



Paper Type: Original Article

## Examining the Impact of Narcissistic Leadership on Premature Termination of Audit Procedures: The Mediating Role of Organizational Cynicism

Nader Rezaei<sup>1,\*</sup> , Farzad Mohammad Ali Qashlaghi<sup>1</sup>

<sup>1</sup> Department of Accounting, Bonab Branch, Islamic Azad University, Bonab, Iran; nader.rezaei@bonabiau.ac.ir; farzadgashlaghi1372@gmail.com.

Citation:

Received: 03 August 2025

Revised: 07 October 2025

Accepted: 02 November 2025

Rezaei, N., & Mohammad Ali Qashlaghi, F. (2025). Examining the impact of narcissistic leadership on premature termination of audit procedures: the mediating role of organizational cynicism. *Accounting and Auditing with Application*, 2(4), 326-336.


### Abstract


The present study aims to examine the impact of narcissistic leadership on the premature termination of audit procedures, considering the mediating role of organizational cynicism. In terms of purpose, this research falls within applied studies, and methodologically, it is classified as descriptive-survey research. The statistical population consisted of 184 certified public accountants employed at the Audit Organization. The sample size was determined using Cochran's formula for a known population, resulting in a sample of 125 participants. Data were collected using a questionnaire, whose validity was confirmed by experts, and reliability was verified with a Cronbach's alpha of 0.70. Data analysis was conducted using descriptive and inferential statistics, specifically structural equation modeling, with SPSS version 21 and SMART PLS version 3. The findings indicate that narcissistic leadership significantly affects the premature termination of audit procedures. Furthermore, organizational cynicism was found to mediate the relationship between narcissistic leadership and premature termination of audit procedures.

**Keywords:** Narcissistic leadership, Premature termination of audit procedures, Organizational cynicism.

## 1 | Introduction

In today's complex and challenging environment, leadership within organizations is recognized as a critical determinant of their success or failure. Within this context, narcissistic leadership (a psychological and behavioral phenomenon) exerts profound and far-reaching effects on both individual and group behaviors of organizational members, and can significantly influence vital processes such as auditing. Premature termination of audit procedures, defined as the inability to perform auditing processes accurately and completely, may result from organizational uncertainty and cynicism, which itself serves as a mediating

 Corresponding Author: nader.rezaei@bonabiau.ac.ir

 10.22105/aaa.v2i4.87

 Licensee System Analytics. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (<http://creativecommons.org/licenses/by/4.0>).

variable in this relationship. Accordingly, the present study aims to examine the impact of narcissistic leadership on the premature termination of audit procedures, with a focus on the mediating role of organizational cynicism. It seeks to provide a deeper understanding of how these variables interact and to elucidate how leaders' personality traits can affect organizational culture, ultimately influencing the quality and efficiency of auditing processes. This study, therefore, contributes to a better understanding of the psychological consequences of narcissistic leadership and the challenges it poses in auditing contexts, while laying the groundwork for developing effective strategies to enhance auditing practices within organizations.

## **2 | The Relationship Between Narcissistic Leadership and Premature Termination of Audit Procedures**

Premature termination of audit procedures occurs when an auditor concludes or approves an audit engagement before completing all necessary audit processes or obtaining sufficient evidence to support their opinion on the financial statements. This issue is critical in auditing, as it jeopardizes the accuracy and reliability of the audited financial statements [1]. Premature termination of audit procedures may result from time, financial, or client constraints, as well as professional skepticism [2]. Such early termination can overlook material misstatements, fraudulent activities, or other irregularities that may affect the accuracy and reliability of financial reporting. Auditors should not conclude audit work prematurely and must diligently complete all required procedures to obtain sufficient audit evidence, thereby ensuring the precision and reliability of financial reporting [3].

Narcissistic leadership can pressure auditors to rush through audit procedures, disregard established protocols, or overlook red flags in financial records, potentially leading to premature completion of audit tasks. Despite their inflated self-perceptions and desire for admiration, narcissistic leaders may prioritize public image and short-term objectives over the accuracy and reliability of financial reporting [4].

