The Influence of Competence, Independence, and Work Motivation on Audit Quality

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Abstrak

This research aims to determine the influence of competence, independence and work motivation on audit quality. Auditors have a role that is very necessary in a company for the continuity of a company. This type of research uses quantitative research with data collection methods using questionnaires. This research uses primary data. The data analysis technique used to test the hypothesis in this research is multiple linear regression. The population in this research is the inspectorate office. The sample in this study were auditors who worked at the Se Luwu Raya Inspectorate. The total sample in the research was 68 auditors from 94 auditors divided into four districts/cities. The sampling technique was accidental sampling. The research results show that competence and work motivation influence audit quality, while independence has no influence on audit quality.

Keywords: Competence, Independence, Work Motivation, and Audit Quality

1. Introduction

The Regional Inspectorate is as intended by PP NO 18 of 2010 concerning the government control system which is one of the internal supervisory apparatuses which is then responsible to the regional government, in this case the Regent or Mayor. The Inspectorate is an internal auditor who is given the task of supervising regional revenue and expenditure budgets (APBD) and activities outside the government. Government auditors or government internal supervision apparatus (APIP) which are then included in the internal control system have accountable work principles in carrying out audit controls so that auditors can be created who are able to work optimally in carrying out their duties as auditors.

The main task of APIP is to review regional financial reports so that auditors have a difficult task, apart from examining financial and administrative matters, an auditor must also carry out inspections of other physical activities [1] . There have been several cases that have been examined by district city inspectorates, such as the Palopo City Inspectorate, where it is alleged that there were findings made by the Palopo City Inspectorate related to the misappropriation of the budget for the miniature project and the Palopo City Grand Mosque hall which was built using the 2021 Palopo City APBD amounting to 5.8 billion. Meanwhile, in that year, as quoted from (Mawardi, 2022) [2], the Palopo City Government received the title for the seventh time as a recipient of WTP (reasonable without exception) from the financial audit agency of the Republic of Indonesia. However, a big question is how it is possible for regions that have many cases to get WTP audit results (reasonable without exception). So, in fact, what often happens in the granting of WTP is that bribery often occurs in giving unqualified opinions, such as what happened in the Bogor Regency government sphere where bribery occurred between the Regent of Bogor Regency and members of the examiners from the BPK of West Java Province. According to the findings made by the Corruption Eradication Commission, there are eight people who are suspects, namely four people who gave bribes and four people who received bribes, who received bribes amounting to 1.19 billion [3] .

Audit quality is really needed by companies, both service companies, trading and manufacturing companies. Auditors have the company's responsibility to examine the company's financial reports and provide opinions or answers that can be trusted to the company. Audit quality is very necessary in presenting financial reports so that the company is satisfied with the auditor's performance, so a good attitude is needed so that the quality of the audit carried out is also good. Good financial management must be supported by good auditors so that the quality produced is also good. Likewise, if financial management is good but not supported by bad auditors, the results of the audit carried out will not be good either [4] . In order for the audit quality to be good, an auditor needs to have a professionalism attitude in carrying out his duties in examining financial reports. An auditor must not commit fraud by bringing personal interests into it in addition to the auditor's professionalism attitude. If the audit quality is to be good, an auditor must have an attitude of objectivity.

To produce a good audit, the auditor must be objective in reporting the results of the audit in the financial statements. An auditor must not take sides with the company and an auditor must avoid conflicts of interest. an auditor must be honest and not make additional movements when carrying out an audit [5] . The higher an auditor's attitude of objectivity, the higher the quality of the audit. Likewise, on the other hand, the lower the attitude of objectivity possessed by an auditor, the lower the audit quality.

In research conducted by (Rahayu et al., 2020) [6], there are several things that can influence audit quality, namely (1) Objectivity, namely an auditor's freedom from any influence (2) Competence, namely an auditor's expertise in the field of research and experience (3) A person's knowledge auditors regarding the auditor's own knowledge (4) Integrity, namely that an auditor must have a high attitude of honesty and be able to accept opinions and mistakes (5) Professional ethics, namely the rules carried out by auditors. Some cases regarding audits are cases at PT Jiwasraya. In 2017, Jiwasraya received an unfair opinion in its financial report, even though at that time PT. Jiwasraya was able to record a profit of Rp. 360.3 billion. This unfair opinion was obtained because there was a shortfall in reserves of IDR 7.7 trillion. In the following year Jiwasraya obtained bookkeeping of IDR 15.3 trillion. In 2019 in September it experienced a decreased loss of IDR 13.7 trillion. Then in the following month, November, it experienced negative equity of 27.2 trillion. [7]

