

Identifying Factors Affecting the Absence of Behavioral Nudges in Auditors' Decision-Making Using Grounded Theory

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ABSTRACT

Objective: This study aimed to identify and conceptualize the factors contributing to the absence of behavioral nudges in auditors' decision-making through a grounded theory approach.

Methods and Materials: This applied qualitative study employed a descriptive-analytical design and grounded theory methodology. The study population consisted of auditors working in the Audit Organization who met predetermined expertise criteria, including at least 15 years of auditing experience, a master's degree or higher, and a minimum level of familiarity with the concept of behavioral nudges. Participants were recruited using snowball sampling, and sampling continued until theoretical saturation was achieved. Data became repetitive after the twelfth interview; however, interviews continued with 15 participants to ensure saturation. Data were collected through in-depth semi-structured interviews. Data collection and analysis were conducted concurrently according to the Strauss and Corbin grounded theory framework. The analytical procedure involved open coding, axial coding, and selective coding to identify concepts, categories, relationships, and the core dimensions underlying the absence of behavioral nudges in auditors' professional decision-making.

Findings: Grounded theory analysis demonstrated that the absence of behavioral nudges in auditors' decision-making was influenced by three major groups of determinants. Causal conditions consisted of four dimensions: processes and structures, lack of appropriate models, cognitive biases, and personal characteristics. Contextual conditions comprised three dimensions: management performance, organizational regulations, and job performance. Intervening conditions were represented by two dimensions: individual skills and organizational conditions. The resulting conceptual model further indicated that the absence of behavioral nudges produced adverse professional consequences, particularly reduced job performance and weakening of the professional status and position of auditing.

Conclusion: Therefore, strengthening behavioral decision-support mechanisms requires simultaneous attention to auditors' competencies, organizational structures, management practices, and professional working conditions.

Keywords: Behavioral Nudges; Auditor Decision-Making; Audit Organization; Grounded Theory; Open Coding; Axial Coding; Selective Coding.

1 Introduction

Decision-making is a central component of organizational functioning and professional performance, particularly in occupations in which judgments are made under uncertainty, incomplete information, time constraints, regulatory pressures, and competing organizational objectives. Auditing represents one of the clearest examples of such a professional environment because auditors are continually required to evaluate evidence, assess risks, determine materiality, interpret accounting information, and form professional judgments that ultimately affect the credibility of financial reporting. Although professional standards emphasize independence, objectivity, professional skepticism, and evidence-based judgment, auditors remain human decision makers whose judgments are influenced by cognitive, behavioral, social, and organizational factors. Consequently, improving the architecture within which auditors make decisions has become increasingly important for organizations seeking to enhance audit quality and reduce judgment errors. Behavioral nudges provide one potentially effective mechanism for shaping this architecture because they seek to influence behavior through relatively subtle modifications to the decision environment without eliminating freedom of choice. Recent organizational research has consequently emphasized the potential of behavioral nudges to enhance organizational productivity by directing employees toward more effective choices while preserving their decision-making autonomy (Pedrami & Vaezi, 2025).

The concept of nudging originates from behavioral approaches to decision-making that acknowledge the systematic departure of human judgments from the assumptions of perfect rationality. Rather than assuming that individuals always identify and select the objectively optimal alternative, behavioral perspectives recognize that decision makers frequently rely on heuristics, defaults, social cues, salient information, framing, and other contextual signals. Nudges exploit these predictable behavioral tendencies by redesigning choice environments in ways that make desirable actions easier, more salient, or more cognitively accessible. Within organizations, such interventions can include changes in default options, reminders, feedback mechanisms, framing strategies, social norm information, simplification of procedures, visualization of successful behaviors, and restructuring of the sequence or presentation of choices. The organizational significance of these mechanisms is particularly evident

where employees face complex tasks and limited cognitive resources. Research examining the public sector has shown that behavioral nudges may reduce failures to act by modifying organizational environments and encouraging individuals to perform expected behaviors without relying solely on sanctions or formal commands (Vaezi & Hosseini, 2024). Similarly, research on organizational productivity suggests that the effectiveness of nudges depends not simply on their existence, but also on managerial, structural, individual, and contextual conditions that determine whether behavioral interventions can influence employees as intended (Pedrami & Vaezi, 2025).

Evidence from different occupational contexts supports the broader applicability of nudging interventions. During periods of substantial organizational disruption, nudges have been examined as mechanisms for shaping employees' work behavior and work culture, demonstrating that relatively small behavioral interventions can become relevant when conventional routines and workplace structures are destabilized (Aparna & Biju, 2021). In workplace health research, behavioral nudges have similarly been considered as instruments for encouraging physical activity and reducing sedentary behavior by modifying environmental cues and opportunities rather than depending exclusively on deliberate intention or extensive educational interventions (Forberger et al., 2020). A systematic review in healthcare further indicated that nudges can promote adherence to professional guidelines, while also highlighting that their organizational effects depend on implementation conditions and the institutional environment in which they are introduced (Nwafor et al., 2021). Collectively, these studies demonstrate that behavioral nudges can influence professional conduct across organizational settings, but they also suggest that successful nudging requires an appropriate organizational infrastructure, supportive implementation, and alignment between behavioral interventions and the characteristics of the targeted work process.

