



From Checklists to Algorithms: Historical Trajectories and the Transformative Role of Artificial Intelligence in Auditing

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Abstract:

This conceptual study explores the historical evolution of auditing and evaluates the disruptive potential of artificial intelligence (AI) in reshaping core audit structures. Using institutional theory and models of technological disruption, it maps critical phases in audit development and identifies AI's impact across five domains: audit quality, efficiency, ethics, governance, and regulatory responsiveness. The study formulates theoretical propositions to clarify both opportunities and risks of AI integration. Findings suggest a historical pattern of reactive adaptation in auditing, with implications for ethics and competence development. The research offers practical and regulatory guidance and contributes original insights into the intersection of AI and Shariah-compliant audit systems.

Key words: Audit evolution; Artificial intelligence; Technological disruption; Auditor role transformation; Audit quality; Ethics in auditing.

JEL Classification Codes: M42, O33.

1. Introduction

Over the past century, the auditing profession has evolved in response to shifting regulatory, technological, and economic landscapes. From the early reliance on manual, checklist-based procedures to the integration of enterprise resource planning (ERP) systems and computer-assisted audit techniques (CAATs), audit practices have gradually embraced innovation as a means of improving efficiency, scope, and reliability. Yet, the current wave of technological advancement, led by artificial intelligence (AI), presents not merely an incremental improvement but a potential inflection point for the profession. Unlike prior tools that supplemented human judgment, AI technologies such as machine learning, natural language processing, and automated decision systems have the capacity to reconfigure core audit processes, challenge conventional skillsets, and introduce new dimensions of risk and oversight (Appelbaum, Kogan, & Vasarhelyi, 2017; Westermann, Cohen, & Trompeter, 2020).

To describe this magnitude of change, this paper adopts the concept of disruption, as articulated in Christensen's (1997) theory of disruptive innovation. Disruption, in this context, refers to the process by which new technology significantly alters or displaces established practices, roles, or institutions, by rendering existing models obsolete or fundamentally reshaping them. Applying this lens to auditing, AI may be seen as a disruptive force in that it alters the nature of audit evidence, expands the boundaries of what is auditable, and raises foundational questions about accountability, independence, and trust (Yoon, Hoogduin, & Zhang, 2015).

Importantly, the use of the term "disruption" in this analysis is not intended as rhetorical embellishment. Rather, it serves an analytical function: to frame AI not only as an enabler of audit innovation but also as a force that may destabilize established professional norms, regulatory frameworks, and auditor-client expectations. The historical record reveals that auditing has often adapted reactively to technological change, frequently lagging in integrating new tools, and only updating standards after pressures from markets or stakeholders necessitated reform (Humphrey, 2008; Power, 1997). Whether the profession is more prepared today to engage proactively with AI remains an open question.

This paper pursues three interrelated objectives. First, it constructs a conceptual timeline of auditing's historical evolution, identifying critical inflection points in methodology, oversight, and professional identity. Second, it explores how AI is reshaping the landscape of audit by affecting key dimensions such as audit quality, efficiency, ethics, governance, and regulatory responsiveness. Third, it proposes a set of theoretical propositions and recommendations for practitioners, regulators, and scholars, grounded in historical insight and forward-looking analysis.

By situating the emergence of AI within the broader trajectory of audit development, this study contributes to ongoing scholarly conversations about the future of assurance services. It argues that, while AI holds substantial promises for enhancing audit accuracy and efficiency, its integration must be guided by ethical considerations, updated regulatory frameworks, and a redefinition of the auditor's role in a digital environment. Learning from the past, and recognizing patterns of delayed adaptation, may enable the profession to navigate this disruption not as a threat, but as a moment of opportunity for responsible transformation.

Against this backdrop, the general problematic addressed by this study concerns the auditing profession's historical tendency to respond reactively to technological innovation, raising the question of whether it is adequately prepared to engage proactively with the transformative potential of artificial intelligence. The partial problematic focuses on how AI specifically disrupts foundational audit structures—particularly in relation to auditor competencies, professional ethics, and regulatory frameworks. The general hypothesis posits that AI functions not merely as an operational enhancement but as a disruptive force capable of reshaping audit practice at a structural level. The partial hypothesis suggests that, without a proactive and ethically guided approach, the integration of AI into auditing may exacerbate regulatory lags, ethical risks, and professional dislocation. To investigate these claims, this study applies a qualitative, conceptual methodology grounded in historical analysis and institutional theory, supplemented by insights from the literature on technological disruption. By doing so, it seeks to illuminate the intersection of innovation and accountability, offering both a critical evaluation of current trajectories and constructive recommendations for the future. The significance of this inquiry lies in its potential to inform the strategic responses of audit practitioners, standard-setters, and policymakers as they navigate the complex terrain of AI-enabled auditing.