The manipulative and exploitative behaviors of narcissistic leaders may also create an environment of fear or coercion within an audit firm, inhibiting auditors from raising concerns or performing thorough audits, thereby contributing to premature termination of audit procedures. According to dependency theory, auditors may become reliant on narcissistic leaders for career advancement, resource allocation, recognition, or other professional incentives.

Due to fear of retaliation, resource constraints, or potential career consequences, employees may hesitate to challenge a leader's directives. Auditors might rely on the leader's authority to secure new assignments or maintain their professional standing [5]. In a power-dependent relationship, auditors may feel compelled to comply with a narcissistic leader's instructions, even if it entails approving an inadequate or substandard audit. Narcissistic leaders' ability to manipulate subordinates and leverage their authority and power asymmetry to prioritize efficiency over accuracy-through both overt and covert means-may lead auditors to place adherence and compliance above professional standards. As a result of pressure and dependency on the leader's power, auditors may feel compelled to complete audit tasks prematurely in order to satisfy a narcissistic leader.

## **3 | The Relationship Between Organizational Cynicism and Premature Termination of Audit Procedures**

Organizational cynicism can heighten auditors' distrust and skepticism toward their organization [6]. Among auditors, organizational cynicism may lead them to question their firm's ethics, transparency, and integrity, potentially reducing job satisfaction, motivation, and commitment, which in turn may contribute to the premature termination of audit procedures [7]. To promote professionalism, ethical behavior, and diligence among auditors, organizational cynicism must be mitigated. Doing so enhances audit quality and the integrity of financial reporting. The impact of organizational cynicism on independent auditors and their tendency to prematurely terminate audit procedures can be explained through psychological and behavioral factors [8].

Workplace cynicism undermines auditors' trust in leadership, organizational procedures, and processes, and may diminish their commitment and motivation. This can lead to disengagement or shortcuts, such as acquiescing to the premature termination of audit procedures to expedite the audit. Cynical auditors may perceive their audit firm as indifferent to their concerns and unconcerned with professional judgment and audit quality.

Consequently, cynical auditors may question the value of professional standards and rigorous auditing, thereby increasing the likelihood of premature termination of audit procedures. The relationship between auditors' organizational cynicism and early task termination can be examined through cognitive dissonance theory and job entanglement theory. According to cognitive dissonance theory, individuals strive to align their beliefs and behaviors. Auditors may experience cognitive dissonance when professional standards conflict with pressures to accept premature termination of audit procedures, particularly in environments characterized by organizational cynicism. To reduce this dissonance, auditors may conform to organizational culture and, in doing so, compromise their professional integrity in order to reconcile internal conflicts arising from their personal beliefs and actions.

Therefore, auditors may engage in behaviors such as premature termination of audit procedures in an effort to balance professional values with organizational constraints. Job entanglement theory emphasizes the interconnection between individual and organizational factors. Organizational cynicism can undermine auditors' sense of integrity, alignment, relationships, and commitment. Cynical auditors may prematurely approve audit conclusions or feel disengaged from the organization [8]. A reduction in organizational attachment may weaken an individual's commitment to professional ethics and increase the risk of ethical compromise. According to job entanglement theory, corporate cynicism may reduce auditors' loyalty to their firm and elevate the likelihood of inefficient or suboptimal behaviors.

## 4 | Methodology

The present study is descriptive-survey in nature and is applied in terms of its objectives. In terms of implementation, it is classified as survey research, as questionnaires were used to operationalize the study variables. The statistical population comprised 184 certified public accountants employed in audit organizations. The sample size was determined using Cochran's formula for a finite population, resulting in a sample of 125 respondents. Simple random sampling was employed as the sampling method.

To test the research hypotheses, data were collected using the following methods:

- I. Library research: to develop the literature review and theoretical foundations of the study regarding each variable and their interrelationships (the research theoretical framework), as well as to design the questionnaire items and formulate the hypotheses, a library research method was employed. This involved the use of electronic articles from reputable domestic and international sources, as well as theses related to the research topic available in archives.
- II. Field (survey) research: following the library research, a standardized questionnaire was used to collect primary data in the field. The questionnaire's validity was confirmed through expert review before distribution among the study population (certified public accountants employed in audit organizations). After data collection, responses were entered into Excel, processed in SPSS for data compilation and averaging, and finally analyzed using SMART PLS to test the research hypotheses.