The social dimension of organizational decision-making is another important consideration. Decisions in organizations are rarely made in complete isolation; rather, professionals work within teams, departments, hierarchical structures, and professional communities in which the behavior of others becomes an important source of information and influence. Experimental evidence concerning nudges and team decision-making indicates that behavioral interventions can alter collective action and affect the way groups coordinate decisions (Diekert & Eymess, 2024). Such findings are relevant to auditing because audit

assignments are typically performed by teams operating under supervisory hierarchies, standardized procedures, deadlines, and collective responsibility for audit outcomes. In these settings, the behavior of colleagues, supervisors, and managers can reinforce or weaken behavioral cues. Organizational nudges may therefore influence not only individual choices but also the social dynamics through which particular approaches become normalized. Research on organizational retention has likewise shown that organizational nudges can operate together with psychological resources and organizational behavior, suggesting that their effects may be embedded in broader patterns of employee attitudes, psychological capital, and organizational conduct (Rouhani Rad & Keshavarz, 2022).

A related theoretical issue concerns the congruence between employees and their organizational environments. Person–organization fit theory emphasizes that employee attitudes and behaviors are affected by the compatibility between personal values, preferences, capabilities, and the characteristics of the organization (Kristof-Brown et al., 2023). From this perspective, behavioral nudges cannot be assumed to operate identically for every employee or in every organizational environment. Interventions that are consistent with organizational values, professional identities, and employees' expectations may be more readily accepted, whereas poorly designed nudges may be ignored, resisted, or perceived as irrelevant. Individual differences in motivation, self-efficacy, experience, confidence, and resistance to change may similarly alter responses to behavioral cues. Therefore, the absence of effective nudging in an auditing organization may reflect not only the lack of explicitly designed behavioral interventions, but also a misalignment among individual characteristics, organizational culture, management practices, and the conditions under which audit work is performed.

These concerns are especially important because professional judgment is vulnerable to cognitive bias. A broad review of professional decision-making has shown that cognitive biases can systematically affect judgments across multiple occupational domains, even among trained and experienced professionals (Berthet, 2022). Legal decision-making research has similarly demonstrated that cognitive biases can distort the evaluation of evidence and affect judgments within formal professional processes that are theoretically expected to rely on rational and objective analysis (Olaborede & Meintjes-Van der Walt, 2020). These observations are directly applicable to auditing, where judgments concerning risk, evidence sufficiency, material

misstatement, going-concern assumptions, and client representations often depend on complex cognitive evaluations. Because professional expertise does not necessarily eliminate heuristic thinking, experienced auditors may remain vulnerable to overconfidence, confirmation bias, anchoring, framing, availability effects, recency effects, and other systematic distortions.

Auditing research has specifically documented the significance of cognitive and behavioral biases in professional judgment. Ebrahimi and Esmailzadeh examined cognitive biases in professional audit judgment and highlighted the importance of recognizing psychological tendencies that can interfere with objective evaluation (Ebrahimi & Esmailzadeh, 2015). More recent research has identified multiple factors affecting auditors' behavioral biases and has demonstrated that these biases emerge through a combination of individual and contextual influences rather than through isolated cognitive processes (Ashrafi et al., 2024). In addition, research on auditors' professional and expert judgment has emphasized the effects of individual, social, and situational factors, indicating that audit judgment is shaped by a multidimensional environment in which personal characteristics interact with contextual and interpersonal pressures (Touqi, 2018). These findings suggest that attempts to improve auditors' decision-making cannot be limited to technical training alone. Instead, the decision environment itself must be structured in ways that reduce predictable behavioral vulnerabilities and facilitate more consistent professional judgment.

Behavioral nudges are particularly relevant in this regard because they can potentially be used to counteract or redirect biased decision processes. Preliminary experimental research specifically examining financial auditors has demonstrated the feasibility of using nudging strategies to improve auditors' behavior (Gajewski et al., 2020). Such interventions may operate by increasing the salience of relevant information, encouraging reconsideration of initial judgments, prompting auditors to examine contradictory evidence, presenting decision alternatives differently, or providing timely feedback. In principle, these mechanisms could reduce the influence of cognitive shortcuts and reinforce professional skepticism. However, the mere theoretical availability of nudges does not ensure their adoption or effectiveness. Organizational routines may be excessively rigid, managers may lack knowledge of behavioral interventions, employees may not receive sufficient feedback, and workplace cultures may discourage experimentation. Consequently, understanding why

behavioral nudges are absent from auditors' decision environments is as important as demonstrating that nudges can work under experimental conditions.

The significance of this issue is amplified by the organizational conditions under which contemporary auditing is performed. Audit quality is affected by strategic, cultural, technological, and occupational factors that influence how auditors process information and exercise professional judgment. Research has shown that strategic intelligence contributes to audit quality, indicating that the quality of auditing depends partly on the organization's ability to interpret information strategically and respond appropriately to changing circumstances (Setayesh et al., 2025). Similarly, the relationship between time pressure, ethical culture, and audit quality demonstrates that auditors' performance is embedded in working conditions that can either facilitate or constrain sound professional judgment (Samagaio et al., 2025). When time pressure is intense or organizational norms fail to support ethical and reflective decision-making, auditors may rely more heavily on familiar procedures, prior expectations, and cognitive shortcuts. Behavioral nudges could potentially mitigate some of these risks, but only where the organization possesses the structural and managerial capacity to design and sustain them.

Organizational factors also affect auditors when they confront ethically sensitive choices. Research concerning internal auditors' motivation to report unethical conduct has shown that whistleblowing judgments and decisions are shaped not only by individual motivation but also by organizational factors (Khalif Rashid et al., 2025). This finding reinforces the broader argument that decision-making quality cannot be separated from the organizational context in which judgments occur. If organizational structures do not provide psychological safety, appropriate incentives, supportive leadership, or opportunities for participation, professionals may avoid actions that are technically or ethically desirable. Behavioral nudges may function as one component of a broader organizational decision-support system by making appropriate conduct easier to perform and more visible. Conversely, the absence of such interventions may allow undesirable defaults, conformity pressures, silence, inertia, or habitual behavior to persist.

