The Effect of Independence, Integrity, and Professionalism on the Performance of Government External Auditors: Case Study on the Southern Sumatra Audit Board

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Abstract

\textbf{Purpose:} The purpose of this study was to examine the influence of Independence, Integrity, and Professionalism on the Performance of Government External Auditors.

\textbf{Design/methodology/approach:} The hypothesis was Independence, Integrity, and Professionalism had positive effect on the Performance of Government External Auditors. The total respondents were 182 auditors in the audit board of Indonesia from the Southern Sumatra region with different roles. Data collection method used questionnaires that were distributed to the auditors. Data analysis technique was multiple linear regression analysis. Correlation and determination coefficient and also partial test (t-test) tested the hypotheses.

\textbf{Finding:} The result of the study showed that the basic values of BPK consisting of independence, integrity and professionalism had positive and significant effect on the Performance of Government External Auditors.

\textbf{Originality/value:} This study contributed to the public sector auditing research by increasing our knowledge and understanding on the factors that influenced auditor performance.

Keywords

Independence, Integrity, Professionalism, Auditor Performance.

Jel Classification

M42, H83.

Received

26.04.2020

Revised

18.05.2020

Accepted

21.05.2020
1. Introduction

The audit board of Indonesia (BPK) is the state agency that has the duty and authority to investigate state finance. They investigate the state financing in the Central Government, Regional Governments, Bank Indonesia, State-Owned Enterprises, Regional-Owned Enterprises, Public Service Agencies, and other institutions or entities. BPK has 34 representative offices in 34 provinces throughout Indonesia. The Representative Office is located in the provincial capital (BPK, 2019a). The BPK has the accountable function in reporting their work into the people's house representative following its authority and also submitting to the government for further action (Pramesti, 2015).

The legal basis for the BPK is regulated in the 1945 Constitution Article 23E, 23F, and 23G. Then, further provisions regarding the BPK are regulated by the Law of the Republic of Indonesia Number 15 of 2006 concerning the Supreme Audit Board, the Law of the Republic of Indonesia Number 15 of 2004 Concerning the state financial management and accountability audit, Law of the Republic of Indonesia Number 1 of 2004 concerning State Treasury, and RI Law No.17 of 2003 concerning State Finance (BPK, 2019b). Based on BPK RI Regulation No. 1 of 2017 concerning State Financial Auditing Standards (SPKN). BPK was doing checks based on auditing standards, which are in line with a benchmark in the state financial management and accountability, including general standards, implementation standards, and reporting standards that must be obeyed by BPK auditors (BPK, 2017).

The BPK requires basic values to achieve success in conducting its duties and authority. Those basic values are independence, integrity, and professionalism, which is manifested in the form of an ethical code that applies to BPK Members and auditors. BPK auditors in carrying out their activities refer to the Regulation of the Indonesian Audit Board No. 4 of 2018 concerning the Ethical Code of the Supreme Audit Board. The ethical code as an embodiment of BPK’s basic values is a guide to be understood, practiced and manifested. Those applied in attitudes, words, and actions to realize BPK and auditors who have ethical, moral, disciplined, professional,
productive, and responsible for carrying out their duties and authorities. This basic value is used to obtain audits of quality results for improving the management of state finances to be better (BPK, 2018).

Moreover, to ensure the quality of state financial audits, the BPK establishes and implements a Quality Control System (SPM). SPM is a system that is designed to obtain adequate confidence that the BPK and its implementers comply with statutory regulations, inspection standards, and reports produced following the founded conditions (BPK, 2009). One of the SPM elements is Audit Performance, which reflects the Auditor Performance in planning, implementing, reporting results, monitoring the resulting follow-up, and evaluating audits. Those acts should following statutory regulations, inspection standards, ethical code, and established audit guidelines (BPK, 2009).

