A Model for Determining Audit Fees with Emphasis on the Tone of Financial Reporting Based on Grounded Theory

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E d i t o r	R e v i e w e r s
Mohammed Abdul Imran Khan Department of Financial Management and Economics, Dhofar University, Oman mimran@du.edu.om	**Reviewer 1:** Masoud Hoseinchari Associate Professor, Department of Educational Sciences, Shiraz University, Shiraz, Iran. Email: hchari@shirazu.ac.ir **Reviewer 2:** Alinaghi Amiri Professor, Management Department, Tehran University, Tehran, Iran. Email: anamiri@ut.ac.ir

1. Round 1

1.1. Reviewer 1

Reviewer:

The discussion on audit fees and their importance is well-founded. However, the historical context could be expanded by referencing more recent studies beyond those cited from the 1980s and 1990s. This will provide a more current perspective on the topic.

Data Analysis (Open Coding): While the process of open coding is described, it lacks specific examples of the initial codes. Including a table or a few examples of open codes and their progression to categories would provide greater transparency.

The axial coding section refers to relationships between categories, but these are not sufficiently detailed. It would help to include a figure or diagram illustrating these relationships and how they inform the central phenomenon.

The statement that "no prior research has focused on determining audit fees with an emphasis on the tone of financial reporting" might be too absolute. Consider reviewing literature in related fields, such as corporate governance or behavioral accounting, which might have addressed similar issues.

The conclusion effectively summarizes the findings but could be more compelling by explicitly stating how this model can change or influence current auditing practices. What specific actions should auditors take based on your findings?

Response: Thank you for your comment. I will consider these comments.

1.2.   Reviewer 2

Reviewer:

The claim that "a comprehensive and integrated model for audit fees and their influencing factors has not yet been developed" is bold. Consider softening this statement by acknowledging existing models and positioning your contribution as an enhancement or extension.

The selection of participants seems heavily skewed towards auditors and managers. It would be beneficial to explain why other stakeholders, such as financial analysts or regulators, were not included in the sample.

The explanation of theoretical saturation is clear, but it would strengthen the paper to include specific examples of how saturation was determined, perhaps by mentioning the codes or categories that were repeatedly observed.

The section discussing the "knowledge and experience of the firm's auditors" is crucial but could benefit from a deeper exploration of how these factors specifically impact audit fees. Are there quantifiable measures or previous studies that can support this connection?

The paradigm model presented in Figure 1 is useful, but the text should provide more detailed guidance on how to interpret this model. For instance, how do the relationships depicted translate into practical implications for audit firms?

The comparison with existing literature is essential, yet it appears that some key studies are missing, particularly those published in the last five years. Incorporating recent research would help situate your findings in the current academic discourse.

Response: Thank you for your comment. I will consider these comments.

2.   Revised

Editor's decision after revisions: Accepted.
Editor in Chief's decision: Accepted.