

INFLUENCES OF THE AUDITOR'S PROFESSIONAL SKEPTICISM, COMPETENCE, AND ETHICAL JUDGMENT TOWARDS AUDIT QUALITY

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Abstract

This study aims to empirically examine the influence of the auditor's professional skepticism, competence, and ethical judgment towards auditing quality. The tests are conducted on 124 respondents representing 71.26 percent of the population. Groups of respondents were selected based on purposive sampling method which is Functional Officer Auditor (PFA) and the Functional Officer Implementation Supervisory Affairs Regional Government (P2UPD) at the Inspectorate Regency / City Sumbawa Island. Methods of data collection using questionnaire techniques to the analysis of data using multiple linear regression approach. The results shows the auditor's professional skepticism does not significantly affect audit quality, competence and ethical judgment while significant positive effect on audit quality. The implications of this study provide information about the quality of the audit can be enhanced by auditors who have high competence, and maintain a strong ethical judgment has, as well as consideration for the leadership of the inspectorate in order to implement policies to maintain and improve the competence and ethical judgment that is owned by the auditors by creating programs education and ongoing training in accordance with the hierarchy to which it aspires.

Keywords : Auditor's Professional Skepticism, Competence, Ethical Judgment, Audit Quality.

1. Introduction

The background of this research is a common assumption in the local unit of the internal examiner that tried to perform an audit in line with the rules and guidelines that have been determined. From the personal side of the audit profession is explicitly regulated by AAPI (Association of Government Internal Auditor) as a professional institution that fosters the government's internal auditor. In terms of institutional, Permenpan No. Per / 05 / M.PAN / 03/2008 on Government Auditing Standards Monitoring Apparatus become the main reference. Various regulations and guidelines are actually making the audit process conducted by the government's internal auditor can be qualified. But the phenomenon related to the audit shows that the qualities of the audit results have not been consistent with the purpose of these regulations. Until now there are many findings of the Audit Board of the Republic of Indonesia (BPK-RI) of the Local Government Finance Report (LKPD) which must be observed and followed up by the Regent / Mayor. BPK-RI-optimal mentioned among others the Internal Control System (SPI) and persistencenon-compliance with laws and regulations. It is synthesized that performance as an institution Inspectorate of Government Internal Supervisory Apparatus (APIP) is not optimal, because the external auditors still find many new findings on examination objects that have previously been examined by APIP. Thus it can be stated that the audit carried out by the Inspectorate of Government APIP Regency / City in Sumbawa Island until now is not qualified.

The problem is formulated in this study was based on the reality that audit quality is affected by various factors in each stage. It can occur in the audit process, both of the stages of audit planning, audit, and reporting the results of the audit to follow up the results of the audit. In addition, the audit quality may also be influenced by other factors originating from within its own auditor as the auditor's professional skepticism. Carpenter et al., (2002) states that auditors lack the attitude of professional skepticism will lead to a decrease in audit quality. Auditor the discipline of applying professional skepticism, not to be glued to the audit procedures listed in the audit program. Theodorus (2011: 77) states that the auditor's professional skepticism will assist in assessing the critical risks faced and the risk calculation in various decisions. It can be as accepting or rejecting clients; selecting methods and techniques appropriate audit; assessing audit evidence collected and so on. This is consistent with the

opinion of Nelson (2007) which states that the more skeptical of an auditor, it will further reduce the error rate in the audit.

In addition to professional skepticism auditors, audit quality may also be influenced by the competence (Kurnia et al., 2014; Mufidah, 2015; Bouhawia et al., 2015, and Dityatama, 2015). According to DeAngelo (1981) quality audit is the probability that an auditor discovered and reported about the existence of a breach in the accounting system of its clients. An auditor in finding a violation must have the competence and attitude of austerity and prudence professional, then an auditor must have common standards in knowledge and expertise in the field of accounting for the profession by establishing the procedures.