To get good audit results, an auditor must have good competence. According to (Lele Biri, 2019) [4] the competence of an auditor is something that a good auditor must have. A good auditor is an auditor who has a lot of expertise and a lot of experience. The level of expertise an auditor has is very important in carrying out audit quality. Auditors who have good competence in carrying out their duties rarely make mistakes. According to (Widiya & Syofyan, 2020) [8] an auditor's competency is someone who can work very quickly. The attitude of independence is the attitude of an auditor who does not take sides with anyone, a person who has an attitude of independence is a person who is not easily influenced in carrying out an audit and does not bring personal interests into the audit. An independent attitude is an honest attitude that an auditor has in reporting or giving an opinion regarding a company's financial reporting issues, whether the reporting of his opinion really matches the reality in the field [9] . An auditor's work motivation is an effort to provide enthusiasm and try hard to provide the best results [10] . Work motivation provides a very important element in conducting an audit. The higher an auditor's work motivation, the faster he will carry out his work. Motivation also arises because the auditor believes he is capable of doing it.

The purpose of this research is to find out and analyze whether the influence of competence, independence and work motivation influences audit quality at the Se Luwu Raya Inspectorate office. It is hoped that this research will be able to add to the study of audit problems in the auditor field.

2. Methodology

This research was carried out using a quantitative research method approach, which (Lele Biri, 2019)[4] defines as research that requires using numbers, starting from data collection to the appearance of the results. The population in this research is the Inspectorate Office. The sample in this research is auditors who work at the Se Luwu Raya Inspectorate. The total sample in the research was 68 auditors from 94 auditors divided into four districts/cities. The sampling technique is *accidental sampling* which is a technique for determining samples based on chance/incidents that can be found as a data source [11]

The data source used in this research is primary data obtained directly from original sources or first parties. Primary data was obtained using a list of statements that had been prepared with the aim of collecting information from auditors working at Inspectorate Offices throughout Luwu Raya as respondents which was distributed to auditors working at Inspectorate Offices throughout Luwu Raya as respondents through distributing questionnaires in the form of competency, independence, work motivation and audit quality. The independent variables in this research are competence, independence and work motivation and the dependent variable is audit quality. Data were analyzed using linear regression analysis with the help of the SPSS 25 *(Statistical Program for Social Science*) computer program.

Table 1. Research sample table

Name of District/City	Number of audits in each agency	Number of auditors who filled out the questionnaire
Luwu	14 Auditors	14 Auditors
Palopo	19 Auditors	22 Auditors
North Luwu	19 Auditors	32 Auditors
East Luwu	16 Auditors	24 Auditors
Amount	68 Auditors	94 Auditors

3. Result and Discussion

3.1. Result

1.) Validity Test Results

Table 2. Competency Validity Test Results

Competence	R count	R table	information
X1.1	0.568	0.235	Valid
X1.2	0.673	0.235	Valid
X1.3	0.544	0.235	Valid
X1.4	0.640	0.235	Valid
X1.5	0.414	0.235	Valid
X1.6	0.748	0.235	Valid

Source: Data processing results using SPSS 25

Table 3. Independence Validity Test Results

independence	r count	r table	information
X2.1	0.491	0.235	Valid
X2.2	0.667	0.235	Valid
X2.3	0.605	0.235	Valid
X2.4	0.532	0.235	Valid
X2.5	0.570	0.235	Valid
X2.6	0.597	0.235	Valid

Source: Results of data processing using SPSS 25

Table 4. Work Motivation Validation Test Results

Work motivation	r count	r table	information
X3.1	0.579	0.235	Valid
X3.2	0.382	0.235	Valid
X3.3	0.606	0.235	Valid
X3.4	0.567	0.235	Valid
X3.5	0.462	0.235	Valid
X3.6	0.648	0.235	Valid

Source: Data processing results using SPSS 25

Table 5. Audit Quality Validation Test Results

Audit quality	r count	r table	information
Y.1	0.506	0.235	Valid
Y.2	0.604	0.235	Valid
Y.3	0.624	0.235	Valid
Y.4	0.725	0.235	Valid
Y.5	0.702	0.235	Valid
Y.6	0.742	0.235	Valid

Source: Data processing results using SPSS 25

Based on the results of the validity test above, it can be seen that all statements from the variables are said to be valid because r count > r table. Which means all questionnaires are valid.