In contrast, there are still cases involving BPK auditors because they violate BPK’s basic values. Indonesia Corruption Watch noted that there were at least six cases of bribery involving 23 BPK inspectors/officials/staff from 2005 to 2017. There are three bribery cases for obtaining Fair opinion without exception, one bribery case for obtaining Fair opinion with exceptions, one bribery case to change the findings of the BPK, and one bribery case to "expedite" the BPK audit process. From 23 defendant involved, it was proven that the Corruption Court convicted 5 people, 14 people received internal BPK sanctions, and 4 were still in the KPK investigation stage (Ihsanuddin, 2017).

Problems related to independence namely the existence of blood ties upward, down to the second degree in the management of the entity inspected. They have direct or indirect financial interests in the entity or program being inspected. They have provided services to the entity inspected in the last 2 years. They have a cooperative relationship with the entity being examined, and they have been involved directly or indirectly in the activities of the object of examination. (BPK, 2017). Recently, the Bank Indonesia Liquidity Assistance (BLBI) case was re-raised. The legal counsel of SN, OH, said that the BPK audit related to the issuance of Bank Indonesia Liquidity Assistance Certificates (SKL BLBI) was not independent. According to OH, the BPK
conducted an audit due to a request from the Corruption Eradication Commission (KPK). Where KPK had an interest in investigating a case. BPK and BPK auditor INW is now sued by OH to the Tangerang District Court on a civil basis for the audit conducted. Defendants in conducting audits or investigation have limited information or evidence, only one source, namely from KPK auditors who are only interested in proving their allegations. This case shows that the defendants were impartial or not independent (Rozie, 2019). Considering prior studies show that there are still gaps between the research conducted by Safitri (2014) and Purwanto (2017). Those prior studies show that independence does not significantly influence auditor performance. While the researches conducted by Kurniawan, Nadirsyah, & Abdullah (2017), Handayani (2017), and Wati, Lismawati, & Aprilla (2010) show that independence influences auditor performance.

Problems related to integrity namely by requesting and/or receiving rewards in the form of money, goods, and/or other facilities, either directly or indirectly from parties related to the audit, resisting the audit for the personal, other people's interests, and/or group, impose the will of the party being investigated, change or order to change the audit findings, opinions, conclusions, and recommendations of the investigation results that are not meeting with the reality and/or evidences of the investigation (BPK, 2017). Ex-BPK auditor, SY was sentenced 6 years in prison and fined Rp 250 million in 3 months confinement. He was proven to have received a Harley Davidson from the former General Manager of JM Purbaleunyi Branch, SB. The judge stated that the bribe was related to Investigation with Specific Purposes (PDTT) on PT JM Purbaleunyi Branch. Besides Harley Davidson, SY is also said to receive entertainment facilities from SB. Upon this decision, SY claimed to accept the judge’s decision (Fadhil, 2018). Considering prior studies show that there are still gaps between the research conducted by Prameswari & Nazar (2015) and Ayem & Sejati (2018). Those prior studies show that integrity does not affect auditor performance. While the researches conducted by Kurniawan, Nadirsyah, & Abdullah (2017) and Amin, Arfan, Darwanis, & Djalil (2018) show that integrity influences auditor performance.
A professional auditor is required to have the expertise, scepticism, consideration, competence, and independence in carrying out the audit. Besides, they can establish good relationships with other auditors and suspected without disturbing their independence and integrity. If the auditor does not own these things, it can be said that the auditor is not professional. Recently, the Governor of West Kalimantan (Kalbar), planned to submit the results Financial Statements (LK) 2018 to BPK in the Regional Representative Ombudsman in West Kalimantan. The step was taken to support the investigation of the Ombudsman in obtaining the principle of justice because he investigated the Provincial Government (Pemprov) to get better grades than before. SM did this investigation after the West Kalimantan Government failed to maintain the opinion of Fair Predicate without Exception (WTP) on the West Kalimantan Province LK in 2018 from the BPK of West Kalimantan. BPK state that there was a budget change that did not obey the ratification process through a Regional Regulation means it was not acceptable. Sm explained Aceh, North Sumatra, North Maluku, South Sulawesi, and South Sumatra Provinces that did not make changes to their budget. However, all of them received WTP titles (Pontianak, 2019).

