

Everyday Sadism and Auditor's Judgment

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Abstract

In this theoretical-empirical study we analyzed the influence of everyday sadism on auditors' judgments. Sadism is a dark personality disorder which manifests as enjoyment of harming others physically or verbally or observing others being harmed and is intimately tied to politically conservative social attitudes). Three aspects of sadism were considered: core, vicarious and political. Information was collected with a self-report questionnaire administered to undergraduate accounting students and auditors employed by the Big Four. Using descriptive statistics, correlation tests and analysis of variance, we found a significant association between everyday sadism and auditors' judgments: auditors with high levels of sadism were more likely to make unethical decisions in audits. The goal of the study was achieved as we validated our assumptions and produced subsidies to further investigate the potential of sadism in the field of auditing. Audit firms should develop tools for the identification and prevention of opportunistic behaviors and should consider submitting potential auditors to psychological testing during the recruitment process. As shown in the literature, a high level of dark personality traits is synonymous with poor work quality and a 'toxic' work environment. We highlight the national and international importance of our study since few studies have been published on sadism in the corporate world, especially in the field of auditing.

Keywords: Everyday sadism. Judgment. Auditing.

1 Introduction

In recent years, several corporate scandals, such as Enron, WorldCom, Parmalat and Lehman Brothers, have damaged the credibility of financial statements. Auditing is intended to ensure the quality of financial statements used by investors and corporate decision makers (Cullinan, Wang, Yang, & Zhang, 2012).

In an effort to improve audit quality on the US capital market following these scandals, the Sarbanes-Oxley Act of 2002 (SOX) instituted numerous changes which impacted the structure of the audit market and the quality of audit services (DeFond & Lennox, 2011). The tenets of SOX have been incorporated into the legislation of several countries around the world. It is an attempt to strengthen external auditor independence, considering the existence of “a conflict of interests regarding the relationship with the audited company that may undermine its credibility when judging its clients’ financial statements” (Bladón & Bosch, 2013, p. 119).

This conflict of interest may change the external auditor’s opinion, depending on the client, and is related to behavioral ethics in decision making. Behaviors (personality traits) in the organizational context can either be socially desirable or undesirable (Judge, Piccolo, & Kosalka, 2009).

Personality traits can have positive and negative aspects. According to Boddy, Ladyshevsky and Galvin (2010) the existence of leaders with personality disorders has a potential impact on corporate life. D’Souza and Lima (2015) demonstrated how leaders with “Dark Triad personality” (a constellation of the behavioral disorders narcissism, psychopathy and Machiavellianism) are prone to stark opportunism and even fraudulent acts.

Dark Triad comprises an array of possible behaviors, including callousness, self-promotion, emotional coldness, duplicity and aggressiveness (Jones, 2013; Jones & Paulhus, 2011; Paulhus, 2014; Paulhus & Williams, 2002). However, according to several authors, everyday sadism is compatible with the Dark Triad personality; adding it to the triad creates a tetrad (Book et al., 2016; Buckels, Jones, & Paulhus, 2013; Paulhus, 2014).

Everyday sadism involves “a stable trait characterized by a demeaning proclivity to experience enjoyment from the infliction or observation of the suffering, degradation and/or humiliation of others” (Trémolière & Djeriouat, 2016, p. 159-160). It can be divided in direct or core sadism (enjoyment of harming others physically or verbally), vicarious sadism (enjoyment of observing others being harmed) and political sadism (intimately tied to politically conservative social attitudes) (Buckels et al., 2013; Paulhus & Jones, 2014).

The presence of sadistic personality traits in the auditor is detrimental to the client because a sadistic auditor may make incorrect or unfair assessments in order to harm clients or colleagues, thereby compromising the audit procedure. Trémolière and Djeriouat (2016, p. 160) make it clear that “sadism appears to be more indicative of a non-goal exaltation where arousal-seeking orientation is pivotal, making sadism an even more socially disturbing behavior”. In other words, the credibility of statements issued by auditors may be compromised in the presence of a sadistic personality. The purpose of the present study was to evaluate the influence of everyday sadism on the quality of audit reports.

Most studies in this field have investigated individual personality disorders or the Dark Triad in the corporate setting, but rarely the problem of auditors afflicted with everyday sadism, making the present study a relevant contribution to the literature. In addition, the identification of aversive behaviors of executives with dark personality traits will make it possible to minimize unethical actions with long-term impacts on business continuity, investors and other stakeholders (D’Souza & Lima, 2015).

