



The Influence of Overconfidence on Auditors and Its Impact on Audit Decision Making: A Systematic Literature Review

Diendha Annisa Nur Attaullah¹, Yusnaini Yusnaini²

Accounting Study Program, Faculty of Economics, Sriwijaya University, Palembang, Indonesia^{1,2}

Author's Email: diendhaannisa@gmail.com, yusnaini@fe.unsri.ac.id

Received: 03 15, 2026 | Accepted: 03 25, 2026 | Published: 03 27, 2026

ABSTRACT

This study examines the influence of overconfidence bias on auditors and its impact on audit decision-making using a Systematic Literature Review (SLR) approach. A total of 22 articles published between 2021 and 2025 were systematically selected from Scopus-indexed and SINTA-accredited journals. The findings show that audit risk is the most frequently examined dependent variable (59.1%), while managerial and CEO overconfidence is the most dominant independent variable (45.5%). The results reveal two contrasting patterns: overconfidence in client management tends to increase audit risk, audit fees, and the likelihood of financial misstatements, whereas overconfidence within auditors reduces professional skepticism and compromises audit quality. These findings indicate that the impact of overconfidence on audit outcomes depends significantly on whether it originates from the auditor or from client management. This study contributes to the behavioral auditing literature by synthesizing existing empirical evidence and identifying directions for future research.

Keywords: *overconfidence bias, audit decision-making, audit risk, professional skepticism*

How to Cite:

Nur Attaullah, D. A., & Yusnaini, Y. (2026). The Influence of Overconfidence on Auditors and Its Impact on Audit Decision Making: A Systematic Literature Review. *Indonesia Economic Journal*, 2(1), 820-832. <https://doi.org/10.63822/9ctb6n83>

INTRODUCTION

The phenomenon of overconfidence in the auditing profession has become an increasingly discussed cognitive bias in accounting and auditing literature. Overconfidence refers to an individual's tendency to exhibit excessive confidence in their abilities, knowledge, and the accuracy of their judgments. In the auditing context, this bias can influence how auditors evaluate audit evidence, assess the risk of material misstatement, and make professional judgments throughout the audit process. Given that auditing heavily relies on professional judgment, the presence of psychological biases such as overconfidence may affect the quality of auditors' decisions and, ultimately, the overall audit quality (Jafar et al., 2024; Shirowzhan & Fakhari, 2024; Wahyudi Wahyudi et al., 2025).

In practice, auditors are required to maintain professional skepticism when evaluating evidence and assessing the fairness of financial statements. Research indicates that excessive confidence can lead auditors to become overly reliant on their initial judgments, thereby reducing their consideration of additional or contradictory evidence. This condition may diminish auditors' thoroughness in evaluating audit information and increase the likelihood of errors in audit decision-making (Aqsha et al., 2025; Jafar et al., 2024; Wahyudi Wahyudi et al., 2025). Relatedly, Yusnaini, Hakiki, & Wahyudi (2023) demonstrated through experimental research that decision makers are prone to framing bias, whereby the manner in which information is presented, whether as potential gains or losses, systematically alters risk preferences and the quality of judgments. Such findings underscore that auditors, as decision makers, are inherently susceptible to cognitive distortions that extend beyond overconfidence alone.

Overconfidence among auditors may arise from various factors, including work experience, level of expertise, personality traits, and job-related pressures. Auditors with extensive experience or long-term engagement with specific clients may develop strong confidence in their judgments, which can lead to a reduction in necessary audit procedures. Furthermore, psychological characteristics such as narcissism, high self-confidence, and perceptions of personal competence may reinforce overconfidence tendencies in the audit process (Han et al., 2021; Hemati Dehaghani et al., 2024; Salehi et al., 2023; Shirowzhan & Fakhari, 2024).

This bias can also affect different stages of the audit process. During the planning phase, overconfident auditors may assume that their understanding of the client's systems and operations is sufficient, leading to less comprehensive risk assessments (Aghazadeh & Joe, 2022). In the evidence-gathering phase, auditors may rely excessively on their initial evaluations and become less receptive to new evidence that could indicate potential misstatements. Additionally, research suggests that auditors' perceptions of management's level of confidence may influence how they respond to the risk of material misstatement in financial reporting (Eissa, 2020).

