CityUHK DBA Series

FROM INSIGHT TO IMPACT

HOW 20 EXECUTIVES TRANSFORMED BUSINESS THROUGH RESEARCH

CityUHK DBA 20th Anniversary Book Editorial Committee

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Part I

GOVERNANCE & REGULATION

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City University of Hong Kong, 2023

Professional Scepticism on a Global Stage

Dr. Linda Biek grew up in the small town of Bristol, Tennessee, hidden away in the Appalachian hills. With a population of just 25,000, this was Small Town America. Her father instilled in her a thirst for knowledge that became her compass, and eventually a passport to get to the big city. Yet, as a young student, she did not immediately apply herself to the world of academia. She was searching for a spark, a way to connect her analytical mind with a career that served a larger purpose.

Dr. Biek initially pursued marketing during her undergraduate years at East Tennessee State University because it felt like a vibrant, accessible way to enter the business world. But after a stint in sales, she realised that she did not want to sell computers for the rest of her life. She needed a discipline that challenged her logic. While reading the Atlanta newspaper one Sunday morning, she landed on the job postings and did not have to go beyond the "A" section of the alphabet: Accounting sprang to mind.

While many see math as a component of accounting, Dr. Biek saw them as distinct but related analytical disciplines. She decided to return to school for a master's of accountancy. It was during those years of study, taking the core accounting courses she had avoided in her marketing days, that she finally found her way.

The Investigative Auditor

Dr. Biek left the hills of Tennessee for the sunshine of Orange County, California, to join KPMG as an auditor. She loved this new "hunt."

Serving as Master of Ceremonies for the IESBA Ethics and Independence Conference in Portugal.

While some of her peers saw auditing as a series of tedious boxes to tick against a time budget, she saw it as a puzzle to solve.

However, this investigative streak created a unique tension. In public accounting, the goal is often to assess, conclude, and move on. “My nature was to dig deeper, to ask the ‘one more question’ that might reveal a hidden truth. I realised that while I loved auditing, the constraints of private practice were at odds with my desire for deeper investigation.” This realisation guided her back to Tennessee, but this time into the world of regulation.

Working as an investigator for the Tennessee State Board of Accountancy was a revelation. For the first time, her curiosity was her primary asset, performing forensic post-mortems on professional failures. “I investigated complaints against CPAs, deconstructing exactly where they had veered off the path of ethics or technical compliance.” The work was fulfilling, protecting the public interest by ensuring that the CPA credential remained a mark of absolute integrity. Her work led her to the role of Executive Director, where she oversaw the regulation of over 20,000 professionals and 2,000 firms. She was working as a guardian of the profession that she had joined years before.

From Tennessee to Hong Kong

The next chapter of Dr. Biek’s life took her to NASBA (the National Association of State Boards of Accountancy) as the Director of International, Governmental, and Professional Relationships. This role transformed her into a global traveller. She spent her days advocating for the value of the CPA credential and building bridges between international accounting and regulatory bodies. But even as she travelled the world, a new challenge was brewing.

“In 2013, I moved to Hong Kong to serve as the Director of Compliance for the Hong Kong Institute of CPAs (HKICPA). This was like entering the major league of global finance. Hong Kong is one of the top capital markets in the world, and the complexity of the cases there was remarkable compared to my days in Tennessee."

As a regulator in Hong Kong, and later as the Head of Investigations and Compliance for the Accounting and Financial Reporting Council (AFRC), she handled cases that appeared on the front pages of financial newspapers. "With the benefit of hindsight, I would review hundreds of pages of audit working papers, easily identifying the red flags ignored by the auditor, and think: You were right there. You had the evidence in your hands. How did this inconsistent information make sense to you? Why didn't you take a moment to step back, think, and then dig deeper?"

This recurring observation—that even highly skilled auditors sometimes fail to be sceptical—became the interest that drove her back to the classroom. She wanted to understand the psychological mechanics of professional scepticism.

Accounting for Professional Scepticism

Dr. Biek had always dreamed of getting a PhD. When she was finishing her master's degree decades ago, she planned to work in the profession for a few years and then pursue her PhD so she could teach at a university. But, as she puts it, life happens: "I met my husband, we bought a house, had children. The dream of a doctorate seemed to evaporate in the midst of a busy life."

However, while living in Hong Kong, she began to see advertisements for the DBA programme at City University of Hong Kong. It felt like a sign. She wanted to learn how to perform high-quality research that could actually change the accounting profession for the better. She enrolled in 2019, joining a cohort of like-minded professionals, and began what she calls her "intellectual marathon."

Her thesis topic was born directly from her regulatory experience: *A Study of Auditors' Professional Scepticism: Evidence from*

Examining Different Mindsets on Auditors' Assessment of Complex Accounting Estimates.