Auditors, many situations are always faced with circumstances involving an ethical dilemma between the two conflicting value options at the time of the audit. An auditor will have a dilemma when there are no agreements with the client about the deal about some aspects and purposes of the investigation. If an auditor meet the client's wishes it would violate audit standards and professional ethics, but if it does not fulfill the client's wishes feared would result in dismissal of the assignment by the client. Therefore, the professional judgment based on individual values and beliefs of an auditor, moral awareness plays an important role in decision making. Related Research ethical considerations (ethical judgment) on research Rozidi et al., (2015), Manita et al., (2011), Wawo et al., (2015), and Laily et al., (2011) has not been tested directly impact on audit quality. However, ethical judgment is believed to have links with the other variables in giving effect to the quality of the audit. Based on this, the researchers found ethical judgment interrelated and can be connected as a variable that can affect the quality of the audit case it motivates researchers to examine the role of the auditor's professional skepticism, competence, and ethical judgment on auditing quality in Inspectorate District Government / City Sumbawa Island.

The purpose of this study is to empirically examine the influence of the auditor's professional skepticism, competence, and ethical judgment on audit quality Inspectorate District / City Sumbawa Island. Based on these objectives, this research is intended to fulfillment of certain benefits and contributions, namely: First, this study confirms some of the concepts and focus of study Theory Agency Theory and Dissonance Cognitive Theory of the importance of accountability of an Auditor to

the "assignor" particularly with respect to the assignment to carry out supervision and examination of the object of examination. Second, this study provides information on the quality audit at the Inspectorate Regency / City Sumbawa island can be enhanced by auditors who have high competence, and maintain its attitude of ethical judgment. Third, it can be used as a consideration for the Inspector at the Inspectorate Regency / City Sumbawa Island in order to audit the object of a particular examination which produces the quality of audit that auditors can consider personal factors, such as auditor competence and ethical judgment.

2. Theoretical Framework And Hypothesis Development

2.1. Agency Theory

Agency Theory that popularized by Jensen and Meckling (1976) justify the existence of a relationship between two parties entering into a contract of employment. The two parties positioned as an employer or authority (Principal) with those who were authorized or perform a specific job (Agent). Pursuant gives the principal the authority, the agent will execute and complete some service to the principal as a form of implementation of the agreed contract. The relationship between the principal and the agent can occur in any entity that relies on connections through a contract, either explicitly or implicitly. Therefore, it can be said that the agency relationship based focus study this theory can be applied to the various entities as well as certain relationships that have the same characteristics, both in the private sector and the public sector.

This theory argues that the background of the conflict agency due to the separation of ownership and control. Conflict agency can be minimized with the consequence that the costs need to be incurred by the owner so the management can act in accordance with the interests of the owners. One of the agency fee (agency cost) is the cost of monitoring or surveillance (monitoring costs) which the expenses incurred to monitor and control the agent behavior. Government auditors are given responsibility and delegation of authority to internal checks by the government is a form of agency cost incurred to minimize agency conflict.

2.2. Dissonance Cognitive Theory

Dissonance Cognitive theory popularized by a psychologist named Leon Festinger in 1957. According to Festinger (1957), there are a number of basic assumptions that men have a passion for

their consistency in beliefs, attitudes, and behavior. This theory emphasizes a model regarding the nature of human beings who are concerned with their stability and consistency. So it can be interpreted that Theory Cognitive dissonance is a theory that discusses about feeling "uncomfortable" owned by a person as a result of their opposition attitude, thoughts, and behavior so that the souls will motivate the person to take a particular step to reduce the discomfort. This theory refers to the facts would have to be psychologically inconsistent with each other to cause cognitive dissonance.

Assumption or other basic assumptions in this theory also mentioned that dissonance is a feeling of distaste that encourages people to perform an action with impacts that can not be measured. This theory emphasizes the person who is in dissonance gives an uncomfortable situation, so that people will take action to get out of the discomfort. Assumption or a basic assumption that subsequent states that dissonance will encourage businesses to obtain konsonansi and efforts to reduce dissonance. Dissonance gives stimuli that will motivate someone to come out of such inconsistencies and restore its consistency.

2.3. Quality Audit

According to DeAngelo (1981), the quality audit becomes a probability that an auditor will find and report on the existence of an infringement in the audit in an examination object. It is shown from the studies done, where the research results show that the Public Accounting Firm (KAP), which likely will seek to present the results of the audit are more qualified than the KAP small. The quality of the above services (audit) is very important to ensure that the profession is responsible to the client, the public, and rules. SPAP (Public Accountant Professional Standards) issued by IAI in 1994 stated that the criteria or quality measure includes professional quality auditor. Professional quality criteria will set by the auditor general auditing standards include independence, integrity and objectivity. From these statements it can be concluded that the quality of audit services aimed at assuring that the profession accountable to clients and the general public that also includes the professional quality of auditors.