2 Theoretical Framework

This section is divided into three parts: i) general considerations on audits, ii) everyday sadism as a component of the Dark Tetrad, and iii) review of earlier studies on sadism in general and in the corporate setting.

2.1 Auditing

According to the Brazilian Accounting Technical Standards of Auditing (NBC TA 200 R1) (2016), the purpose of auditing is to ensure financial statements are reliable and truthful. An auditor's opinion may fall into one of four types: qualified opinion, unqualified opinion, adverse opinion and disclaimer of opinion.

According to the set of NBC standards, auditors should make professional judgments and have a professional skepticism during the planning and execution of the audits. Professional judgment requires the application of training, relevant knowledge and experience in decision making of the audit work (NBC TA 200 R1, 2016). Attitudes such as a questioning mind, attention to possible misstatements masking errors or fraud, and a critical assessment of audit evidence is known as professional skepticism (NBC TA 200 R1, 2016).

Auditor must also i) identify and assess the risks of relevant misstatements, whether caused by fraud or error, based on an understanding of the organization and its environment, including the organization's internal control, ii) obtain sufficient and appropriate evidence to infer the existence of relevant misstatements through planning and audit procedures, and iii) issue opinions on financial statements based on conclusions drawn from the audit evidence obtained (NBC TA 200 R1, 2016).

Despite the best auditing standards, auditors' judgments may be distorted by a range of factors, including context and experience (Krogstad, Ettenson, & Shanteau, 1984), age (Sundgren & Svanstrom, 2014), moral development (Sweeney & Roberts, 1997), national culture (Fan, Woodbine, & Scully, 2012; Patel, Harrinson, & McKinnon, 2002) and gender (Haron, Ismail, Ibrahim, & Na, 2014). Such factors are not taken into account or compensated for by auditing standards.

The personal attributes of auditors are likely to influence the outcome of their work (Nelson & Tan, 2005). Thus, not only skills, but also personality traits affect auditors' judgments. Skepticism (Hurtt, 2010) and locus of control (Tsui & Gul, 1996) tend to produce positive effects, but the same cannot be said for narcissism, Machiavellianism, psychopathy and sadism.

As put by Bazerman and Gino (2012, p. 91), "scholars interested in the study of intentional unethical behavior argue that situational and social forces overwhelm individual differences in explaining ethical behavior". This notion opens up the possibility of evaluating the influence of dark personality traits (callousness, impulsivity, manipulation, criminality, grandiosity, enjoyment of cruelty, misconduct) on decision making (Paulhus, 2014), especially as applied to auditors. In this study we focused on everyday sadism.

2.2 Everyday sadism

The term 'sadism' is a reference to Donatien Alphonse François de Sade (1740-1814), known as the Marquis de Sade, author of libertine novels (Paulhus & Dutton, 2016). Although the word sadism is often used with a sexual connotation, the behavior can manifest in other contexts, as is the case with the so-called everyday sadism (Paulhus & Dutton, 2016).

According to O'Meara, Davies and Hammond (2011, p. 523), the term sadistic personality describes "a person who humiliates others, shows a long-standing pattern of cruel

or demeaning behavior to others, or intentionally inflicts physical, sexual, or psychological pain or suffering on others in order to assert power and dominance or for pleasure and enjoyment”.

Millon (1996) hypothesized that people with sadistic dominant personality are strong-willed and assertive. At the extreme maladaptive pole they are domineering, highly aggressive and belligerent; at the adaptive pole they are tough-minded, competitive, unsentimental and hard-working.

Sadistic personality is related to cruelty and is a socially disturbing behavior. Bates, Bayles, Bennett, Ridge and Brown (1991) and Ferris and Grisso (1996) related sadism to aggressiveness, impulsivity and acts of bullying. In turn, Pfattheicher and Schindler (2015) argue that sadists are prone to engaging in antisocial punishment. Furthermore, Trémolière and Djeriouat (2016) advocate that sadism is associated with a pattern of moral judgments that would go beyond the inhibition of emotional aversion experienced toward harmful intent or actual harm; the excitement associated with such a pattern of moral judgment would add to the moral distortion.

