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Dysfunctional Audit Behaviour among Accounting Undergraduates during Industrial Training: Case of *Halatuju 2* Cohorts

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ABSTRACT

This paper examines incidence of dysfunctional audit behavior (DAB) amongst Accounting undergraduate students who have just undergone a six months industrial training attachment with an audit firm as part of the graduation requirement under *Halatuju 2*. Results based on 106 responses show a low correlation between DAB and time budget pressure but a significant relationship between DAB and moral intensity with types of firms for industrial training. Students who underwent industrial training with the Big 4 appear to have higher moral intensity and engage less in DAB acts. Results suggest that exposure to an Ethics course could mitigate propensity to engage in DAB. Additionally a factor to consider is that students' oral communication apprehension could contribute to incidence of DAB among audit trainees.

Keywords: Dysfunctional audit behaviour, accounting undergraduates, industrial training, time budget pressure, moral intensity