According to Susanti (2011), the declining quality of audits in general due to the following two points: (1) failure in the audit process is affected by errors which give judgment (error of judgment) or execution at the time of the audit, the inadequacy documenting audit evidence (insufficient documentation), insufficiency or an inability to plan the audit (insufficient or inadequate planning), fail

to report any indication of white-collar crime (failure to report suspicion of crime); and (2) failure due to decreased professional auditor independence (lack of independence), the audit unprofessional and uncooperative or contrary to generally accepted auditing standards and applicable regulations.

2.4. Auditor Professional Skepticism

The auditor's professional skepticism is skepticism that is owned by an auditor who is always questioning and doubting the evidence audit (IAI, 2001), Kee and Knox's (1970), states that the auditor's professional skepticism is influenced by several factors; heeling ethical factors, factors of situations and experiences. Auditors shall use professional skills careful and thorough in the audit and the preparation of the audit report. Professional proficiency requires the auditor to carry out professional skepticism.

Agency Theory states there is a tendency that the agent will act in its own interests to optimize their level of wellbeing through disclosure accounting information or act of fraud. Government as an agent of course does not always act according to the desire principal (society), in part due to moral hazard. Supervision by APIP can be done well and result quality audit if supported by auditors who have an attitude of professional skepticism.

The auditor's professional skepticism is necessary to carry out an audit that includes thoughts that constantly questioned and evaluate critically the evidence audit. Application of degree of skepticism in the audit is important because it can influence the effectiveness and efficiency of the audit. Skepticism is too low will exacerbate the effectiveness of the audit; while too high that will increase the costs to be incurred.

At the stage of the audit, the auditors are often faced with conflicting situations between attitudes and behavior in taking a decision to conclude the audit evidence. Cognitive dissonance theory supports the position of the auditor's professional skepticism. This theory may help to explain the auditor's attitude of professional skepticism when faced with conflicting situations between attitudes and behavior in taking a decision that he believes in conducting the audit.

Research result Januarti and Faisal (2010), Hayatun and Rahmawati (2015), Effendi et al., (2015), states that the auditor's professional skepticism positive effect on audit quality. Research Noviyanti (2008) states that auditor with a confidence level based identification (identification-based trust) if given a high fraud risk assessment will show a higher professional skepticism in detecting fraud.

Adnyani et al., (2014), states that professional skepticism significant effect on the auditor's responsibility to detect fraud and error financial statements. Research Syamsuddin et al., (2014) states that the ethics, independence, and competence positive effect on audit quality, moderated by professional skepticism auditor. The different results presented in the study Mustika et al., (2013) and Naibaho et al., (2014), where the research results prove that the government auditor's professional skepticism proved to be no significant effect on audit quality.

Based on the above, it can be argued that skepticism professional was one factor in determining an auditor's professional proficiency. Professional expertise will greatly affect the quality of the audit, thus it can be said that the attitude skeptisisme an auditor in conducting the audit, expected to be a positive effect on audit quality. Based on the above, the proposed hypothesis is:

H1: *Professional Skepticism auditor positive effect on audit quality.*

2.5. Competence

According to Rai (2008), Competence auditor is a qualification required by the auditors to conduct the audit properly. BPKP Chief Regulation No. Per-211 / K / JF / 2010 that competency is the ability and characteristics possessed by a Civil Servant (PNS) in the form of knowledge, skills, and attitudes necessary behavior in the performance of duties and position. Competence auditor has an influence on the results of the audit. The higher the competences of a person in accordance with the demands of the job, then the results of the audit were done, the better. This is because someone competent typically has the ability and willingness fast to overcome the problems in the audit faces, conduct audit work with calm, full of confidence and looking at the audit work as an obligation that must be implemented sincerely and openly improving oneself through learning process. Psychologically, this will provide a meaningful audit experience and a sense of personal responsibility on the results of audits, which will ultimately improve the quality of audits performed.

Agency Theory shed light on the conflict between the government (the agent) to the owner of the community (principal). Testing is needed to reduce fraud agent as well as to make the financial statements that the agent becomes more reliable. Auditors are required to optimize its performance for increasingly needed in assessing the fairness of the financial statements. For the principal, their belief

in the financial statements will be increased when the report is already experiencing auditing by an auditor who has competence.