Bushman and Baumeister (1998) suggested that a lack of empathy is associated with sadistic personality, matching the claim by Trémolière and Djeriouat (2016) that everyday sadism shares similarities with psychopathy, such as the need for stimulation, impulsiveness, lack of empathy and lack of remorse. Because of the lack of empathy, sadism was added to the Dark Triad personality, causing it to be renamed the Dark Tetrad (Chabrol, Van Leeuwen, Rodgers, & Séjourné, 2009; Furnham, Richards, & Paulhus, 2013). Table 1 shows the main traits of the Dark Tetrad.

Table 1: Traits associated with the Dark Tetrad.

Trait	Narcissism	Machiavellianism	Psychopathy	Sadism
Callousness	++	++	++	++
Impulsivity	+		++	
Manipulation	+	++	++	
Criminality		Only white-collar	++	
Grandiosity	++		+	
Enjoyment of cruelty				++

Source: Paulhus (2014).

Note: A double plus sign indicates high levels of a given trait (top quintile) relative to the average population-wide level. A single plus sign indicates slightly elevated levels (top tertile). A blank entry indicates average levels of a trait.

Like narcissism, Machiavellianism and psychopathy, sadism is characterized by callousness, indifference and lack of empathy, to which is added pleasure in cruelty - its main characteristic. Thus, Dark Tetrad individuals are narcissistic (grandiose attention seekers), Machiavellic (strategic manipulators), psychopathic (impulsive thrill seekers) and sadistic (Paulhus & Dutton, 2016). Dark Tetrad individuals lack the ability to understand other people’s feelings and emotions and experience something from another person’s point of view (Goodin, 2003).

The addition of sadism to the Dark Triad raises the question of metrics. The earliest commonly used metric was the short sadistic impulse scale (SSIS) developed by O’Meara et al. (2011) which captures core sadism (pleasure in harming others). Another popular metric is the VAST scale (varieties of sadistic tendencies), developed by Paulhus, Jones, Dutton and Klonsky (2011), which identifies three forms of sadism: core (direct), vicarious and political. In the present study, we used the VAST metric to quantify sadism and determine which type is most prevalent among auditors.

2.3 Review of empirical research

In their study, D'Souza and Lima (2014) presented an overview of the scientific production on the Dark Triad in the organizational and accounting setting over the preceding twelve years. The authors found 90 studies on organizational aspects (leadership, accounting, work behavior, and decision making), 19% of which dealt with the construct Dark Triad, narcissism 34%, Machiavellianism 26%, psychopathy 19% (D'Souza & Lima, 2014). Only two studies were identified which associated sadism with the Dark Triad and accounting (Banimahd, Moradzadehfard, and Ardekani, 2013; Johnson, Kuhn, Apostolou and Hassell, 2013).

Banimahd et al. (2013) investigated the relationship between Machiavellianism and cultural values in a sample of 239 auditors employed by accounting firms or working privately and observed a positive association between Machiavellianism and secrecy in both groups. They also found the level of secrecy to be correlated with Machiavellianism and job rank of auditor.

Johnson et al. (2013) evaluated whether auditors at various experience levels are able to recognize characteristics indicative of narcissism exhibited by client personnel, and linked observed client narcissism to increased risk of fraud. The results show that narcissistic client behavior and fraud motivation are significantly and positively related to auditors' overall fraud risk assessments.

We also looked into a number of studies on sadism from the psychological point of view. Book et al. (2016) determined whether the HEXACO model accounted for the core of dark personality traits, with the addition of sadism. Low agreeableness, lack of empathy, fast and exploitive life history strategies, and the HEXACO model of personality were found to be significantly associated with the Tetrad, and the study helped understand the overlap between Dark Tetrad components.

Buckels et al. (2013) evaluated whether an everyday form of sadism should be added to the Dark Triad. The results show that sadism emerged as an independent predictor of behavior reflecting an appetite for cruelty. Together, these findings support the construct validity of everyday sadism and its incorporation into a new Dark Tetrad personality.

Buckels, Trapnell, Paulhus (2014) analyzed the relationship between internet trolls and Dark Tetrad personality through two studies. Findings show that trolling correlated positively with sadism, psychopathy and Machiavellianism, using both enjoyment ratings and identity scores. In fact, cyber-trolling appeared to be an internet manifestation of everyday sadism.

