

## EFFECT OF WORK EXPERIENCE, INDEPENDENCE, OBJECTIVITY AND INTEGRITY ON THE QUALITY OF AUDITOR'S AUDIT RESULTS WITH MOTIVATION AS A MODERATING VARIABLE

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### ABSTRACT

*The purpose of this study was to analyze the effect of work experience, independence, objectivity, integrity, on the quality of audit results with motivation as a moderating variable. This type of research is quantitative. The population in this study were auditors at the Financial and Development Supervisory Agency (BPKP) of North Sumatra, Medan with a sample of 70 auditors, which were taken using purposive sampling method. The research instrument used a questionnaire and the analytical technique used was multiple linear regression analysis. The results of the study indicate that integrity and objectivity have an effect on audit quality. Work Experience, Independence, motivation as moderating variables have no effect on Audit Quality.*

### KEYWORDS

Independent Work Experience, Objectivity, Integrity, Competence, Audit Quality



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## INTRODUCTION

Financial and Development Supervisory Agency or BPKP, in short, inspection, guidance, assistance, evaluation, elimination of KKN and supervision in the field of financial and development supervision. education and training in accordance with applicable laws and regulations.

Based on the findings of the North Sumatra BPKP audit, there is a difference in the work that should have been 2,000 houses, but the work completed was only 1650 houses, the remaining 350 houses. not carried out. funds of Rp 6 billion with the remaining work on 350 houses, the rest was returned to the State Treasury This was also confirmed by the main director of PDAM Tirta Lihou Simalungun H. District, North Sumatra (North

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Sumatra) BPKP North Sumatra Not only APH has questioned the audit results several times, we at PDAM Tirta Lihou comply with all regulations.

From the above phenomenon, it can be seen that the audit quality in the country is relatively low. Auditor behavior due to lack of ethical attitude Auditor profession, professional attitude, skepticism and professional accountability The circumstances that cause audit losses cannot all be proven. Such an auditor must uphold the professional ethics obtained by the Indonesian Institute of Public Accountants, making situations of unfair competition avoidable, Nizarudin (Supriyadi, Haeruddin, & Nurjannah, 2016). adding to the string of cases of audit failure and resulting in a lack of public trust in the profession of accountants. In auditing, the auditor is responsible for the results of the examination carried out in accordance with professional ethical standards. Therefore, the quality of the audit results plus supervision of the preparation and use of the budget is very much needed so that budget violations do not recur. for all professions, Let the profession of choice will be able to people to trust. This study aims to determine work experience, independence, objectivity and integrity, audit results with motivation for North Sumatra BPKP employees.

According to (Prasanti, Ramadhanti, & Puspasari, 2019), the quality of auditing depends on two things, competence and independence". These two things directly affect the quality of audits and maintaining the independence, experience and competence of auditors is not an easy thing and does not guarantee this.

This study draws on (Prasanti, Ramadhanti, & Puspasari, 2019)'s research on the right to promote auditing as a legal variable of audit quality and the impact of work experience, competence and audit quality. The difference between this study includes the inclusion of research variables, namely the objective variable and the integrated variable. The principle of efficiency requires auditors (government accountants) to be neutral, fairly honest and avoid conflicts of interest. Integrity is a quality that builds public trust and is the standard by which members test their decisions. Integrity requires auditors to be honest, transparent, courageous, intelligent, and responsible for auditing.

Based on the findings of previous research conducted by (Dewi, Maulana, & Muhadzib, 2019), it was found that the Impact of Work Experience on Quality Assurance. In this study, the variables of work experience, independence, honesty, integrity, motivation were used as mediating variables in the relationship between audit testing and audit quality.

The findings in this study represent that the higher the knowledge of the test, the better the quality of the test results (Shi, Lee, & Maydeu-Olivares, 2019). The research findings present that audit quality can be achieved if the person carrying out the audit has qualified integrity, and the results of the research present that honesty affects the quality of the auditor (Ismail, Merejok, Dangi, & Saad, 2020). The results of this study represent that independence has a significant impact on audit quality. The results of this study represent that honesty has a significant effect on audit quality. The results of this study present that objectivity has a significant impact on audit quality, work experience, competence, independence, honesty and integrity have an impact on audit quality, with motivation as a systematic variable. The findings in this study present that work experience makes an impact on audit quality, independence affects audit quality, and independence affects and encourages the relationship between motivation and audit quality.