Cognitive dissonance theory helps to explain that an auditor who has the competence, when faced with a situation contrast between attitudes and behavior in taking a decision that he believes in carrying out the audit would tend to make decisions based on norms or standards that apply in accordance with its competence.

Several studies have been conducted by the relevant competence Efendy (2010), Kurnia et al., (2014), Mufidah (2015), Bouhawia et al., (2015), and Dityatama (2015) which indicates that competence positive effect on the quality of the audit results. This is in line with the research conducted Naibaho (2014), shows that the competence significant effect on audit quality. Additionally, Syamsuddin et al., (2014) states that competence positive effect on audit quality, moderated by professional skepticism auditor. In contrast to the results shown in the study Samsi et al., (2013), where the competence does not affect the quality of the audit results.

Based on the above, it can be argued that the competence is very supportive of the audit and has a positive effect on audit quality, so it can be prepared the research hypothesis as follows:

H2: *Competence positive effect on audit quality.*

2.6. Ethical Judgment

According to Hunt and Vitell (1986), the ethical judgments is the stage where someone has recognized the ethical issue and consider the best alternative to solve the problem in order to achieve the most favorable outcome. International Federation of Accountants (IFAC 2008) in Manita et al., (2011) to imply that one of the determinants of audit quality is materiality. One element that affects Materiality in the audit is the ethical judgment (Manita et al., 2011). Research related to ethical judgment on the research Laily et al., (2011), Rozidi et al., (2015), and Wawo et al., (2015), has not been tested directly impact on audit quality. However, ethical judgments mentioned have relevance to other variables in giving effect to the quality of the audit.

Agency Theory used to describe the government as an agent in governance have an obligation to society as a principal to receive information on the implementation of the duties and authority. Accountable governance met by the government through the audit process conducted by APIP on the implementation of the tasks of the government. APIP through the Auditor as part of the government's internal audit is required to implement appropriate standards; personally the auditor should also comply with the code of professional conduct prescribed. Auditors are always faced with various problems in the audit process, especially related inconsistencies auditees. Based on cognitive dissonance theory, an auditor would seek to consideration and then take a decision on such inconsistencies based on standards and codes of conduct of his profession. Ethical considerations or ethical judgment in the audit process makes an auditor can determine the choice of an ethical situation and conditions so that the problems encountered can be solved and can produce the best decisions so as to produce a quality audit.

IFAC (2008) in Manita et al., (2011) states that the purpose of the audit is to enable the auditor to assess and provide an opinion on the reliability and suitability of the financial documents presented by the auditee. He also explained that the achievement of these goals with the auditor performed using the methodology in accordance with auditing standards. Under this standard, the auditors estimate the audit risk, in order to design the audit strategy and to determine how and tools to be used in estimating the risk of audit. This makes the standard of materiality as one of the main determinant of audit quality.

Empirical studies related to the above concepts implemented by Manita et al., (2011). The study found that qualitative materiality factors affecting the auditor's ethical judgments about materiality evaluation. Laily et al., (2011), experience has a direct influence on the auditor's ethical judgment, the higher the auditor's experience the higher ethical considerations. Knowledge mediates the relationship between the auditor's experience and ethical judgment. Rozidi et al., (2015), ethical judgment auditor has no effect on creative accounting, quality of financial statements and auditor's behavior influence on creative accounting. Wawo et al., (2015), organizational culture influences ethical judgment auditor in making decisions through professional commitment, ethical awareness on the auditor's judgment does not affect though moderated by professional commitment, experience affect ethical judgment in decision making through the auditor's examination of professional commitment.