Considering prior studies show that there are still gaps between the research conducted by Siregar & Nahumury (2015) and Katili, Nangoi, & Gamaliel (2017). Those prior studies show that professionalism has no significant effect on auditor performance. While the researches conducted by Kurniawan, Nadirsyah, & Abdullah (2017), Amin, Arfan, Darwanis, & Djalil (2018), Nugraha & Ramantha (2015), and Sitorus & Wijaya (2016) show that professionalism influences auditor performance. Some cases that occur above, some of them are proven to be the fault of BPK auditors, and some others have not. This fault can raise public doubts about the performance of BPK auditors. The public can guess that the investigation results can be fabricated. Although there are already audit standards and guidelines, in practice, giving opinions or the results of audits can be manipulated (Marta, 2017). This fact is a challenge for BPK, especially for auditors, in maintaining their basic value namely independence, integrity, and professionalism.

BPK is a state institution that has work areas throughout Indonesia, the problems
that occur or cases experienced by a BPK employee or official become a national problem at BPK. So far, the BPK Human Resources Bureau has implemented a mutation system regularly to maintain the independence, integrity, and professionalism of BPK employees. The mutation system requires that each employee is ready to be placed in all BPK offices. This mutation system is not the only solution because it depends on each employee in facing with various conditions in their office.

The Southern Sumatra region becomes the object of research because almost every year, happened corruption cases that can disrupt the independence, integrity, and professionalism of BPK auditors. Statistical data compiled by the KPK confirmed this statement. The provinces of Lampung, Bengkulu, South Sumatra, and Jambi were ranked in the top 10 regions with the most cases of Corruption (TPK) from 2016 to 2019 (KPK, 2019).

2. Literature Review and Developing Research Hypothesis

2.1. Goal-Setting Theory

Dr. Edwin Locke initially started the goal-setting theory through the publication of the article entitled "Toward a Theory of Task Motivation and Incentives." Understanding goal setting is the process of setting goals or goals in a job. The goal-setting process involves superiors and subordinates together in determining or setting work goals or objectives to be carried out by workers bearers within a specified period (Gibson & Donelly, 1985). In its implementation there are six primary keys as the main foundation of this theory, namely: (1) specific goals, (2) relevant objectives, (3) challenges or objective difficulty levels, (4) objectives commitment, (5) objectives participation, and (6) feedback.

Goals that have high levels of achievement will trigger more effort compared to goals that have low levels of achievement that are easy or even ambiguous. McShane & Von Glinow (2010), Locke & Latham (2006), Radosevich, Holt, & Ghersa (2007), Dubrin (2012), Greenberg (2011), and Newstrom (2011), they state that the goal-setting theory can be a useful technique in motivating organization members.
This theory also states that individual behavior is managed by one's ideas (thoughts) and intentions. Targets can be seen as goals or levels that want to be achieved by individuals. If an individual is committed to achieve his goals, then this commitment will affect his actions and affect the consequences of his performance. This theory also explains that goals setting that are challenging (difficult) and measurable results can improve work performance collaborated by work abilities and skills. Based on the description above, it is assumed that to achieve optimal performance, there must be a match between individual and organizational goals.

In BPK (2015), setting goals starts with setting a vision and a mission. In ensuring the achievement of vision and mission, two strategies are set, namely:

a. Increase the benefits of audit results in order to encourage the professionalism of state finances management to achieve the country's goals. This strategic objective ensures that the audit results submitted by BPK provide maximum benefits for stakeholders, especially in managing state finances in achieving the goals of the country listed in the opening of the 1945 Constitution.

b. Improving audits quality in encouraging state finance management in achieving the country's goals

This strategic objective ensures that audits, management, and accountability of state finances have been fulfilling the investigation standards and quality control system at the audit engagement and institutional level. Investigation performance is the only element of SPM at the investigation level.

