# INFLUENCE OF LOCAL INDEPENDENT AUDIT FIRMS' SERVICE QUALITY ON CUSTOMER SATISFACTION

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## Abstract

In many organizations, especially those dealing with services, customer satisfaction is considered a challenge (Pula, 2022). The study is grounded in the theory of customer satisfaction and service quality. The purpose of this study is to examine the relationship between service quality at local independent auditing firms and customer satisfaction. Between September and October 2022, the general accounting and chief accounting departments will be surveyed. There were 250 respondents in the data collection, based on exploratory factor analysis, linear regression, correlation analysis, and scale reliability analysis. According to the study, client happiness and service quality at local independent auditing firms are positively correlated. The effects of the service quality at the component level, however, vary. The findings of the study imply that clients should choose local independent auditing firms that provide high-quality services. There are some suggestions on how to enhance the caliber of their services and the growth of this industry in Vietnam. The study advances our knowledge of local independent auditing firms' levels of service quality.

**Keywords:** Customer Satisfaction, Service Quality, Accounting, Auditing, Independent Auditing Firms

## 1. INTRODUCTION

Vietnam is integrating more and more into the global economy. This process requires the strong development of the market for independent auditing services in terms of both quantity and quality to guide the market towards a socialist-oriented market economy, as well as fulfill international trade commitments (T. H. Nguyen, 2020).

In general, services provided by auditing enterprises have social significance. There are many enterprises with reliable services that have established their positions in the market. High-quality independent auditing services have supported the implementation of policies and mechanisms, made enterprises' financial statements more transparent, and prevented loss and waste. Independent auditing services do not only affirm information but also help their clients improve profits in construction investment management and equitization (The Ministry of Finance, 2021). However, limitations for auditing services, which are more common among small auditing enterprises, include inefficient resources, the pressure of profits, timing, and price competition. Therefore, the strategy for the development of auditing enterprises in terms of scale, quantity, and quality of services should fit realistic demands; auditing staff should also be improved in terms of quality and quantity; and solutions for the service providers should be effectively executed to better enhance the quality of auditing services (Vu, 2021).

Services provided by auditing enterprises have been scaling and diversifying with different types of services: financial statement auditing, history of financial information reviewing, auditing of finalization reports for project completion, and other assurance services; consultancy, financial information aggregation services, information technology services, asset valuation, staff recruitment, professional training, information, and data provision. With the expansion of services, auditing enterprises have been responding better to the diversified demands of clients and the trend of equitization and restructuring of state-owned enterprises in recent years. However, the auditing services of several enterprises still cannot meet the standards.

Independent auditing enterprises in Hanoi also provide quality auditing services. Most clients of independent auditing enterprises in the country evaluate the quality of auditing services based on components of service quality. Expert opinions consider good components of auditing service quality to be key to client satisfaction and long-term commitment to clients.

In the world, there is some research on service quality. Aryani et al. (2023) showed that there are still several local governments with medium or even low public service quality that require urgent improvement. Numerous studies have been conducted in Vietnam on the connection between customer happiness and service quality in a variety of industries, including tourism (H. Q. Nguyen, 2022; Nguyen et al., 2022); restaurant business (Pham & Mai, 2022); website (D. T. Nguyen, 2022); education service (Nguyen & Vu, 2022; Pham et al., 2020); accounting information systems (Huynh, 2021); agricultural extension services (T. T. Nguyen, 2020); electronic tax service (Nguyen & Le, 2020), etc.

Customer satisfaction is considered a vital key to the success of a business (Shemwell et al., 1998), as it allows the service to create more loyal customers (Hanzaee & Nasimi, 2012) and more usage frequency, which indicates that the better the service quality is, the higher the customer satisfaction will be (Dabholkar & Bagozzi, 2002). Understanding the significance of clients, independent auditing

enterprises always direct themselves towards satisfaction for their clients while using the services of enterprises and attracting new clients. This paper will identify the impacts of service quality on client satisfaction.

Therefore, the purpose of this research is to discuss the effect of local independent audit firms' service quality on customer satisfaction and to analyze and evaluate which components have the most impact on customer satisfaction, as well as the level of influence of each component. The papers give some suggestions for making appropriate recommendations for enhancing customer satisfaction.

