THE EFFECT OF AUDIT OPINION, SIZE OF KAP AND FINANCIAL DISTRESS ON AUDITOR SWITCHING (EMPIRICAL STUDIES ON MANUFACTURING COMPANIES LISTED ON IDX 2015-2019 PERIOD)

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Abstract-*This study aims to examine the effect of audit opinion, KAP size and financial distress on auditor switching. The dependent variable in this study is*

auditor switching. While the independent variables are audit opinion, KAP size and financial distress.

The population of this research is manufacturing companies listed on the Indonesia Stock Exchange for the period 2015-2019. The sample method used was purposive sampling and obtained 150 samples. The data used are secondary data in the form of financial reports and annual reports of manufacturing companies listed on the Indonesia Stock Exchange for the period 2015-2019. The data analysis method used in this study is logistic regression.

The results of this study indicate that the Audit Opinion shows a regression coefficient with a significance level (p) of 0.496, greater than α = 5% (0.05). Based on the results of coefficient testing, it shows that audit opinion has no effect on auditor switching. The size of KAP shows a regression coefficient with a significance level (p) of 0.585, greater than α = 5% (0.05). Based on the results of the coefficient test, it shows that the size of KAP has no effect on auditor switching. Financial Distress shows a regression coefficient with a significance level (p) of 0.466, greater than α = 5% (0.05). Based on the coefficient test results, it shows that financial distress has no effect on auditor switching.

Keywords: Audit Opinion, Kap Measurement, Financial Distress, Auditor Switching

Abstrak– *Penelitian ini bertujuan untuk menguji pengaruh opini audit, ukuran KAP danfinancial distressterhadap auditor switching. Variabel dependen dalam penelitian ini adalah auditor switching. Sedangkan variabel independen adalah opini audit, ukuran KAPdanfinancial distress.*

Populasi penelitian ini adalah perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia periode 2015-2019. Metode sampel yang dilakukan dengan purposive sampling dan diperoleh 150 sampel. Data yang digunakan adalah data sekunder berupa laporan keuangan dan laporan tahunan perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia periode 2015-2019.Metode analisis data yang digunakan dalam penelitian ini adalah regresi logistik.

Hasil penelitian ini menunjukkan bahwaOpini Audit menunjukkan koefisien regresi dengan tingkat signifikansi (p) sebesar 0,496, lebih besar dari α = 5% (0,05). Berdasarkan hasil pengujian koefisien menunjukan bahwa opini audit tidak berpengaruh terhadap auditor switching.Ukuran KAP menunjukkan koefisien regresi dengan tingkat signifikansi (p)sebesar 0,585, lebih besar dari α = 5% (0,05). Berdasarkan hasil pengujian koefisien menunjukkan bahwa ukuran KAP tidak berpengaruh terhadap auditor switching. Financial Distressmenunjukkan koefisien regresi dengan tingkat signifikansi (p) sebesar 0,466, lebih besar dari α = 5% (0,05). Berdasarkan hasil pengujian koefisien menunjukkan bahwa financial distress tidak berpengaruhterhadap auditor switching.

Kata Kunci**:** *Opini Audit, Ukuran KaP, Financial Distress, Auditor Switching*

I. Introduction

The financial report is one of the media which contains information about the position and operational activities of the company which is presented by the company management. Management as a presenter of financial statements tends to be motivated by their own interests, while external parties who are also users of financial statements have an interest in obtaining financial reports that reflect the actual condition of the company. These differences of interest can be resolved by the presence of a mediator or an independent third party, namely the auditor. The independent auditor provides an opinion regarding the fairness of the presentation of the financial statements, as well as its compliance with generally accepted accounting principles. Independence is the main key for the public accounting profession, including to assess the fairness of financial statements.

Issuing financial statements is an obligation for companies that have gone public. According to the Financial Accounting Standards issued by the Indonesian Institute of Accountants, the purpose of financial statements is to provide information regarding the

financial position, performance and changes in the financial position of a company that is useful for a large number of users in making decisions. Therefore, the financial statements must show the actual condition of the company so that they can be taken into consideration in making the right decisions. Financial reports shown by management show the results of management performance, so that financial reports have the potential to be influenced by personal interests and can lead to conflicts between management and shareholders.

In general, auditees certainly want their financial statements to receive an unqualified opinion from the KAP they rent. If the auditor provides an opinion other than unqualified, it can reduce the company's image so that management may change the auditor on the grounds that the auditor did not provide an opinion consistent with management's wishes. Clients certainly want their financial statements to get an unqualified opinion from KAP, because the WTP's opinion on the financial statements will affect the making of investment decisions on external parties. If the auditor is unable to provide an unqualified opinion, the company will move to a public accounting firm that may be able to provide an opinion as expected by the company.

