

The Factors which Affect on The choice of The External Auditor in Jordanian Banks from The perspective of The External Auditor in Jordan (An Empirical Study)

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Abstract

This study aimed to identify The Factors which Affect on The choice of The External Auditor in Jordanian Banks from The perspective of The External Auditor in Jordan. To achieve the goal of this study, was designed questionnaire and distributed (82) questionnaire on a sample of the study, which was collected (58) questionnaire, representing (70%) of the sample size, and after analyzing the data using a program (SPSS), The study reached several conclusions, including:

- 1. There are causes related to the banks of Jordan to lead to change the external auditor.*
- 2. There are reasons related to the application of generally accepted auditing standards to change the external auditor.*
- 3. There are reasons related to the audit office to change the external auditor.*

One of the most important recommendations of the study include:

- 1. Need to develop specific criteria to adjust the process of changing the external auditor.*
- 2. Need to review the Jordanian Companies Law and the law of the audit profession, and make the adjustments necessary to ensure that the right of the external auditor and provides the necessary protection against unfair dismissal.*

1.0 Introduction

Need has arisen for an audit to ensure the accuracy and integrity of financial information relied upon by users of financial statements in the rational decision-making, and because the audit lends confidence and credibility to the financial statements, the independence of the external auditor is one of the most important issues the audit has received considerable attention since the very beginning of the composition of the audit profession, and with the recognizing the importance of the audit profession in the opinion impartial technical for the sincerity and fairness of financial statements to express clearly the result of business and financial position of the company in the audit, but the conflict is high between the border and the interests of the beneficiaries of the audit results may display the independence of the auditor in the exercise of his profession to some of the pressure which is likely to lead him to change course or abandon it, and this may lead to a change of the external auditor, and especially that most of the legislation in the countries of the world give the general shareholders the right to change the external auditor and sequestration. In Jordan, the applicable laws and instructions of The Jordanian Association of Certified Public Accountants give the right to elect the external auditor, or forced out through meetings of the general shareholders at the annual meeting of the bank as a normal public company, and this makes us wonder about the factors that lead to change the external auditor.

1 / 1 Study Problem

Still audit profession in Jordan need more attention from specialists, researchers, academics and other relevant parties, so it is necessary to identify the most important factors affecting the change auditor in companies that are audited, it can define the problem of the study raise the following questions:

1. Are there any reasons related to the Bank's influence in the selection of the external auditor?
2. Are there any reasons related to the application of generally accepted auditing standards affect change in the external auditor?
3. Are there any reasons related to the Audit Office to change affecting the external auditor?

1 / 2 Study Significance

This study is important to identify factors that lead to change the external auditor from time to time, and can determine the importance of the study in many of the most important points:

- 1 - to shed light on the profession of researchers and academics in Jordan.
- 2 - Although there are studies in this area, but that this study is to study the new variables, especially in the global financial crisis, which originated in 2008.

1 / 3 Study Objectives

This study aimed in general to identify the causes that lead to the withdrawal of the external auditor in Jordanian banks from the viewpoint of external auditors and to achieve this has been working to achieve sub-goals were as follows:

- 1) recognize the independence of the auditor in Jordan through the knowledge of the factors that lead to change the external auditor.
- 2) identify the reasons for the application of generally accepted auditing standards that may affect change in the external auditor.
- 3) identify the causes for the Office of Audit and that may affect the change of the external auditor.

1/4 Literature Review

There are many studies that addressed the issue. The studies that have been obtained and had a link to the study were as follows:

1/4/1 Study toothpick, 2008, Entitled "Factors Influencing the Change of External Auditors Study The Theory of A Field in The Republic of Yemen", The study aimed to identify the factors that affect the change of the external auditor in the Yemeni joint-stock companies, as well as reflections caused by the decision to change auditor. In addition to measurement and analysis of the relative importance of these factors and the reflections, from the perspective of corporate management and auditors, and that by selecting a random sample from each of:

1. Corporations Companies Limited.
2. External Auditors.

The study found the following results:

1. The phenomenon of change that the auditor has not received much attention in the Republic of Yemen, in addition to that previous studies have differed in their results in terms of the nature and effect of the factors leading to change of auditor and the environment to another.
2. Inadequate laws and legislation governing the profession in the Republic of Yemen.
3. Occupies the phenomenon of auditor change in the proportion of the Republic of Yemen is not uncommon to hit (56%). Of the sample under study.
4. The study confirmed that there are factors associated with the company replace the factors associated with audit and audit standards, and related factors affect the audit office to change the external auditor.
5. Auditor's employees affected by the change associated with the development of an environment audit profession.