Responsibility is also a central concept in professional decision environments. Institutional systems can unintentionally encourage responsibility shirking when accountability is diffused across structures or when

organizational arrangements make it easier for individuals to defer difficult decisions (Milazzo, 2023). Within professional environments, the distinction between a blame-oriented culture and a responsibility-oriented culture is particularly important because excessive blame can discourage transparency and learning, while insufficient accountability can normalize poor performance (Parker & Davies, 2020). Auditing organizations must therefore establish structures in which professional responsibility is reinforced without creating conditions that inhibit communication or innovation. Properly designed nudges could support such a responsibility culture by making standards, expectations, feedback, and desirable behavioral pathways more salient. Yet if employees perceive that performance is unrelated to recognition, that management support is inconsistent, or that organizational rules are applied mechanically without attention to behavior, nudging interventions may be absent or ineffective.

The need to understand these mechanisms has become even more important as auditing undergoes rapid technological transformation. Artificial intelligence, smart data, and continuous auditing are increasingly redefining the processing, monitoring, and interpretation of accounting information, creating a shift toward data-intensive and technologically supported audit environments (Hocine & Soumia, 2026). These technologies can expand auditors' analytical capabilities, but they do not eliminate behavioral dimensions of judgment. Auditors must still determine which information is relevant, how technological outputs should be interpreted, when professional skepticism should override automated recommendations, and how evidence should be integrated into final judgments. As decision environments become more complex, the architecture through which information is presented and choices are structured becomes increasingly consequential. Behavioral nudges may therefore complement technological decision support by directing attention, encouraging verification, and reducing the probability that automated or default outputs will be accepted uncritically.

Other recent auditing studies further indicate that audit outcomes are shaped by characteristics of the audit arrangement itself. Evidence concerning auditor type and earnings quality suggests that audit-related characteristics and audit adjustments can influence the relationship between auditing and financial reporting outcomes (Mohammadnezami et al., 2025). This reinforces the idea that auditing effectiveness depends on the configuration of multiple organizational and professional mechanisms rather

than on a single individual attribute. If audit quality emerges through interactions among auditor characteristics, organizational processes, adjustment mechanisms, ethical culture, strategic intelligence, and decision conditions, then the presence or absence of behavioral nudges should likewise be examined as part of a broader system. Identifying the factors that prevent such nudges from being embedded within professional decision processes may therefore provide a more comprehensive explanation of behavioral shortcomings in audit practice.

At the same time, behavioral interventions must be distinguished from coercive mechanisms. The central advantage of nudging is that it seeks to shape choice architecture while preserving the decision maker's ability to choose differently. This feature makes nudges particularly suitable for professional environments such as auditing, where independence and professional judgment cannot appropriately be replaced by rigid behavioral control. However, this flexibility also means that nudges are highly sensitive to implementation quality. Simplified procedures may fail if they conflict with organizational routines; feedback may be ineffective if employees do not trust management; social norms may reinforce undesirable practices if existing group behavior is problematic; and default options may reproduce old practices rather than facilitate improved judgment. Thus, the absence of effective behavioral nudges can arise from processes and structures, deficient managerial practices, cognitive biases, organizational regulations, job-related behaviors, individual characteristics, and broader workplace conditions. A grounded understanding of these factors is required before effective interventions can be designed.

Despite increasing scholarly attention to nudging, cognitive bias, organizational behavior, and audit judgment, an important research gap remains. Much of the existing literature has concentrated on whether particular nudges influence behavior, whether cognitive biases affect professional judgment, or whether organizational variables are associated with desirable employee and audit outcomes. Experimental evidence has shown that nudges can influence auditors (Gajewski et al., 2020); organizational studies have demonstrated their relevance to productivity, employee retention, work culture, and failures to act (Aparna & Biju, 2021; Pedrami & Vaezi, 2025; Rouhani Rad & Keshavarz, 2022; Vaezi & Hosseini, 2024); and professional decision-making research has established the persistence of cognitive biases in auditing and other expert domains (Ashrafi et al., 2024; Berthet, 2022; Ebrahimi & Esmaeilzadeh, 2015;

Olaborede & Meintjes-Van der Walt, 2020). However, substantially less attention has been devoted to identifying, from the perspective of experienced auditors themselves, the interrelated causal, contextual, and organizational conditions that explain why behavioral nudges may be absent from actual audit decision-making environments.

A qualitative grounded theory approach is especially appropriate for addressing this gap because the phenomenon involves interconnected behavioral, organizational, managerial, and professional mechanisms that may not be adequately captured through predetermined quantitative variables. Such an approach allows the relevant concepts to emerge from the experiences of auditors and enables the relationships among processes, cognitive biases, personal characteristics, management performance, organizational rules, job performance, individual skills, and organizational conditions to be systematically conceptualized. Moreover, identifying the consequences associated with the absence of nudges can clarify why behavioral decision architecture matters for both employee performance and the professional position of auditing. Given the growing importance of audit quality, ethical culture, strategic decision-making, technological transformation, and organizational support in contemporary audit practice (Hocine & Soumia, 2026; Khalif Rashid et al., 2025; Mohammadnezami et al., 2025; Samagaio et al., 2025; Setayesh et al., 2025), developing an empirically grounded model of the absence of behavioral nudges can contribute to both behavioral management research and auditing practice.

Accordingly, the aim of this study was to identify the factors affecting the absence of behavioral nudges in auditors' decision-making using a grounded theory approach.

