

# Big 4 Office Size and Audit Quality

Jere R. Francis; Michael D. Yu

+ [Author & Article Information](#)

*The Accounting Review* (2009) 84 (5): 1521-1552.

<https://doi.org/10.2308/accr.2009.84.5.1521>

Views ▾	Share ▾	Tools ▾	Cite ▾
---------	---------	---------	--------

**ABSTRACT:** Larger offices of Big 4 auditors are predicted to have higher quality audits for SEC registrants due to greater in-house experience in administering such audits. We test this prediction by examining a sample of 6,568 U.S. firm-year observations for the period 2003–2005 and audited by 285 unique Big 4 offices. Results are consistent with larger offices providing higher quality audits. Specifically, larger offices are more likely to issue going-concern audit reports, and clients in larger offices evidence less aggressive earnings management behavior. These findings are robust to extensive controls for client risk factors and to controls for other auditor characteristics. While the evidence suggests audit quality is higher on average in larger Big 4 offices, we make no claims that audit quality is unacceptably low in smaller offices.

This content is only available via PDF.

American Accounting Association


You do not currently have access to this content.

Sign in

Don't already have an account? [Register](#)

Member Login

Log in



Pay-Per-View Access

\$25.00

**AAA Members: Please log in for free access to content. Note, Teaching Notes are a full member benefit and are not available to student members.**



[View Metrics](#)

### Citing Articles Via

Web Of Science (635)

Google Scholar

CrossRef (892)

### Email Alerts

Article Activity Alert

Publish Ahead of Print Alert

New Issue Alert



**Print ISSN:** 0001-4826 **Online ISSN:** 1558-7967

[Skip to Main Content](#)

[Information for Authors](#)

[Authorship Policy](#)

[Plagiarism Policy](#)

[Data Integrity Policy](#)

[Citing Corrected Articles Policy](#)

[Minimizing Overlapping Decision Rights Policy](#)

[Prior Publication Policy](#)



---

[Cookie Policy](#)   [Accessibility](#)   [Terms & Conditions](#)   [Get Adobe Acrobat Reader](#)

© Copyright 1998 - 2025 American Accounting Association. All rights reserved.