Based on this, the researchers argue that ethical judgment interrelated and can be connected as a variable that can affect the quality of audit, so it can be prepared the research hypothesis as follows:

H3: *Ethical judgment positive effect on audit quality.*

3. Research Method

3.1. Research Model

Based on the description above, it can be described models following studies:

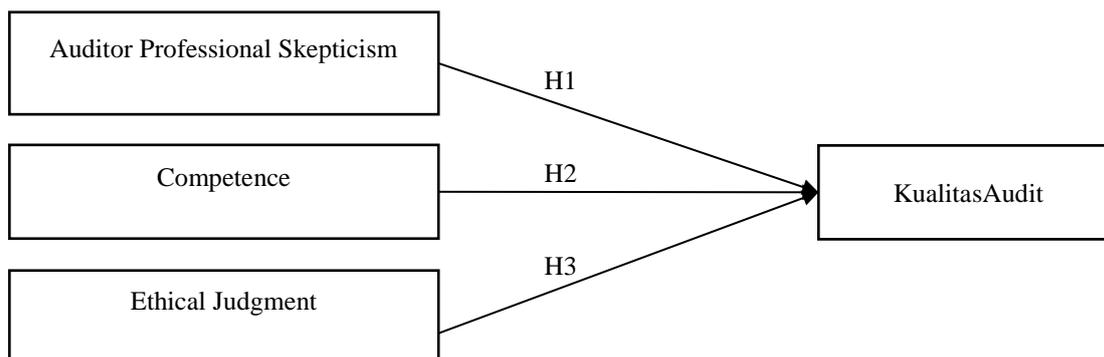


Figure 1. Model Research

3.2. Type, Population and Sample Research

This research is a quantitative research. Based on the objectives, this research is a research associate. The relationship used is a causal relationship, the relationship is casual. The data used are primary data obtained through questionnaires research to functional officials at Inspectorate districts / cities in the island of Sumbawa carry out the functions of supervision, consisting of Functional Auditor (JFA) and Functional Supervisory Organizers Affairs Regional Government (JFP2UPD), The population in this study are all Civil Servants in the Inspectorate of the District / City Sumbawa island carry out checks totaling 174 people.

The sampling technique is non-probability is purposive sampling, with criteria Functional Officer Auditor (PFA) and the Functional Officer Implementation Supervisory Affairs Regional Government (P2UPD) at the Inspectorate Regency / City Sumbawa island, so that the sample in this study amounted to 124 people.

3.3. Data Collection Technique

Source data used are primary data. The primary data used were obtained from the questionnaires by respondents using a questionnaire, which has been structured with the aim of gathering information

from the Auditor and the Inspectorate P2UPD Regency / City Sumbawa Island. The questionnaire was delivered directly to the respondents to the questionnaire instructions made simple and clear as possible to facilitate filling the real answer to complete.

3.4. Variable and Operational Definitions

Table 1. Operational Definitions of Variables

No.	Variable	Definition	Indicator
1.	Auditor Professional Skepticism	The attitude that includes mind always wondered (questioning mind), alert to the conditions and circumstances indicating the possibility of material misstatement due to error or intentional (fraud), and assessment audit evidence critically (IAASB, 2009)	<ol style="list-style-type: none"> 1. Questioning mind 2. Suspension of judgment 3. Search for knowledge 4. Interpersonal understanding 5. Self-confidence 6. Self-determination
2.	Competence	Competence is a measure of the ability of the minimum that must be owned by the auditors which covers aspects of knowledge (knowledge), skills / expertise and attitudes of behavior (attitude) to be able to perform tasks in the Auditor Functional with good results (Perka BPKP No. Per-211 / K / JF / 2010)	<ol style="list-style-type: none"> 1. Mastery standards the government's internal audit 2. Insights on government 3. Increased expertise
3.	Ethical Judgment	Ethical Judgment is a stage when someone has acknowledged ethical problems and consider alternatives that best solve the problem in order to achieve the most favorable outcome (Hunt and Vitell, 1986)	<ol style="list-style-type: none"> 1. Violate the trust placed in leadership 2. Conducting communication efforts with the auditee. 3. Rejecting gratuities from the auditees. 4. The auditees provide an early warning about the risks. 5. Receive audits of leadership in which the auditor is involved in the facilitation of the process of implementation of the auditee. 6. Leaders provide audit assignment to the auditor who has close relationship with the auditee.
4.	Quality Audit	Audit quality is the probability that an auditor discovered and reported about the existence of a violation of his client's accounting system (DeAngelo, 1981)	<ol style="list-style-type: none"> 1. To inaccuracies Audit findings 2. Skeptics hood 3. value Recommendation 4. clarity reports 5. benefits audit 6. Follow-up of audit results

All The items measured on a Likert scale of 1 to 4. Point 1 is given to a meaningful answer of ethical judgment government auditors are not good and 4 points awarded for a meaningful answer of ethical judgment government auditors is excellent.