2 Methods and Materials

The study was qualitative in nature, applied in terms of purpose, and descriptive-analytical in terms of method. The statistical population consisted of auditors employed by the Audit Organization who met the specified expertise criteria, including at least 15 years of auditing experience, possession of a master's degree or higher, and at least a basic familiarity with the concept of nudging. Snowball sampling was employed, and theoretical saturation was used to determine the sample size. After 12 interviews, the information obtained became repetitive; however, to ensure that theoretical saturation had been achieved, the interviews were continued until 15 participants had been interviewed. In-

depth interviews with auditors of the Supreme Audit Court who met the expertise criteria were used to collect the data. To assess validity, the research findings were presented to the interviewees. The individuals involved in the interviews reviewed the theoretical account, and their comments were incorporated into the analysis. To assess test–retest

reliability, three of the conducted interviews were selected. Each interview was recoded one month after the initial coding, and the codes identified on the two occasions were subsequently compared. The results of this coding procedure are presented in Table 1.

Table 1

Test–Retest Reliability

Interview No.	Total Number of Codes	Number of Agreements	Reliability
4	10	4	75%
5	11	5	88%
7	14	6	72%
Total	35	15	78%

The results presented in Table 1 indicate that the total number of codes across the three interviews was 35 and the number of agreements was 15. Therefore, the within-subject agreement reliability was 86%, which was considered acceptable.

To analyze the data obtained from the interviews, the three-stage process of open, axial, and selective coding based on the Strauss and Corbin approach was employed. Accordingly, the collected data were manually analyzed through these three coding stages. In the first stage, open coding was used to interpret concepts and categories. In the second stage, axial coding was employed to identify an influential and frequently recurring category with the strongest relationships with the other categories. In the third stage, selective coding was used to develop the theory and construct the conceptual model.

3 Findings and Results

To identify the factors affecting the absence of behavioral nudges in auditors' decision-making, semi-structured interviews were used as the data collection instrument in accordance with the exploratory approach of the study.

Relatively open-ended questions were developed, and face-to-face interviews were conducted with experts. Before beginning each interview, the researcher followed a procedure that included introducing themselves, explaining the purpose of the study, assuring the participant of the confidentiality of the information, and explaining why the participant had been selected for the interview. In total, 15 experts participated in the study. Theoretical saturation was reached after 12 interviews, while three additional interviews were conducted to ensure that no new concepts remained to be identified from the experts' perspectives and that no potentially relevant concepts had been overlooked. Among the experts participating in the research interviews, 20% held doctoral degrees and 80% held master's degrees. Furthermore, 10 of the experts were men and five were women. The results showed that 11 experts had between 16 and 20 years of work experience, while four had more than 21 years of experience. In addition, 53% of the experts were between 39 and 44 years old, 27% were between 45 and 50 years old, and 20% were older than 50 years. The characteristics of the research participants are presented in Table 2.

Table 2

Demographic Characteristics of the Experts Participating in the Study

Characteristic	Category	Frequency	Percentage
Gender	Female	5	33
	Male	10	67
Age	39–44 years	8	53
	45–50 years	3	27
	Older than 50 years	4	20
Work Experience	16–20 years	11	67
	21 years and above	4	33
Education	Master's degree	12	80
	Doctoral degree	3	20

In this study, the interviews were conducted with the aim of addressing the research questions. After completion of each interview, the recorded conversations were transcribed verbatim and accurately, without alteration or omission. Each transcript contained numerous narratives in response to the questions. Therefore, using a data-fragmentation approach, the key points were manually separated from the other narratives after repeated and careful review, and a code was assigned to each narrative. Subsequently, narratives describing phenomena with similar meanings were represented and classified as concepts. The identified concepts were then linked and organized in relation to one

another in order to identify categories, which were more abstract and possessed greater conceptual explanatory power than the individual concepts. These categories were labeled in a manner that maximized their correspondence with the concepts they represented. This process was conducted using the constant comparative method, involving the simultaneous collection and analysis of data, thereby allowing new data to be organized and directed on the basis of previous analyses and enabling the extracted concepts and categories to be revised and refined. From this perspective, 11 categories and 39 concepts were identified and classified, as presented in Table 3.

Table 3

Results of Open and Axial Coding

Category	Concepts	Open Codes
Processes and Structures	Process complexity	Failure to provide clear and transparent information; lack of simple and understandable guidelines; lack of a clearly defined workflow; lack of supporting tools; existence of rigid structures and processes; difficulty changing organizational procedures
	Structural weaknesses	Employees' opinions having no influence on work processes; failure to complete some organizational tasks; employees' attitudes being dependent on managers' goals and perspectives; excessive emphasis on occupational rules and procedures; workload pressure; insufficient attention to human resource productivity; lack of a sustained strategy for implementing nudges; absence of a positive view among all managers regarding the effectiveness of nudges; frequent management turnover; lack of support for creative and innovative employees; lack of status and charismatic authority among new managers; emphasis on individuals rather than performance; insufficient authority
	Nontransparent performance	Lack of transparent feedback on results; failure to provide accurate reports; insufficient attention to time management
Lack of a Model	Failure to observe successful behavior	Failure to showcase employees' positive performance; failure to provide successful examples from other organizations
Cognitive Biases	Default effect	Simplicity of default options; individual perspectives and attitudes
	Confirmation bias	Tendency to make decisions consistent with initial beliefs; decision-making based on personal interests and preferences; decision-making based on the evidence presented; searching for evidence that confirms asserted claims
	Overconfidence bias	Tendency to overestimate one's actual ability to perform a task; disregarding contradictory information or recommendations from others
	Optimism bias	Optimism regarding estimates and outcomes
	Ambiguity bias	Selecting successful goals rather than appropriate goals
	Availability bias	Mental image of the client; lack of a clear conception of fraud; using the same method and approach across all assignments; limited information available for decision-making and selection
	Similarity bias	Using the same method and approach for similar assignments; making decisions based on activities performed in previous years
	Anchoring bias	Making decisions based on initial expectations; reliance on pre-audit work estimates; reliance on previously successful strategies rather than current objectives
	Uncertainty-aversion bias	Rapid and immediate decision-making
	Halo effect	Holding a stereotypical image of the client
	Framing effect	Evidence being provided by the client within a particular frame; excessive reliance on the client's verbal representations; failure to change the manner in which information is presented; no differentiation between employees who perform their work and those who do not
	False consensus bias	Fear of jeopardizing one's occupational position; conformity with the group
	Information redundancy bias	Presence of a significant amount of indistinguishable information
	Recency effect	Influence of the most recently collected evidence