Chabrol et al. (2009) assessed the relative contributions of psychopathic, narcissistic, Machiavellian and sadistic traits to delinquent behaviors in adolescents. Psychopathic and sadistic traits were found to be independent predictors of delinquent behaviors in boys only.

Chabrol, Melioli, Van Leeuwen, Rodgers and Goutaudier (2015) identified a typology of high-school students based on the Dark Tetrad traits in a community sample and examined whether these profiles differed with regard to psychopathological variables known to be associated with personality traits. Fifteen percent of the total sample was clustered in the Dark Tetrad and characterized by the highest levels of antisocial behavior and suicidal ideation.

Greitemeyer (2015) examined the extent to which everyday sadism predicted the amount of violent video game play. Findings revealed a positive link between everyday sadism and the amount of violent video game exposure. The association remained significant when controlling for the impact of trait aggression, the Big 5, narcissism, Machiavellianism and psychopathy.

Međedović and Petrović (2015) tested a hypothesis proposing that traits of sadism, Machiavellianism, narcissism and psychopathy are expressions of a superordinate construct: The Dark Tetrad. Dark Tetrad traits could be located in the space of basic personality traits

(Big Five), especially at the negative pole of the dimensions of honesty-humility, agreeableness, conscientiousness and emotionality. Also, sadism was found to behave much like the other dark traits, although it cannot be reduced to them. Thus, the authors' findings support the concept of the Dark Tetrad.

O'Meara et al. (2011) outlined the development of a short psychometric test of sadistic impulse (Short Sadistic Impulse Scale - SSIS) in which the respondents are placed along a continuum of generalized sadism. The SSIS was found to have a strong construct and discriminant validity. The test may be useful as a screening measure for sadistic impulse.

Pfattheicher and Schindler (2015) analyzed the relationship between everyday sadism and antisocial punishment. The results confirmed the assumption that individuals who report a disposition for everyday sadism are particularly likely to engage in antisocial punishment when their self has been threatened.

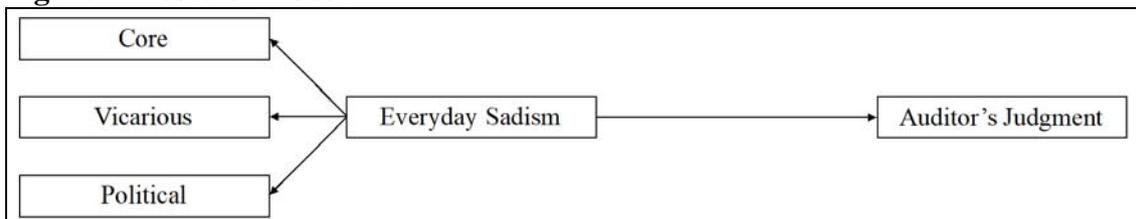
Trémolière and Djeriouat (2016) evaluated the association between sadism and impaired judgment of moral wrongness, guilt and punishment and found that a sadistic personality trait was associated with minimization of the importance of harmful intent in moral judgment and minimization of the importance of causal mechanisms to harmful consequences in moral judgment.

As shown by the literature, there is a kinship between sadism, narcissism, Machiavellianism and psychopathy. In addition, sadism is related to low agreeableness, lack of empathy, fast and exploitive life history strategies, trolling and cyber-trolling, delinquent behavior, antisocial behaviors, suicidal ideations, violent video game exposure and antisocial punishment. Such characteristics may be expected to distort the judgment of auditors.

2.4 Hypothesis

Hurt (2010) demonstrated that professional skepticism (a personality trait) is an important concept in auditing and that skeptical auditors make better and more ethical judgments. On the other hand, everyday sadism (also a personality trait) is associated with impaired judgment of moral wrongness, guilt and punishment (Trémolière & Djeriouat (2016), causing pain and suffering on others for the sake of power or pleasure (O'Meara et al., 2011). Based on the literature, we composed the research model shown in Figure 1.

Figure 1: Research model.



Source: the authors.

Figure 1 shows sadism in its three forms (core, vicarious and political) having a negative effect on the auditor's judgment. The stronger the sadistic trait, the less ethical the auditor's judgments. This is expressed in the following hypothesis:

H1: Auditors with high levels of sadism are more likely to make unethical judgments.

