, and Boonlua (2017) argued that, given Thailand’s cultural characteristics, there is no positive relationship of advocacy culture impact on emotional intelligence orientation. This research posits that, when advocacy culture exists in an audit firm, it increases the relationships between antecedents and emotional intelligence orientation, so, the hypothesis is formulated as follow:

**H6:** Advocacy culture will positively relate to emotional intelligence orientation.

### 2.3. The Impact of Emotional Intelligence Orientation on the Audit Sustainability

Thapayom, Ussahawanitchakit, and Boonlua (2018) suggest an emotional intelligence orientation model with five factors including: intrapersonal awareness competency, interpersonal relationship capability, stress management ability, environmental adaptability potentiality, and mood creativity focus. Results of their study indicated that two dimensions of emotional intelligence orientation (including intrapersonal awareness competency, and mood creativity focus) have a significant positive association with continuous audit achievement and audit sustainability, while environmental adaptability potentiality only significant positive association with continuous audit achievement. Furthermore, continuous audit achievement has a positive influence on audit sustainability. From the results, it can be summarized that auditors with great emotional intelligence orientation level (especially, intrapersonal awareness competency, environmental adaptability potentiality, and mood creativity focus) will increase continuous audit achievement, which leads them to audit sustainability.

Although this study identifies components of emotional intelligence orientation different from Thapayom, Ussahawanitchakit, and Boonlua (2018), it still expects that emotional intelligence orientation itself will have a positive relationship on audit sustainability. Thus, the following hypothesis:

**H7:** Emotional intelligence orientation will positively relate to audit sustainability.

### 3. Data and Research Methodology

#### 3.1. Conceptual Model

Combining results from different studies, the authors suggest the following model for this research:

#### 3.2. Data Collection

According to the data provided by the Ministry of Finance on their website, as of 02/03/2020, Vietnam counted about 4,000 certified public accountants CPA working in 193 audit firms. However, there are only about 2,216 CPA qualified to sign the audit reports. Therefore, we can consider the 2,216 CPA is the total number; using the testing table of Krejcie and Morgan (1970), the minimum sample is 327 people.

On the other hand, according to Hair et al. (2006) the minimum sample size for EFA analysis should be five times the total number of variables observed in the questionnaire. For this study the sample size – 260 – is much larger than the minimum of 36 × 5 = 180. Meanwhile, according to Tabacknick and Fidell (2001), for the best regression analysis, the sample size must satisfy: \( n > 8k + 50 \) (k is the number of independent variables).

On the basis of the above analysis, we decided to double the minimum sample number to 654 (= 327 × 2) survey questionnaires distributed via Google Forms. After checking and screening, only 260 corrected and completed responses...
were selected for analysis. Thus, the response rate of the email is 39.75%, which is an appropriate result as per Aaker, Kumar, and Day (2001) for email survey; the response rate of 20% is satisfactory.

The data collection period was from April 2020 to July 2020. The survey participants’ criteria are those who are currently on the list of CPA eligible to practice by the Ministry of Finance. Respondents were divided into several groups according to control variables including: work status, gender, type of audit business, age, number of years of experience. Information about the study sample is detailed in Table 1.

3.3. Variables and Measures

Within this research, there are two types of variables: dependent variables and independent variables. The independent variables include: Proactive audit vision (PAV) with five observations; Continuous audit development (CAD) with 4 observations; Dynamic audit experience (DAE) with five observations; Audit environmental change (AEC) with four observations; Stakeholder expectation pressure (SEP) with five observations; Advocacy culture (AC) with four observations. The dependent variables include: Emotional intelligence orientation (EIO) with four observations, and Audit sustainability (AS) with five observations.

The dependent and independent variables are listed in the questionnaire with a total of eight variables and 36 observations, using 5-point Likert measurement scale (Level 1 – Absolutely disagree, Level 2 – Disagree, Level 3 – Undetermine between agree and disagree, Level 4 – Agree, Level 5 – Strongly agree). These measurements are observed and adjusted from previous studies, specially studies of Thapayom, Ussahawanitchakit, and Boonlua (2017, 2018). After that, the authors conducted interviews with experts (10 people) who currently are managers with more than 15 years of working experience. After adjustments from the observations, we process to interview in two groups with five auditors working in the independent audit company and five lecturers in the university. Based on the initial analysis of 20 samples, we increased our sample size and perform interviews with a total of 300 questionnaires. The results are 260 completed and qualified questionnaires as mentioned above.