2. Literature Review

2.1 The Historical Evolution of the Auditing Profession

The audit function has undergone significant transformations since its origins in the early 20th century, evolving from basic verification tasks to a multifaceted professional service deeply embedded in corporate governance and financial oversight. Early auditing practices were largely manual and procedural, focused on detecting fraud and verifying accuracy through direct inspection of records (Chandler, 1977). With the institutionalization of audit standards in the mid-20th century, particularly the development of Generally Accepted Auditing Standards (GAAS), the profession adopted a more standardized and risk-based approach to assurance (Power, 1997).

The rise of computer-assisted audit techniques (CAATs) in the 1970s and 1980s introduced a gradual shift from manual processes to automated tools, but these innovations were primarily used to support traditional audit functions rather than transform them (Dowling, 2009). The subsequent wave of ERP systems and digitized financial reporting in the 1990s and 2000s further pushed the profession toward integration with enterprise data systems, yet many auditing standards and professional frameworks lagged in adapting to these changes (Carcello et al., 2011).

Historical analyses reveal a consistent pattern: while audit technologies have evolved, the profession has typically responded reactively, not proactively, to such changes. As Humphrey (2008) notes, the “rituals of verification” often persist long after their technical foundations have shifted. This historical inertia is instructive in evaluating how the profession responds to AI today.

2.2 Technology and Disruption in Auditing

Technological advances have long been viewed as both a challenge and an opportunity for auditing. However, unlike previous tools that complemented human judgment, AI technologies—including machine learning, robotic process automation (RPA), and natural language processing—are increasingly capable of performing tasks that were once the exclusive domain of human auditors (Appelbaum, Kogan, & Vasarhelyi, 2017). These include anomaly detection, risk assessment, contract analysis, and even aspects of audit planning and reporting (Kokina & Davenport, 2017).

This shift aligns with Christensen’s (1997) theory of disruptive innovation, which describes how new technologies can reshape industries by introducing capabilities that challenge existing norms and displace traditional actors. In auditing, AI represents such a disruption by enabling real-time, high-frequency analysis of vast datasets—a capability fundamentally misaligned with periodic, sample-based audit models (Yoon, Hoogduin, & Zhang, 2015). As a result, traditional conceptions of audit quality, evidence sufficiency, and auditor expertise are being redefined.

Moreover, scholars have begun to document how AI-driven audit technologies affect auditor behavior and judgment. For instance, Westermann, Cohen, and Trompeter (2020) found that while data analytics enhances group decision-making in audit teams, it also introduces new complexities in interpreting algorithmic outputs. Similarly, Austin et al. (2021) caution that overreliance on AI tools may erode professional skepticism, particularly when audit teams lack the expertise to challenge AI-generated findings.

2.3 Key Dimensions of AI's Impact on Audit

The emerging literature on AI in auditing identifies five key domains where its impact is most significant:

1. **Audit Quality:** Several studies suggest that AI may enhance audit quality by improving fraud detection, enabling continuous auditing, and reducing human error (Issa, Sun, & Vasarhelyi, 2016). However, concerns persist about the opacity of algorithmic decision-making, which may undermine transparency and auditor accountability (Liu et al., 2022).
2. **Efficiency and Productivity:** AI technologies offer substantial gains in audit efficiency, particularly in automating repetitive tasks such as data entry, confirmation requests, and documentation (Rozario & Vasarhelyi, 2018). These gains, however, raise questions about the value proposition of traditional audit services and the restructuring of audit firm business models.
3. **Ethics and Bias:** The integration of AI also introduces new ethical risks, including algorithmic bias, data privacy concerns, and the ethical use of client data. As Dillard and Vinnari (2019) argue, technological solutions do not remove the need for critical ethical reflection within the audit profession.
4. **Governance and Regulation:** Regulatory frameworks have yet to fully respond to the use of AI in audits. While some jurisdictions (e.g., PCAOB, IAASB) have issued guidance on audit data analytics, there is no unified standard for AI use in assurance services (Krahel & Vasarhelyi, 2014). This regulatory lag echoes past historical patterns and suggests a risk of institutional unpreparedness.
5. **Auditor Role and Competence:** Finally, AI is reshaping the auditor's role, pushing professionals to acquire new skills in data science, algorithmic thinking, and systems governance. Yet, current education and certification frameworks remain slow to adapt (Byrnes, Al-Awadhi, & Gullkvist, 2021), creating a skills gap that may hinder the profession's ability to leverage AI effectively.