Every company wants the audit process to be completed quickly and have quality results. The reputation of KAP is usually assessed by the size of the KAP. The larger the size of KAP, the greater the ability of auditors to be professional. The size of large KAP has a better ability to conduct audits than the size of small KAP, so that it is able to produce higher audit quality, companies that have used Big-four KAP services have a less chance of making KAP changes. The company prefers Big-four KAP because it considers its audit quality to be better. Clients with small total assets tend to move to KAP that are not classified as Big-four, while issuers with large total assets still choose KAP Big-four as their auditors. which reflects the suitability of size between KAP and its clients. The size of a larger KAP client will have increasingly complex activities, thus choosing a larger KAP. This opinion was supported by Astuti, who stated that there was a positive relationship between the size of the client's KAP and the ownership of a high quality audit firm. This is because bigger companies need better size auditors to increase shareholders' trust. The rationale is that the auditor's reputation must be in accordance with the size of the KAP and the type of service required. Research conducted by Pawitri and Yadnyana shows that the size of KAP has an effect on auditor switching. It is different with Wijaya and Rasmini who found that the size of KAP has no effect on auditor switching.

RESEARCH PURPOSES

The purpose of this study was to determine and analyze the effect of audit opinion, hood size, and financial distress on audior switching in empirical studies of manufacturing companies registered in Bei 2015-2019 period.

II LITERATURE REVIEW

1. Audit Opinion

Audit opinion is a statement of opinion from the auditor on the fairness of the company's financial statements being audited and the audit opinion is a statement on an assertion issued by the auditor (Suryanawa, 2016: 46). Meanwhile, according to Pawitri (2015) an audit opinion is an opinion conveyed by the auditor after conducting an examination of the company to assess the fairness of the financial statements that have been prepared by management.

According to Nazri (2015), the most sensitive issue in the auditor change relationship is the qualification of the audit opinion, especially where one of the objectives of management in an audit is to receive an unqualified opinion from the auditor. Management will try to do things so that the financial statements presented have high credibility. If the auditor gives an opinion that is not in accordance with the wishes of

the management, there is a possibility that the company management will do voluntary auditor switching. The same opinion was also expressed by (2014), dissatisfaction with the auditor's opinion could lead to tension in the relationship between management and KAP so that the client company decided to switch KAP.
According to Mulyadi (2015: 22), there are five types of audit opinion, namely:

1) Unqualified Opinion
2) Unqualified opinion with explanatory language (Unqualified Opinion with Explanatory Language)
3) Qualified Opinion
4) Adverse Opinion
5) Disclaimer of Opinion

2. Size of Public Accounting Firm (KAP)

According to Firyana (2014) KAP size is a measure used to determine the size of a public accounting firm. The size of the Public Accounting Firm can be said to be large if the KAP is affiliated with Big 4, has branches and clients of large companies and has a professional staff of more than 25 people. Meanwhile, the size of a public accounting firm is said to be small if it is not affiliated with Big 4, does not have branch offices and small companies and the number of professionals is less than 25 people.

KAP size is the difference between the number of clients and the number of members owned by a public accounting firm. The size of KAP can be seen from various things related to KAP, such as the number of clients and the amount of the KAP's income (Devianto, 2015). KAP size is the size of the Public Accounting Firm used by the company. The size of KAP is divided into two groups, namely KAP affiliated with Big 4 and KAP that is not affiliated with Big 4. The size of KAP itself is usually associated with the quality and reputation of auditors (Kurniasari, 2014). Likewise, the size of KAP is the size of the KAP which is divided into two groups, namely KAP affiliated with Big 4 and KAP not affiliated with Big 4.

Meanwhile, according to Arsih (2015), the size of KAP is a reflection of the size of the Public Accounting Firm, the bigger the Public Accounting Firm, the higher the quality of the resulting audit, so the company will change auditors from small KAP to auditors from large KAP to improve the reputation and quality of its financial statements. . Based on the description above, it can be concluded that the size of the Public Accounting Firm (KAP) is the size of the Public Accounting Firm used by a company to conduct audits of the company's financial statements. If related to the existence of KAP in Indonesia, then the size of the largest KAP is KAP affiliated with foreign KAP which is classified as Big 4.

3. Financial distress

Financial distress is a company financial term used to indicate a condition when a company is having difficulty paying its debts to creditors. If financial difficulties cannot be reduced, it can result in bankruptcy for the company (Nikmah, 2014: 23). According to Astuti (2014) financial distress is a company that is experiencing financial difficulties and allows bankruptcy.
Financial distress begins when a company is unable to meet payment schedules or when cash flow projections indicate that payments will not be able to be fulfilled in the near future. The threat of financial distress is also a cost because management tends to spend time avoiding bankruptcy rather than making good corporate

decisions. In general, the possibility of financial distress increases with the use of debt. Logically, the greater the probability that a decrease in income will cause financial distress (Januarti, 2014: 12).

4. *Auditor* Switching

The definition of auditing according to Arens (2014: 4) is "Auditing is the accumulation and evaluation of evidence about information to determine and report on the degree of correspondence between the information and established criteria. Auditing should be done by a competent, independent person ". Based on these quotations, it can be seen that auditing is the accumulation and evaluation of evidence regarding information to determine and report the degree of conformity between the information and predetermined criteria where auditing must be carried out by competent and independent people. An auditor is someone who has certain qualifications in auditing the financial statements and activities of a company or organization.