The survey has produced several recommendations, including:

1. The need to add material to the Commercial Companies Law requires companies to contribute to the establishment of audit committees.
2. The need to add materials in the Companies Act and the law practice of the profession give the auditor the right to discuss the decision to change materials and require companies to contribute to fill out a form typical of the Ministry of Trade and Industry describes the factors that led to change its auditor.
3. The need for the Association of Chartered Accountants of Yemenis an active role in spreading the idea of the formation of audit committees in joint stock companies, and encourage audit committees to integrate small in others.

1/4/2 Study Basudan, Mustafa, Almatz, 2004, Entitled "A Field Study of The Factors Affecting The Change of The External Auditor Firms to Contribute to the Kingdom of Saudi Arabia", Where this study was conducted on two groups:

1. Class members to contribute to corporate audit committees.
2. The category of external auditors.

The study aimed to investigate the factors affecting the change in the auditor Saudi joint stock companies, and then identify areas of possible diagnosis for this problem. The study divided the factors affecting the auditor change into two parts:

First: technical factors: the performance of the auditor for the audit process and the number thirteen workers.

Second: Non-technical factors: It is otherwise of the reasons for the auditor change and the twelve workers.

The most important results of the study include:

- 1) Advanced technical factors in the degree of importance to the non-technical factors in my sample study, such technical factors:
 - a. The office to follow generally accepted auditing standards.
 - b. The reputation of the office and his previous experience in the audit.
 - c. Scientific and professional qualification of each partner and director of the Office of Audit and auditors.

The non-technical factors that have attracted the attention my sample study were focusing on the following:

1. Fees for the audit process.
2. Non-approval of the auditor to give up his reservations.
3. Not to help the company inn the services tax.
4. The attention of managers, audit firms other factors are:
 - a. The existence of a reservation in the auditor's report or a disclaimer of opinion.
 - b. By failing to offer consulting services.
 - c. Not to assist the company in the preparation of annual financial statements.
 - d. To change the members of audit committees.
- 2) The study found a difference between the two points of view of members of audit committees and directors of audit firms in five of the factors, including one technician and four non-technical factors.

The study came out with several recommendations including the following:

- A. Need to focus on developing the technical capabilities of auditors, especially in light of economic and technological developments of today.
- B. The need to disclose the reasons for changing auditor by the audit committees of companies Contribute, as well as giving the right to discuss the auditor's decision to isolate him.
- C. The integration of small audit firms in order to ease competition among audit firms.
- D. The need for modules with the Ministry of Commerce to be filled by members of corporate audit committees to contribute to the reasons for the auditor change them.

1/4/3 Study Kasharmeh and Omari, 2001, entitled "Changing the external auditor in the Jordanian public shareholding companies from the perspective of the auditors" This study aimed to identify the views of respondents about the reasons influencing the change of external auditors in Jordan. The findings of this study to a set of results, including:

- A. All the factors associated with a company's influence in changing the external auditor.
- B. To all the factors associated with the Office Audit affect change in the external auditor.
- C. All the factors associated with the Generally Accepted Auditing Standards (GAAS) have an effect in changing the external auditor.

The survey has produced several recommendations, including:

- A. The need for further studies on the topic of changing the external auditor from the perspective of groups other than the categories mentioned in the study such as the general shareholders and departments of companies and audit firms and others.
- B. Promoting the development of specific standards to control the process of changing the external auditor does not leave a change is the desire of the company's management.