This study uses the value of the average score so that the value obtained is not unanimous (ordinal data) on each of the independent and dependent variables were derived from answers or the

perception of respondents, therefore, it is to be processed using an analysis tool used the regression analysis multiple linear ordinal data must then be converted into interval data.

3.5. Data analysis

Analysis of the data in this study consisted of testing the quality of the data, hypotheses testing, test classic assumptions and hypothesis testing are analyzed using the assistance program Statistical Product and Service Solutions version 23 (SPSS version 23). Regression model data in this study is formulated as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Information:

Y = Quality Audit

a = Constant

b₁b₂b₃ = Regression coefficient of each variable

X₁ = Skepticism Professional Auditor

X₂ = Competence

X₃ = Ethical Judgment

e = error term/ Residual

4. Results

4.1. Validity and Reliability Testing

Based on recapitulation of testing the validity of the instrument, indicates that all items of questions on each of the variables have a number of correlation coefficients greater than the criticism ($r_{count} > r_{table}$) or greater than 0.187 (on $df = 110$) (Ghozali, 2016:53), and is therefore declared items questions on each variable is valid. Results of testing the validity of each variable can be seen in Table 2. below:

Table 2. Results Validity

No.	Variables	r count	r table	Information
1.	Auditor Professional Skepticism (X ₁)	0.594 to 0.672	0.187	Valid
2.	Competence (X ₂)	0.468 to 0.733	0.187	Valid
3.	Ethical Judgment (X ₃)	0.427 to 0.697	0.187	Valid
4.	Quality Audit (Y)	0.316 to 0.726	0.187	Valid

Source: Data processing (2016)

Results of testing the reliability of the variables shown in Table 3. below:

Table 3. Results of Test Reliability

No.	Variables	Cronbach Alpha	Information
1	Auditor Professional Skepticism	0.718	Reliable
2	Competence	0.727	Reliable
3	Ethical Judgment	0.704	Reliable
4	Quality Audit	0.633	reliable

Source: Data processing (2016)

Table 3. Based on the above, the value of Cronbach alpha (α) for all variables showed a number greater than 0.60 (Ghozali, 2006:41-42), so that all the variables studied are reliable. Based on the results of the tests, summarized the data collected can be used for further analysis.

4.2. Classic Assumption Test

Based on the results of data processing with SPSS 23 for Windows, the calculation results kolmogorof-Smirnov test showed that the significant value of over five per cent which indicates that the residual data is normally distributed. Normality test results are presented in Table 4. following.

Table 4. Normality Test Results

Information	Residual unstandardized
N	112
<i>Kolmogorov-Smirnov Z</i>	0.083
Asymp. Sig.	0.055

Source: Data processing (2016)

The result of the calculation of Variance Inflation Factor (VIF) indicates the value of all the independent variables are not more than 10, which means there is no correlation between variables and the tolerance value is not smaller than 0.1. So we can conclude that there is no multicollinearity between independent variables in the regression model was established. Table 5. presents the results of test multicollinearity.

Table 5. Test Results Multicollinearity

Variables	Tolerance	VIF	Information
Auditor Professional Skepticism	0.667	1,499	No symptoms of multicollinierity
Competence	0.677	1,478	No symptoms of multicollinierity
Ethical Judgment	0.807	1.239	No symptoms of multicollinierity

Source: Data processing (2016)

Table 8 shows that, overall independent variables used in this study had no effect on the residual value diabsolutkan unstandarized (AbsUt), it is evident from the sig. t each independent variable is

greater than the value of α 5% (0.05). The value of the independent variable significance of the results of test calculations glejser above five percent which indicates that the regression model does not contain any heteroscedasticity. The test results are presented in Table 6. heteroscedasticity below.