3.4. Analysis Method

The authors analyzed the effect of independent variables on the dependent variables using the combination of SPSS 20 software and AMOS. With SPSS, we performed measurement quality testing technique using Cronbach’s Alpha. The measurement scale is considered good when
the overall CRA factor > 0.6 and the corrected item total correlation > 0.3 (Nunnally, 1978; Peterson, 1994). All the measurement scales and observation variables are continued to perform Exploratory Factor Analysis, EFA.

In the EFA analysis, we performed the compatibility testing using KMO Kaiser-Meyer-Olkin measure. According to Hair et al. (2006), when KMO is qualified from 0.5 to 1, the analyzed factors are compatible. At the same time, we performed the correlation testing of the observation variables in each scale using Bartlett’s test. When the significance (sig.) is less than or equal to 0.05, then the variances are equal across groups or samples. Beside that, we also performed the cumulative variance testing, which show the percentage change in the factors explained by the variable are compatible.

### 4. Results and Discussion

#### 4.1. Cronbach’s Alpha and EFA Testing

Test results from Cronbach’s Alpha in Table 2 showed that the CRA factors of the dependent and independent variables are greater than 0.6, therefore all 36 observations in the measurement scales qualify to be used in the next stage of the analysis. Besides, the indexes show the suitability and linear correlation of the observed variables as shown in the indexes in Table 3.

According to the above analysis with KMO, P-value, VAE, both the factor loading and Eigenvalue factor qualify. This show that the factors used in this model, the observations in each measurement scales, and the change of the factors explained by the variable are compatible.

#### 4.2. Results of CFA Test

**The Suitability of the Model**

This model has 562 degree of freedom (df), CFA shows the value $p = 0.000$; RMSEA $= 0.033 < 0.08$; Chi-Square $= 716.648$; Chi-Square/df $= 1.275 < 5$; TFI $= 0.958 > 0.9$. CFI $= 0.962 > 0.9$. The results showed that the data is accepted with suggest model.

**Evaluate Reliability, Convergent Value, Value Discrimination**

Based on the above table, the composite reliability of all the factors are greater than 0.7, and the AVE is greater than 50%, therefore we can concluded that the factors in our model are reliable.

Performing the correlation coefficient analysis between the pairs of factors, we have the result with the highest value of 0.785, not exceeding 0.85, so the factors satisfy the condition of discriminant value.

#### 4.3. Model and Hypothesis Testing

The authors use SEM to test the conceptual model and formulated hypotheses. The research model’s estimation results show that there are eight concepts in the model: (1) Proactive Audit Vision; (2) Continuous Audit Development; (3) Dynamic Audit Experience; (4) Audit Environmental Change; (5) Stakeholder Expectation Pressure; (6) Advocacy Culture; (7) Emotional Intelligence Orientation; and (8) Audit Sustainability.
Table 2: Test Results of Cronbach’s Alpha Coefficients and EFA on Scales

<table>
<thead>
<tr>
<th>Observed</th>
<th>Scales</th>
<th>Cronbach’s Alpha</th>
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<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>AuS1</td>
<td>0.844</td>
<td></td>
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<tr>
<td>AuS4</td>
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</tr>
<tr>
<td>AuS3</td>
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Table 3: Results of EFA Test

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<th>Sig</th>
<th>AVE (%)</th>
<th>Eigen Value</th>
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</tr>
<tr>
<td>2. Dependent Variables</td>
<td>0.912</td>
<td>0.000</td>
<td>74.853</td>
<td>1.330</td>
</tr>
</tbody>
</table>