- C. The need to expand in the laws and regulations governing the audit profession to ensure the necessary protection of the auditor and ensure that the auditor shall exercise its full independence.
- D. Increase the activation of the role of Auditors Association Jordanian cooperation and control of audit firms and auditors, and make sure they exercise their privilege of the profession and in full independence, and put sanctions on each auditor prejudice the honor and ethics, and that the Assembly consider the case of changing the auditor and opinion.

1/4/4 Study Hamoud and Ibrahim, 1997, Entitled "The Problems Faced by Auditors in Kuwait", The aim of this study is to contribute to the development of the profession of accounting and auditing, and by identifying the problems faced by auditors in their work in Kuwait, and the degree of importance, and its impact on the organization of the profession and its development. The findings of this study suggest that auditors in Kuwait are facing many problems related to laws governing the profession, the Association of auditors, and customers. This study has shown the most important problem from the viewpoint of the audit, such as:

1. Rejection of Assessors tax income of the audited accounts often are unjustified.
2. There is no generally accepted accounting standards appropriate to the Kuwaiti environment.
3. There is an overview of the basic objective of the audit profession is to detect errors and fraud.
4. Not the law requiring rehabilitation and training of auditors on an ongoing basis, enabling them to continue to practice the profession.
5. The absence of the role of professional associations, the organization of the profession.
6. Unfair competition between auditors.
7. The absence of specific rules of professional conduct.

The researcher recommended in his study of the importance of forming a committee to study the legislation governing the legal profession and is working to address the shortcomings, as well as the need to continue to adopt the accounting standards and international auditing and begin to complete the development of standards that are appropriate to the Kuwaiti environment. In addition to the rules and bases of professional conduct as well as to determine the fees of auditors that are commensurate with their efforts and responsibilities, as well as holding more training courses, seminars and conferences by the Assembly and interest in teaching courses related to the audit and the establishment of institutes for the training of auditors in Kuwait.

1/4/5 Study of Abu-Al-Hassan, 1993, Entitled "Possible Reasons to Change The References" legal Field Study in The Kingdom of Saudi Arabia", This study aimed to know the possible reasons for the auditor to change the legal study was based on a sample of audit firms in Saudi Arabia.

The survey found that the factors affecting the auditor change is divided into two groups:

- A. Technical factors include factors that are related to the technical aspects of accounting and auditing such as degree of restraint in the application and interpretation of accounting principles, and disagreement about the methods of presentation and disclosure, and the dispute over the scope of the audit process, and issue a report conservatively.
- B. Non-technical factors have included: change management, reduction of fees, the focus of the audit in one reviewer, the study also found that there is general agreement between the categories of auditors to non-technical reasons weigh more heavily on changing the auditor of technical reasons.

The study recommended the need for controls to change auditors in order to provide them with a work environment free of any factors affecting their independence and professional mental, including the risk of isolating the auditor without any acceptable reason.

1/4/6 Study Yamani, 1991, Entitled "The Experimental Study of Some Factors Affecting The independence of The External Auditor from The Perspective of Auditors, lenders and Investment analysts in Saudi Arabia", This study tested the impact of some factors on the independence of the external auditor from the perspective of three categories the auditors, lenders and investment analysts, as major users of financial statements, and factors that were examined its impact on independence are:

1. The level of competition among audit firms.
2. Consulting services provided by the audit office to the customer.
3. The role of company management in the selection of the auditor.
4. Size of the audit office.

The study found that the role of company management in the selection of the external auditor is the most serious reasons for an independent external auditor, has recommended the study, including the following:

1. The need to develop the necessary laws to ensure that the auditor exercises done without exposure to the pressures of management.
2. Reduction of interference management in the process of appointment and removal of the auditor.

1 / 5 Study Methodology

The current study's was based on two main pillars:

First: the theoretical side: and depends on access to books and specialized journals and previous studies and some theses and other.

Second: depends on the data collection by designing a questionnaire submitted to a sample of the external auditors of Jordanians to learn their views on factors influencing change in the external auditor in Jordanian banks.

1 / 6 Study Hypotheses

Depending on the problem of the study and previous studies have been building the following assumptions:

1/6/1 First Hypothesis

HO: There are no reasons in Jordanian banks to change the external auditor.