Table 6. Test Results Heteroscedasticity

Variables	Sig.	Alpha	Information
Auditor Professional Skepticism	0, 172	0.05	No symptom of Heteroscedasticity
Competence	0, 495	0.05	No symptom of Heteroscedasticity
<i>Ethical Judgment</i>	0, 379	0.05	No symptom of Heteroscedasticity

Source: Data processing (2016)

4.3. Test Results the Coefficient of Determination (R2)

From the test results by using SPSS 23, obtained the following results:

Table 7. Test Results The Coefficient of Determination (R2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	, 584a	, 341	, 322	2.69993

Source: Data processing (2016)

Adjusted R-square obtained from Table 7. is equal to 0.322. This means that 32% of the rise and fall of audit quality variation is explained by the three independent variables (the auditor's professional skepticism, competence, and ethical judgment). While the remaining 68% (100% - 32%) is explained by other variables not used in the research model.

4.4. Hypothesis Testing Results

4.4.1. Test Statistic t

Results of testing the hypothesis with the t statistic test are shown in Table 8. The following below:

Table 8. Results of Test Statistic t

Model		Coefficients unstandardized		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.917	2.026		4,895	, 000
	The auditor's professional scepticism	, 108	, 101	, 102	1,071	, 287
	Competence	, 388	, 089	, 416	4.377	, 000
	<i>Ethical Judgment</i>	, 161	, 074	, 190	2,188	, 031

Source: Data processing (2016)

Based on the analysis in Table 8. Above, it can be arranged regression equation as follows:

$$Y = 9.917 + 0.108 + 0.388 X1 + 0.161 X2 X3 + e$$

4.4.2. Auditor Professional Skepticism influence on the Audit Quality

T test results showed tcount of the auditor's professional skepticism variable of 1.071 with a significance level of professional skepticism variable auditor amounted to 0,287. This means t test < t table (1,071 <1.659) and the significance value > 5% (0,287> 0,05), Thus, the first hypothesis in this study that states that the auditor's professional skepticism affect the quality of the audit was rejected. Based on the analysis results found in contrast to previous studies, where the results of this study show that the auditor's professional skepticism which is owned by the government's internal auditor not significant effect on audit quality.

Significant lack is suspected the answers given to the statements in the questionnaire respondents have a tendency not evenly distributed on each of the options available answers, where respondents tend to give answers to accumulate the answer choices with a range of categories that have good and very good value. If the independent variable values tend to be the same for all observations which can not be estimated, so the value does not affect the answers that accumulate as the dependent variable models of classic assumption that there must be consider able variation in the value of the independent variable (Gujarati, 2004: 335).

The findings obtained in the stage of testing the hypothesis is not consistent with results of research conducted by Januarti and Faisal (2010), Hayatun and Rahmawati (2015), Effendi et al., (2015), and Mufidah (2015) which states that the auditor's professional skepticism positive effect on audit quality. In addition, the results of this study are also different from the results of research Noviyanti (2008), Adnyani et al., (2014), and Syamsuddin et al., (2014) where Noviyanti (2008) states that auditor with a confidence level based identification (identification-based trust) if given a high fraud risk assessment will show a higher professional skepticism in detecting fraud. Adnyani et al., (2014), states that Professional skepticism significant effect on the auditor's responsibility to detect fraud and error financial statements. Research Syamsuddin et al., (2014) states that the ethics, independence, and competence positive effect on audit quality, moderated by professional skepticism audior.

However, the results of this study are consistent with research conducted by Mustika et al., (2013) and Naibaho et al., (2014), where the research results prove that the government auditor's professional skepticism proved to have no effect on audit quality. That is, increased professional skepticism auditor has no significant effect on audit quality. This happens because the problem of professional skepticism auditor when conducting an audit is considered as a habit that should be run and ready to be resolved.

4.4.3. Competence influence on the Audit Quality

The second hypothesis states that competence positive effect on audit quality. Statistical tests showed that tcount of competence variable regression coefficient of 4.377 with a significance level of competence variable of 0.000. This means $t \text{ test} > t \text{ table}$ and the significance value $< 5\%$, Thus, the second hypothesis in this study that states that the competence positive effect on audit quality received. That is, the competence of auditors Inspectorate Regency / City Sumbawa Island has a significant positive effect on audit quality. In other words, any increase in the competence of auditors will improve the quality of audits produced. The higher the competence of an auditor to perform the audit, the audit quality is increasing.

The results of this study are consistent with the results of research Efendy (2010); Kurnia et al., (2014); Naibaho (2014) Syamsuddin et al., (2014); Mufidah (2015); Bouhawia et al., (2015); and Dityatama (2015) which indicates that competence positive effect on the quality of the audit results.