The present study employed a field-based research approach, using a questionnaire as the primary data collection instrument. The questionnaire developed by Rehan et al. [9] was utilized to measure the study variables. All items were structured on a five-point Likert scale ranging from "Strongly Disagree" to "Strongly Agree".

To ensure content validity, an initial draft of the questionnaire was prepared and subsequently reviewed by two faculty members from the Accounting Department. Following their feedback and recommended revisions, the final version of the questionnaire was developed for distribution on a larger scale.

## Reliability

A reliability coefficient of zero indicates no reliability, whereas a coefficient of one signifies perfect reliability. To assess the reliability of an instrument, such as a questionnaire or any other measurement scale, methods such as test–retest, as well as internal consistency measures—including Cronbach’s alpha, split-half reliability, the Kuder-Richardson formula, or parallel forms—can be applied to a sample drawn from the target population.

In this study, the most widely used method for evaluating the reliability of a questionnaire—the internal consistency of the measurement instrument—was employed: Cronbach’s alpha. Cronbach’s alpha is calculated according to the following formula, where  $\alpha$  represents the overall reliability coefficient of the test,  $k$  is the number of items (or sections) in the test,  $s_j^2$  is the variance of scores for item  $j$ , and  $ST^2$  is the variance of the total test scores across all items.

$$\alpha = \frac{k}{k-1} \left[ 1 - \frac{\sum S_i^2}{S_T^2} \right]. \quad (1)$$

In this study, to assess and measure reliability during the initial phase, data were collected from 15 items. Subsequently, SPSS software was used to evaluate instrument validity, and the Cronbach’s alpha coefficient was calculated for all variables. Given that all alpha coefficients exceeded 0.70, the questionnaire demonstrated sufficient reliability. The Cronbach’s alpha values for each research variable are presented in *Table 1*.

**Table 1. Cronbach’s alpha coefficients for each research variable.**

| Variable Name                             | Cronbach’s Alpha Coefficient | Number of Items |
|-------------------------------------------|------------------------------|-----------------|
| Narcissistic leadership                   | 0.865                        | 6               |
| Organizational cynicism                   | 0.753                        | 5               |
| Premature termination of audit procedures | 0.710                        | 4               |

In this study, two statistical approaches were employed: 1) descriptive statistics and 2) inferential statistics. Descriptive analyses were conducted using SPSS, while inferential analyses and hypothesis testing were performed using the Partial Least Squares (PLS) method via SmartPLS software. PLS modeling has broad applications across various domains, including human resources. Its primary advantage lies in its ability to operate effectively with smaller sample sizes compared to LISREL. Through PLS modeling, standardized regression coefficients for paths, determination coefficients for endogenous variables, and model fit indices for the conceptual framework can be obtained.

## 5 | Inferential Statistics

In this section, the analytical approach employed in the present study (structural equation modeling (SEM)) is first described. Subsequently, the research hypotheses are examined and tested using this method.

### 5.1 | Assessment of the Normality of Variable Distributions

In studies employing structural equation modeling, the assessment of the normality of variable distributions is typically conducted through the analysis of skewness and kurtosis indices. Byrne [10] recommended  $\pm 7$  as an acceptable range for kurtosis and  $\pm 2$  for skewness to indicate a normal distribution. In the present study, these indices were calculated using SPSS. The skewness values for all items fell within the specified ranges. Accordingly, all variables can be considered normally distributed.

**Table 2. Assessment of variable normality using skewness and kurtosis.**

| Variable                                  | Kurtosis | Skewness |
|-------------------------------------------|----------|----------|
| Narcissistic leadership                   | -1.190   | -0.060   |
| Organizational cynicism                   | -1.250   | 0.094    |
| Premature termination of audit procedures | -0.583   | 0.093    |

## 5.2 | Assessment of Construct Validity

Confirmatory Factor Analysis (CFA) was employed to assess construct validity, and the results of this analysis are presented in the table below.