2. Reliability Test

Reliability tests were carried out on all questions using the Cronbasch's Alpha coefficient formula, by comparing the alpha value with the standard. It is declared reliable if the Cronbach'alpha value is >0.60,

Table 6. Reliability Test Results

Variable	Cronbach'alpha	Reliability limits	information
competence	0.625	0.60	Reliable
Independence	0.809	0.60	Reliable
Work motivation	0.877	0.60	Reliable
Audit quality	0.798	0.60	Reliable

Source: Data processing results using SPSS 25

Based on the test results above, it can be concluded that the Cronbach's values are all above Alpha >0.60, so it can be said that the instrument used is reliable.

Classic assumption test

The classical assumption test is a requirement in multiple regression analysis. In the classical assumption test there is a normality test, multicollinearity test, heteroscedasticity test and autocorrelation test.

1.) Normality Test Results

Table 7. One Sample Kolmogrof-Smirnov Test

N		68
Normal parameters $^{a, b}$	Mean	.0000000
	Std. Deviation	2.18737047
Most Extreme Differences	Absolute	,096
	Positive	,096
	negative	-.069
Statistical Tests		0.96
Asymp.Sig.(2-tailed)		200

Source: Data processing results using SPSS 25

The table above shows that the residuals of the regression equation provide a significant probability value of 200>0.05, this means that the data in this study is normally distributed.

2.) Multicollinearity test results

Table 8. Multicollinearity test results

Variable	Collinearity Statistics		Information
	Tolerance	VIF	
Competency (X1)	0.815	1,227	There is no multicollinearity
Independence (X2)	0.907	1,103	There is no multicollinearity
Work motivation (X3)	0.799	1,252	There is no multicollinearity

Source: SPSS 25 Data Processing Results

The table above shows that the tolerance value for each variable is greater than 10 percent (0.1). Likewise, the VIF value for each variable is smaller than 10. This means that the regression model is free from multicollinearity problems.

3. Heteroscedasticity Test Results

Table 9. Heterskedasticity test results

Variable	Sig	Information
Competency(X1)	0.441	There is no heteroscedasticity
Independence (X2)	0.247	There is no heteroscedasticity
Work Motivation (X3)	0.631	There is no heteroscedasticity

Source: Data processing results using SPSS 25

Based on the results of the heteroscedasticity test above using the glacier test, the value of the competency variable (X1) was 0.441 > 0.05, the significance value for the independence variable (X2) was 0.247> 0.05 and the significance value for the work motivation variable (X3) was 0.247> 0.05. amounting to 0.631>0.05. So it can be concluded from the significant results of each variable that there is no heteroscedasticity.

Multiple Linear Regression Test

1. Multiple Linear Regression Test Results

Table 10. Multiple linear regression test results

Source: SPSS 25 Data Processing Results

Coefficients [a]					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta		
(Constant)	,400	4,611		1,171	0.246
competence	358	,152	,281	2,363	0.021
independence	014	,142	012	.101	0.920
Work motivation	422	,185	,280	2,278	0.026

Based on the test results in the table above, the regression equation is obtained, namely Y=5.400 + 0.358+ 0.14 + 0.422. Based on the regression equation, it can be interpreted as follows.

1. value shows that if all independent variables (competence, independence and work motivation are zero, then the audit quality is 5,400.
2. The coefficient value of the competency variable (X1) is 0.358 (positive) at a significance level of 0.021 (smaller than 0.05), which means that if competency increases, audit quality will also increase. This means that competency has a positive effect on audit quality
3. The coefficient value of the independence variable (X2) is 0.014 (positive) at a significance level of 0.920 (greater than 0.05), which means that if independence decreases, audit quality will decrease. This means that independence has no effect on audit quality.
4. The coefficient value of the independence variable (X3) is 0.422 (positive), which means that if work motivation increases, audit quality will also increase. This means that work motivation has a positive effect on audit quality.

2. Partial Test Results (T Test)

Coefficients [a]					
Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta		
(Constant)	5,400	4,611		,171	0.246
competence	,358	,152	,281	,363	0.021

independence	.014	,142	012	101	0.920
Work motivation	,422	,185	,280	,278	0.026

Source: SPSS 25 Data Processing Results

Through t-test statistics consisting of competence, independence and work motivation, it can be partially determined the influence on audit quality.

a. hypothesis testing 1

The SPSS statistical test results show a significant value of 0.021, which is smaller than the significance level of 0.05, so the hypothesis is accepted, namely. Competency has a positive effect on audit quality.

b. hypothesis testing 2

The results of the SPSS statistical test show that the significant value of 0.920 is greater than the significant level of 0.05, so the hypothesis is not accepted, namely that independence has no effect on audit quality.

c. hypothesis testing 3

The SPSS statistical test results show a significant value of 0.026, which is smaller than 0.05, so the hypothesis is accepted, namely that work motivation has a positive effect on audit quality.