The impact of overconfidence extends beyond individual auditor decision-making and may affect overall audit quality. Overconfident auditors tend to perform more limited audit procedures or rely excessively on personal judgment when evaluating audit evidence (Kim, 2021). Such conditions increase the likelihood of audit failure or the inability to detect material misstatements in financial statements. Moreover, studies indicate that management's psychological characteristics, including overconfidence, can influence various aspects of the audit process, such as audit fees, auditor-client relationships, and the quality of financial reporting (Duellman et al., 2025; He et al., 2020; Mitra et al., 2019).

The development of research in behavioral auditing demonstrates a growing interest in cognitive biases, including overconfidence, in recent years (Abetoh Nyiawung Fobellah, 2025). Numerous studies have attempted to explain how psychological biases influence decision-making processes in auditing and finance more broadly. These studies highlight that individual psychological factors, organizational environments, and task complexity can shape auditors' behavior in evaluating information and making professional judgments (Grežo, 2021; Shirowzhan & Fakhari, 2024).

Nevertheless, several research gaps remain in the existing literature. First, many studies focus more on overconfidence among managers or corporate executives, while research specifically examining its impact on auditors remains relatively limited (Santana Júnior & Sena, 2022). Second, there is a lack of systematic integration of empirical findings regarding the influence of overconfidence on audit decision-making. Third, some studies examine only the relationship between overconfidence and specific variables, such as audit fees or managerial characteristics, indicating that a more comprehensive understanding of its impact on audit decision-making is still needed (Azhari et al., 2020; Kim, 2021).

A further gap concerns the intersection of overconfidence with other cognitive and psychological constructs. The existing body of research, including work on cognitive style (Yusnaini, 2026; Yusnaini et al., 2022), personality (Yusnaini et al., 2025), framing bias (Yusnaini, Hakiki, & Wahyudi, 2023), and moral intensity (Yusnaini & Meirawati, 2023) collectively suggests that overconfidence does not operate in isolation but interacts with a broader constellation of individual-level factors that together shape the quality of auditor judgment. Yet these constructs are rarely studied in an integrated manner within the overconfidence literature, representing a significant gap that future research should address.

Based on these conditions, a study employing a Systematic Literature Review (SLR) approach is essential. Through this approach, existing studies on overconfidence in the auditing context can be systematically analyzed and synthesized to identify patterns, research trends, and existing gaps. The findings are expected to provide a more comprehensive understanding of the influence of overconfidence on auditors' decision-making and to offer directions for future research in the field of behavioral auditing (Grežo, 2021; Kumar & Prince, 2023; Wahyudi Wahyudi et al., 2025).

LITERATURE REVIEW

Agency Theory (Jensen et al., 1976)

Agency Theory explains the relationship between a company's owners (principals) and management (agents), which often gives rise to conflicts of interest and information asymmetry. To mitigate these issues, independent auditors are required to examine financial statements. However, psychological characteristics such as overconfidence in both management and auditors may influence the effectiveness of the audit process and the quality of financial reporting (Duellman et al., 2025; Mitra et al., 2019).

Behavioral Decision Theory (Bazerman, 2002; Kahneman, 2011)

Behavioral Decision Theory explains that individual decision-making processes are not always rational, as they are influenced by psychological factors and cognitive biases. In the auditing context, auditors frequently operate under conditions of uncertainty, making their decisions highly dependent on professional judgment. This situation creates the potential for behavioral biases such as overconfidence—

an excessive belief in one’s abilities or judgments—which can affect the evaluation of audit evidence and auditors’ decisions (Grežo, 2021; Shirowzhan & Fakhari, 2024).

Overconfidence Bias Theory (Kahneman, 2011; Moore & Healy, 2008)

Overconfidence bias refers to an individual’s tendency to exhibit excessive confidence in their abilities and the accuracy of their judgments. In auditing, overconfidence may arise when auditors believe they possess sufficient experience or knowledge, leading to excessive reliance on their own judgments. This condition may cause auditors to reduce necessary audit procedures or to insufficiently consider relevant additional information, thereby potentially affecting the quality of audit decisions (Hemati Dehaghani et al., 2024; Kim, 2021; Wahyudi Wahyudi et al., 2025).

Professional Judgment in Auditing (Bonner, 1999)

Professional judgment refers to the auditor’s application of expertise and experience in evaluating audit evidence and making decisions throughout the audit process. Since audit decisions rely heavily on the auditor’s judgment, psychological factors such as overconfidence can influence the quality of these judgments. Overconfident auditors tend to rely more on their initial assessments without conducting thorough evaluations of audit evidence (Aghazadeh & Joe, 2022; Aqsha et al., 2025).