To conduct this research, the theoretical framework is based on satisfaction theory and previous studies. From the research gap, the paper presents the following research question:

*RQ: Does local independent audit firms' service quality has a positive relationship with customer satisfaction?*

The remaining structure of this paper is as follows. Section 2 reviews the relevant theoretical framework. Section 3 presents the methodology that has been used to conduct empirical research. Section 4 analyzes the research results, followed by a discussion of the findings in Section 5. Section 6 concludes the paper and gives some limitations of this study and perspectives for future research.

## 2. LITERATURE REVIEW

### 2.1. Satisfaction theory

One of the first researchers to mention satisfaction is Cardozo (1965), who mentioned satisfaction in a study about efforts, expectations, and satisfaction of clients.

Satisfaction is a result of clients' purchases and uses of goods and services as clients compare what they give and take in their purchases; satisfaction is an attitude toward different characteristics of goods and services (Churchill et al., 1982). Satisfaction can also be defined as clients' evaluations of the gap between expectations before purchasing and the actual results after purchasing goods (Tse & Wilton, 1988). Client satisfaction is the suitability between expectations and perceived quality; if the outcomes meet expectations, clients are satisfied with the services; if the expectations are not met, clients are dissatisfied with the services (Ramaswamy, 1996). Client satisfaction includes feelings of fulfillment or disappointment, which are based on comparing the functions and usages of goods and services with clients' expectations (Kotler et al., 1997). Kotler et al. (2008) suggested that client satisfaction is the level of affection derived from comparing the outcome of the products and services with clients' expectations. Depending on the discrepancy between predicted and actual results, satisfaction levels can vary; satisfaction is a function of expectations, perception, and the gap between perception and expectation (Kotler et al., 2008).

Therefore, based on these theories of client satisfaction, service quality is evaluated by clients by comparing their expectations and assessments of the outcomes after using services. There are three states of feeling: 1) if assessments exceed expectations, it means the service has good quality

and clients are satisfied; 2) if assessments meet expectations, it means the service quality is acceptable; and 3) if assessments cannot meet expectations, the service quality is considered poor and clients are unsatisfied. As a result, the theory of satisfaction suggests five components in the SERVQUAL model that are related to clients' satisfaction with service quality.

## 2.2. Quality of auditing services

Boon et al. (2008) examined the audit service quality characteristics that local governments in New South Wales (NSW) believed to be significant in compulsory audit tendering. In May 2006, 235 NSW local council financial professionals and 35 local council internal auditors participated in a questionnaire study. The most crucial factors in assessing the quality of an audit service were technical competence, independence, industry knowledge, ethical standards, and due care. Skepticism, novelty of viewpoint, audit company size, and services were considered to be the least significant qualities. The findings and those from other circumstances are very consistent.

Considering independent auditing as a service business, audit quality should also be investigated in terms of service quality (Rodakos et al., 2021; Lai & Pham, 2017). From a service perspective, audit quality is measured by the satisfaction of those using the information in financial statements (Al Husban et al., 2022), etc. Quality of auditing services is the level of satisfaction for transparency of clients of auditing services, and the level of their trust in auditors' opinions (Tran, 2009).

According to Nguyen (2014), interviewed experts stated that a high-quality independent auditing service should satisfy clients in terms of transparency, the reliability of conclusions, assessments, comments, proposals, solutions, and an appropriate price for the service.

## 2.3. Quality services and customer satisfaction

Parasuraman et al. (1988) measured the relationship between service quality (SQ) and client satisfaction. The authors also considered the discrepancy between clients' expectations of providers' efficiency and their judgments of actual efficiency. Clients' ratings of service quality determine clients' satisfaction. In other words, if clients appreciate the quality of the service, they are satisfied.

Cronin and Taylor (1992) concluded that clients' assessments of the service performance of an enterprise would best reflect its service quality; in other words, SQ equals clients' assessments. Cronin and Taylor (1992) used the SERVPERF scale with 22 observed variables and 5 basic components as in the SERVQUAL model without client satisfaction; the authors concluded that service quality can be used to predict clients' satisfaction and that clients' satisfaction plays a more significant role than service quality in future purchase decisions. In addition, the authors came to the conclusion that service quality determines client satisfaction. Service quality is determined by service providers, and client satisfaction can only be determined after the use of that purchase. If service quality is not improved based on client demands, clients may not be satisfied with the services.

Therefore, clients will be satisfied with the service if they feel that the quality is high. On the contrary, if clients feel that service quality is poor, they are unsatisfied.