**Table 3. Results of confirmatory factor analysis for variable items.**

| Variable                                  | t-Statistic | Factor Loading | Item |
|-------------------------------------------|-------------|----------------|------|
| Narcissistic leadership                   | 11.842      | 0.731          | 1    |
|                                           | 14.498      | 0.779          | 2    |
|                                           | 34.648      | 0.870          | 3    |
|                                           | 24.553      | 0.772          | 4    |
|                                           | 19.170      | 0.738          | 5    |
|                                           | 12.433      | 0.696          | 6    |
| Organizational cynicism                   | 32.539      | 0.840          | 7    |
|                                           | 10.027      | 0.687          | 8    |
|                                           | 44.694      | 0.872          | 9    |
|                                           | 14.272      | 0.719          | 10   |
| Premature termination of audit procedures | 11.915      | 0.719          | 11   |
|                                           | 11.278      | 0.728          | 12   |
|                                           | 22.865      | 0.838          | 13   |
|                                           | 17.225      | 0.812          | 14   |
|                                           | 23.547      | 0.823          | 15   |

Based on the results presented in the table above, all indicators of the constructs under study are deemed suitable for measurement, as their t-statistics exceed 1.96 and their factor loadings exceed 0.40. Accordingly, the assessment of construct validity—which evaluates the accuracy and significance of the selected indicators—indicates that the indicators provide an appropriate factorial structure for measuring the dimensions examined in the research model.

## 5.3 | Assessment of Convergent Validity

The following presents the results of the assessment of convergent validity in the present study.

**Table 4. Results of convergent validity assessment.**

| Variable                                  | (AVE) >0.5 |
|-------------------------------------------|------------|
| Organizational cynicism                   | 0.595      |
| Premature termination of audit procedures | 0.642      |
| Narcissistic leadership                   | 0.588      |

According to the results presented in *Table 4*, the convergent validity of the variables—organizational cynicism, premature termination of audit procedures, and narcissistic leadership—are 0.595, 0.642, and 0.588, respectively, all exceeding the threshold of 0.50. Therefore, it can be concluded that the convergent validity is satisfactory.

## 5.4 | Assessment of Discriminant Validity

**Table 5. Discriminant validity results using the HTMT method.**

| Variable                                  | 3 | 2     | 1     |
|-------------------------------------------|---|-------|-------|
| Organizational cynicism                   |   |       |       |
| Premature termination of audit Procedures |   |       | 0.849 |
| Narcissistic leadership                   |   | 0.827 | 0.801 |

Discriminant validity was assessed using the HTMT (Heterotrait–Monotrait) ratio. This ratio is calculated by comparing the Average Variance Extracted (AVE) of a construct with the squared correlations between constructs. A value below 0.90 indicates that discriminant validity between constructs is established. As shown in *Table 5*, all HTMT values are below the threshold of 0.90, indicating that the constructs demonstrate acceptable discriminant validity.

## 5.5 | Reliability of the Measurement Model

The reliability of a measurement instrument refers to the extent to which the results obtained can be consistently reproduced in repeated measurements. Nunnally [11] noted that constructs are considered reliable when their Cronbach's alpha is 0.70 or higher. The Cronbach's alpha and composite reliability were determined using the statistical software SmartPLS. The Cronbach's alpha coefficients and composite reliability values for each questionnaire are presented in *Table 8*.

**Table 6. Questionnaire items for variables and their reliability coefficients.**

| Factors                                   | Composite Reliability | Cronbach's Alpha |
|-------------------------------------------|-----------------------|------------------|
| Organizational cynicism                   | 0.879                 | 0.827            |
| Premature termination of audit procedures | 0.877                 | 0.813            |
| Narcissistic leadership                   | 0.895                 | 0.859            |

Based on the results presented in the table, Cronbach's alpha values for organizational cynicism, premature termination of audit procedures, and narcissistic leadership are 0.827, 0.813, and 0.859, respectively, while the corresponding composite reliability values are 0.879, 0.877, and 0.895, all exceeding the threshold of 0.70. Therefore, it can be concluded that the reliability of the questionnaires is satisfactory.

## 5.6 | Coefficient of Determination ( $R^2$ )

The predictive power of the proposed model is evaluated using the explained variance (coefficient of determination,  $R^2$ ) for the dependent variables. The coefficient of determination ranges between zero and one. An  $R^2$  value of zero indicates that the regression line has failed to explain any of the variance in the dependent variable based on changes in the independent variable(s), whereas an  $R^2$  value of one indicates that the regression line has perfectly accounted for the variance in the dependent variable based on the changes in the independent variable(s).