1/6/2 Second Hypothesis.

HO: There are no reasons on the application of generally accepted auditing standards to change the external auditor.

1/6/3 Third Hypothesis

HO: There are no reasons related to the audit office to change the external auditor.

1 / 7 Statistical Universe and Sample

Consists of community and a sample study of the external auditors working in the offices of audit firms operating in the Hashemite Kingdom of Jordan.

1 / 8 Sources of Data Collection:

To achieve the objectives of the study and test hypotheses have been collecting data through the following sources:

First: primary sources: This includes books, periodicals, theses and research, laws and regulations regarding the profession.

Second: secondary sources: include questionnaires, interviews and observations of a sample of the study.

2.0 Theoretical Framework

2 / 1 The Concept of The Audit:

Requires the work of the auditors to express the views of professional differs from a client audit to another, and that their work is outside the office of the audit; so you must give the auditor's degree of autonomy to be able to deal with clients of the audit objectively real (Ragabi, 2004, p. 45).

Hence, external auditing is critical examination of the books and records by an outside neutral person, to get an opinion on the fairness of financial statements (Matarnneh, 2009, p. 25).

2 / 2 The Definition of The Audit

Can be defined audit that: "verify critical systematic evidence and evidence of proof of what its contents the books and records established from the data under accounting principles generally accepted by a specific program in advance in order to express an opinion impartial technical sincerity and fairness of financial reports to the readers and users of these reports." (Jumah, 2000, p. 8).

He also knows some of the audit that “examination of the internal control systems, data, documents, accounts and ledgers for the project under audit examination of critical organizations with a view out the opinion of a technical neutral about the significance of financial statements on the financial status of the project at the end of a period of time information and the portrayal of the results of work of the profit or loss for that period. “(Budoor, 2008, p. 97). Thus, the audit includes examination, investigation and report is intended inspection to ensure the validity of measuring the financial operations that have been recorded, analyzed and classified, any examination of measurement of account of financial operations for the activity specified for the project, but the investigation is intended by the possibility of ruling on the validity of financial statements of the final as an expression of sound to the work of the project for the certain financial, and as a sign of its financial position at the end of that period, so the examination and investigation of two interrelated intended them to enable the auditor to express an opinion as to whether the measurement of financial information have led to prove a fair picture of the result of the project and its financial position, and the report is intended by crystallization results examination, investigation and substantiated in a report to whom it may concern inside and outside the project which is the conclusion of the audit process, as it shows the auditor’s audit opinion neutral in the financial statements as a whole in terms of its portrayal of the financial status of the project and described its operations in a sound and fair. (Abdullah, 2007, p. 13).

2 / 3 The Importance of The Audit:

The importance of auditing to being a means, not an end designed to serve multiple parties using the audited financial statements in making decisions and policy-making and examples of these parties:

Management: The auditor's report on the impact of effective management, where it depends upon the development plans, performance monitoring and evaluation.

Investors: The auditors' report to investors a tool to reassure them that their money is safe, because it depends investors on the financial statements certified by an auditor independent and impartial when making any decision to direct their savings and their investments face that bring them the highest return possible.

Lenders: banks rely on financial statements audited by an impartial body art upon examination of the financial centers of the projects that apply for loans and credit facilities from them.

Government bodies: based on the audited financial statements in many purposes, including planning, control and taxation, pricing, and the report of subsidies to some industries. (Budoor, 2008, p. 97).

2 / 4 Audit Objectives:

The main objective of the audit is to express an opinion impartial technical whether the entity's financial statements reflect honestly and fairly on the results of its operations during the period were checked and its financial position at the end of this period, is the discovery of errors, fraud and forgery in a books and accounting records, and manipulating the results of the Business Centre Financial targets achieved automatically during a secondary goal but the main achievement of this goal depends on achieving the other objectives are as follows:(Shraim and Barakat, 2005, p. 12).

1. Verification of existence.
2. Validation of ownership and the calendar.
3. Verification of the independence of the financial period.
4. Verification of the validity and legitimacy of financial operations.
5. Verification of the disclosure and presentation of financial statements honestly and fairly.

