

## **Effect of the auditor's behavioral and individual characteristics on Integrated reporting quality: Evidence from Sri Lankan companies**

Thineshkarth, S.<sup>1</sup> and Lakshan, A.M.I.<sup>2</sup>

<sup>1,2</sup>*Department of Accountancy, University of Kelaniya*

<sup>1</sup>*s.thineshkarthik@gmail.com*: <sup>2</sup>*lakshan@kln.ac.lk*

### **Abstract**

Integrated Reporting (IR) represents the most recent evolution of the corporate reporting movement. The purpose of this paper is to examine the effect of the auditor's behavioral and individual characteristics on the integrated reporting quality. This study is based on a sample of 50 Sri Lankan industrial companies, covering the period 2017-2020.

Independent variables include Audit firm size, Auditor's specialization, Auditor's ethics and Auditor's behavior. The dependent variable is the IR quality. The present study adopts methodology rests on the hypothetic deductive approach. The data analyzed by means of multiple linear regression models. Faced with the scarcity of studies linking the auditor characteristics and the integrated reporting quality, the present study is elaborated to provide some kind of modest contribution, whereby, the determinants of integrated reporting quality are distinguishably highlighted.

The findings indicate that auditors' behavioral characteristics have a significantly positive effect on the integrated reporting quality. The findings indicate that the auditors can make a significant impact to the IR quality of the companies. The findings may be important to the auditors, and managers of the corporations who have not adopted IR yet and regulatory bodies who work on popularizing IR among the listed companies. The study contributes to the IR literature by exploring auditors' influence on IR quality.

**Key words:** *Integrated reporting, Audit firm size, Auditor specialization, Auditor ethics, Auditor behavior*