Several studies (Oliver, 1993; Seth et al., 2008; Hanzaee & Nasimi, 2012) also show similar results: service quality is one of the factors influencing clients' satisfaction, and service quality is correlated with clients' satisfaction.

The relationship between service quality and client satisfaction has been studied in several documents, and the general consensus of researchers is that these are separate concepts and service quality leads to client satisfaction. According to Zeithaml and Bitner (2000), client satisfaction is a general concept that reflects the satisfaction of clients when they use a service, while service quality is associated with certain components of services.

According to Qiyuan (2022), service quality significantly affects customer satisfaction, with perceived quality serving as the primary determinant, according to the theoretical underpinnings of both express service and customer satisfaction.

## 2.4. Hypotheses development

### 2.4.1. Reliability (REL)

Reliability is the assurance that a business provides the services it advertises and commits to. Reliability is also the assurance that services are completed punctually, as agreed. There are several studies that included reliability as a dimension of service quality, such as those by Beerli et al. (2004) and Yavas et al. (2004), which affirmed that reliability is the most important, Tahir and Bakar (2007) stated that reliability is not the most important, but it should be ranked second or third. Reliability, one of the important components of service quality, is one of the factors customers use to determine whether the service is reputable, qualitative, and accurate or not. According to Nguyen (2021), the reliability of service presupposes that: 1) procedures and protocols are documented and announced adequately; 2) procedures and protocols are documented and announced accurately; 3) components of compulsory documents comply with regulations; 4) compulsory fees and costs conform to regulation; and 5) the duration of handling documents conforms to regulations (as agreed in the appointment paper).

*H1: Audit service quality reliability (REL) has a positive influence on customer satisfaction at local independent auditing firms.*

### 2.4.2. Responsiveness (RES)

Responsiveness refers to how fast services and goods are delivered to clients when they need to use those services or goods, as well as how quickly feedback and requests are responded to. Service quality responsiveness is not only one of the important components of service quality but also one of the factors based on which customers assess the willingness of the service providers to help customers and to respond to customers' requests. Headley and Miller (1993) affirmed that responsiveness is important in assessing service quality. According to Tahir and Bakar (2007), responsiveness is the most important dimension of

service quality. There are some manifest variables in the responsiveness of administrative services' quality, namely: 1) the civil servant receiving and dealing with profiles has a polite attitude; 2) the civil servant attentively listens to opinions when solving issues; 3) the civil servant expresses no inappropriate attitude (causing a disturbance); 4) the civil servant strictly follows regulations when solving issues; and 5) the civil servant instructs the profile completion procedure in a comprehensible way (Nguyen, 2021).

*H2: Audit service quality responsiveness (RES) has a positive influence on customer satisfaction at local independent auditing firms.*

### 2.4.3. Assurance (ATT)

Assurance refers to qualities of staff that can instill confidence in clients, including professionalism in product and service introductions, deep understanding of services, accurate introductions, politeness and respect in communicating with clients, good communication skills, etc. Assurance is crucial in determining service quality and customer happiness, according to Bahia and Nantel (2000). Service quality: Assurance in the administrative field includes the following scales: 1) staffs that receive and handle dossiers are polite; 2) staffs listen to opinions in their jobs; 3) staffs have pleasant attitudes and do not hinder work progress; 4) staffs comply with regulations at work; and 5) staffs provide easy-to-understand instructions about documents (Nguyen, 2021).

*H3: Audit service quality assurance (ATT) has a positive influence on customer satisfaction at local independent auditing firms.*

### 2.4.4. Empathy (EMP)

Empathy refers to how much banks take care of and attend to each of their clients to understand their true needs and eventually answer those needs. Studies on the differences in service quality in Canada and Tunisia by Ladhari et al. (2011) concluded that the most crucial aspect of service quality is empathy. This statement is also consistent with a study done by Newman (2001). Besides, studies by Beerli et al. (2004) and Tahir and Bakar (2007) came to a different conclusion, which is that empathy is the least influential factor in service quality. However, empathy is, in most studies, a dimension of service quality. Service quality: Empathy in the administrative field includes the following scales: 1) staff show respect to individuals in public; 2) staff are dedicated to the job; 3) staff have an insightful understanding of individuals' demands; 4) staff respond adequately to individuals' comments (Nguyen, 2021).

The auditing field has distinctive characteristics in comparison to other types of services, such as:

1. Independent auditing services, a type of service that is especially favored and is an important management tool to ensure that economic and financial records are transparent and public to protect the interests of information users.