**Table 7. Coefficient of determination ( $R^2$ ) for the research variables.**

| Variable                                  | Coefficient of Determination ( $R^2$ ) |
|-------------------------------------------|----------------------------------------|
| Organizational cynicism                   | 0.701                                  |
| Premature termination of audit procedures | 0.557                                  |

As shown in *Table 7*:

- I. The coefficient of determination for organizational cynicism is 0.701. This indicates that the model accounts for and tests over 70% of the factors influencing organizational cynicism.

- II. The coefficient of determination for premature termination of audit procedures is 0.557. This indicates that the model accounts for and tests over 50% of the factors influencing the premature termination of audit procedures.

## 5.7 | Overall Model Fit

The overall model comprises both the measurement and structural components; upon confirmation of their adequacy, model fit is evaluated within an integrated framework. The Goodness-Of-Fit (GOF) index simultaneously assesses the fit of the structural and measurement models. This index is computed based on the geometric mean of the average coefficient of determination ( $R^2$ ) and the average communality indices. In PLS modeling, communality is equivalent to the AVE. Wetzels et al. [12] proposed the following formula:

$$\text{GOF} = \sqrt{\text{average (AVE)} \times \text{average (R}^2\text{)}}.$$

Within this framework, a GOF value between 0.10 and 0.25 indicates weak model fit; values between 0.25 and 0.36 reflect moderate fit; and values exceeding 0.36 denote strong model fit. The results of the Overall Model Fit (GOF) assessment are presented in *Table 8*.

**Table 8. Overall model fit indices.**

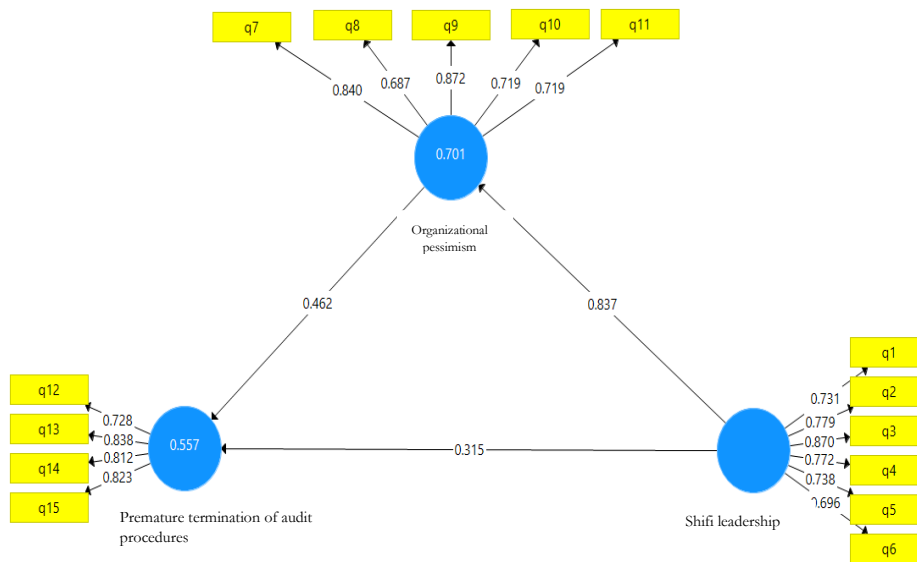
| Indicator Title                                 | Calculated Value | Acceptable Threshold | Goodness-of-Fit Index |
|-------------------------------------------------|------------------|----------------------|-----------------------|
| Mean coefficient of determination (Mean $R^2$ ) | 0.629            | Greater than 0.36    | R-Squared ( $R^2$ )   |
| Mean convergent validity (Mean AVE)             | 0.609            | At least 0.5         | AVE                   |
| GOF                                             | 0.619            | At least 0.36        | GOF                   |

Following confirmation of the model fit, the subsequent section proceeds to test and examine the corresponding hypotheses using the validated constructs.