4.4.4. Influence of Ethical Judgment on the Audit Quality

T test results show ethical judgment effect on audit quality. This is indicated by t count 2.188 with a significance level of Pvalue amounted to 0,031. That is, the increase of ethical judgment, the auditor will audit the results of more qualified. Thus, the third hypothesis in this study which states that ethical judgment positive effect on audit quality received. This study succeeded in giving evidence that ethical judgment does not only affect materiality, but it can directly affect the quality of the audit.

Ethical judgment is mentioned as one of the factors that affect materiality in the audit, while materiality is one of the factors that affect the quality of the audit. This study tried to see a direct link between ethical judgments with audit quality. These results indicate that the ethical judgment positive

effect on audit quality received. This study succeeded in giving evidence that ethical judgment does not only affect materiality, but it can directly affect the quality of the audit.

The results of this study revealed that the ethical judgment of an auditor effect on audit quality. These show that the ethical judgment of an auditor in the audit should be noted that the audit objectives can be realized and produce good quality. The better application of ethical judgment of an auditor, the better the quality of audits produced.

5. Conclusion, Implication And Limitation

5.1. Conclusion

This study aims to empirically examine the influence the auditor's professional skepticism, competence, and ethical judgment on audit quality Inspectorate District / City Sumbawa Island. The results showed that the auditor's professional skepticism not significant effect on audit quality, competence and ethical judgment significant positive effect on audit quality. The influence of competence and ethical judgment on the quality of audits conducted by the authorities inspectorate show that the competency of auditors related to the mastery of the standard internal audit of government, an insight into the governance and improvement of skills and ethical judgment the auditor relating to the trust given by the leadership, communication efforts with the auditee, refuse gratuities, early warnings about the risks, audits of the leadership which the auditor was involved in the process of mentoring activities auditee, and leadership provides audit assignment to the auditor who has close relationship with auditee, a factor that determines the quality of the government's internal audit.

5.2. Implications

The results of this study have implications both theoretical, practical, and policies described respectively as follows: Theoretically, this study reinforces the concept of agency theory about the importance of monitoring to reduce the asymmetry of information between the agent and the principal to give priority to an auditor who has the competence, then supported by ethical judgment (ethical considerations) the good of the auditor, to be able to conduct the audit properly so produce quality audit. In addition, the results of this study support the theory of cognitive dissonance which states an auditor can determine the choice of an ethical situation and conditions so that the problems encountered can be

solved and can produce the best decision to produce a quality audit based on competence and ethical considerations.

In practical terms, the results of this study provide information about the quality of audits in the Inspectorate of Regency / City in Sumbawa island can be enhanced through the apparatus which has the tasks of supervision which auditors have high competence, and maintain its attitude of ethical judgment.

By policy, the results of this study are expected to contribute as a consideration for the Inspectorate of Regency / City in Sumbawa Island in order to implement policies to maintain and improve the competence and ethical judgment owned auditors by creating educational programs and ongoing training in accordance with the hierarchy was adopting , In addition, the audit assignment to the object of a particular examination, Inspector, as leader APIP auditor may consider personal factors, including the auditor's competence and ethical judgment so as to produce a quality audit.

5.3. Limitations

Limitations of this study will provide direction for future research. First, Based on the model used in this research, it is known that the rate coefficient of determination has a value which is low indicates that in addition to the variables that have been built in this study was the other variables that affect the quality of the audit that suggested for other researchers interested in studying the same title, then researchers suggest that it could add another independent variable for example from the leadership, organizational commitment, audit complexity, time pressure and due professional care and still many other variables that have not been studied. In addition, further research can replace analysis tools by using Partial Least Square (PLS). Second, the use of independent variables professional skepticism auditor, may yet prove a positive effect on the variable quality of the audit that shows still need to be improved on the questionnaire as an instrument of collecting data through multiplying references and literature such as the results of previous research, the results of the seminar, reports of activities organized by internal watchdog agency, and so forth so that later the auditor's professional skepticism questionnaire can describe the real issues on the ground. Third, the scope of this research is only done at the Inspectorate Regency / City Sumbawa Island so it should be broadened, namely Inspectorate District / City West Nusa Tenggara province so that the results obtained more leverage and can provide

an overall picture about the influence of professional skepticism auditor, competence, and ethical judgment on audit quality.

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