The significance of auditing is not only that it costs its clients a fee but also that it protects the interests of the public.

2. Auditing is not only newly introduced but also not a necessity as the economy of the country is not a full-fledged economy.

3. The supply of this service is influenced by supply-demand and competition principles.

Therefore, low auditing costs have a major influence on the accuracy and completion of auditing jobs. With this foundation, we suggest this hypothesis:

*H4: Audit service quality empathy (EMP) has a positive influence on customer satisfaction at local independent auditing firms.*

### 2.4.5. Tangibility (TAN)

Tangibility refers to equipment and tangible assets that facilitate the service, as well as staff outfits, etc. Yavas et al. (1997) stated that tangibility is the most important dimension, while Tahir and Bakar (2007) claimed that tangibility is not very important. Ladhari et al. (2011) studied the difference in service quality between Canada and Tunisia and concluded that tangibility is not important in both Canada and Tunisia. According to Navarro et al. (2007), although banking is now automated, clients still want in-person contact.

In terms of the quality of auditing services, tangibility includes 4 observed variables (criteria), which represent the image of auditors and auditing companies (Lai & Pham, 2017).

How does tangibility, as a dimension of service quality, affect clients' satisfaction? We propose the following hypothesis:

*H5: Audit service quality tangibility (TAN) has a positive influence on customer satisfaction at local independent auditing firms.*

## 3. METHODOLOGY

After reviewing the previous studies related to local independent audit firms' service quality, the authors pointed out that local independent audit firms' service quality has a significant influence on customer satisfaction. The factor could be measured by both quantitative and qualitative research methods. However, in the paper, the authors used the quantitative method through Statistical Package for the Social Sciences (SPSS) software.

### 3.1. Research model

Research models are a very important concept for evaluating scientific work. A research model is a drawing that shows the relationship between variables. We create a research model based on the analysis above, the findings of earlier investigations, and the literature review. This paper has two types of variables: independent variables and dependent variables.

**Figure 1.** Research model
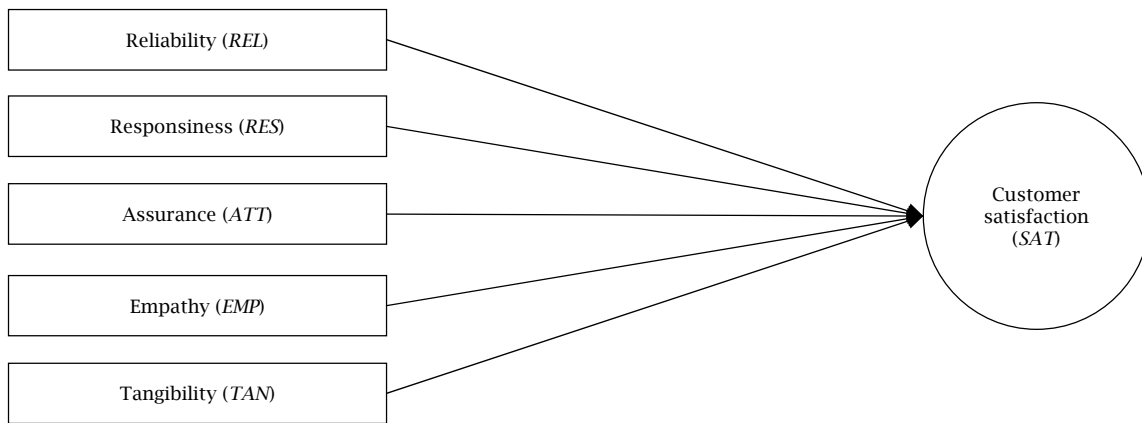


## 3.2. Research sample

Additionally, based on the literature study, a quantitative survey was conducted with survey participants who took part in the questionnaire in the following forms: 1) in person, 2) via mail, 3) via email, and 4) through Google Docs.

According to Hair et al. (1988), when using exploratory factor analysis (EFA), the minimum sample size is 50, preferably 100, and the ratio of observed variable size to measurement variable size should be 5/1, which means every measurement variable needs at least 5 observed variables. This study uses 27 measurement variables; therefore, it needs at least 135 measurement variables. In addition, the reliability of the study depends on the selected sample size; as sample size increases, reliability also increases, but time, resources, and costs also increase. The sample size in this study, after being collected and cleaned, is n = 250 after conducting online and in-person surveys on 300 chief accountants and general accountants of client enterprises and domestic independent auditing enterprises in Hanoi. We also used these samples in several other studies.