The following section presents the method employed in the study.

3 Methods

In this study we adopted an empirical-theoretical approach. A survey was designed to evaluate the relationship between the study variables (behaviors, opinions and attitudes). The interviewees included 52 last-term undergraduate accounting students from the University of São Paulo and 16 auditors employed by the Big Four (EY, KPMG, Deloitte and PwC).

Information was collected with a questionnaire probing possible attitudes and behaviors in hypothetical auditing situations. The questionnaire contained four parts: 1) informed written consent (clarifying that participants were free to decline or withdraw consent at any time without penalty and that confidentiality and privacy would be protected), 2) demographic profile, 3) 18 assertions from the VAST instrument (Paulhus, Jones, Dutton, & Klonsky, 2011), and 4) a case with 5 situations in auditing practices (Jamilah, Fanani, & Chandrarin, 2007).

The VAST test contains 18 assertions on core sadism ($n=7$), vicarious sadism ($n=6$) and political sadism ($n=5$). Responses were quantified on a 5-point Likert scale (1=strongly disagree; 5=strongly agree). We used an overall mean measure of sadism, but also analyzed sadism by subtype (core, vicarious, political) to determine whether one was more relevant than the others to explain the auditor's judgment. The sadism variables were split into two categories (low and high) based on the median and submitted to analysis of variance (ANOVA).

The auditors' judgment was quantified based on mean scores of judgment and opinion in five situations, each of which induced the participant to make an unethical decision. High values meant the participant would make unethical decisions.

The sample was chosen by convenience. The inclusion of accounting students is a common practice of international studies (Major, 2014; Lakey et al, 2008; Paulhus & Williams, 2002; Paulhus & Jones, 2014; Campbell et al, 2004), with results similar to what is obtained with samples of professional accountants and auditors.

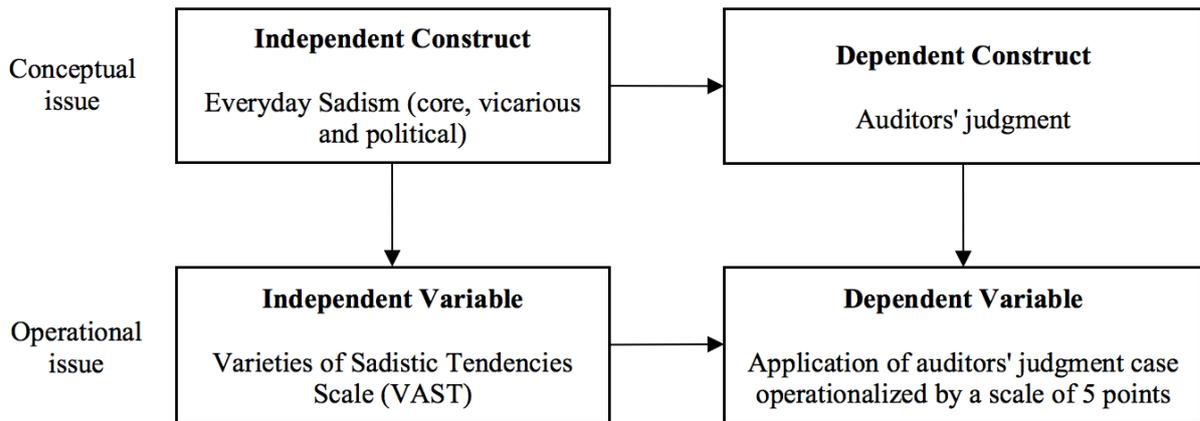
The sample presented the following demographic profile: gender (male 55.9%) and age (26.5% aged between 17 and 21 years, 42.6% between 22 and 26, 30.9% between 27 and 34). The auditors had worked with audits for 13 months on the average.

It should be noted that, in view of the sampling method, the observed inferences were considered trends or dispositions towards behaviors. The results are limited to the sample, and are not intended for extrapolation to the general population.

In order to test the hypothesis, we used descriptive statistics, Pearson correlation and analysis of variance (ANOVA). Pearson correlation was used to evaluate the relationship between everyday sadism and auditors' judgments. The influence of sadism on auditors' judgments was determined with ANOVA. The variables gender, age, an interactive term between gender and age, and work experience were inserted into the analysis. These same characteristics were studied by Paulhus and Williams (2002), Jones and Paulhus (2011), Jones (2013), Paulhus and Jones (2014) and D'Souza, and Lima (2015).