2 / 5 Auditing Standards

Efficiently until the audit should be based on norms and standards of logical and consistent intended to define the process and the circumstances in which that person. (Tulbah, 1997, p. 8) The standards of audit standards Auditing Guidelines (directory). General to assist the auditors in the implementation of their professional responsibilities when auditing financial statements of the historical, and incorporates a professional quality considerations such as efficiency, neutrality, and the requirements of the report, the audit evidence. (Arens and Loebbeck, 2002, p.40). And known to others as standards that can auditor in light to evaluate the work done, and to recognize whether the duties that commitment as a member belonging to the profession of accounting, auditing, and the same level as is customary among the members of the profession. (Naghii, 2000, p. 51) .

The aim of the criteria to determine how is the practice of the profession, which serve as standards of professional performance, which is similar to models used in judging the performance done by auditors after the end of their work. (shmasii, 2005, p.95). Entries were collected auditing standards in ten basic standards for checking recognized by Generally Accepted Auditing Standards. (GAAS) by the American Academy of Chartered Accountants, the standards that must be justified by the auditor deviation and only exposed himself to disciplinary action. (Thomas and Emerson, 1989, p. 32).

In this regard differentiate Institute of Chartered Accountants American between the audit criteria and audit procedures, since the latter represents the steps carried out by the references in the review process or work carried out, but first it is a standard or standards by which to measure work in terms of quality and in terms of goals intended to be accessible to do this work. (Khadair, 1996, p. 40).

Standards have contributed to the achievement of the following benefits to the auditing profession:

1. Supports confidence in the auditing profession recognized.
2. These standards help to make the audit profession with an independent entity, and without it becoming a practice of the profession and the function is useful.
3. In the absence of standards to become the auditing profession is in its proper place, which may make governments adopt legislation and the laws of transformation of the audit profession to profession and a government job. (Matarnneh, 2009, p. 37).

Here are ten generally accepted auditing standards (GAAS) classified in three groups : (Arens and Loebbeck, 2002, p. 41).

First: General or Personal Standards:

1. must be the performance of the audit by a person and a people who received the appropriate level of training and possess the technical skill appropriate to the work of an auditor or auditors.
2. Must be available to the auditor or auditors to work through all stages of neutrality in the mental direction.
3. Care must be exercised when the usual professional performance of the audit and the preparation of the report

Second: Standards Of Field Work:

1. Must be work planning and allocation of tasks to assistants and supervised appropriately.
2. Must be an understanding of internal control sufficient to plan the audit and determine the nature, timing, and extent of tests to be carried out.
3. The auditor must obtain sufficient evidence through inspection, observation and inquiry, and send confirmations until there is an adequate basis to reach an opinion on the financial statements being audited.

Third: Standards Of Reporting:

1. The report must specify whether the financial statements conform with generally accepted accounting principles.
2. Must be mentioned in the report cases of inconsistency in the application of accounting principles generally accepted among the current period and previous period.
3. Unless otherwise stated in the audit report is a disclosure and transparency of financial statements is sufficient.
4. Must contain a report on the expression of the auditor for his product in the financial statements or on his mind for some of the elements that affected not to express an opinion, and when they can not express their opinion in the financial statements, must indicate the report the reasons behind it, and when combined with the name auditor's report accompanying the financial statements, must specify in the report unequivocally indicate the nature of the work of the auditor, and to the point of responsibility.

2 / 6 Factors Serve to Change Auditor:

There are many reasons that lead to change the external auditor and perhaps most important of these reasons include the following:

First: The reasons for the company include:

1. Change of management.
2. He desire of management to obtain additional services.
3. The company's financial distress.
4. The size of the company.
5. The personal relationship between company management and the auditor.
6. Corporate profits.

Second: The reasons for the application of generally accepted auditing standards, These include:

- A. The difference between the auditor and management of the company's views, and accounting disclosure.
- B. A conservative issue a report or a disclaimer of opinion.
- C. The dispute over the auditor and audit fees.