Table 4: Composite Reliability and Variance Extracted Test

<table>
<thead>
<tr>
<th>Factors</th>
<th>Symbol</th>
<th>C.R</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Proactive Audit Vision</td>
<td>PAV</td>
<td>0.977</td>
<td>0.893</td>
</tr>
<tr>
<td>2. Continuous Audit Development</td>
<td>CAD</td>
<td>0.877</td>
<td>0.651</td>
</tr>
<tr>
<td>3. Dynamic Audit Experience</td>
<td>DAE</td>
<td>0.939</td>
<td>0.757</td>
</tr>
<tr>
<td>4. Audit Environmental Change</td>
<td>AEC</td>
<td>0.929</td>
<td>0.767</td>
</tr>
<tr>
<td>5. Stakeholder Expectation Pressure</td>
<td>SEP</td>
<td>0.947</td>
<td>0.784</td>
</tr>
<tr>
<td>6. Advocacy Culture</td>
<td>AvC</td>
<td>0.845</td>
<td>0.587</td>
</tr>
<tr>
<td>7. Emotional Intelligence Orientation</td>
<td>EIO</td>
<td>0.973</td>
<td>0.899</td>
</tr>
<tr>
<td>8. Audit Sustainability</td>
<td>AuS</td>
<td>0.997</td>
<td>0.936</td>
</tr>
</tbody>
</table>

The conceptual model has 583 degree of freedom ($P$-value = 0.000), chi-square/df = 1.504 < 5, GFI = 0.848, CFI = 0.953, TLI = 0.957 and RMSEA = 0.044, and $p$ = 0.000 < 0.05. Therefore, the relationship between the concepts are satisfied theoretically.

The main parameter estimation results show that in both relationships are statistically significant ($p < 5\%$). Thus, the relationship of the concepts has met the theoretical expectation (see Figure 3).

Based on the results of SEM analysis, the author considers the testing of the initial hypotheses in Table 5 as follows:

Based on Table 5, the estimated (normalized) parameters are statistically significant ($p < 5\%$) except for the impact relationship AvC $\rightarrow$ EIO. Through this table shows that there are five factors that have a positive impact on Emotional Intelligence Orientation. At the same time, Emotional Intelligence Orientation has a positive impact on Audit Sustainability. With the removal of Advocacy Culture factor and impact weight analysis, we can see the results in Table 6.

Based on the results in Table 6, it can be seen that the factors affecting Emotional intelligence orientation in descending order are: (1) Stakeholder expectation pressure (SEP), (2) Proactive audit vision (PAV), (3) Continuous audit development (CAD), (4) Dynamic audit experience (DAE), and (5) Audit environmental change (AEC).

In order to improve the emotional intelligence orientation of auditors, there is a need to improving audit judgment, improving audit quality, audit performance, and improving audit sustainability. Managers at Vietnamese auditing firms must pay attention to improving the factors that are the premise that affects emotional intelligence orientation, including: stakeholder expectation pressure, proactive audit vision, continuous audit development, dynamic audit experience, audit environmental change.

- The most important role of an independent auditor is to create confidence for those who are interested. Because of that, the stakeholder expectation for the auditors’ responsibility and ethics in the audit process are very large. Auditing firms need to further strengthen training and retraining as well as implementing specific measures to improve the independence of auditors. It is the pressure of the related parties that the auditor must try and have a better personal development plan through the accumulation of experience, learning to improve qualifications.
- To enhance proactive audit vision for auditors, the auditing firm should pay attention to implementing meetings to discuss audit directions and objectives thoroughly during each audit with clients from the initial audit planning step. The careful planning of the audit goals and visions carefully and carefully will help the auditor to develop an effective plan and strategy to achieve higher results.
- Continuous audit development in an auditor’s attitude is long-term learning for developing audit skills and abilities. Therefore, the auditing company must create conditions for auditors to fully and regularly participate in seminars, training programs, and updating professional knowledge. Auditing companies should strengthen links with universities, training institutes to exchange lecturers with auditors. This implementation method will create an environment to promote continuous learning and improve the skills and capabilities of each auditor. Thereby helping auditing firms take initiatives to improve audit processes, methods and techniques.
- For the audit profession, experience is considered an intellectual property formed and accumulated by the auditor’s work in the firm. An audit is led and
performed by the more experienced auditors, the more assured the quality and economy of the audit are. Therefore, auditing firms need to have a work flow process, arrange audit team arrangements, and assign tasks appropriately based on the capacity and age of auditors.