In the present study, everyday sadism was the independent variable, capable of explaining or predicting the dependent variable (auditors' judgment). The relationship between the conceptual and operational variables of the study variables is illustrated in Figure 2, based on the model of Libby, Bloomfield and Nelson (2002).

Figure 2: Model of predictive validity of the variables.



Source: adapted from Libby et al. (2002).

The connections between the conceptual and operational variables show to what extent everyday sadism influences operational auditors’ judgment. Table 2 shows the dependent, independent and control variables used in the study.

Table 2: Study variables.

Variable		Operationalization
Dependent	Auditors’ Judgment	5 situations in auditing practices (Jamilah et al., 2007). In each situation, the participant checked an option on a scale from 1 to 5 (1=very unlikely; 5=very likely).
	Sadism	18 assertions from the VAST test (Paulhus et al., 2011). In each situation, the participant checked an option on a scale from 1 to 5 (1=totally disagree; 5=totally agree).
Independent	Core sadism	VAST assertions 1 to 7 (Paulhus et al., 2011).
	Vicarious sadism	VAST assertions 8 to 13 (Paulhus et al., 2011).
	Political sadism	VAST assertions 14 to 18 (Paulhus et al., 2011).
Control	Gender	Dummy variable (1 if man, 0 otherwise)
	Age	Age of participant (years)
	Work	Auditing experience (months)

Source: the authors.

The next section presents the results of the study.

4. Results

We will start with the behavior of the variables in the descriptive analysis (Table 3).

Table 3: Descriptive analysis.

Variable	Obs	Mean	Std. Dev.	Min	Max
Auditors' Judgement	68	2.18	0.70	1.00	3.80
Sadism	68	2.06	0.48	1.11	3.28
Core sadism	68	1.73	0.55	1.00	3.57
Vicarious sadism	68	2.11	0.77	1.00	4.17
Political sadism	68	2.48	0.62	1.20	4.00

Source: the authors.

As shown in Table 3, the mean auditors' judgment was low (2.18 of 5), indicating that the participants made relatively ethical audit judgments. All sadism categories displayed low mean values (overall mean=2.06; political=2.48; vicarious=2.11; core=1.73). This finding is similar to that of Buckels (2012) and Međedović and Petrović (2015). However, the more indirect the trait, the stronger the sadism (political sadism being the most indirect form).

As in other studies on sadism (Buckels, 2012), we analyzed whether sadism varied according to gender. The *t* test (mean comparison test; not tabulated) showed that men were more sadistic than women, matching the results of Buckels (2012). This difference was only absent from core sadism, probably due to the low variance in this category (the lowest mean).

We then analyzed the correlations between the variables (Table 4).

Table 4: Pearson correlation.

	AUD	SAD	COR	VIS	POL	GEN	AGE	EXP
AUD	1							
SAD	0.158	1						
COR	0.0879	0.696***	1					
VIS	0.126	0.796***	0.236*	1				
POL	0.146	0.751***	0.363***	0.440***	1			
GEN	-0.0140	0.488***	0.137	0.555***	0.366***	1		
AGE	-0.180	-0.0444	0.00476	-0.126	0.0583	0.0915	1	
EXP	0.00257	-0.0817	-0.201*	-0.0699	0.125	-0.117	0.306**	1

Source: Prepared by the authors.

Note: *** significant at 1%; ** significant at 5%; * significant at 10%. AUD: auditors' judgment; SAD: sadism; COR: Core sadism; VIS: Vicarious sadism; POL: Political sadism; GEN: gender; AGE: Age; EXP: Work experience.

Table 4 shows that the independent and control variables were not directly related to AUD, but the results of ANOVA suggest that the variables together affected AUD.

The *t* test revealed an association between GEN and SAD (sadism was stronger among male interviewees), matching the findings of Buckels (2012).

EXP was negatively associated with COR, meaning that individuals with higher levels of core sadism had less work experience. ANOVA was used to test the hypothesis (H1). This test is more robust than the Pearson correlation test and uses control variables (gender, age and work experience). However, the control variables were left out of Table 5 to focus on the variables of interest.

Table 5: Analysis of variance.