Professional Skepticism

Professional skepticism is a critical and questioning mindset that auditors must maintain when assessing audit evidence. This attitude helps auditors avoid accepting information without adequate verification. However, high levels of overconfidence may reduce auditors’ skepticism, as they become excessively confident in their own judgments (Jafar et al., 2024; Shirowzhan & Fakhari, 2024).

Previous Research

This study was carried out by reviewing articles primarily indexed in Scopus, along with several relevant studies obtained from national journals indexed in SINTA. The selected articles were examined to identify and synthesize key findings related to the research topic. Through this synthesis process, the study was able to develop a comprehensive understanding and draw overall conclusions. The summary of previous studies included in this review is presented in the following table.

Table 1. Previous Research on Previous Studies on Overconfidence and Audit Decision-Making

Authors	Findings
Kim (2021), Aghazadeh & Joe (2022), Wahyudi Wahyudi et al. (2025), Abetoh Nyiawung Fobellah (2025), He et al. (2020), Mitra et al. (2019), Eissa (2020), Santana Júnior & Sena (2022), Salehi et al. (2023), Aqsha et al. (2025), Arezoo Ojaghi & Amir Reza (2022), Azhari et al. (2020), Rosini et al. (2025), Dwi Prasasti & Martika Sari (2024), Hardies et al. (2019), Kumar & Prince (2023), Yusnaini (2026), Yusnaini et al. (2025), Yusnaini, Hakiki, & Burhanudin (2023), Yusnaini & Meirawati (2023), Yusnaini, Hakiki, & Wahyudi (2023)	(+)
Shirowzhan & Fakhari (2024), Hemati Dehaghani et al. (2024a), Duellman et al. (2025), Jafar et al. (2024), Han et al. (2021), Grežo (2021)	(-)
(+) Positive effect, (-) Negative effect	

METHODS OF RESEARCH

This study employs a qualitative approach using a Systematic Literature Review (SLR) method by collecting and analyzing data from 22 academic articles related to auditor overconfidence and its impact on audit decision-making. The selected literature was systematically reviewed and compared to identify research trends, patterns, and key findings regarding how overconfidence bias influences auditors' professional judgment and audit decisions. Through this approach, the study synthesizes previous research to provide a comprehensive understanding of the role of psychological bias in the audit process and its implications for the quality of audit decision-making.

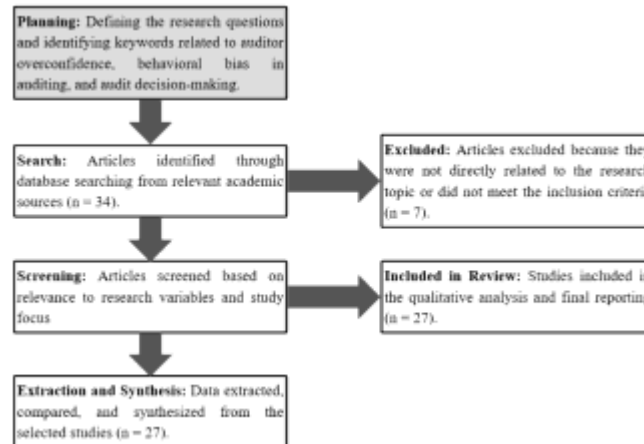


Figure 1. SLR Protocol Information Sources

RESULT AND DISCUSSION

Research Result

In Table 2, the selected studies are categorized based on journal classification to ensure the quality and credibility of the literature used in this review. The selection process prioritizes articles published in reputable international journals as well as relevant national journals to provide a reliable basis for identifying research trends related to the topic. Through this screening process, a total of 27 articles published between 2021 and 2025 that examine auditor overconfidence and its influence on audit decision-making were identified. Table 2 presents the distribution of these articles according to journal indexing categories, including Scopus-indexed journals (Q1, Q2, Q3, and Q4), International, and SINTA-accredited national journals.