Achieving the goals contained in the vision, mission, and strategic objectives will be carried out by all employees based on fundamental values consisting of independence, integrity, and professionalism, as explained in the background. By using the goal-setting theory approach, a good auditor in performing his job always reflect on their goal. Whereas the fundamental values which consist of independence, integrity, and professionalism are the determining factors. The higher the determining factor is, the higher the possibility of achieving its goals.
2.2. Hypotheses

The hypotheses in this research are as follow:

a. Independence has a positive effect on the Performance of Government External Auditors (the first hypothesis);

b. Integrity has a positive effect on the Performance of Government External Auditors (the second hypothesis); and

c. Professionalism has a positive effect on the Performance of Government External Auditors (the third hypothesis).

3. Research Methodology

3.1 Research Population and Sample

The population in this research is the state civil servants. They have the status as auditors at BPK Representatives of the Southern Sumatra Region. It includes the representative offices of the provinces of South Sumatra, Jambi, Bengkulu, Bangka Belitung Islands, and Lampung, a total of 281 people (Sumsel, Jambi, Bengkulu, Lampung, Kepulauan Bangka Belitung, 2019). The sampling method used in this research is using the saturated sample (census) method. The saturated sample method is a sampling technique when all members of the population are used to become a sample.

3.2 Data Collection Technique

Data collection method used by researchers is questionnaire that is a list of statements submitted to respondents to obtain research data. This questionnaire is intended to obtain data in testing hypotheses. Data collection was carried out by distributing the questionnaires to the BPK auditors of the Southern Sumatra Regional Representative and then asked them to fill the questionnaires by the instructions provided. After the questionnaires were distributed to all members of the population, only 182 respondents filled out and collected the questionnaires. Data generated from 182 questionnaires can be further analyzed.

3.3 The Definition of Operational Variable

The Measurement of variables in this research uses a Likert scale. As explained by (Sugiyono, 2016), “Likert scale is a method in measuring attitudes that state agrees
or disagree. This method is used to measure the opinions and perceptions of a person or people about social phenomena”. The rating score used is 1 to 4; each respondent is asked for his opinion on a question. Then, the respondent can choose the answer according to his perception. The answer score uses ordinal data, with score categories for each question item as follows.

<table>
<thead>
<tr>
<th>Category</th>
<th>Code</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>(SS)</td>
<td>4</td>
</tr>
<tr>
<td>Agree</td>
<td>(S)</td>
<td>3</td>
</tr>
<tr>
<td>Disagree</td>
<td>(TS)</td>
<td>2</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>(STS)</td>
<td>1</td>
</tr>
</tbody>
</table>

The operationalization of variables in this research are described as follow.

**Table 1: Operationalization of Research Variables**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definition</th>
<th>Indicator</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor Performance (Y)</td>
<td>The results or overall level of success of the auditor during a specific period in carrying out the audit compared to the standard work results, targets or criteria that have been determined in advance and have been mutually agreed</td>
<td>- Competence - Monitoring - Supervision - Review - Adequate Documentation - Communication</td>
<td>Ordinal</td>
</tr>
<tr>
<td>Independence (X₁)</td>
<td>An attitude and actions of the auditor to be impartial and not influenced by anyone</td>
<td>- Independence of program preparation - Independence Investigation - Reporting Independence - Checking Rotation - Interest Conflict or personal disturbance</td>
<td>Ordinal</td>
</tr>
<tr>
<td>Integrity (X₂)</td>
<td>Quality or condition that shows complete unity possesses honesty, hard work, and</td>
<td>- Auditor honesty - Auditor Bravery - Auditor Wisdom - Auditor Responsibility - Integrity disturbance</td>
<td>Ordinal</td>
</tr>
</tbody>
</table>
Variable | Definition | Indicator | Scale
---|---|---|---
Professionalism (X₃) | The ability, expertise, and professional commitment in carrying out jobs accompanied by the principles of caution (due care), accuracy, and guided by the standards and legislation | - Professional Skepticism | Ordinal
- Professional Opinion
- Professional Skill
- Professional Competence

4. Research Finding

4.1. Regression Analysis

Regression analysis is conducted to determine the influence level between independent variables on the dependent variable both simultaneously and partially. This analysis also tests the research hypotheses that has been formulated previously. In this research, a survey was conducted to 182 respondents to determine the effect of Independence, Integrity, and Professionalism on BPK Auditor Performance. In general, descriptive statistics for respondent answers on each variable studied are presented in Table 2 below.