	Source	Partial SS	df	MS	F	Sig
Model	Sadism	24.730	43	0.575	1.70	0.084*
	Core	23.393	43	0.544	1.38	0.201
	Vicarious	23,861	43	0.555	1.48	0.153
	Political	25.395	43	0.591	1.90	0.048**
Variable	Sadism	1.378	1	1.378	4.07	0.055*
	Core sadism	0.041	1	0.041	0.10	0.751
	Vicarious sadism	0.508	1	0.508	1.36	0.256
	Political sadism	2.043	1	2.043	6.57	0.017**

Source: the authors.

Note: ** significant at 5%; * significant at 10%.

As shown in Table 5, only the models for sadism and political sadism were significant (F=1.10 and $p=0.084$ for the former; F=1.90 and $p=0.048$ for the latter), suggesting a difference in auditor’s judgment between individuals, according to the classifications adopted in this study for the two levels (low and high) of sadism. This finding does not reject the study hypothesis (H1). The variables sadism and political sadism were likewise significant, corroborating the F test.

Our findings allow to infer that individuals (e.g. auditors) with high levels of sadism are prone to make unethical decisions, with negative effects for the client (“sadistic” auditors may be expected to make unethical judgments in order to harm clients or colleagues, compromising the audit procedure). Therefore, this result does not reject the study hypothesis either.

Only political sadism was positively and significantly associated with AUD. This type of sadism manifests as intimidation and bullying by mean-spirited, desperate, hypocritical and aggressive individuals. Perhaps this trait was more latent in the participants. The only significant control variable was GEN, meaning that the auditor’s gender had an influence on his/her judgment.

This is supported by other studies on Dark Tetrad traits (corporate fraud, opportunistic decision making, earnings management, unethical behaviors) (D’Souza & Lima, 2015; Johnson et al, 2013; Rijsenbilt & Commandeur, 2013). In short, dark personality traits affect the quality of accounting and auditing services.

5. Conclusion

Auditing is an important area in accounting because it confers credibility on financial statements. Auditors are called upon to exercise judgment and issue audit opinions in very diverse circumstances. These audit opinions are issued in varying regulatory and legal environments, some with more risk to the auditor than others (Lam & Mensah, 2006).

Auditors with socially aversive personality traits, lack of guilt and empathy, impulsiveness, insensitivity, cruelty and thirst for power can manipulate the auditing process for the sake of self-promotion within the company. Thus, as stated by D’Souza and Lima (2015, p. 150), understanding how these traits are reflected in the work environment may help design preventive measures against attitudes and tactics used to bully and exploit colleagues as a means to achieving personal goals to the detriment of the organization.

In order to fulfill our objective (to evaluate the influence of traits of everyday sadism on auditors’ judgment) we designed an empirical-theoretical study in which a self-report questionnaire was administered to 68 undergraduate students and auditors.

The descriptive analysis showed political and vicarious sadism to be more common than core sadism; thus, sadism was predominantly of an indirect type. The Pearson correlation test confirmed gender and work experience to be associated with sadism.

Empirical evidence suggests that individuals with high levels of sadism are more likely to make unethical judgments in auditing. It also confirms the notion that personality influences an individual's interpretations and choices.

Thus, the goal of the study was achieved as we validated our assumptions and produced subsidies to further investigate the potential of sadism in the field of auditing.

It is hoped our findings will improve the perception of risk of client fraud, as pointed out by Johnson et al. (2013). Auditors with dark personalities often have a distorted judgment and therefore they may not identify opportunistic tactics adopted by the client. Guidelines for auditors highlight the importance of appraising the risk of client fraud at all times. Thus, audit firms are strongly advised to develop and employ adequate tools and processes for the identification and prevention of opportunistic behaviors.

Moreover, audit firms should consider submitting potential auditors to psychological testing during the recruitment process. As shown by O'Boyle Jr., Forsyth and McDaniel (2012) and Jonason, Slomski and Partyka (2012), a high level of dark personality traits is synonymous with poor service quality and a 'toxic' work environment. In other words, audit firms hiring auditors with high levels of sadism risk a reduction in quality.

The study was limited by i) the small number of participants, and ii) the lack of experience in actual auditing of some of the participants. Future investigations might look into the association between auditors' opinions and the Dark Tetrad in order to clarify how dark personality traits affect auditors' analyses of financial statements.

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