Table 1 Journal Identity and Number of Articles

No.	Journal Name	Index Journal	Total Article	Presentase
1.	AUDITING: A Journal of Practice & Theory	Q1	1	3,70%
2.	Managerial Auditing Journal	Q1	1	3,70%
3.	Accounting, Organizations and Society	Q1	1	3,70%
4.	PLOS ONE	Q1	1	3,70%
5.	Advances in Accounting	Q2	1	3,70%

6.	Review of Quantitative Finance and Accounting	Q2	1	3,70%
7.	Arab Gulf Journal of Scientific Research	Q2	1	3,70%
8.	Review of Behavioral Finance	Q2	1	3,70%
9.	FIIB Business Review	Q2	1	3,70%
10.	KnE Social Sciences	Q2	1	3,70%
11.	South African Journal of Economic and Management Sciences	Q2	1	3,70%
12.	International Journal of Financial Research	Q3	1	3,70%
13.	SSRN Electronic Journal	Q3	2	7,41%
14.	International Journal of Science and Research Archive	International	1	3,70%
15.	International Journal of Innovation Management and Organizational Behavior	International	2	7,41%
16.	Journal of Accounting, Finance and Auditing Studies	International	1	3,70%
17.	Journal of Humanities and Social Sciences	International	1	3,70%
18.	REVISTA AMBIENTE CONTÁBIL	International	1	3,70%
19.	National Security and Strategic Planning	International	1	3,70%
20.	European Journal of Business and Management Research	International	1	3,70%
21.	Journal of Economics, Finance and Management Studies	SINTA	2	7,41%
22.	Jurnal Pajak dan Analisis Ekonomi Syariah	SINTA	1	3,70%
23.	JIBEMA: Jurnal Ilmu Bisnis, Ekonomi, Manajemen, dan Akuntansi	SINTA	1	3,70%
24.	Akuntabilitas	SINTA	1	3,70%
TOTAL			27	100%

The analysis of journal distribution shows that the International Journal of Innovation Management and Organizational Behavior, and some others represent the highest contribution,. The remaining journals, such as Managerial Auditing Journal, Advances in Accounting, and others, each contributed one article, representing approximately 3.70% of the total. These journals are distributed across various indexing categories, including Scopus Q1, Q2, Q3, as well as international and SINTA-accredited journals. This variation reflects the diversity of publication outlets in which the topic has been explored. Overall, this distribution suggests that the topic attracts scholarly attention from a broad range of disciplines, including accounting, auditing, and behavioral research, highlighting its interdisciplinary relevance.

1. Journal Index Identification

Based on Table 2, it can be observed that research on The Influence of Overconfidence on Auditors and Its Impact on Audit Decision Making: A Systematic Literature Review is distributed across journals with various indexing categories, including Scopus-indexed journals in Q1, Q2, and Q3, as well as

international and SINTA-accredited journals. The total number of articles reviewed in this study is 27 articles, which have been systematically classified according to their respective journal index categories. The results of this classification are presented in the following table.

Table 2 Journal Index

No	Index	Total	Percentage
1	Q1	4	14.81%
2	Q2	7	25.93%
3	Q3	3	11.11%
4	Q4	0	0
5	International	8	29.63%
6	SINTA	5	18.52%
	Total	27	100%

In terms of journal rank distribution, the International category represents the largest proportion, contributing 8 articles or 29.63% of the total sample. This is followed by Q2 and Q1 journals, which account for 7 articles (25.93%) and 3 articles (14.81%), indicating a substantial presence of high-quality publications within the dataset. Meanwhile, Q3 journals contribute 3 articles (11.11%), whereas no articles are classified under the Q4 category. In addition, this study includes 5 articles (18.52%) from nationally accredited SINTA journals. Overall, this distribution demonstrates that the reviewed studies are spread across various levels of journal quality and indexing categories, with a notable concentration in reputable international and mid- to high-tier journals.

2. Dependent Variables

The dependent variable represents the outcome that is affected by the independent variable and is examined to assess whether changes in the independent variable lead to significant effects. In this study, the dependent variables are identified and categorized based on the selected articles. The following table illustrates the distribution of the dependent variables along with their respective frequencies.

Table 3. Dependent Variables

No.	Dependent Variable	Number of Articles	Percentage
1	Audit Risk	13	59.1%
2	Audit Quality	3	13.6%
3	Audit Judgement	2	9.1%
4	Professional Skepticism	2	9.1%
5	Audit Report Readability	1	4.5%
6	Goodwill Impairment	1	4.5%
	TOTAL	22	100%

3. Independent Variables

Independent variables refer to factors that influence or are expected to explain variations in other variables. These variables are analyzed to understand their relationship with the dependent variable. In the context of this study, the distribution of the primary independent variables, particularly overconfidence and other behavioral factors in auditing, is presented in detail in Tables 5 and 6.