Table 2: Descriptive Statistics

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independence</td>
<td>182</td>
<td>2.70</td>
<td>4.00</td>
<td>3.3615</td>
<td>0.37009</td>
</tr>
<tr>
<td>Integrity</td>
<td>182</td>
<td>2.90</td>
<td>4.00</td>
<td>3.4484</td>
<td>0.38847</td>
</tr>
<tr>
<td>Professionalism</td>
<td>182</td>
<td>2.86</td>
<td>4.00</td>
<td>3.4215</td>
<td>0.43114</td>
</tr>
<tr>
<td>Auditor Performance</td>
<td>182</td>
<td>2.91</td>
<td>4.00</td>
<td>3.3182</td>
<td>0.39433</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>182</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Questionnaire data processed by SPSS, 2020

The data used for regression analysis and hypotheses testing are the average score of the question items for each variable. The output of the regression coefficients are presented in Table 3 below.
Based on Table 3, the regression equation that reflects the functional relationship between the dependent variable and the independent variable is:

\[ \text{Auditor Performance} = 0.206 + 0.279\text{Independence} + 0.358\text{Integrity} + 0.275\text{Professionalism} + e \]

The constant score of 0.206 in the regression equation shows that the value of auditor performance will be the same at 0.206 without the influence of independent variables. If the Independence variable increases by 1 unit, the auditor performance score will increase by 0.279. If the Integrity variable increases by 1 unit, the auditor performance score will increase by 0.358. If the Professionalism variable increases by 1 unit, the auditor performance score will increase by 0.275.

Based on the equation of the alleged regression, then:

a. Independence is positive at 0.279. This score shows that Independence has a positive and significant effect on Auditor Performance so that an increase in Independence will affect the Performance of Government External Auditor;

b. Integrity has a positive score of 0.358. This score shows that Integrity has a positive and significant effect on Auditor Performance so that an increase in Integrity will affect the Performance of Government External Auditor; and

c. Professionalism has a positive score of 0.275. This score shows that Professionalism has a positive and significant effect on Auditor Performance so that an increase in Professionalism will affect the Performance of Government External Auditor.
4.2. Classic Assumption Test

4.2.1 Normality Test

The normal p-p plot curve for testing the normality of independence, integrity, and professionalism effect on auditor performance can be seen as follows.

![Normal P-P Plot of Regression Standardized Residual](image)

**Figure 1:** P-P Normal Curve Plot

The results of the normal probability plot curve show that the points on the graph coincide and follow the diagonals so that it can be concluded that the regression model distributed in normal conditions.

4.2.2 Multicollinearity Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>Independence (X₁)</td>
<td>0.365</td>
</tr>
<tr>
<td>Integrity (X₂)</td>
<td>0.198</td>
</tr>
<tr>
<td>Professionalism (X₃)</td>
<td>0.333</td>
</tr>
</tbody>
</table>

**Source:** Questionnaire data processed by SPSS, 2020

Based on Table 4, it can be understood that:

a. Independence (X₁) has a tolerance score of 0.365> table tolerance score of 0.10 and VIF score 2.742 < table VIF score 10.00, then there is no multicollinearity between independent variables;

b. Integrity (X₂) tolerance score 0.198> table tolerance score of 0.10 and VIF score 5.047 < table VIF score 10.00, then there is no multicollinearity between independent variables; and
4.2.3 Heteroscedasticity Test

A good regression model is Homoscedasticity / not Heteroscedasticity. The way to detect heteroscedasticity by looking at the calculation graph between the predicted score of the (zpred) variable level and the residual (srecid).

![Scatterplot](image)

**Figure 2**: Heteroscedasticity Test

Heteroscedasticity test result in Figure 2 shows that there are no clear patterns and points that spread above and below the number 0 on the Y-axis. So, the heteroscedasticity is not formed.