## 5.8 | Examination of the Research Hypotheses

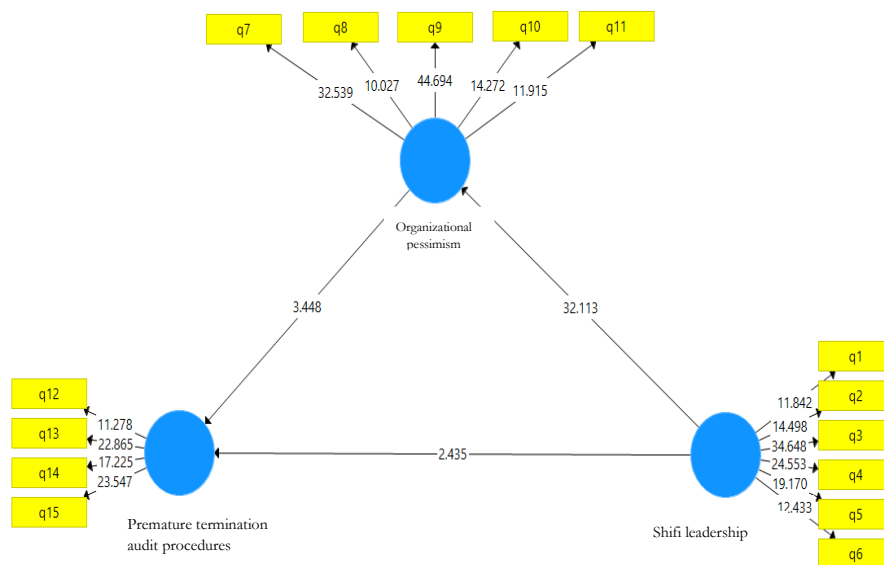
*Figs. 1 and 2* illustrate the research models corresponding to the study hypotheses. The coefficients presented in these figures can be categorized into two types. The first category represents the relationships between latent variables (ellipses) and observed variables (rectangles), commonly referred to as factor loadings. Factor loadings indicate the extent to which each observed variable contributes to the measurement of its corresponding construct;

variables with higher factor loadings have a greater contribution, whereas those with lower loadings contribute less. The second category comprises the relationships between latent variables themselves, known as path coefficients, which are employed for hypothesis testing. All coefficients are evaluated using the t-statistic. A t-statistic is considered significant when its absolute value exceeds 1.96.



**Fig. 1. Path coefficients and factor loadings—magnitude of effects.**

In *Fig.1*, the yellow rectangles represent the research questionnaire items, which are used to measure the study’s latent (or unobserved) variables. The blue circles denote the research variables themselves. The numbers displayed on the arrows extending from the blue circles to the rectangles indicate the factor loadings of each questionnaire item, which are also reported in *Table 3*. The numbers on the arrows connecting the blue circles represent the path coefficients between the research variables, indicating the magnitude of influence that each variable exerts on the others. Various studies have proposed different thresholds for acceptable factor loadings to confirm construct validity. Kline [13] suggested that a factor loading of 0.4 is an acceptable minimum for establishing questionnaire validity, which serves as the benchmark in this study. The path coefficients illustrated in *Fig.1* indicate the influence of the independent variable on the dependent variable, including any mediating effects. A path coefficient is considered acceptable only if its corresponding t-statistic is significant. Accordingly, the greater the absolute value of a path coefficient, the stronger its effect, while the sign of the coefficient indicates the type of effect (direct or inverse).



**Fig. 2. t-Statistics—significance of path coefficients.**

In *Fig. 2*, the numbers on the arrows extending from the blue circles to the rectangles represent the t-statistics for each questionnaire item, which are also reported in *Table 3*. The numbers on the arrows connecting the blue circles indicate the t-statistics for the research variables themselves. The t-statistic reflects the significance of the relationships between research variables at a 5% error level. Accordingly, if the absolute value of a t-

statistic exceeds 1.96, the corresponding relationship between the research variables is considered significant. When the t-statistic is significant, the associated path coefficient can be meaningfully interpreted.