Table 4. Independent Variables

No.	Independent Variable	Total Article	Percentage
1	Managerial/CEO Overconfidence	10	45.5%
2	Cognitive Bias / Psychological Bias	5	22.7%
3	Auditor Overconfidence	3	13.6%
4	Narcissism	2	9.1%
5	Managerial Ability	3	13.6%
6	Professional Skepticism	2	9.1%
7	Self-Efficacy	2	9.1%
8	Auditor Experience / Characteristics	3	13.6%
9	Leadership Ability	1	4.5%
10	Ego Depletion	1	4.5%
11	Task Complexity	1	4.5%
12	Overconfidence Bias (Investment)	1	4.5%
TOTAL		22	100%

Table 5. Research Results Based on Independent Variables Author, year, results

Variables	Author and Year	Result
Managerial / CEO Overconfidence	Kim (2021), Aghazadeh & Joe (2022), He et al. (2020), Mitra et al. (2019), Eissa (2020), Santana Júnior & Sena (2022), Arezoo Ojaghi & Amir Reza (2022), Azhari et al. (2020)	+
	Duellman et al. (2025), Rosini et al. (2025)	-
Auditor Overconfidence	Hardies et al. (2019)	+
	Shirowzhan & Fakhari (2024), Hemati Dehaghani et al. (2024a), Jafar et al. (2024), Han et al. (2021)	-
Narcissism	Hemati Dehaghani et al. (2024a), Salehi et al. (2023)	+
Overconfidence Bias	Grežo (2021), Kumar & Prince (2023)	+
Positive(+); Negative(-)		

Discussion

The findings of this systematic literature review reveal that overconfidence bias constitutes a significant psychological factor influencing auditors' decision-making processes across multiple dimensions of the audit function. The synthesized evidence from 22 articles published between 2021 and 2025 demonstrates that overconfidence manifests in both auditors and corporate management, with each form producing distinct yet interrelated consequences for audit outcomes.

The predominance of audit risk as the most frequently examined dependent variable, appearing in 59.1% of the reviewed articles, underscores the centrality of risk assessment in the overconfidence literature. This pattern is consistent with agency theory, which posits that information asymmetry between principals and agents creates an environment in which psychological biases such as overconfidence can distort the objectivity of the audit process. When managers exhibit overconfidence, they tend to overestimate the reliability of their own financial estimates and downplay the likelihood of adverse outcomes, thereby increasing the risk of material misstatement. Auditors who fail to adequately account for managerial overconfidence may consequently underestimate audit risk, leading to insufficient audit procedures and reduced audit quality.

A significant proportion of the reviewed studies report a positive relationship between managerial or CEO overconfidence and audit-related outcomes, particularly audit risk and audit fees. This finding aligns with the supply-side risk-based perspective of audit pricing, which suggests that auditors respond to elevated client risk by charging higher fees and performing more extensive procedures. Studies such as those by Kim (2021), Aghazadeh & Joe (2022), and (Mitra et al., 2019) indicate that overconfident managers are associated with more aggressive accounting practices, which in turn demand greater audit scrutiny. These findings reinforce the notion that managerial psychological characteristics constitute relevant risk indicators that auditors should incorporate into their risk assessment procedures.

However, a contrasting subset of studies reports a negative relationship, wherein overconfidence is associated with diminished audit quality or reduced audit procedures. Research by Shirowzhan & Fakhari (2024), Hemati Dehaghani et al. (2024), and (Jafar et al., 2024) suggests that when overconfidence resides within the auditor rather than the client's management, the effect tends to be detrimental. Overconfident auditors may reduce the extent of their testing, exhibit anchoring bias toward initial assessments, and demonstrate insufficient professional skepticism, all of which compromise the integrity of audit judgments. This finding is particularly noteworthy given that professional skepticism emerged as both a dependent and an independent variable across the reviewed studies, suggesting a bidirectional relationship between skepticism and overconfidence that warrants further investigation.

The role of cognitive biases more broadly, including anchoring, availability, and confirmation bias, further complicates the picture. Studies such as Grežo (2021) and Kumar & Prince (2023) demonstrate that overconfidence does not operate in isolation but rather interacts with other cognitive heuristics to shape auditors' information processing and judgment quality. This interaction suggests that interventions aimed at reducing overconfidence must address the broader cognitive environment in which audit decisions are made, rather than targeting overconfidence as a standalone phenomenon.

The moderating roles of governance mechanisms, particularly audit committees, emerge as an important theme in the literature. Several studies indicate that strong audit committee oversight can attenuate the adverse effects of managerial overconfidence on audit quality and financial reporting

accuracy. This finding has practical implications for corporate governance design, suggesting that robust oversight structures can serve as a countervailing force against the distortions introduced by managerial psychological biases.