Third: The reasons for the Office of Audit and include the following:

- A. Size of the audit office.
- B. The quality of the audit office.
- C. Fame Audit Office.
- D. Excellence of the Office of Audit.

2 / 7 Appointment of The Auditor

The auditor shall be appointed by the owner of the facility is usually in individual enterprises or partners in companies of people, the law did not intervene in the issue of determining who has the power to appoint the auditor in this type of company, as the appointment of the authority of the owners of the project, the companies with regard to funds, whether taken the form of joint stock company, or limited by shares or limited liability company, the law (the law of the Jordanian Companies No. 22 of 1997) was keen to keep the power to appoint the auditor for the management of the company, and make it in the hands of the General Assembly of shareholders, which may not authorize the Board of management to do so. (Shraim and Barakat, 2009, p. 76).

2 / 8 Change The Auditor

Place with out the auditor for several reasons such as resignation, death or legal incapacity, which calls for the Governing Council invited the General Assembly to convene and elect a replacement immediately. (Abdullah, 2007, p. 112). The change in auditor is intended by the adoption of General Assembly of the company's decision to end the relationship with the auditor's current, and the selected auditor last to sign a contract with him and in spite of his professional duties properly and availability of all the conditions that qualify him to practice the profession and its commitment to the terms of the contract, and therefore intended to change the auditor will addressed in the current study is the one who is not will or choose the auditor and is the result of disagreement between the auditor and the company as a result of any factor leading to change. (Toothpick, 2008, p. 9).

2 / 9 Decision to Dispense With The Services of The External Auditor:

It is known that it has the appointing authority has the power to end the service auditor, in individual institutions, the establishment's owner or partners who are appointed auditor who can isolate it. (Sahn, 1986, p. 214). The companies have the right to terminate the services entrusted to his client at any time, and thus the authority to change the auditor in the hands of the General Assembly. (Shraim and Barakat, 2009, p. 80).

3.0 Statistical analysis and hypothesis testing

3 / 1 Statistical Universe and Sample

Consists of community and a sample study of the external auditors working in the offices of the local audit firms and foreign companies operating in Jordan. This has been distributed (82) questionnaire on a sample of the study, which was collected (58) questionnaire, representing (70%) of the sample size, all of which are valid and feasible for the analysis.

3 / 2 Methods of Analysis Used:

Has been used several statistical methods through the SPSS statistical analysis for results of the study included the following analysis:

1. Cronbach alpha's test to test the validity and reliability study tool.
2. Frequencies and percentages to test the demographic characteristics of the study sample.

3. Descriptive statistics to test the views of the sample questions on the questionnaire include:
 - a. The Mean.
 - b. Standard deviation.
4. Make One Sample t-test to analysis the hypotheses of the study.

3 / 3 Tool Reliability and Validity Study

Were examined reliability and validity study responses of a sample by a Cronbach alpha's test for all variables, hitting 0.868, which is excellent in comparison with the accepted ratio of the analysis is 0.60 which confirms the validity, reliability and consistency of the responses of the sample.

3 / 4 Analysis of Demographic Characteristics:

Shown in Table (3-1) a presentation of the characteristics of a sample study of demographic, educational level, age, years of experience, scientific, specialization, and job description.

Table (3-1): Demographic characteristics

Description	Rank	Number	Percentage
Qualifications	Less than Bachelor	20	34.5%
	Bachelor	30	51.7%
	Master	4	6.9%
	Ph.D	4	6.9%
	Total	58	100%
Age	From 20 to 30 years	22	37.9%
	From 31-40 years	26	44.8%
	From 41 – 50 years	6	10.4%
	More than 51 years	4	6.9%
	Total	58	100%
Years of Experience	Less than 5 years	20	34.5%
	From 6 – 10 years	10	17.3%
	From 11 – 15 years	14	24.1%
	More than 16 years	14	24.1%
	Total	58	100%
Specialization	Accounting	48	82.8%
	Business Administration	6	10.3%
	Economy	2	3.4%
	Financial Management	2	3.4%
	Total	58	100%