### 5.8.1 | Testing the First Research Hypothesis

The first research hypothesis is presented in *Table 9*:

**Table 9. the first research hypothesis and its corresponding statistical hypotheses.**

| Row              | Hypothesis                                                                        | Statistical Hypothesis                                                                                                                                                                                                |
|------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| First Hypothesis | Narcissistic leadership affects the premature termination of auditing procedures. | H <sub>0</sub> : Narcissistic leadership has no effect on the premature termination of auditing procedures.<br><br>H <sub>1</sub> : Narcissistic leadership affects the premature termination of auditing procedures. |

**Table 10. results of the first research hypothesis test.**

| Hypothesis | Path Coefficient | t-Statistic | Test Result         |
|------------|------------------|-------------|---------------------|
| Hypothesis | 0.315            | 2.435       | Hypothesis accepted |

In examining the effect of narcissistic leadership on the premature termination of auditing procedures, as shown in *Fig. 1* and *Table 10*, the path coefficient is 0.315, indicating a positive relationship. The absolute value of the t-statistic, reported in *Fig. 2*, is 2.435, exceeding the threshold of 1.96. Therefore, with 95% confidence, it can be concluded that narcissistic leadership significantly influences the premature termination of auditing procedures.

### 5.8.2 | Testing the Second Research Hypothesis

The second research hypothesis is presented in *Table 11*:

**Table 11. The second research hypothesis and its corresponding statistical hypotheses.**

| Row               | Hypothesis                                                                                                                              | Statistical Hypothesis                                                                                                                                                                                                                                                                                                           |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Second hypothesis | Organizational cynicism mediates the relationship between narcissistic leadership and the premature termination of auditing procedures. | H <sub>0</sub> : Organizational cynicism does not mediate the relationship between narcissistic leadership and the premature termination of auditing procedures.<br><br>H <sub>1</sub> : Organizational cynicism mediates the relationship between narcissistic leadership and the premature termination of auditing procedures. |

To examine the mediating role, the significance level of the Sobel test was employed. The Sobel test is a statistical method used to assess the significance of a mediator variable's effect. This test was introduced by Michael Sobel, a professor at Columbia University, USA. If the Sobel test statistic exceeds the critical value of 1.96, the mediating effect is considered significant.

The Sobel test formula is as follows:

$$z - \text{value} = \frac{a * b}{\sqrt{b^2 * s_a^2 + a^2 * s_b^2}}$$

a: Path coefficient between the independent variable and the mediator.

b: Path coefficient between the mediator and the dependent variable.

sa: Standard error of the path from the independent variable to the mediator.

sb: Standard error of the path from the mediator to the dependent variable.

It should be noted that the Sobel test was calculated manually using the following formula in Microsoft Excel.

$$\frac{0.386694}{\sqrt{0.000144288 * 0.12579417}} = 3.428156.$$

Since the z-statistic obtained from the Sobel test exceeds 1.96, it can be concluded that organizational cynicism mediates the relationship between narcissistic leadership and the premature termination of auditing procedures.

## 6 | Conclusion

The present study aimed to examine the effect of narcissistic leadership on the premature termination of auditing procedures, with particular attention to the mediating role of organizational cynicism. In line with this objective, two research hypotheses were proposed. The findings indicate that narcissistic leadership significantly affects the premature termination of auditing procedures. Moreover, the results demonstrate that organizational cynicism mediates the relationship between narcissistic leadership and the premature termination of auditing procedures. These findings underscore the critical influence of narcissistic leadership on auditing processes within organizations. Such leadership not only fosters an environment characterized by tension and uncertainty but also amplifies organizational cynicism as a mediating factor, ultimately compromising the quality and effectiveness of auditing procedures. In other words, narcissistic leaders, by prioritizing personal interests and disregarding the needs and expectations of team members, can weaken cooperation and trust within the organization. This, in turn, cultivates a climate of cynicism and uncertainty, which contributes directly to the premature termination of auditing procedures. The results highlight the necessity of considering leaders' personality traits and their impact on organizational culture and auditing processes. In today's complex organizational environment, effective and constructive leadership emerges as a vital factor in enhancing audit quality and preventing procedural deficiencies. To mitigate the negative effects of narcissistic leadership on auditing practices, it is recommended that professional accounting communities organize specialized workshops and training programs for organizational leaders and managers. These programs should focus on fostering positive and ethical leadership skills, including the development of emotional intelligence, effective communication, and techniques for building trust within teams. Additionally, implementing 360-degree feedback systems can help identify and correct narcissistic behaviors among leaders, thereby creating a foundation for a positive organizational culture that supports more effective and reliable auditing processes.