Simultaneous Test Results (TEST F)

Table 12. F TEST Results

ANOVA [a]

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	117,732	3	39,244	6,371	0.001 [b]
	Residual	394,209	64	6,160		
	Total	511,941	67			

Source: SPSS 23 Data Processing Results

F test results with a significance value of 0.001 < 0.05. These results indicate that competence (X1), independence (X2) and work motivation (X3) simultaneously influence audit quality (Y). So this regression model can be used to predict audit quality.

Coefficient of Determination Test (R^2)

The coefficient of determination is used to measure the extent of the model's ability to explain variations in the dependent variable.

Table 13. TEST Coefficient of determination
SUMMARY MODEL

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	480 [a]	,230	,194	2.48184

Based on the table above, it shows that the Adjusted Square R Square value is 0.230. So it can be interpreted that the variables of competence, independence and work motivation can explain the audit quality variable by 23%. Meanwhile, 77 % was influenced by other variables outside this research.

3.2. Discussion

The influence of competency on audit quality

The results of the first hypothesis test for competency show that competency has a positive effect on audit quality. Competence consists of the experience and knowledge possessed by an auditor in making decisions. With the competence possessed by auditors, they are more likely to identify risks, plan more effectively and be able to make the right decisions. This description is in line with attribution theory, where the behavior of an auditor is to develop competence in the form of experience, skills and knowledge so that the auditor is able to provide audits. great and reliable. So that auditors who have competence are more trusted by clients compared to auditors who do not have competence.

This is in line with research conducted by (Rahayu et al., 2020) [6] that competency influences audit quality. The higher an auditor's competency, the greater the impact on the auditor's quality. This is due to the competence of having knowledge, skills and experience which will help to do better work so that by having competence the auditor is able to make the right decisions. Competent auditors can gather information, draw appropriate conclusions and convey clear findings. This is different from research conducted by (Ilham et al., nd) [1] it can be said that the high level of competence possessed by an auditor does not guarantee an increase in audit quality. This can happen due to the inability to convey information or the auditor's lack of experience in the scope of work.

The influence of independence on audit quality

The results of the second hypothesis test for independence show that independence has no effect on audit quality. Independence is not only related to being free or not bound, but independence also includes attitudes and mentality in supporting the auditor's objective assessment. Independence is also influenced by emotional relationship pressure. An emotional relationship that is too close will create an affective bias, so that auditors tend to see clients in a more positive way. This tends to reduce the auditor's ability to see problems or errors effectively. Auditors' emotional relationships can also be influenced by personal interests, which can influence their decisions in auditing, making them reluctant to find and report significant errors.

This is in line with attribution theory, where the auditor's behavior tends to be easy to understand the situation so that it is easy to communicate with clients. research conducted by (Layli & Arifin, 2020) states that measuring auditor independence is derived from an auditor's mental attitude. An auditor may experience pressure from superiors so that an auditor's independence is disturbed and the auditor's scope of work is still limited so that the delivery of information is uncertain. This is different from research conducted by (Panjaitan et al., nd) in his research that independence influences audit quality because with an independent attitude, auditors find it easy to evaluate information regarding the auditor's objectivity and it is easy to commit fraud against clients.

The influence of work motivation on audit quality

The results of the third hypothesis test for work motivation show that work motivation has a positive effect on audit quality. Work motivation contributes to improving auditor performance so that they are able to achieve the goals achieved. This is in line with attribution theory where the relationship behavior given by an auditor to audit results can influence motivation to improve audit quality in the future. With great behavioral encouragement, auditors have skills that can increase motivation to always work .

research conducted by (Eva et al., 2021) states that the higher the work motivation an auditor has, the higher the quality of the audit itself. High work motivation makes it easier for an auditor to achieve organizational goals and audits. With a high spirit of work motivation, auditors always want to hone their skills and curiosity about anything. This is different from research conducted (Ilham et al., nd) [1] in research that work motivation has no effect on audit quality. Due to the prevailing accounting standards, audit quality is more influenced by technical ability, compliance with standards and work ethics than by work motivation itself.

4. Conclusion

This research aims to determine the influence of competence, independence and work motivation on audit quality, in this case auditors who work at the Se Luwu Raya Inspectorate Service Office. Based on the results of the discussion above, it can be concluded that (1) competence has a significant positive effect on audit quality (2)) independence has no effect on audit quality (3) work motivation has a significant positive effect on audit quality.

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