Information about the data collected is shown in Table 1. It demonstrates that of the 250 respondents, approximately 35.6% were men, and 161 (64.4%) were women. Of these, 103 (41.2%) were general accountants and 147 (58.8%) were chief accountants; 39 (15.6%) of the respondents have less than five years of job experience, 46 (18.4%) have between five and ten years of work experience, and 165 (66.0%) have more than ten years of work experience.

**Table 1.** Respondents by gender, work position, and work experience

| Description | Frequency | Percent | Cumulative percent |
|---|---|---|---|
| *Gender* | | | |
| Men | 161 | 64.4% | 64.4% |
| Women | 89 | 35.6% | 100% |
| *Work position* | | | |
| General accountants | 103 | 41.2% | 41.2% |
| Chief accountants | 147 | 58.8% | 100% |
| *Work experience* | | | |
| Less than 5 years | 39 | 15.6% | 15.6% |
| From 5 to 10 years | 46 | 18.4% | 34.0% |
| Over 10 years | 165 | 66.0% | 100% |
| **Total** | **250** | **100.0** | |

## 3.3. Data analysis methodology

SPSS software was used to process the gathered data. After coding and cleaning the data, we performed the following analyses: Evaluation of the reliability and validity of the scales (Cronbach's alpha) and EFA to test the convergence of dimension variables in terms of concept and test the hypothesis of the structural model and the overall fit of the model. Next, we performed multiple regression analysis to evaluate the fit of the model and the importance of independent variables in the model. Thereby, we analyze, explore, and test our conceptual models and theories.

## 4. RESEARCH RESULTS

### 4.1. The quality scale analysis result

When utilizing scale analysis, only variables with Cronbach's alpha coefficients equal to or higher than 0.6 and total correlation coefficients (Corrected item – Total correlation) larger than 0.3 are acknowledged, according to Hoang and Chu (2008) and Hair et al. (2010). Customer satisfaction (5 components with 22 attributes) is influenced by analysis through the investigation of Cronbach's alpha determinant (in this case study, service quality), as shown in Table 2 below:

**Table 2.** Analysis of factors' confidence of scales

| Determinants | N | Cronbach's alpha | Corrected item – Total correlation |
|---|---|---|---|
| Reliability (*REL*) | 5 | 0.913 | 0.758 |
| Responsiveness (*RES*) | 4 | 0.914 | 0.754 |
| Assurance (*ATT*) | 4 | 0.855 | 0.667 |
| Empathy (*EMP*) | 4 | 0.883 | 0.735 |
| Tangibility (*TAN*) | 5 | 0.835 | 0.540 |

Table 2 shows that the differences in the correlation of observed variables are above 0.3 and that all Cronbach's alpha coefficients are over 0.6. The components advance to the following step of the analysis.

Dependent variable (*SAT*): Customer satisfaction with service quality in Vietnamese independent auditing firms; Cronbach's alpha is 0.826; corrected item-total correlation is 0.503; and n = 5.

## 4.2. Exploratory factor analysis (EFA)

Component analysis and the coefficient extraction method of variance were used to conduct EFA.

According to the findings, there are 22 qualities for independent variables.

According to the findings in Table 3, KMO = 0.924 > 0.5. According to Barlett's evidence, Sig. = 0.000 < 0.05 indicates that there is a correlation between all of the variables. Five components with factor load factors more than 0.5 have eigenvalues greater than 1 after the rotation matrix has been run, and the explained variance is 72.056%. It demonstrates the suitability of factor discovery driven by data. We find 5 elements that affect customer satisfaction through the quality control of the scale and the test of the EFA (Hoang & Chu, 2008; Hair et al., 2010).

**Table 3.** The Kaiser–Meyer–Olkin (KMO) test and Bartlett's test

| KMO measure of sampling adequacy | | 0.924 |
|---|---|---|
| Bartlett's test of sphericity | Approx. Chi-square | 3,554.759 |
| | Df | 231 |
| | Sig. | 0.000 |

## 4.3. Result of regression model analysis

We have a multiple regression model based on the adjusted model following the execution of EFA (Eq. (1)).