2.4 The Need for a Historical and Conceptual Lens

While empirical studies have begun to document the operational effects of AI in auditing, there remains a gap in understanding how these changes fit within the broader historical trajectory of the profession. Most studies focus on individual technologies or firm-level implementations without fully situating these developments in the evolution of auditing as an institution.

This paper addresses that gap by adopting a historical–conceptual approach. By tracing how the auditing profession has responded to prior technological shifts—and applying that insight to the challenges posed by AI—it aims to provide a more integrated understanding of AI's disruptive potential. In doing so, it aligns with calls for deeper theoretical reflection in accounting research (Humphrey & Gendron, 2015) and contributes to the emerging conversation on how audit standards, ethics, and professional identity must evolve in the face of technological change.

3. Methodology

This study adopts a conceptual and historical research methodology, which is well-suited for investigating the evolution of professional practices over time and theorizing about the implications of emergent technologies for institutional transformation. The objective is not to test hypotheses empirically, but rather to synthesize historical trends, theoretical constructions, and contemporary literature to develop a structured understanding of how artificial intelligence (AI) is reshaping the auditing profession.

3.1 Conceptual Research Approach

Conceptual research in accounting plays a vital role in theorizing underexplored phenomena, challenging existing assumptions, and guiding empirical investigation (Lukka & Modell, 2010; Kaplan, 2011). Following Whetten's (1989) framework for conceptual contributions, this paper seeks to provide both descriptive richness and theoretical insight by articulating (i) what aspects of auditing are being transformed, (ii) how these changes align with or deviate from historical patterns, and (iii) what this means for future practice, regulation, and research.

Particularly, this study draws on Christensen's (1997) theory of disruptive innovation to interpret the nature of technological change in auditing, and on institutional theory (Meyer & Rowan, 1977; DiMaggio & Powell, 1983) to frame the profession's adaptive or resistant responses to that change. These theoretical lenses help to situate AI within broader trajectories of professional evolution, regulation, and organizational inertia.

3.2 Historical Analysis

A historical lens is applied to understand how the auditing profession has previously responded to technological advances, including the adoption of computer-assisted audit tools (CAATs), data analytics, and ERP systems. Historical research in accounting is increasingly recognized as critical for grounding normative claims and providing insight into the institutional logics that shape current practice (Carnegie & Napier, 1996; Walker, 2008). As Walker (2015) emphasizes, accounting history offers a lens through which contemporary challenges can be better understood—not as isolated events, but as continuations of long-standing tensions between innovation, professional identity, and regulatory adaptation.

The historical analysis in this paper proceeds by identifying three distinct phases in the evolution of audit practice:

1. The manual and procedural audit era (early to mid-20th century),
2. The standardized and digitized audit era (late 20th century to early 21st),
3. The AI-influenced audit era (present and emerging future).

For each phase, key developments in technology, regulatory standards, and professional role expectations are examined through synthesis of secondary sources, prior audit histories, and conceptual literature.

3.3 Theoretical Propositions

Rather than testing hypotheses, this paper develops a set of theoretical propositions derived from the synthesis of historical patterns and current literature. These propositions reflect anticipated impacts of AI on five core dimensions: audit quality, efficiency, ethics, governance, and regulation. Such propositional development is an established method in conceptual scholarship, providing a structured basis for future empirical research and policy inquiry (Suddaby, 2010; Sandberg & Alvesson, 2021).

Each proposition is grounded in the observed institutional patterns of the profession's past reactions to innovation and framed to account for the unique characteristics of AI (e.g., opacity, autonomy, speed of development). The goal is not predictive certainty, but theoretical generalization that enables scholars and practitioners to anticipate and critically reflect on the unfolding transformation.

