

**The Impact of the Quality of the External Audit on the Performance of  
Jordanian Commercial Banks: The Modified Role of the Diversity of the  
Board of Directors**

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**Abstract**

This study aims to clarify the relationship between the quality of external auditing on the performance of Jordanian commercial banks, and to indicate the modified role of the members of the board of directors on the quality of auditing and financial performance. During the annual financial statements issued by these banks during the period (2012-2020), the study community represents all the thirteen Jordanian commercial banks. As for the study sample, the comprehensive survey method was adopted for the study community, meaning that the study sample is equal with the number of Jordanian commercial banks within the study community, which is 13 banks,

The results showed that there is no statistically significant effect of the audit quality and the financial performance of the Jordanian commercial banks, as the audit team is limited to the performance of its tasks, and the results also showed that there is a positive impact of the diversity factor of the board of directors on the relationship between the turnover of the auditing company and the return on assets and the return on the equity of Jordanian commercial banks. This study also recommends educating all

stakeholders of the importance of the audit quality factor in Jordanian commercial banks, and trying to urge Jordanian commercial banks to adopt the best practices of corporate governance in them, in addition to urging policy makers to find instructions to ensure efficient performance, such as maintaining the diversity factor of the board of directors. It is for the purpose of bringing more control and supervisory roles to the performance of the executive management.

**Keywords: audit quality, financial performance, diversity of the board of directors**