Furthermore, the distribution of studies across journal indexing categories, with a notable concentration in Q2 and international journals, reflects the growing but still developing nature of behavioral auditing research. The relative scarcity of Q1 publications on this specific topic indicates that while overconfidence has been acknowledged as a relevant factor in audit research, its systematic investigation remains an emerging area with considerable room for theoretical and empirical development.

Taken together, the findings of this review suggest that overconfidence in the audit context is a multifaceted phenomenon whose effects depend on whether the bias originates from the auditor or from client management, as well as on the presence or absence of moderating factors such as governance quality, task complexity, and professional skepticism. The diversity of dependent variables examined across the reviewed studies further indicates that overconfidence has pervasive implications for audit outcomes, extending beyond audit risk to encompass audit quality, professional judgment, and financial reporting readability.

CONCLUSION

This systematic literature review synthesizes findings from 22 empirical and conceptual studies published between 2021 and 2025 to examine the influence of overconfidence on auditors and its impact on audit decision-making. The review was conducted using the SLR method, with articles sourced primarily from Scopus-indexed journals and SINTA-accredited national journals, ensuring a rigorous and credible evidence base.

The findings of this study lead to several key conclusions. First, overconfidence is a pervasive and consequential cognitive bias in the auditing domain, affecting both auditors and corporate management in ways that have measurable implications for audit quality and decision-making (Dwi Prasasti & Martika Sari, 2024; Hardies et al., 2009; Kumar & Prince, 2023). The majority of the reviewed studies report a positive association between overconfidence, particularly managerial or CEO overconfidence, and elevated audit risk, higher audit fees, and increased likelihood of financial misstatements. This indicates that overconfidence raises the overall risk environment surrounding the audit engagement and necessitates a more rigorous auditor response.

Second, when overconfidence is located within the auditor rather than client management, its effects tend to be negative, manifesting as reduced professional skepticism, insufficient audit procedures, and compromised judgment quality. Overconfident auditors are more prone to anchoring on initial assessments, dismissing contradictory evidence, and relying excessively on personal judgment without adequate corroboration (Azhari et al., 2020; Mitra et al., 2019). These tendencies represent a direct threat to the fundamental principles of independent and objective auditing.

Third, the relationship between overconfidence and audit outcomes is not uniform but is moderated by several contextual factors, including the quality of corporate governance mechanisms such as audit committees, the auditor's level of experience and task complexity, and the presence of other cognitive biases. Strong governance structures have been shown to mitigate the adverse effects of managerial

overconfidence, while complex audit tasks may amplify the detrimental impact of auditor overconfidence by increasing the cognitive demands placed on auditors (Jafar et al., 2024; Santana Júnior & Sena, 2022).

Fourth, the literature reveals a meaningful connection between overconfidence and professional skepticism, wherein high levels of overconfidence tend to undermine auditors' critical and questioning orientation toward audit evidence (He et al., 2020; Hemati Dehaghani et al., 2024a). Given that professional skepticism is a cornerstone of audit quality, addressing overconfidence bias through training, awareness programs, and institutional safeguards is essential for maintaining the integrity of the audit process.

From a theoretical standpoint, this study reinforces the relevance of agency theory, behavioral decision theory, and professional judgment frameworks in explaining the mechanisms through which overconfidence influences audit decision-making. The integration of these theoretical perspectives offers a comprehensive lens through which the behavioral dimensions of auditing can be understood and further investigated.

This study is not without limitations. As a systematic literature review, it is inherently constrained by the quality and scope of the available published research. The relatively small sample of 22 articles limits the generalizability of the findings, and the predominance of studies from certain geographical and institutional contexts may introduce selection bias. Future research should expand the scope of literature to include more longitudinal and experimental studies, explore cross-cultural variations in overconfidence among auditors, and develop more standardized measures of overconfidence that can be consistently applied across different research contexts.

In conclusion, overconfidence represents a critical but underexplored dimension of auditor behavior that has far-reaching implications for audit quality, financial reporting integrity, and stakeholder trust. Addressing this bias through targeted educational interventions, improved audit standards, and stronger governance mechanisms is essential for enhancing the reliability and objectivity of the audit profession in an increasingly complex financial environment.