The following analysis of the demographic characteristics of study sample: Table (31) that accounted for 51.7% of respondents are of the bachelor degree, and that the rate of 34.5% are less than a bachelor, and accounted for 6.9% of the campaign Masters, a rate of 6.9% of PhDs, and above it is clear that vocabulary of the study sample who obtained a bachelor's degree, representing the highest and this gives an indication of a logical and positive that the majority of respondents have rehabilitation scientific manner, which refers to the perception and comprehension of the sample of the items of questionnaire, which indicates the objective answers, and gives credibility to the data. For the age groups, the results show that the high proportion of the sample identified the age groups over 30 years, and the number of years of experience, we find that the majority of the sample was their experience of more than 5 years, and for scientific specialization, the most accountable, but for the level of employment, we expect that the answers are logical , acceptable and suitable for analysis of this sample.

3 / 5 Test Hypotheses of The Study

3/5/1 First Hypothesis

H₀: There are no causes related to the banks of Jordan to change the external auditor.

The table No. (3-2) test results t-test of the sample one where it was found that the value of the arithmetic average of 3.23, which indicates the direction of the approval of the views of respondents about the existence of causes b related to the company lead to change the external auditor was the largest Class 3 according to the scale of the Likert five-point which refers to neutrality. Since the value of the t-test calculated were significant and positive, reaching 3.572 and significance level the value of a small hitting .001, the lowest level of confidence (0.05), and based on the above is rejected the hypothesis of nihilism, which states that "There are no reasons the banks of Jordan lead to change the external auditor "and accept the alternative hypothesis and the notion that" there are causes related to the banks of Jordan to lead to change the external auditor".

Table (3-2): Test results of the first hypothesis

The First Hypothesis	t-test	Df	Sig.(2-tailed)	Mean	Std. Deviation	Result
There are no causes related to Jordanian banks lead to change the external auditor	31.98	57	0.000	3.810	0.907	Rejection of the nihilistic hypothesis

The analysis showed the reasons for the company, which lead to a change of the external auditor during the means and standard deviations, where they were all moving towards accepting the alternative hypothesis and reject the nihilistic hypothesis as in the Table 3-3 below:

Table (3-3): Table shows the averages and standard deviations for the first hypothesis questions

Number	Paragraph	Mean	Standard deviation
1	Management of new banks in seeking to change the auditor because of a personal relationship with another auditor.	3.79	1.25
2	Management is seeking to change the new auditor to end all that connects the old bank's management.	3.62	1.28
3	The bank's management to change the auditor in order to obtain additional services.	4.06	0.83
4	Was based the bank's management to change the auditor due to the faltering financial situation of the bank.	3.75	1.20

3/5/2 The second hypothesis

HO: There are no reasons on the application of generally accepted auditing standards lead to change the external auditor.

The table No. (3-4) Results of t-test it was found that the value of the arithmetic average of 4.094 is greater than grade 3 according to the scale of the Likert five-point, and since the value of T calculated were significant and positive, reaching 42.560 and that the level of significance was little value in terms of (0.000), the lowest level of confidence (0.05), and based on the above is rejected the hypothesis of nihilism, which states that "there are no reasons on the application of auditing standards generally accepted result in a change of external auditor," and accept the alternative hypothesis and the notion that "there are reasons the application of generally accepted auditing standards to change the external auditor".

Table (3- 4): Test results for the second hypothesis

The Second Hypothesis	t-test	Df	Sig.(2-tailed)	Mean	Std. Deviation	Result
There are no reasons on the application of generally accepted auditing standards to change the external auditor.	42.56	57	0.000	4.094	0.7327	Rejection of the nihilistic hypothesis

The analysis showed the reasons for the application of auditing standards that lead to the change of the external auditor during the averages and standard deviations, where they were all moving towards accepting the alternative hypothesis and reject the nihilistic hypothesis as in the Table 3-5 below:

Table (3-5) : Table shows the averages and standard deviations for the second hypothesis questions

Number	Paragraph	Mean	Standard deviation
5	The auditor change because of the dispute between the administration of the Bank and the auditor's views about the accounting and disclosure in the financial statements.	4.00	0.917
6	Issuance of the auditor's report qualified or reluctance to express an opinion leads to the auditor change.	4.24	0.978
7	Reduce the fees of the auditor to change the lead auditor.	4.20	0.893
8	Disagreement between the auditor and the bank's management in the way of payment of fees will change the auditor.	3.93	0.952