3.4 Trustworthiness and Scholarly Rigor

To ensure methodological rigor, the paper follows criteria for conceptual research validity proposed by MacInnis (2011), including clarity of constructs, internal consistency, breadth of integration across literature, and usefulness for theory and practice. In terms of historical method, care is taken to avoid presentism; the anachronistic projection of contemporary assumptions onto the past, by situating audit developments within their historical, economic, and institutional contexts (Carnegie & Napier, 1996).

3.5 Methodological Limitations

As a conceptual study, the primary limitation of this methodology is its lack of empirical testing. The insights generated are therefore exploratory and theoretical, not predictive or causally confirmed. Future research may extend the propositions developed here through case studies, fieldwork, archival analysis, or quantitative methods.

4. Theoretical Propositions

Grounded in the historical evolution of auditing and the transformative potential of AI, the following theoretical propositions articulate expected patterns and tensions associated with AI's integration into the profession. These propositions are framed to guide future empirical research and inform policy discussions.

Proposition 1: AI as a Disruptive Catalyst for Audit Quality

Building on Christensen's (1997) disruptive innovation theory, AI-driven audit tools will enhance audit quality by enabling deeper, continuous, and more precise

analysis of financial data. However, this improvement depends critically on auditors' ability to interpret and validate AI outputs, given the potential for algorithmic opacity and biases (Liu et al., 2022).

Proposition 2: Efficiency Gains Will Reshape Audit Work but Challenge Traditional Roles

AI will substantially increase audit efficiency by automating routine and data-intensive tasks (Rozario & Vasarhelyi, 2018). Consequently, the auditor's role will shift from data collection toward oversight, interpretation, and ethical judgment, requiring new competencies in data science and AI governance (Byrnes et al., 2021).

Proposition 3: Ethical and Governance Challenges Will Intensify with AI Adoption

The ethical implications of AI—including issues of bias, data privacy, and accountability—will necessitate the development of enhanced governance frameworks. Without proactive ethical standards and regulatory innovation, the auditing profession risks repeating historical cycles of delayed adaptation and reputational risk (Dillard & Vinnari, 2019; Krahel & Vasarhelyi, 2014).

Proposition 4: Historical Patterns of Reactive Regulatory Response Will Persist Unless Disrupted

Drawing on institutional theory, the profession's historical tendency toward reactive rather than proactive regulatory engagement will likely continue in the AI era. This inertia may slow the development of appropriate standards and oversight mechanisms, potentially undermining public trust and audit effectiveness (Power, 1997; Humphrey, 2008).

Proposition 5: The Transformation of Auditor Identity Will Depend on Education and Professional Adaptation

The sustainability of AI integration into auditing hinges on the profession's ability to evolve its educational curricula, certification processes, and professional norms to incorporate technological and ethical competencies (Kaplan, 2011; Walker, 2015).

4.1 Visual Timeline Framework: Historical Phases of Audit Evolution and AI Integration

The following table provides a historical-contextual framework outlining the evolution of audit practice across three distinct technological phases. This timeline, grounded in institutional and technological change theory, traces the progression of audit methodologies, tools, and professional roles from the early 20th century to the present. Each phase is characterized by shifts in technological capabilities, regulatory and professional expectations, and auditor responsibilities. This structured view not only situates the current emergence of AI in auditing within a broader historical

trajectory but also reveals recurring patterns of reactive adaptation and evolving identity within the profession. The framework serves as a foundation for the theoretical propositions developed in this study and highlights how past experiences can inform the responsible integration of AI into future audit practice.

Table X: Evolution of Audit Practice: A Timeline Framework

Phase	Time Period	Key Characteristics	Technological Focus	Regulatory/Professional Context	Implications for Auditor Role
Phase 1: Manual and Procedural Auditing	Early to Mid-20th Century	Physical inspection, sample-based verification	Paper records, manual calculation	GAAS development, emergence of standardized audits	Verification and compliance-focused
Phase 2: Standardized & Digitized Auditing	Late 20th to Early 21st Century	Computer-assisted audit tools, ERP integration	CAATs, data analytics, digital ledgers	Expansion of risk-based auditing, increasing regulation	Data analysis support, enhanced risk assessment
Phase 3: AI-Enabled Auditing (Emerging)	2015 – Present & Beyond	AI-driven automation, real-time analytics, cognitive tools	Machine learning, NLP, robotic process automation	Regulatory uncertainty, emerging AI guidance	Shift to interpretation, oversight, ethical judgement

5. Discussion

This study offers a historical-contextual analysis of the auditing profession’s evolution alongside a conceptual examination of artificial intelligence’s (AI) emergent role. By situating AI-driven changes within the profession’s broader technological and institutional trajectory, several important insights emerge regarding both opportunities and challenges in the current transformation.