- Auditing firms need to build and maintain a dynamic, competitive and collaborative work environment.

Besides building KPI indicators to evaluate the performance of each job and position. The firm needs to design and refine clear financial (salary, bonus, allowance) and non-financial (training, retraining, appointment and promotion) policies. This will contribute to changing the emotional intelligence orientation of each auditor, thereby creating more motivation to work more actively.

![Figure 2: Testing of CFA (Standardized Estimates)](image-url)
**Table 5: Results of Hypotheses Testing**

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>EIO ← PAV</td>
<td>0.195</td>
<td>0.033</td>
<td>5.857</td>
<td>***</td>
<td>Accepted H1</td>
</tr>
<tr>
<td>EIO ← SEP</td>
<td>0.211</td>
<td>0.034</td>
<td>6.270</td>
<td>***</td>
<td>Accepted H2</td>
</tr>
<tr>
<td>EIO ← DAE</td>
<td>0.122</td>
<td>0.031</td>
<td>3.996</td>
<td>***</td>
<td>Accepted H3</td>
</tr>
<tr>
<td>EIO ← AEC</td>
<td>0.098</td>
<td>0.028</td>
<td>3.481</td>
<td>***</td>
<td>Accepted H3</td>
</tr>
<tr>
<td>EIO ← CAD</td>
<td>0.138</td>
<td>0.027</td>
<td>5.191</td>
<td>***</td>
<td>Accepted H6</td>
</tr>
<tr>
<td>EIO ← AvC</td>
<td>0.013</td>
<td>0.026</td>
<td>0.489</td>
<td>0.625</td>
<td>Rejected H5</td>
</tr>
<tr>
<td>AuS ← EIO</td>
<td>1.035</td>
<td>0.109</td>
<td>9.520</td>
<td>***</td>
<td>Accepted H7</td>
</tr>
</tbody>
</table>

Figure 3: Testing of SEM (Unstandardized Estimates)

Chi-square=876,693 ; df=583
Chi-square/df=1,504 ;
GFI=.848 ; TLI=.953 ; CFI=.957
RMSEA=.044 ; P=.000
5. Conclusions

This research investigates the factors affecting emotional intelligence orientation and its impact on audit sustainability in Vietnam. We have used the quantitative research method to measure the influence of the variables representing the emotional intelligence orientation on audit sustainability. The measurement methods used were: CRA, CFA, SEM. The results showed that five factors affecting the same direction to emotional intelligence orientation of auditors in Vietnam, which are: (1) Stakeholder expectation pressure (SEP), (2) Proactive audit vision (PAV), (3) Continuous audit development (CAD), (4) Dynamic audit experience (DAE), and (5) Audit environmental change (AEC).

At the same time, emotional intelligence orientation will have a positive impact on audit sustainability. This is a study result that is relatively similar to previously published studies such as Thapayom, Usahawanitchakit, and Boonlua (2017, 2018) in Thailand. This research has some limitations: the experimental investigation is only conducted with a small sample size and in a short period of time, and the interviews were done only in certain areas of Vietnam. Future research should focus on increasing the sample size, as well as the time and places for the interview in order to get better results.

References


Table 6: Factors Affecting the Emotional Intelligence Orientation

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Estimate</th>
<th>%</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>EIO ← PAV</td>
<td>0.200</td>
<td>25.64</td>
<td>2</td>
</tr>
<tr>
<td>EIO ← SEP</td>
<td>0.211</td>
<td>27.05</td>
<td>1</td>
</tr>
<tr>
<td>EIO ← DAE</td>
<td>0.127</td>
<td>16.28</td>
<td>4</td>
</tr>
<tr>
<td>EIO ← AEC</td>
<td>0.101</td>
<td>12.94</td>
<td>5</td>
</tr>
<tr>
<td>EIO ← CAD</td>
<td>0.141</td>
<td>18.09</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>0.78</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>


Yang, L. (2013). The impact of emotional intelligence on auditors’ judgment. Theses and Dissertations, Virginia Commonwealth University, Richmond, Virginia, USA. Retrieved from https://scholarscompass.vcu.edu/cgi/viewcontent.cgi?referer=&httpsredir=1&article=1508&context=etd