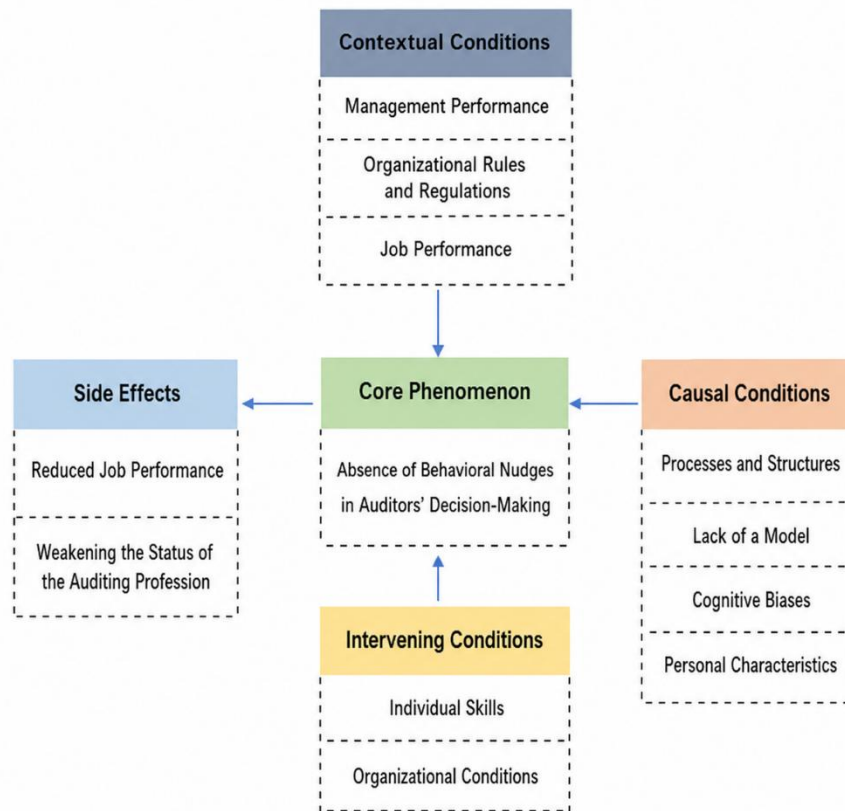
	Peer bias	Lack of opportunities to express opinions; following the group and accepting others' opinions and decisions; emphasis on collective achievements; making decisions under social or group pressure
Personal Characteristics	Weakness in teamwork	Lack of encouragement to learn from others; failure to participate in weekly group meetings; disregard for changes in colleagues' behavior
	Temperamental characteristics	Low self-confidence; poor mental concentration; stress and anxiety; arrogance and pride; lack of analytical and problem-solving ability; individual resistance to change
	Lack of motivation and indifference	Employee indifference toward whether occupational problems are resolved; lack of concern about solving problems; work conscience; lack of necessary incentives for employees
Management Performance	Appropriateness of solutions	Belief that the same solution can be applied to all problems; failure to recognize the need to adapt interventions to the specific conditions of each environment
	Continuous experimentation	Failure to test and refine scalable evidence-based interventions
Organizational Rules and Procedures	Laws and regulations	Noncompliance with laws and regulations
	Organizational climate	Instability in organizational programs; presence of organizational silence; workplace aggression; lack of empathy and support among colleagues; absence of a collaborative culture
Job Performance	Work underperformance	Job burnout; disorganization; lethargy and procrastination; lack of employee motivation
	Work-related behaviors	Lack of responsibility; absence of organizational citizenship behavior; lack of organizational commitment; lack of organizational loyalty; job dissatisfaction; organizational cynicism
	Poor performance	Outdated information; weaknesses in acquiring job-related knowledge
Individual Skills	Individual capabilities	Self-organization; employees' intrinsic motivation; hopefulness about life; increased self-efficacy and self-confidence; employee experience; employee age
Organizational Conditions	Organizational characteristics	Development of a collaborative culture; job involvement; managerial stability
	Organizational support	Continuous support for nudge programs; support for committed employees; attention to employees' capabilities; motivating behavior; increasing rewards and incentives
	Improvement of working conditions	Continuous employee evaluation; flexibility in activities and procedures; providing opportunities to participate in decision-making; increasing organizational intimacy; increasing organizational justice; training employees in occupational laws and regulations; creating a collaborative organizational climate; establishing a competitive work environment; improving management and performance-appraisal processes; implementing a performance-based reward system
Reduced Job Performance	Reduced productivity	Reduced organizational participation and engagement; reduced performance and motivation; failure to share knowledge with colleagues; reduced job efficiency and effectiveness; increased lack of motivation and discouragement
	Reduced quality of working life	Increased feelings of fatigue and lethargy; reduced job satisfaction; deterioration in quality of working life; reduced organizational commitment
	Noncompliance with laws and regulations	Reduced adherence to the auditing code of conduct; reduced mastery of organizational laws and regulations
Weakening the Status of the Auditing Profession	Audit quality	Reduced reliability of audit reports; reduced auditor transparency and accountability; reduced concentration; proper and complete performance of audits; increased reporting errors
	Audit process	Reduced generation of ideas and suggestions; failure to disseminate and transfer nudge-based behavior; failure to achieve organizational objectives; failure to provide more appropriate audit opinions; failure to create better conditions for oversight; reduced auditors' level of awareness
	Credibility and reputation	Reduced public trust; reduced credibility and reputation of the auditing profession; reduced trustworthiness of audit reports