4.3. Hypotheses Testing

4.3.1 Correlation and Determination Coefficient

The correlation describes the relationship between the independent variables (\(X_1, X_2,\) and \(X_3\)) arranged in the regression equation model to the Auditor Performance variable (\(Y\)). At the same time, the determination coefficient explains how much the contribution made by the independent variable to the dependent variable is presented in Table 5.
Table 5: Correlation and Determination Coefficient Analysis Result

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. The error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.837a</td>
<td>0.700</td>
<td>0.695</td>
<td>0.21769</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Professionalism, Independence, Integrity
b. Dependent Variable: Auditor Performance

Source: Questionnaire data processed by SPSS, 2020

Based on Table 5, the R Square score of 0.70 has a strong relationship between variables. Thus, it means that Independence, Integrity, and Professionalism can explain almost all variations of the Auditor Performance variable so that the regression model used is fit or good. Based on the score of R Square, it can also be interpreted that Independence, Integrity, and Professionalism can influence the Performance of the Government External Auditors by 70.00%.

4.3.2 Partial Test

The following is a table of regression coefficients used as a basis for partial test.

Table 6: Partial Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>0.206</td>
<td>0.156</td>
<td></td>
<td>1.318</td>
</tr>
<tr>
<td>Independence</td>
<td>0.279</td>
<td>0.072</td>
<td>0.262</td>
<td>3.850</td>
</tr>
<tr>
<td>Integrity</td>
<td>0.358</td>
<td>0.094</td>
<td>0.353</td>
<td>3.826</td>
</tr>
<tr>
<td>Professionalism</td>
<td>0.275</td>
<td>0.065</td>
<td>0.301</td>
<td>4.226</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Auditor Performance

Source: Questionnaire data processed by SPSS, 2020

Table depends on probability α and degree of freedom (df). If the number of df = the number of sample - the the number of variables so that it obtained df = 182-4 = 178. Thus, if we use α = 5%, we get \( t_{\text{table}}(\alpha, \text{df}) = t(0.05, 178) = 1.65346. \)

a. Partial Test (t-Test) for Independence (X₁)

Hypothesis testing on the effect of \( X₁ \) on \( Y \) can be interpreted based on the \( t \)-statistical probability test of Table 6, with \( t_{\text{count}} = 3.850 > t_{\text{table}} \) 1.65346 and sig. by 0.000 < 0.05. This score means that Independence has a positive and significant effect on Auditor Performance. The result of hypothesis testing in this research stated that Independence had a positive effect on the Performance of Government External...
Auditor. The result of the analysis showed that the first hypothesis was accepted.

b. Partial Test (t-Test) for Integrity (X2)

Hypothesis testing on the effect of $X_2$ on $Y$ can be interpreted based on the $t$-statistical probability test of Table 6, with $t_{\text{count}} = 3.826 > t_{\text{Table}} = 1.65346$ and sig. by 0.000 < 0.05. This score means that Integrity has a positive and significant effect on Auditor Performance. The result of hypothesis testing in this research stated that Integrity had a positive effect on the Performance of Government External Auditor. The result of the analysis showed that the second hypothesis was accepted.

c. Partial Test (t-Test) for Professionalism (X3)

Hypothesis testing on the effect of $X_3$ on $Y$ can be interpreted based on the $t$-statistical probability test of Table 6, with $t_{\text{count}} = 4.226 > t_{\text{Table}} = 1.65346$ and sig. by 0.000 < 0.05. This score means that Professionalism has a positive and significant effect on Auditor Performance. The result of hypothesis testing in this research stated that Professionalism had a positive effect on the Performance of Government External Auditor. The result of the analysis showed that the third hypothesis was accepted.