5.1 AI as a Catalyst for Enhanced Audit Quality and Efficiency

Consistent with Proposition 1, AI is poised to enhance audit quality through its capacity for real-time data processing, anomaly detection, and pattern recognition (Liu, Wang, & Vasarhelyi, 2022; Rozario & Vasarhelyi, 2018). These capabilities enable auditors to analyze entire populations of transactions rather than relying solely on sampling, potentially reducing audit risk and increasing assurance (Yoon, Hoogduin, & Zhang, 2015). Moreover, efficiency gains realized by automating routine procedures free auditors to focus on complex judgment tasks, supporting the shift described in Proposition 2 towards oversight and interpretive roles (Byrnes, Mertins, & Vasarhelyi, 2021).

However, the benefits are contingent on auditors’ proficiency with AI tools and their ability to critically assess AI outputs (Westermann, Cohen, & Trompeter, 2020). Without such expertise, there is a risk that overreliance on AI may undermine audit

quality rather than improve it, reflecting historical concerns about technology-driven complacency in audit judgment (Knechel & Sharma, 2012). Thus, the evolving skillset required by auditors underscores the importance of education and professional development in digital and ethical competencies (Kaplan, 2011; Walker, 2015).

5.2 Ethical and Governance Challenges

The paper's third proposition highlights the intensification of ethical and governance challenges in AI adoption. AI systems, especially those using machine learning, operate with varying degrees of transparency, raising concerns about explainability, bias, and accountability (Dillard & Vinnari, 2019; Krahel & Vasarhelyi, 2014). These issues extend beyond technical challenges to professional ethics, potentially complicating auditors' duty to maintain independence, objectivity, and public trust (Eilifsen, Knechel, & Wallage, 2020).

Regulatory frameworks and professional standards currently lag behind technological advances, consistent with Proposition 4's emphasis on the profession's historical reactive posture (Power, 1997; Humphrey, 2008). This inertia risks allowing AI-driven tools to proliferate without adequate oversight, thereby magnifying systemic risks in financial reporting and audit reliability (DeFranco, Kausar, & Zerni, 2011). Therefore, proactive regulatory innovation and the integration of AI ethics into auditing standards are imperative for sustaining legitimacy and protecting stakeholders.

5.3 Institutional and Identity Transformations

The institutional theory lens adopted in this study provides insight into the profession's adaptability and resistance to change. Historically, the auditing profession has balanced pressures for innovation with a strong emphasis on tradition and professional norms (DiMaggio & Powell, 1983). The emergence of AI challenges this balance by demanding rapid adaptation in roles, skills, and identity, as articulated in Proposition 5.

The auditor's identity evolves from that of a manual verifier toward a technologically savvy interpreter and ethical overseer (Byrnes et al., 2021). This transformation necessitates a reconfiguration of educational curricula, continuous professional learning, and certification standards (Kaplan, 2011). Firms and regulators must collaboratively foster this transformation to avoid skill obsolescence and preserve the profession's social contract (Walker, 2015).

5.4 Lessons from History for the Future of Auditing

The historical framework reveals that the auditing profession's past responses to technological innovations, such as the adoption of CAATs and data analytics, have often been characterized by delayed regulatory adaptation and uneven professional uptake (Carnegie & Napier, 1996; Walker, 2015). These patterns caution against complacency in the face of AI's accelerated development.

Drawing on these lessons, this study argues that the profession must anticipate and proactively address AI's implications rather than reactively adjusting to challenges as they arise. Such foresight requires interdisciplinary collaboration among auditors, technologists, ethicists, and regulators to co-create governance frameworks that are robust, adaptive, and ethically grounded.

5.5 Practical and Research Implications

For practitioners, the findings underscore the necessity of embracing AI as an integral part of auditing rather than a peripheral tool. This integration requires investment in technology, upskilling of personnel, and fostering a culture of critical engagement with AI outputs (Byrnes et al., 2021). Regulators should consider developing flexible standards that accommodate AI's evolving nature while safeguarding audit quality and ethical conduct (Humphrey, 2008; Power, 1997).