REFERENCES

- Abetoh Nyiauwung Fobellah. (2025). Cognitive biases in financial decision-making: implications for audit and risk management in large corporations: A conceptual review. *International Journal of Science and Research Archive*, 16(2), 017–022. <https://doi.org/10.30574/ijrsra.2025.16.2.2273>
- Aghazadeh, S., & Joe, J. R. (2022). Auditors' response to management confidence and misstatement risk. *Accounting, Organizations and Society*, 101, 101348. <https://doi.org/10.1016/j.aos.2022.101348>
- Aqsha, M., Masruddin, Ansar, M., Jurana, Tenripada, & Bezaliel, H. H. (2025). Audit Judgement In Task Complexity, Self Efficacy, and Auditor Professional Skepticism. *JIBEMA: Jurnal Ilmu Bisnis, Ekonomi, Manajemen, Dan Akuntansi*, 2(4), 220–233. <https://doi.org/10.62421/jibema.v2i4.128>
- Arezoo Ojaghi, A. B., & Amir Reza, A. (2022). Investigating the effect of the managers' overconfidence on the tax avoidance considering the moderating role of Audit committee. *National Security and Strategic Planning*, 2022(2), 54–65. <https://doi.org/10.37468/2307-1400-2022-2-54-65>
- Azhari, N. A. N., Hasnan, S., & Sanusi, Z. M. (2020). The Relationships Between Managerial Overconfidence, Audit Committee, CEO Duality and Audit Quality and Accounting Misstatements. *International Journal of Financial Research*, 11(3), 18. <https://doi.org/10.5430/ijfr.v11n3p18>

- Bazerman, M. H. . (2002). *Judgment in managerial decision making*. Wiley.
- Bonner, S. (1999). Judgment and Decision-Making Research in Accounting", diterbitkan di Accounting Horizons. *Accounting Horizons*, 13(4), 385–398.
- Duellman, S., Hurwitz, H., & Sun, Y. (2025). Managerial Overconfidence and Audit Fees. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2557494>
- Dwi Prasasti, A., & Martika Sari, Y. (2024). Professional Scepticism, Auditor Experience, and Self-efficacy on Audit Judgement. *KnE Social Sciences*. <https://doi.org/10.18502/kss.v9i16.16232>
- Eissa, A. M. K. (2020). Auditor's Perceptions of CEOs Overconfidence in Egypt: A Quasi-Experimental Study. *Journal of Accounting, Finance and Auditing Studies*, 6(2), 1–30. <https://doi.org/10.32602/jafas.2020.008>
- Grežo, M. (2021). Overconfidence and financial decision-making: a meta-analysis. *Review of Behavioral Finance*, 13(3), 276–296. <https://doi.org/10.1108/RBF-01-2020-0020>
- Han, J., Jamal, K., & Tan, H.-T. (2021). Auditors' Overconfidence in Predicting the Technical Knowledge of Superiors and Subordinates. *AUDITING: A Journal of Practice & Theory*, 30(1), 101–119. <https://doi.org/10.2308/aud.2011.30.1.101>
- Hardies, K., Breesch, D., & Branson, J. (2019). Male and Female Auditors' Overconfidence. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.1553779>
- He, X.-X., Xie, D.-C., Hu, Z.-M., Bao, X.-L., & Li, L. (2020). Impact of managerial overconfidence on abnormal audit fee: From the perspective of balance mechanism of shareholders. *PLOS ONE*, 15(9), e0238450. <https://doi.org/10.1371/journal.pone.0238450>
- Hemati Dehaghani, A., Mohammadi Khoshoei, H., & Saedi, R. (2024a). Examining the Impact of Auditors' Narcissism and Overconfidence on Audit Quality Through Auditors' Leadership Ability. *International Journal of Innovation Management and Organizational Behavior*, 4(3), 124–132. <https://doi.org/10.61838/kman.ijimob.4.3.15>
- Hemati Dehaghani, A., Mohammadi Khoshoei, H., & Saedi, R. (2024b). Examining the Impact of Auditors' Narcissism and Overconfidence on Audit Quality Through Auditors' Leadership Ability. *International Journal of Innovation Management and Organizational Behavior*, 4(3), 124–132. <https://doi.org/10.61838/kman.ijimob.4.3.15>
- Jafar, R., Ali Al-Kake, F. R., Qader, H. M., Ahmed, D. M., & Mohammad, A. J. (2024). The Effect of Psychological Biases on External Auditor's Professional Skepticism. *Koya University Journal of Humanities and Social Sciences*, 6(1), 284–292. <https://doi.org/10.14500/kujhss.v6n1y2023.pp284-292>
- Jensen, Michael C, Meckling, & William H. (1976). Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. *Journal of Financial Economics*.
- Kahneman, D. (2011). *Thinking, Fast And Slow*.
- Kim, M. (Hyo J. (2021). Effects of managerial overconfidence and ability on going-concern decisions and auditor turnover. *Advances in Accounting*, 54, 100549. <https://doi.org/10.1016/j.adiac.2021.100549>
- Kumar, J., & Prince, N. (2023). Overconfidence Bias in Investment Decisions: A Systematic Mapping of Literature and Future Research Topics. *FIIB Business Review*. <https://doi.org/10.1177/23197145231174344>