Data in Tables 4–6 demonstrate that all variance inflation factors (VIFs) tested for multicollinearity in separate samples are less than 3, indicating a low level of multicollinearity (Hoang & Chu, 2008; Hair et al., 2010). As a result, the model maintains the classical linear regression model (CLRM) fundamental premise.

The level of significance (Sig. = 0.000) in the ANOVA results indicates that the data are appropriate for the multi-regressional method. According to Hoang and Chu (2008) and Hair et al. (2010), the model explains 61.3% of the variation in customer satisfaction with an R-square of 0.613.

$$SAT = \alpha + \beta_1 REL + \beta_2 RES + \beta_3 TAN + \beta_4 EMP + \beta_5 ATT \qquad (1)$$

**Table 4.** Model summary[a]

| Model | R | R-square | Adjusted R-square | Std. error of the estimate | Durbin–Watson |
|---|---|---|---|---|---|
| 1 | 0.783[b] | 0.613 | 0.605 | 0.57821157 | 1.702 |

*Note: a. Dependent variable: SAT; b. Predictors: (Constant), ATT, TAN, RES, REL, EMP.*

**Table 5.** ANOVA[a]

| | Model | Sum of squares | Df | Mean square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 129.338 | 5 | 25.868 | 77.372 | 0.000[b] |
| | Residual | 81.576 | 244 | 0.334 | | |
| | Total | 210.914 | 249 | | | |

*Note: a. Dependent variable: SAT; b. Predictors: (Constant), ATT, TAN, RES, REL, EMP.*

**Table 6.** Coefficients[a]

| | Model | Unstandardized coefficients | | Standardized coefficients | t | Sig. | Collinearity statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | -3.341E-17 | 0.037 | | 0.000 | 1.000 | | |
| | REL | 0.161 | 0.055 | 0.168 | 2.910 | 0.004 | 0.475 | 2.104 |
| | RES | 0.172 | 0.057 | 0.180 | 3.024 | 0.003 | 0.449 | 2.228 |
| | TAN | 0.243 | 0.053 | 0.246 | 4.556 | 0.000 | 0.544 | 1.838 |
| | EMP | 0.178 | 0.062 | 0.183 | 2.854 | 0.005 | 0.386 | 2.589 |
| | ATT | 0.168 | 0.066 | 0.171 | 2.549 | 0.011 | 0.352 | 2.843 |

*Note: a. Dependent variable: SAT.*

Results from the research model demonstrate that all independent variables of reliability (*REL*), responsiveness (*RES*), assurance (*ATT*), empathy (*EMP*), and tangibility (*TAN*) are noteworthy (because of a Sig. < 0.05) to customer satisfaction with service quality in Vietnamese independent auditing firms (Hoang & Chu, 2008; Hair et al., 2010).

Factors influencing customer satisfaction with service quality in Vietnamese independent auditing firms are presented as follows:

$$SAT = 0.168REL + 0.180RES + 0.246TAN + 0.183EMP + 0.171ATT \tag{2}$$

The outcomes indicate that independent variables of reliability (*REL*), responsiveness (*RES*), assurance (*ATT*), empathy (*EMP*), and tangibility (*TAN*) are significant (Sig. < 0.05) to customer satisfaction with service quality in Vietnamese independent auditing firms (Hoang & Chu, 2008; Hair et al., 2010).

### 4.4. Residual analysis result

The mean value of the residuals, which is displayed in Figures 2 and 3, is 3.12E-17. As a result, the model fits the population data, the residuals are normally distributed (residuals without autocorrelation), and the estimation results are accurate (Hoang & Chu, 2008; Hair et al., 2010).
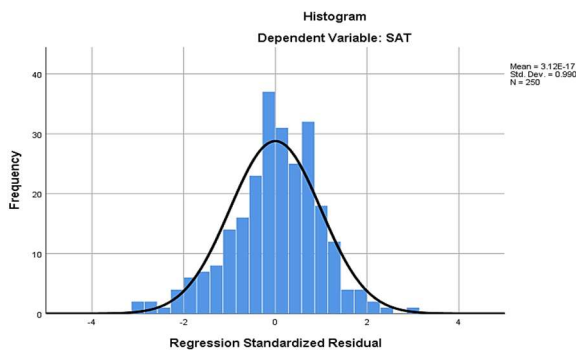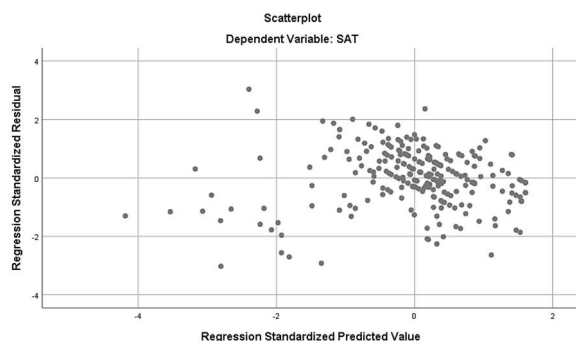
**Figure 2.** Regression standardized residual