Following conceptual refinement, selective coding was conducted, and the categories were classified and assigned to the axial categories. At this stage, causal conditions, contextual conditions, intervening conditions, and side effects were identified. Selective coding was used to represent the classification of and relationships among the categories in a new configuration. In other words, the data that had been fragmented during the open-coding process

were reintegrated at this stage to provide a more precise and comprehensive explanation of the phenomenon. For this purpose, the categories and the relationships among them were classified according to the selective-coding model into causal conditions, contextual conditions, intervening conditions, and side effects. By linking these elements to one another, the final research model was developed.

Figure 1

Final Research Model



4 Discussion

The present study sought to identify the factors underlying the absence of behavioral nudges in auditors' decision-making through a grounded theory approach. The findings produced a multidimensional model in which the absence of behavioral nudges constituted the core phenomenon and was explained through causal, contextual, and intervening conditions, while two major groups of adverse consequences were also identified. Specifically, the causal conditions consisted of **processes and structures, lack of a model, cognitive biases, and personal characteristics**. The contextual conditions comprised **management performance, organizational rules and regulations, and job performance**, whereas the intervening conditions included **individual skills and organizational conditions**. Finally, the principal consequences were **reduced job performance and weakening of the status of the auditing profession**. These findings indicate that the absence of nudging mechanisms in audit decision-making

cannot be attributed to a single behavioral or organizational deficiency. Rather, it emerges from the interaction of individual cognitive processes, organizational structures, managerial practices, professional routines, and institutional conditions. This multidimensional interpretation is consistent with the growing behavioral literature suggesting that the effectiveness of nudges depends heavily on the decision architecture and organizational context within which they are implemented (Pedrami & Vaezi, 2025; Vaezi & Hosseini, 2024).

The first group of causal factors concerned **processes and structures**, including complexity of procedures, insufficiently clear information, lack of understandable guidelines, poorly defined work pathways, inadequate support tools, rigid organizational structures, weak employee influence over work processes, frequent changes in management, insufficient support for innovative personnel, and lack of clear feedback. These findings suggest that when organizational processes are complicated, inflexible, or opaque, the possibility of embedding

behavioral nudges into routine decision-making decreases considerably. Nudging depends on purposeful choice architecture; therefore, when employees are confronted with unclear pathways, inconsistent procedures, or limited feedback, subtle behavioral cues are unlikely to have stable effects. This interpretation is consistent with research showing that behavioral nudges can improve organizational productivity only when they are appropriately integrated into the structure of work and supported by organizational mechanisms (Pedrami & Vaezi, 2025). Similarly, evidence from public-sector organizations indicates that nudges may reduce failures to act when administrative processes are designed in ways that make desirable actions easier and more salient (Vaezi & Hosseini, 2024). Studies conducted in workplace settings have also emphasized that the design of the work environment plays an important role in determining whether nudging interventions can influence behavior (Aparna & Biju, 2021; Forberger et al., 2020). Thus, the present findings imply that organizational complexity and structural rigidity may prevent auditors from receiving the timely cues, feedback, and simplified options required for effective behavioral guidance.

Another causal condition was the **lack of an appropriate behavioral model**, reflected in the failure to display successful employee behavior and the absence of examples from other organizations. This finding highlights the social-learning dimension of nudging. Employees often use observable behavior, social norms, and the demonstrated success of others as informational cues when deciding how to act. When organizations do not showcase successful professional practices or provide examples of effective behavioral interventions, auditors may lack visible reference points for adapting their own decisions. The finding is compatible with research on collective action showing that nudges can influence team decisions and group behavior by changing the informational and social context in which decisions are made (Diekert & Eymess, 2024). It is also consistent with evidence that organizational nudges may affect employee behavior, organizational retention, and work culture through mechanisms extending beyond purely individual choice (Aparna & Biju, 2021; Rouhani Rad & Keshavarz, 2022). Consequently, a lack of successful behavioral models may contribute to the continuation of habitual practices and reduce the likelihood that auditors will adopt more reflective or behaviorally informed approaches to professional judgment.