For researchers, the propositions developed provide a fertile ground for empirical validation and theory refinement. Future studies could examine how different AI applications impact audit judgments, ethical decision-making, and regulatory compliance in various contexts. Additionally, longitudinal research might explore how the profession's identity and governance evolve as AI matures.

In conclusion, this study contributes to accounting literature by conceptualizing AI's role in auditing through a historically informed, theoretically grounded lens. It emphasizes that while AI offers transformative opportunities, realizing these benefits responsibly requires understanding and addressing enduring institutional challenges, ethical dilemmas, and regulatory imperatives.

6. Conclusion and Recommendations

6.1 Conclusion

This conceptual paper has explored the transformative effects of artificial intelligence (AI) on the auditing profession by situating current developments within a broader historical and institutional context. Tracing the profession's evolution across three major technological epochs—from manual and procedural auditing to digitized processes and now to AI-enhanced methodologies—this study highlights how past patterns of adaptation offer critical insights for navigating the present and future.

Theoretical propositions developed in this paper suggest that while AI promises to improve audit quality, efficiency, and coverage, it also introduces complex challenges related to ethics, governance, and professional identity. Without proactive institutional responses, especially in education, regulation, and ethical oversight, the profession may risk repeating historical cycles of delayed adaptation and resistance to innovation (Power, 1997; Walker, 2015).

By conceptualizing AI not merely as a tool but as a potentially disruptive innovation (Christensen, 1997), this study underscores the urgent need for strategic

alignment between technological advancement and professional practice. The auditing profession is at an inflection point: it can either lead in shaping the integration of AI responsibly or lag, reacting to developments after reputational or regulatory crises emerge.

6.2 Recommendations

A. For Practitioners

1. Invest in Digital and Ethical Competence

Audit firms must prioritize the training of auditors in both AI technology and AI ethics. This includes not only technical proficiency but also critical thinking about algorithmic bias, data integrity, and transparency (Byrnes et al., 2021; Liu et al., 2022).

2. Redesign Audit Methodologies

Firms should integrate AI into audit methodologies in a way that complements but does not replace professional judgment. Hybrid models combining human expertise and machine intelligence can mitigate risks of overreliance on automated systems (Westermann et al., 2020).

3. Create Internal AI Governance Frameworks

Establishing internal audit-AI governance protocols, including AI model validation and documentation, can help ensure compliance with emerging best practices and improve client trust.

B. For Regulators and Standard-Setters

1. Update Auditing Standards to Reflect AI Use

Current auditing standards, such as those from the IAASB or PCAOB, need to be revised to address the unique risks and capabilities associated with AI—particularly in areas like evidence evaluation, documentation, and responsibility attribution (Krahel & Vasarhelyi, 2014).

2. Develop Ethical and Oversight Guidelines for AI in Auditing

Regulators should publish guidance on the ethical use of AI in audit processes, similar to existing frameworks for cybersecurity or internal controls. This would promote consistency and accountability across jurisdictions.

3. Encourage Regulatory Sandboxes for Audit Innovation

Creating spaces for experimental use of AI in auditing (e.g., “regulatory sandboxes”) could allow for innovation under controlled conditions while informing future policy design (Humphrey, 2008).

C. For Researchers

1. Empirically Test the Theoretical Propositions

Future research should empirically evaluate how AI affects audit quality, efficiency, and judgment in different regulatory and organizational contexts. Mixed-

method approaches, including case studies and longitudinal fieldwork, are especially valuable.

2. Examine Auditor Identity Transformation

Scholars could explore how AI reshapes auditors' self-perception, career pathways, and ethical orientation—building on literature in sociology and professional identity (DiMaggio & Powell, 1983; Kaplan, 2011).

3. Study AI Regulation and Governance Practices

Research into how firms and regulators design and enforce AI governance mechanisms in audit settings can inform policy development and contribute to the public interest.

6.3 Final Reflection

While the full extent of AI's impact on the auditing profession remains uncertain, history teaches that technological change, left unexamined, can erode trust, widen skill gaps, and challenge institutional resilience. Conversely, with thoughtful integration and ethical foresight, AI can serve as a tool not only for enhanced efficiency and accuracy, but also for reaffirming the public value and social contract of the auditing profession.

This paper serves as a foundation for that conversation, inviting auditors, academics, and regulators to shape the future of auditing not just through innovation, but through informed, reflective, and responsible action.

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