Test results must be able to determine fairness and compliance with accounting and auditing requirements of the organization, and have financial information with certain standards or regulations. Article 1 paragraph 2 of the Code of Ethics for Accountants states that each member is responsible for maintaining integrity and impartiality in carrying out their duties. Auditors must act honestly, firmly and fairly (without pressure and

demands do not affect a particular problem. groups, including their own interests. Because litigation involves the public accounting profession, namely acting as an independent third party that verifies the accuracy and reliability of the report.

In this case, the question arises about how the expertise of the auditor can be used to make omissions or that there may be interference from several parties that affect their independence (Tiron-Tudor & Deliu, 2021).

Changes that need to be made in all government departments, especially in the field of regional financial management, to achieve good governance are internal and external audits of all activities carried out by the government (Almqvist, Grossi, Van Helden, & Reichard, 2013). It is hoped that the efforts made can be the best, and reduce the number of mistakes and criminal acts that can harm the government. Objectives are measured by presenting the absence of a conflict of interest and based on the dissemination of facts. Integrity is measured by indicators of integrity, courage, wisdom, and a sense of responsibility of the auditor. Ability is measured by indicators of personal qualities, intelligence, and special abilities. 9 2014 Presidential Instruction of the Republic of Indonesia, Guidelines for Improving Internal Quality and Reliability in the Implementation of the Internal Control Act in order to ensure the welfare of the people, further emphasizes the role that must be played by BPKP as an internal auditor. by the government. control to improve the efficiency and effectiveness of the state/state budget and state/state revenues.

## RESEARCH METHOD

This research was conducted in the State of North Sumatra, Jl. carried out at the Financial and Development Supervisory Agency Jend. Gatot Subroto KM .5.5 Medan, April-June with material on the influence of work experience, independence and internal auditors working at BPKP North Sumatra. Conducting surveys and collecting data, distributing surveys to BPKP participants in North Sumatra (Sari, Qorib, Harahap, & Jufrizen, 2018).

This type of research uses a causal model for quantitative research (intervariable causality). Just like the supervisor sample, the analytical method used in this study is multiple linear regression (Grissom & Keiser, 2011). In this study, proportional random sampling and questionnaires with the Slvin formula were used as data collection methods.

Technical data collection techniques used in this study must be based on the data collected (Lomborg & Bechmann, 2014). The data obtained are basic data and the ranking is closed. Closed surveys are surveys that provide questions or statements and feedback options so that respondents can only provide limited answers to the choices given (Krisherdian, 2015) North Sumatra Jl. General Gatot Subroto KM 5.5 Medan.

## RESULT AND DISCUSSION

### 1. Effect Of Work Experience On The Quality Of Audit

The results of the regression analysis presented that the total t of work experience was -1076 with a significant t value of 0.286 (not significant), and the t table of work experience was 199773, so the t number < from t table (-1076 < 199773). Significant at 0.286 level (not important/rejected). the t-count value of the motivation variable is 0.551, significant 0.584 (not significant) so that the combination of work experience and motivation as a moderator variable and the t-count value of 0.551 is significant 0.584 does not have an impact on audit quality, meaning that motivation is not a moderator for the dependent or independent variable does not affect the relationship between work experience

and motivation as a variable because the audit results are not significant or rejected, this is explained by how much work experience and how long they worked and study time. experience does not guarantee audit quality and motivational variable as moderator. Explaining the impact of work experience on audit quality, supported by Dewi (2016). Auditor experience is a learning process and behavior shown by prospective auditors when interacting with the tasks they perform.