**Figure 3.** Regression standardized predicted value



## 5. DISCUSSION

### 5.1. Tangibility (*TAN*)

The independent auditing firm has an adequate number of appropriately allocated facilities. In Hanoi, local independent auditing firms frequently have their auditors working primarily in the corporate office, both individually and in groups. The teams must spend time working at the client's production and business locations in addition to spending time at the company's office or traveling for business. So, Vietnamese independent auditing firms need to invest in modern offices, facilities, and equipment to enhance the company's image (Lai & Pham, 2017).

Modern equipment and working utensils of independent auditing firms: In some local independent auditing firms in Hanoi, employees have not shown a great deal of appreciation for the tools and facilities used for auditing work. The cause is that fixing broken computers, printers, photocopiers, etc., can occasionally take a long time. In addition, the information technology (IT) department of the organization is relatively understaffed, or there is no separate IT department or departmental coordination to support the workflow, which contributes to the auditors' subpar performance. Therefore, in order to avoid interfering with the auditors' ability to do their jobs, local independent auditing firms in Hanoi must acknowledge that the prompt repair of all damaged equipment is indeed required. It is necessary to increase the number and caliber of IT departments in regional independent auditing companies, and there should not be a break in communication between the IT department and auditors, as this promotes a timely and efficient workflow for the entire business. In addition, Vietnamese independent auditing firms need to fully equip auditors with working facilities such as laptops, USBs, 3G, etc., to improve their working efficiency (Lai & Pham, 2017).

### 5.2. Empathy (*EMP*)

In addition to the need to audit financial statements, most businesses need independent and objective assurance services for financial information, transactions, and processes. Independent assurance and verification will increase the reliability of information and reports issued by the organization. Therefore, customers will be more likely to choose the audit services of independent audit firms. However, the satisfaction of customers with auditing firms depends on a variety of factors, including the quality of their audit services.

According to auditing experts, audit service is the process of examining, reviewing, verifying, evaluating, concluding, and confirming the entirety, truthfulness, and practicality of accounting documents, data, and financial statements. The audit service is provided by an auditing company that has been licensed to operate in the field. For firms and organizations, audit services play a crucial role in ensuring compliance with the law, identifying errors arising in accounting, ensuring the most objectivity, supporting firms to make economic forecasts for the future, and improving the quality and reliability of reports after being audited.

Increasing the training, coaching, and experience-sharing sessions among employees at local independent auditing firms allows employees to acquire sufficient knowledge and understanding of handling customers' opinions in the most effective way.

In order to have the best solution, it is also recommended to regularly collect the opinions of customers to detect and promptly correct errors and dissatisfied customer opinions in transactions.

The development of information and communication technology has empowered customers. The reviews and feedback of one customer can influence the consumption decisions of many other customers. Therefore, customers need to perform the most genuine assessment of the services they have experienced and the added value they gain from other activities of the independent auditing firm to become a useful reference source for potential customers, as well as the independent auditing firm itself.

### 5.3. Assurance (*ATT*)

Auditing enterprises need to prepare and issue audit reports on time in order to provide useful information for the decision-making of management levels, which could affect the business opportunities of the board of directors. Financial information of client enterprises, after being aggregated by auditors and receiving confirmation from auditors and client enterprises, will show that the information is verified and legitimate before being sent to information users. Therefore, plans specified in the audit contract or the audit appointments should be implemented in a timely and sufficient manner to demonstrate the reputation and value of the audit enterprises' services. In addition, professional auditors need to identify potential risks that influence fundamental principles of professional ethics, and in the event such risks happen, there should be countermeasures to ensure these principles are not violated.