## Authors' Contributions

M. R: software, validation, formal analysis, and investigation writing-original draft, methodology, conceptualization, and formal analysis F. M: research design, data curation, visualization, writing-review & editing, and validation. The authors have read and agreed to the published version of the manuscript.

## Data Availability

All data are included in the text.

## Funding

This research received no external funding.

## Conflict of Interest

No potential conflict of interest was reported by the authors.

## References

- [1] Wilson, J., Wahby, R. S., Corrigan-Gibbs, H., Boneh, D., Levis, P., & Winstein, K. (2017). Trust but verify: Auditing the secure Internet of things. In *proceedings of the 15th annual international conference on mobile systems, applications, and services* (pp. 464-474). <https://doi.org/10.1145/3081333.3081342>
- [2] Izzah, M. H., & Laily, N. (2020). Premature sign-off of audit procedure. *Jabe (journal of accounting and business education)*, 4(2), 69-78. <https://journal-fe.um.ac.id/index.php/jabe/article/download/553/290>
- [3] Sulaiman, N. A. (2013). *Audit quality in practice: A study of perceptions of auditors, audit committee members and quality inspectors*. The University of Manchester (United Kingdom). <https://search.proquest.com/openview/a0d40e2a144612923897e214a2b8b08c/1?pq-origsite=gscholar&cbl=2026366>
- [4] Frino, A., Lim, M. Y., Mollica, V., & Palumbo, R. (2015). CEO narcissism and earnings management. Available at *ssrn* 2539555. <https://dx.doi.org/10.2139/ssrn.2539555>
- [5] Schmitz, J., & Leoni, G. (2019). Accounting and auditing at the time of blockchain technology: a research agenda. *Australian accounting review*, 29(2), 331–342. <https://doi.org/10.1111/auar.12286>
- [6] Dingba, C. M., Ikon, M. A., & Onwuchekwa, F. C. (2022). Organizational cynicism and employee performance of logistics companies in Southwest Nigeria. *European journal of business and innovation research*, 10(1), 18–33. <https://doi.org/10.37745/ejbir.2013>
- [7] Louis, R. R., Sulaiman, N. A., & Zakaria, Z. (2022). A preliminary study on auditors' performance attributes–perceptions from accounting firm practitioners. *Asian journal of accounting perspectives*, 15(2), 1-21. <https://doi.org/10.22452/AJAP.vol15no2.1>
- [8] Juniariani, N. M. R., & Lestari, N. L. P. R. W. (2021). Auditor's dysfunctional behavior by integrating machiavellian properties, role stress, and emotional intelligence. *WARDS 2020: Proceedings of the 3rd warmadewa research and development seminar, WARDS 2020, 21 December 2020, Denpasar-Bali, Indonesia* (p. 253). <https://books.google.com/books>
- [9] Rehan, M. F., Khan, S. M., Mumtaz, R., & Hussain, K. (2023). Leader's Narcissism, organizational cynicism, and external auditor's acceptance of premature signoff: moderation of the auditor's resilience leaders narcissism, organizational cynicism & auditor resilience 2. *Leadership and organizational behavior journal*, 3, 1–22. [https://pu.edu.pk/images/journal/LOBJ/PDF/1\\_V3\\_No\\_1\\_23.pdf](https://pu.edu.pk/images/journal/LOBJ/PDF/1_V3_No_1_23.pdf)
- [10] Byrne, B. M. (2013). *Structural equation modeling with Mplus: Basic concepts, applications, and programming*. Routledge. <https://api.taylorfrancis.com/content/books/mono/download?identifierName=doi&identifierValue=10.4324/9780203807644&type=googlepdf>
- [11] Nunnally, J. C. (1975). Psychometric theory—25 years ago and now. *Educational researcher*, 4(10), 7–21. <https://doi.org/10.3102/0013189X004010007>
- [12] Wetzels, M., Odekerken-Schröder, G., & Van Oppen, C. (2009). Using PLS path modeling for assessing hierarchical construct models: Guidelines and empirical Illustration1. *MIS quarterly*, 33(1), 177–195. <https://doi.org/10.2307/20650284>
- [13] Kline, R. B. (2023). *Principles and practice of structural equation modeling*. Guilford publications. <https://books.google.com/books>