## **2. The Effect of Independence on Audit Quality**

Test results from various research hypotheses presented that the t-count of independence was -0.491 with a significant t-count value of 0.625 (not significant/rejected) and t-table 199773 independence after t-count < t-table (-0.491). <199773) significant at the level of 0.625 (rejection/weakening). The regulatory variable on audit quality represents that a person with low independence can have a negative impact on audit quality, then with the regulatory variable it can be seen that a person's low independence will result in insignificant results, resulting in lower audit quality. The results of this study are supported by Mulya. di (2013) stated that in Priyansari (2015) independence is a condition free from consequences, namely not being controlled or dependent on other parties.

## **3. The Influence Of Objectives On Audit Quality**

Hypothesis testing proves that the objectivity t-count value is 2837 with a significance value of 0.006 (significant/accepted) and the objectivity t-table is 199773 and t-count > from t-table (2837>199773) with a significant value. 0.006 level (accepted or strengthened). The motivation variable also has a significance value of 0.551 and 0.584. It can be concluded that the motivation variable affects the objectivity variable on audit quality and motivation has a significant effect on audit quality. This presents with objectivity that you can rely on the reliability of audit results, not trends that can result in auditor performance and profits, how audit results affect audit quality, so that motivation as a regulatory variable affects audit quality and objectivity, improving auditors. produce. The results of this study are supported by Wardana and Ariyanto (2016) and Parasayu and Rohman (2014) which state that auditor objectivity has an impact on audit quality.

## **4. The Effect Of Integrity On Audit Quality**

Based on the results of the tests carried out, it was obtained that t-number 3,316 Totality was considered significant (0.002 < 0.05), and t-table Totality 199773 and t-number > t-table (3.316>199773) with a significant value of 0.002 (significantly accepted). The t-value of the motivation variable was also significant 0.551 and 0.584. It can be concluded that motivation has a positive effect on audit honesty and quality, and in particular the motivational variable also has a positive effect on audit quality. These results represent that the auditor presents an honest, brave, wise and responsible attitude in conducting an audit, which affects audit quality and integrity as an independent variable and motivation as a variable depends on audit quality. In their research, Mabururi and Winarna (2012) revealed that the integrity of auditors in the local government environment has a positive effect on the quality of audit results.

## **5. Work Experience, Independence, Objectivity, Integrity, Have Impact On The Quality Of Audit Results Through Motivation**

Based on the results of the research hypothesis testing, the t-number of work experience is 0.286 (rejected/attenuated) with -1076, the t-point of independence is -0.491 and 0.625 with a significant value (rejection/does not have), the impartiality of the t-point

is 2.837, with a significant value of 0.006. also, with a significant level of 0.002 (accepted/affected), the total t is 3.316 and the 1997 table of the variables of work experience, independence, objectivity, integrity can be 7373. If from the results above it is concluded that work experience, independence has no impact on audit quality because the test results, then the hypothesis t count moderator variable is rejected or has no impact on audit quality which represents that work experience, independence, independence are not enough. honesty and non-conflict when doing business, and the objectivity t-table variable, integrity 199773 objectivity, concluded that integrity affects quality. Audit and motivation as regulatory variables are strengthened as regulatory variables on audit quality. In this study it is said that people with a high level of independence provide high-quality audit results. The moderator effects and motivational variables were added to this study later:

- Auditors provide positive and significant results in carrying out audit tasks, so that they are better.
- High level of objectivity and integrity.
- Work objectively and without influence from stakeholders kepentingan whichever is then moderated by incentives to provide good audit quality, the resulting audit quality will be better.

### CONCLUSION

This study aims to determine the effect of simultaneous and partial work experience, independence, objectivity, integrity and auditor motivation on the quality of the audit results of BPKP auditors in North Sumatra. Based on the description and discussion of the findings, the following conclusions can be drawn:

1. The results of the study present that work experience, independence, objectivity, integrity and motivation of auditors have simultaneously on the quality of the audit results of BPKP auditors in North Sumatra. This represents that the higher the auditor's work experience, independence, objectivity, integrity, and motivation in carrying out professional audit tasks, the higher the quality of audit results.
2. In part, work experience, independence and motivation have no significant effect on the quality of the North Sumatra BPKP Auditor exam results. While objectivity and honesty have a significant impact on the quality of the results of the North Sumatra BPKP auditor's examination.

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