Enterprises need to gradually stabilize and enhance their human resources, especially in terms of the number of accountants and auditors, and slowly scale up their operations; they should also gradually build and optimize the regulations of management and recruitment procedures; revise and complete service quality management regulations for the entirety of the enterprise and for each type of service; conduct frequent training sessions and update new knowledge for non-practicing auditors; allocate appropriate time and budget for updating information; and they should continue to finalize the procedures for providing and service quality controlling different services. There should be consideration of performance and economic benefits when negotiating service costs in order to guarantee service quality (Pham, 2022).

### 5.4. Reliability (*REL*)

According to management agencies, several auditing enterprises have not constructed or implemented policies and procedures for quality control, which results in lower-than-standard quality (The Ministry of Finance, 2021). Thus, domestic auditing enterprises need to make sure they follow their commitments to clients. Besides, domestic auditing enterprises also need to offer their clients the best means to get access to adequate and accurate information about enterprises by diversifying their communication channels, including commercial information platforms, auditing enterprises' websites, employees

of auditing enterprises, personal channels such as friends and relatives of employees of auditing enterprises, and public information channels such as the public media, so that their clients could be best informed.

Reliability shows the reputation, credibility, and accuracy of the commitments of independent auditing enterprises. Independent auditing enterprises should always be punctual with the agreed time as in the contracts with clients, provide their clients with informative and detailed instructions about audit procedures, and ensure the highest level of client information security.

### 5.5. Responsiveness (*RES*)

Clients of independent auditing enterprises acquire many benefits from auditing services, as the services are provided by skilled and trained auditors and assistants. Besides, auditing services also benefit many other operations of client enterprises.

Independent auditing enterprises help clients ensure their compliance with the law. Most employees at independent auditing enterprises are well-trained, with several professional test certifications and practice certificates. As a result, auditing services provided to clients are of high quality, which helps clients minimize the risk of minor errors, whether intentional or accidental and prevent the risk of being fined.

Independent auditing enterprises help clients avoid accounting errors. Accounting errors may occur due to the accountant's intentions or mistakes. In these cases, reliable auditing services will help clients prevent potential risks. Besides, under the supervision of independent auditing enterprises, it is unlikely that auditors violate regulations, which ensure staff morale.

## 6. CONCLUSION

From the analysis results presented above, hypotheses *H1, H2, H3, H4,* and *H5* are accepted. To elaborate: Reliability, responsiveness, assurance, empathy, and tangibility have positive impacts on clients' satisfaction at local independent auditing firms. As these dimensions improve, clients are more satisfied. Additional dimensions that please clients, such as facilities, forms, etc., demonstrate enterprises' investment in these activities, which has an influence on clients and is perceived by clients as a representation of enterprises' professionalism and potential. This helps earn clients' trust and encourages them to return for the service. In addition, trust and assurance are key factors in the decision-making process for selecting independent auditing enterprises for clients.

The majority of respondents said that they are content with the level of service provided by the neighborhood independent auditing companies with which they have agreements. The SERVQUAL model was used to create the survey, and the majority of the findings indicated that respondents and customers were pleased with the services provided to them. Because it has been discovered that consumers are more satisfied, this study paper and the survey findings demonstrated that the presence of the five SERVQUAL model features always increases customer satisfaction

when local independent auditing firms' staff is friendly and polite, comfortable, and offers fast services and rapid processes.

The outcome of this study contributes certain values for future studies on clients' satisfaction and dimensions of service quality to evaluate clients' satisfaction when using the services of local independent auditing firms. In addition, the outcome of the study provides evidence for the correlations between dimensions of service quality and client satisfaction, which could help auditing enterprises improve their competitive edges.

This is one of the first studies to address a recently understudied topic in Vietnam. This study has demonstrated the crucial value of service quality in Vietnam's auditing sector. The study demonstrates how customer satisfaction can be impacted by service quality because it was discovered that degrees of loyalty rise as customer pleasure with the caliber of services provided decreases.

Regarding the limitations, in addition to the results achieved, there are some limitations to the study. First off, the paper solely focuses on five variables that can be grouped under the heading "service quality". There are actually a lot more aspects that need to be discussed in the study. Secondly, these elements may include other observed variables. Additional research can include new components to broaden the scope of the study. Thirdly, the study selects a sample of 250 general accountants and chief accountants from customer firms in Hanoi. The research team hopes to increase the sample size in subsequent studies by using general accountants, chief accountants, and accounting staff of customer firms in Vietnam. Future researchers will also expand the study to encompass other Vietnamese cities since it is advised to conduct a study of service quality in the audit business across all cities.

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