A particularly important finding was the central role of **cognitive biases**. The qualitative data identified numerous

biases, including the default effect, confirmation bias, overconfidence, optimism bias, ambiguity bias, availability bias, similarity bias, anchoring bias, uncertainty-related bias, the halo effect, framing effects, false consensus bias, information redundancy, the recency effect, and peer-related bias. The breadth of these findings demonstrates that auditors' decisions may be influenced by systematic cognitive tendencies at multiple stages of information processing. This result is strongly aligned with prior research. Studies of professional decision-making have consistently shown that expertise does not eliminate cognitive bias and that professionals may remain vulnerable to predictable distortions when evaluating evidence or making judgments under uncertainty (Berthet, 2022). In auditing specifically, cognitive biases have been recognized as important determinants of professional judgment and can lead auditors to overemphasize initial information, selectively seek confirmatory evidence, or rely excessively on prior expectations (Ebrahimi & Esmaeilzadeh, 2015). Ashrafi et al. likewise demonstrated that auditors' behavioral biases are influenced by multiple individual and contextual determinants (Ashrafi et al., 2024). Findings from legal decision-making similarly demonstrate that cognitive biases can affect evidence evaluation even in highly regulated professional contexts in which objectivity is formally expected (Olaborinde & Meintjes-Van der Walt, 2020). The convergence between the present findings and these studies supports the argument that the absence of behavioral nudges may leave auditors more exposed to heuristics and cognitive shortcuts that could otherwise be moderated through reminders, reframing, feedback, counterfactual prompts, or structured decision cues.

The identification of cognitive biases is also consistent with experimental evidence showing that nudging can be applied directly to financial auditors. Gajewski et al. reported preliminary evidence that behavioral nudges can improve financial auditors' behavior, suggesting that decision architecture may represent a viable mechanism for improving professional judgment (Gajewski et al., 2020). The present study adds to this line of research by shifting attention from whether nudges can influence auditors to why nudging mechanisms may be absent in organizational practice. The findings suggest that effective nudging requires not only an appropriate intervention but also recognition of the cognitive vulnerabilities that the intervention is intended to address. In an environment where confirmation, anchoring, availability, overconfidence, and framing effects remain unrecognized, organizations may

continue to rely primarily on formal regulations and technical training even though behavioral mechanisms contribute substantially to decision errors.

The fourth causal category, **personal characteristics**, included weaknesses in teamwork, low confidence, poor concentration, stress and anxiety, arrogance, limited analytical and problem-solving abilities, resistance to change, low motivation, indifference, and insufficient incentives. These findings indicate that auditors differ in their readiness to respond to behavioral cues and organizational interventions. Person–organization fit research suggests that employee behavior is influenced by compatibility between individual characteristics and organizational environments (Kristof-Brown et al., 2023). Similarly, Touqi found that professional audit judgment is affected by individual, social, and situational factors, supporting the view that judgment quality reflects interactions between personal characteristics and the work environment (Touqi, 2018). The present study therefore suggests that the absence of effective nudging may partly arise when individual motivational and psychological characteristics are not considered in the design of decision-support mechanisms. A nudge that is effective for experienced and highly engaged auditors may be considerably less effective for employees experiencing burnout, stress, resistance to change, or low intrinsic motivation.

Regarding **contextual conditions**, the study identified management performance, organizational rules and regulations, and job performance as major factors shaping the core phenomenon. Management-related problems included the assumption that a single solution could address all problems and a failure to continuously test and refine evidence-based interventions. This finding underscores the importance of adaptive management in behavioral interventions. Nudges should not be treated as universally applicable solutions; rather, they need to be tested, modified, and aligned with specific organizational environments. Prior research has emphasized that behavioral interventions operate differently across contexts and that organizational implementation is critical to their effectiveness (Nwafor et al., 2021). In healthcare settings, for example, nudges have been shown to promote adherence to guidelines, yet their effectiveness varies according to the form of intervention and implementation context (Nwafor et al., 2021). Likewise, organizational productivity research emphasizes the interaction between behavioral nudges and managerial conditions (Pedrami & Vaezi, 2025). The current findings

extend this reasoning to auditing by showing that managers must possess both the willingness and the capacity to test behavioral interventions rather than assuming that standardized solutions will work equally well in all audit situations.

The contextual role of **organizational rules and organizational climate** was also significant. Organizational instability, silence, workplace aggression, lack of empathy, and weak collaborative culture were among the identified factors. These results show that formal rules alone are insufficient to produce effective professional behavior if the informal organizational climate does not support participation, learning, accountability, and communication. This finding is compatible with research emphasizing the importance of ethical culture for audit quality. Samagaio et al. demonstrated that time pressure and ethical culture are meaningfully related to audit quality, indicating that auditors' work outcomes are embedded in organizational circumstances rather than determined exclusively by individual technical competence (Samagaio et al., 2025). Similarly, internal auditors' whistleblowing judgments and decisions have been shown to depend partly on organizational factors, illustrating how environmental conditions shape ethically relevant professional choices (Khalif Rashid et al., 2025). A climate characterized by organizational silence or fear may therefore undermine nudging because employees may not feel sufficiently secure to respond to, discuss, or experiment with alternative behavioral pathways.

The identification of **job performance** as another contextual condition further demonstrates the reciprocal relationship between employee behavior and the absence of nudges. Burnout, disorganization, procrastination, lack of responsibility, insufficient organizational citizenship behavior, low commitment, job dissatisfaction, organizational cynicism, and outdated professional knowledge were among the factors reported by participants. These conditions may both weaken employees' responsiveness to behavioral interventions and be exacerbated by the absence of supportive choice architecture. Parker and Davies' distinction between blame-oriented and responsibility-oriented professional cultures is relevant here, as organizational environments that promote responsibility and learning may facilitate more constructive behavior than those characterized either by excessive blame or weak accountability (Parker & Davies, 2020). Relatedly, Milazzo's analysis of responsibility shirking illustrates how institutional structures can facilitate the diffusion or

avoidance of responsibility when accountability mechanisms are insufficiently defined (Milazzo, 2023). In auditing, therefore, behavioral nudges may have particular value when they make responsibility, professional expectations, and desired conduct more salient without replacing professional autonomy.