"The journey was gruelling. There were many mornings I woke up at 4:00 a.m., hours before the actual workday began, just to write one coherent paragraph or perform one statistical test. I remember a moment of despair after finishing data collection and I told my husband: I'm quitting. I can't resolve these data issues, and I feel like this research is a failure."

But that was where the value of a community came in. Through the mentorship of her professors—who went above and beyond to show how academic research relates to real-life situations—and the support of her cohort, she realised that it was not a failure. It was just a hurdle. She pushed through.

Enjoying the Momentum Conference in the Cayman Islands.

Sharing insights on the importance of mindset with academics at the American Accounting Association annual conference in Colorado.

Celebrating with new friends in Colorado.

The Enquiring Mindset

Her research addressed a critical problem: auditors are frequently criticised for a lack of scepticism, especially when dealing with complex accounting estimates like goodwill impairment. These are subjective numbers where management's bias can easily hide.

She conducted a randomised control study with 118 participants. She "primed" them with different mindsets—deliberative (considering pros and cons of a decision), questioning (challenging management's assertions), or a combined mindset—to see if certain mindsets increase an auditor's ability to identify red flags in a simulated case study.

The results were fascinating and had immediate practical implications:

- Firstly, deliberative thinking works: Participants in a deliberative mindset were significantly better at picking up on incidental information—the small, hidden clues that others missed.
- Secondly, the power of the pause: The most sceptical auditors were not necessarily the ones told to be sceptical. Instead, the most successful participants were those who chose to suspend judgment and felt a sense of urgency to contact their manager.

This research proved that an auditor's mindset influences cognitive processing and directly impacts their ability to identify potentially biased estimates. This was not just academic; it was a roadmap for how audit firms should train their staff.

Global Impact

The timing of Dr. Biek's DBA could not have been more perfect. In 2020, the International Ethics Standards Board for Accountants (IESBA) introduced new provisions addressing the impact of mindset on ethics. Professional accountants were required to have an "enquiring mind" when applying the IESBA conceptual framework. Because of her research, Dr. Biek was able to play a part in promoting the impact of mindset on professional scepticism globally.

In 2023, she took on a role as Director at the IESBA, the body that publishes the International Code of Ethics for Professional Accountants. Based in New York, her work included projects focused on auditor independence with respect to collective investment vehicles, technology-related ethical issues, and private equity investment in accounting firms. Dr. Biek transitioned to the International Federation of Accountants (IFAC) in 2026 to serve as its Head of Strategic Content. The role allows her to put her research skills into action by connecting policy matters, thought leadership, and market intelligence to amplify the impact of the accounting profession using IFAC's global voice.

"Before the DBA, I would not have fully understood the impact of bias in research or the necessity of a robust conceptual framework. Now, I use those skills regularly to help ensure strategic priorities are identified and clearly integrated into messaging, training, and tools that are used by accountants worldwide," she says. Whether discussing the ethical implications of artificial intelligence in auditing or the global challenges of reporting on sustainability, her DBA training is the lens through which she views issues.

Career Reflections

Dr. Biek's career has been a testament to the fact that regulation is not punitive in intent; it is about protection of the public and, by extension, the profession. By studying why auditors fail to identify red flags (scepticism) and how to expand their cognitive scope (mindset), she has tried to contribute to a society where financial information can be trusted implicitly. The insight and mentorship of her professors at CityUHK changed the way she assesses information, turning her from a curious investigator into a strategic researcher.

Lessons for the Future

For those considering a DBA or a career in accounting ethics, Dr. Biek offers these lessons from her "marathon":

- Time management and dedication: You do not finish a thesis in a day; you finish it one sentence at a time.
- Diligence and respect for the process: There are no shortcuts to high-quality research.
- Listening to learn: True scepticism requires the humility to listen before you conclude.
- Escalate concerns: "My research showed that the best auditors are those who aren't afraid to say, 'I need to talk to my manager about this.'"

Looking Ahead

The world of 2026 is vastly different from the one Dr. Biek entered as a marketing student in Tennessee. We are facing the rise of generative AI, the fragmentation of ESG reporting, and a global economy that is more uncertain than ever. In this environment, the "enquiring mindset" she studied is a societal necessity.

Dr. Biek is proud of the knowledge she has gained and the ability to complete an intellectual marathon. She has learned that while accounting is about numbers, the profession is about people, trust, and the courage to remain sceptical in the face of bias and complexity.

"If I had to do it all over again, I would do everything the same. To any future DBA students or professionals at a crossroads: treasure the process, give it your best effort, and never stop being curious. You'll be amazed at the results."