5. Discussion

5.1 The Effect of Independence on Auditor Performance

In general, BPK auditors of the Southern Sumatra Region Representative are already independent both in their thinking and appearance. The number of respondents who answered agreed with a total of 928 answers (50.99%) and strongly agreed with a total of 781 answers (42.91%) proved that independence affected the performance of BPK auditors. Independence owned by the auditor can improve its performance in carrying out the audit. The result of this research is in line with researches conducted by Kurniawan, Nadirsyah, & Abdullah (2017), Handayani (2017), and Wati, Lismawati, & Aprilla (2010) that independence has a positive effect on auditor performance.

The result of this study is in line with goal-setting theory which states that individual behavior is governed by one's ideas (thoughts) and intentions. Targets can be seen as goals or levels of work to be achieved by individuals. This implies that individual
behavior is a form of independence from one’s thoughts and intentions to achieve goals or objectives. When associated with an auditor, independence is the free attitude expected of an auditor to not be easily influenced, not in favor of any party in carrying out his duties so as not to harm any party (Sukriah et al., 2009). If the auditee considers that the auditor has been independent after observing the attitude shown by the auditor during carrying out the audit, the tendency of the auditee will assess the audit team has a good performance.

5.2 The Effect of Integrity on Auditor Performance

The number of respondents who answered agreed with a total of 972 answers (53.41%) and strongly agreed with a total of 834 answers (45.82%) proved that integrity affected the performance of BPK auditors. The integrity possessed by the examiner can improve its performance in carrying out the examination. The result of this research is in line with researches conducted by Kurniawan, Nadirsyah, & Abdullah (2017) and Amin, Arfan, Darwanis, & Djalil (2018) that integrity influences auditor performance.

According to Redjeki & Heradiansyah (2013) dan Carter (2013), the behavior of people with integrity is to uphold commitments and principles that are believed to be true. The result of this study is in line with the goal-setting theory, if an individual is committed to achieving his goals, then it will affect his actions and the consequences of his performance. Auditor with integrity can accept unintentional mistakes and honest differences of opinion, but do not accept fraud or neglect of principles. Integrity is measured in terms of what is right and fair. In this case, there are no specific rules, standards and guidelines in dealing with conflicting opinions. The auditor must examine his decisions or actions in facing of conflicting opinions while maintaining his integrity so that integrity has a significant influence on his performance.

5.3 The Effect of Professionalism on Auditor Performance

The number of respondents who answered agreed with a total of 733 answers (57.24%) and strongly agreed with a total of 539 answers (42.31%) proved that professionalism affected the performance of BPK auditors. Professionalism
possessed by the auditor can improve its performance in carrying out the audit. The result of this research is in line with researches conducted by Kurniawan, Nadirsyah, & Abdullah (2017), Amin, Arfan, Darwanis, & Djalil (2018), Nugraha & Ramantha (2015), dan Sitorus & Wijaya (2016) that professionalism influences performance auditor.

The result of this study is in line with the goal setting theory which explains that setting goals that are challenging (difficult) and measurable results can improve work performance followed by work skills and abilities. According to Iryani (2017), professionalism is about how an auditor can apply his skills carefully and thoroughly when on duty. If all stages of the audit are carried out professionally, the auditor will produce good performance.

6. Conclusion and Recommendation

6.1 Conclusion

Based on the results of the research above, it can be concluded that are:

a. Independence has a positive and significant effect on the auditor performance of BPK Representatives in the Southern Sumatra Region;
b. Integrity has a positive and significant effect on the auditor performance of BPK Representatives in the Southern Sumatra Region;
c. Professionalism has a positive and significant effect on the auditor performance of BPK Representatives in the Southern Sumatra Region; and
d. Professionalism has a more dominant influence of 4,226 on Auditor Performance if it is compared to the Integrity of 3,826 and Independence of 3,850.

6.2 Recommendation

a. Integrity is needed to improve the auditor performance of BPK Representatives in the Southern Sumatra Region. Integrity is an element of character that underlies the emergence of professional recognition, the quality that underlies public trust, and a benchmark for auditors in testing all decisions they make; and
b. For further researchers, it is recommended to expand the sample so that research results can be generalized. The researcher can also add other independent variables such as audit period and audit fee.
References