- Mitra, S., Jaggi, B., & Al-Hayale, T. (2019). Managerial overconfidence, ability, firm-governance and audit fees. *Review of Quantitative Finance and Accounting*, 52(3), 841–870. <https://doi.org/10.1007/s11156-018-0728-3>
- Moore, D. A., & Healy, P. J. (2008). The trouble with overconfidence. *Psychological Review*, 115(2), 502–517. <https://doi.org/10.1037/0033-295X.115.2.502>
- Rosini, I., Apsariwigati, A., & Hakim, D. R. (2025). Auditor Reputation Moderates the Effect of Managerial Ability and Executive Overconfidence on Goodwill Impairment. *Journal of Economics, Finance And Management Studies*, 08(01). <https://doi.org/10.47191/jefms/v8-i1-26>
- Salehi, M., Dalwai, T., & Arianpoor, A. (2023). The impact of narcissism, self-confidence and auditor's characteristics on audit report readability. *Arab Gulf Journal of Scientific Research*, 41(2), 202–223. <https://doi.org/10.1108/AGJSR-08-2022-0152>
- Santana Júnior, J. L. De, & Sena, T. R. (2022). Overconfidence and audit fees: does the fiscal council influence this relationship? *REVISTA AMBIENTE CONTÁBIL - Universidade Federal Do Rio Grande Do Norte - ISSN 2176-9036*, 14(2). <https://doi.org/10.21680/2176-9036.2022v14n2ID29385>
- Shirowzhan, H., & Fakhari, H. (2024). Clarifying the decision-making mystery: drivers of professional skepticism, ego depletion and overconfidence in independent auditors' quality of judgment. *Managerial Auditing Journal*, 39(7), 821–842. <https://doi.org/10.1108/MAJ-04-2024-4317>
- Wahyudi Wahyudi, Wa Jana, Ernawati Usman, Jurana Jurana, & Mustamin Mustamin. (2025). Bias Kognitif dalam Pengambilan Keputusan Audit: Sebuah Kajian Literatur Sistematis. *Jurnal Pajak Dan Analisis Ekonomi Syariah*, 2(4), 120–135. <https://doi.org/10.61132/jpaes.v2i4.1628>
- Yusnaini, Y. (2026). The Role of Cognitive Style in Moderating Independence, Objectivity, and Auditee Attributes on Internal Audit Quality. *Journal of Economics, Finance And Management Studies*, 09(01). <https://doi.org/10.47191/jefms/v9-i1-42>
- Yusnaini, Y., Athiyah, M., Hakiki, A., & Wahyudi, T. (2025). Work pressure and client internal control: Auditor personality in fraud detection. *South African Journal of Economic and Management Sciences*, 28(1). <https://doi.org/10.4102/SAJEMS.v28i1.6395>
- Yusnaini, Y., Hakiki, A., & Burhanudin, B. (2022). Cognitive Style and Personality in Fraud Detection: Experimental Study on Government Internal Auditors. *International Journal of Behavior Studies in Organizations*, 8, 23–34. <https://doi.org/10.32038/JBSO.2022.08.03>
- Yusnaini, Y., Hakiki, A., & Burhanudin, B. (2023). Cognitive Style and Personality in Fraud Detection: Experimental Study on Government Internal Auditors. *International Journal of Behavior Studies in Organizations*, 8, 23–34. <https://doi.org/10.32038/JBSO.2022.08.03>
- Yusnaini, Y., Hakiki, A., & Wahyudi, T. (2023). Cognitive Mapping and Framing Bias on Decision Making. *European Journal of Business and Management Research*, 8(3), 227–232. <https://doi.org/10.24018/ejbmr.2023.8.3.1986>
- Yusnaini, Y., & Meirawati, E. (2023). Moral Intensity and Ethical Analysis in Accounting Decision Making. *AKUNTABILITAS*, 17(1), 35–48. <https://doi.org/10.29259/ja.v17i1.20367>