The **intervening conditions** identified in the model consisted of individual skills and organizational conditions. Individual capabilities such as self-organization, intrinsic motivation, hopefulness, self-efficacy, confidence, experience, and age were viewed as factors capable of modifying the relationship between organizational circumstances and the absence of nudges. This finding reinforces the importance of recognizing that decision architecture interacts with employee capability. The organizational conditions identified included a collaborative culture, job involvement, managerial stability, continuous organizational support for nudge programs, support for committed employees, recognition of employee abilities, motivational mechanisms, rewards, flexibility, participation in decision-making, organizational justice, training, competitive work environments, improved performance appraisal, and performance-based reward systems. These findings strongly correspond with person–organization fit theory, which emphasizes alignment between employee needs and organizational characteristics (Kristof-Brown et al., 2023), as well as research suggesting that organizational nudges work in interaction with broader psychological and organizational resources (Rouhani Rad & Keshavarz, 2022).

The results are also relevant to recent changes in the auditing profession. Artificial intelligence, smart data, and continuous auditing are increasingly altering how audit evidence is generated, processed, and assessed (Hocine & Soumia, 2026). Although technological tools can improve analytical capacity, they may simultaneously create new defaults, anchoring points, and information-processing challenges. Auditors may become overly reliant on automated recommendations, prior algorithmic outputs, or technologically generated classifications. The need for well-designed behavioral cues may therefore increase rather than decline as auditing becomes more technologically sophisticated. Furthermore, research has shown that strategic intelligence contributes to audit quality (Setayesh et al., 2025), while auditor type and audit adjustments can influence earnings quality (Mohammadnezami et al., 2025). These findings collectively reinforce the present study's conclusion that high-quality auditing depends on multiple

interacting structural, strategic, behavioral, and professional mechanisms.

5 Conclusion

Finally, the study identified two principal **side effects** of the absence of behavioral nudges: reduced job performance and weakening of the status of the auditing profession. Reduced job performance was reflected in diminished productivity, weaker organizational participation and engagement, lower motivation, reduced knowledge sharing, decreased effectiveness, poorer quality of working life, lower job satisfaction, diminished organizational commitment, and weaker compliance with professional rules. The weakening of the auditing profession included lower reliability of audit reports, reduced auditor transparency and accountability, reporting errors, fewer ideas and suggestions, failure to achieve organizational objectives, weaker audit opinions, reduced professional awareness, and declining public trust and professional reputation. These consequences are consistent with the broader evidence linking organizational and behavioral conditions to audit quality (Samagaio et al., 2025; Setayesh et al., 2025). They also accord with studies showing that behavioral nudges can influence adherence to standards, work behavior, productivity, and collective decision-making (Diekert & Eymess, 2024; Forberger et al., 2020; Nwafor et al., 2021). Taken together, the findings demonstrate that the absence of behavioral nudging should not be regarded as a minor procedural omission; rather, it may represent a broader deficiency in the architecture of professional decision-making that can ultimately affect auditors' performance, audit quality, organizational accountability, and public confidence in the auditing profession.

This study has several limitations that should be considered when interpreting its findings. First, because a qualitative grounded theory design was employed, the results reflect the experiences and perceptions of a relatively small group of experienced auditors and are not statistically generalizable to all auditors or auditing institutions. Second, the use of snowball sampling may have resulted in participants with relatively similar professional networks or perspectives. Third, the study relied on self-reported interview data, which may be influenced by recall bias, social desirability, or participants' reluctance to disclose sensitive organizational experiences. Fourth, the study examined the absence of behavioral nudges from the participants' perspectives and did not directly observe

decision-making behavior or experimentally test specific nudging interventions. Finally, organizational culture, management structures, regulations, and audit practices may differ across institutions and jurisdictions; therefore, some of the identified categories may be context-specific.

Future research should quantitatively test the grounded theory model developed in this study using larger and more diverse samples of internal, external, governmental, and independent auditors. Researchers could develop and validate a measurement instrument based on the identified dimensions and examine the relative importance of causal, contextual, and intervening factors using structural equation modeling. Experimental studies are also recommended to compare specific behavioral nudges, such as reminders, default options, social-norm messages, feedback, reframing, checklists, and debiasing prompts, and determine their effects on audit judgment and decision accuracy. Longitudinal research could evaluate whether the effects of nudging interventions persist over time and whether repeated exposure results in behavioral adaptation. Comparative studies across organizations, sectors, and countries would also help determine the extent to which the proposed model is transferable across different regulatory and cultural environments. Finally, future studies could investigate how artificial intelligence and automated audit systems interact with behavioral nudges and cognitive biases in technology-supported decision environments.

Auditing organizations should systematically redesign decision environments to make appropriate professional behaviors easier, more visible, and more consistent without restricting auditors' professional autonomy. Managers should simplify unnecessarily complex procedures, provide clear and timely feedback, establish understandable decision pathways, and use successful examples of professional behavior as reference models. Regular training should familiarize auditors and managers with common cognitive biases and practical techniques for reducing their influence. Organizations should also pilot behavioral interventions on a small scale, evaluate their effectiveness, and refine them before broader implementation. Greater employee participation in decision-making, managerial stability, organizational justice, psychological safety, collaboration, and performance-based recognition should be promoted to create conditions in which nudges can function effectively. In addition, audit institutions should integrate behavioral insights into digital audit systems, performance-appraisal processes, professional training, and quality-control mechanisms so that behavioral support becomes a routine

component of audit decision architecture rather than an isolated intervention.

Authors' Contributions

All authors have contributed significantly to the research process and the development of the manuscript.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

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Declaration of Interest

The authors report no conflict of interest.

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Ethical Considerations

In this research, ethical standards including obtaining informed consent, ensuring privacy and confidentiality were observed.

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