3/7/3 third hypothesis

HO: There are no reasons related to the audit office to change the external auditor

The table No. (3-6) the results of a t-test it was found that the value of the arithmetic average of 4.353 is greater than grade 3 according to the scale of the Likert five-point, and since the value of T calculated were significant and positive, reaching 56.498 and that the level of significance was a small value to \$ (0.000) which is less than the level of confidence (0.05), and based on the above is rejected the hypothesis of nihilism, which states that there are no reasons related to the Office of Audit to change the external auditor, and the alternative hypothesis was accepted notion that there are reasons to change the external auditor.

Table (3- 6): Test results for the third hypothesis

The Third Hypothesis	t-test	df	Sig.(2-tailed)	Mean	Std. Deviation	Result
There are no reasons related to the audit office to change the external auditor.	56.49	57	0.000	4.353	0.586	Rejection of the nihilistic hypothesis

The analysis showed the reasons for the Office of Audit, which lead to a change of the external auditor during the averages and standard deviations, where they were all moving towards accepting the alternative hypothesis and reject the nihilistic hypothesis as in the in Table 3-7 below:

Table (3-7) : Table shows the means and standard deviations for the third hypothesis questions

Number	Paragraph	Mean	Standard deviation
9	9 auditor who works for the Office of his fame, the possibility of change are few.	4.310	0.706
10	10 Office of auditing large size will be changed less than the Audit Office is small in size.	4.206	0.968
11	11 Office audit, which provides high-quality work, the change is less than the office that work be of lower quality.	4.482	0.903
12	12 office, which is characterized by its work and services from other offices lead to the promotion of survival.	4.413	0.622

4.0 Results and Recommendations

4 / 1 Results

The study found the following results:

- There are causes related to the banks of Jordan to lead to change the external auditor and the most important of these reasons include:

- a. New management in banks is seeking to change the auditor because of a personal relationship with another auditor.
 - b. The new administration is seeking to change the auditor to end all that connects the old bank management.
 - c. The bank's management to change the auditor in order to obtain additional services.
 - d. The bank's management to change the auditor due to the faltering financial situation of the bank.
5. There are reasons related to the application of generally accepted auditing standards to change the external auditor, and most important of these reasons include the following:
- a. Not change the auditor because of the dispute between the bank's management and auditor about the views, and accounting disclosure in the financial statements.
 - b. Issuance of the auditor's report qualified or reluctance to express an opinion leads to the auditor change.
 - c. Reduced fees for the auditor to change the lead auditor.
 - d. Disagreement between the auditor and the bank's management in the way of payment of fees will change the auditor.
6. There are reasons related to the audit office to change the external auditor, and most important of these reasons include the following:
- a. Auditor who works for the Office of his fame, the possibility of change are few.
 - b. Audit Office have changed large-scale audit office less than a small size.
 - c. Audit Office, which provides high-quality work, the change is less than the office that work be of lower quality.
7. The office that is characterized by its work and services from other offices lead to the promotion of survival.

4 / 2 Recommendations

1. Need to develop specific criteria to adjust the process of changing the external auditor, and leaves the change is the desire of the Bank's management.
2. Need to review the Jordanian Companies Law and the law of the audit profession, and make the adjustments necessary to ensure that the right of the external auditor and provides the necessary protection against unfair dismissal.
3. The need to add an article to the Companies Law or the law practice of the profession provides for a right to discuss the auditor's dismissal, and during the general meeting of shareholders until a clearer picture to shareholders on the factors that led to the change of the external auditor.
4. Further activate the role of the Jordanian Public Accountants Association in the protection of the external auditor, and in cooperation and control of audit firms and auditors practicing.
5. Further activate the role of Public Accountants Association by holding numerous training courses, seminars and conferences to promote the process of continuing education for auditors.
6. The need for further studies on the topic of changing the external auditor by the researchers and those interested in this important sector.

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