An auditor is needed in a company to carry out a process of monitoring and examination of activities carried out by shareholders as principal and management as an agent, which is assessed from the financial performance reflected in the financial statements. Susanti (2014) states that management is a party contracted by shareholders to work on carrying out company activities. The principal provides facilities and funds for the company's operations while the agent acts as the manager of the company, which is obliged to increase the prosperity of the principal by increasing the value of the company as entrusted by the principal to him. The problem that then arises in the agency relationship is the incompleteness of information, that is when not all conditions are known to the two. both parties,

III. RESEARCH METHODS

No.	Sample Determination Criteria	amount
1.	Consecutive manufacturing companies listed on the IDX during 2015-2019	111
2.	Companies that made changes to KAP mandatory during 2015-2019	(81)
Number of sample companies		30
Number of years of sample observation		5
The total amount of data to be observed during the study period		150

The population in this study in manufacturing companies listed on the Indonesia Stock Exchange were 111 companies. There were 81 companies that did not meet the criteria, while 30 companies met the sample criteria. Data taken from each sample member includes
financial report data that has been audited during the period 2015 to 2019, so the number of observations is 150 observations.

IV RESULTS AND DISCUSSION

This study was conducted to examine the effect of audit opinion, KAP size and financial distress on auditor switching. The population in this study are all manufacturing companies listed on the Indonesia Stock Exchange in 2015-2019. The sampling method used in this study was purposive sampling method. Based on the predetermined criteria, from 111 company populations, 30 companies were obtained with a research period of

five years so that the total sample used for this study was 150. This study uses secondary data which in the form of financial reports and annual reports of manufacturing companies listed on the IDX in 2015-2019 which are downloaded atwww.idx.co.id.

Based on the above criteria, there were 300 companies listed on the Indonesia Stock Exchange (IDX) for the 2015-2019 period, as follows:

Table 1 Research sample

No.	Company Code	Company name
1	I AM	PT. Anugerah Kagum Karya Utama Tbk
2	ALDO	PT. Alkindo Naratama Tbk
3	ARGO	PT. Argo Pantes Tbk
4	BIMA	PT. Primarindo Asia Infrastructure Tbk
5	EKAD	PT. Ekadharma International Tbk
6	GDST	PT. Gunawan Dianjaya Steel Tbk
7	HDTX	PT. PanasiabIndo Resources Tbk
8	IGAR	PT. Champion Pacific Indonesia Tbk
9	IKAI	PT. Intikeramik Alamasri Industri Tbk
10	INCH	PT. Intanwijaya Internasional Tbk
11	JKSW	PT. Jakarta Kyoei Steel Works Tbk
12	JPFA	PT. Japfa Comfeed Indonesia Tbk
13	KBLM	PT. Kabelindo Murni Tbk
14	Indonesian Embassy	PT. Kertas Basuki Rachmat Indonesia Tbk
15	KIAS	PT. Keramika Indonesia Association Tbk
16	LMPI	PT. Langgeng Makmur Industri Tbk
17	MLBI	PT. Multi Bintang Indonesia Tbk
18	MRAT	PT. Mustika Ratu Tbk
19	MYRX	PT. Hanson International Tbk
20	NIKL	PT. Pelat Timah Nusantara Tbk
21	PICO	PT. Pelangi Indah Canindo Tbk
22	PRAS	PT. Prima Alloy Steel Universal Tbk
23	SCCO	PT. Supreme Cable Manufacturing Corporation Tbk
24	READY	PT. Sekawan Intipratama Tbk
25	SIMA	PT. Siwani Makmur Tbk
26	SPMA	PT. Suparma Tbk
27	SSTM	PT. Sunson Textile Manufacturer Tbk
28	TIRT	PT. Tirta Mahakam Resources Tbk
29	ULTJ	PT. Ultra Jaya Milk Industry Tbk
30	UNIT	PT. Nusantara Inti Corpora Tbk

Source: www.idx.co.id

Descriptive Statistical Analysis

The results of the descriptive statistical analysis of each variable consisting of the dependent variable auditor switching and the independent variable of audit opinion, KAP size and financial distress will be discussed regarding the characteristics of the sample

used in this study including the number of samples (N), average (Mean), maximum value, minimum value and standard deviation.

Table 2 Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Audit Opinion	150	0	1	, 97	, 180
KAP size	150	0	1	, 13	, 334
Financial Distress	150	9,266	539,017	126,36745	123.558772
Auditor Switching	150	0	1	, 44	, 498
Valid N (listwise)	150				

The results of the descriptive statistical data from the value of the research variables, namely audit opinion, among others, have a minimum value of 0, a maximum value of 1 and for an average value of 0.97 these results indicate that the average audit opinion used as a sample place has a positive value.

The results of the descriptive statistical data from the value of the research variable, namely the KAP measure, among others, have a minimum value of 0, a maximum value of 1 and for an average value of 0.13 these results indicate that the average size of the KAP used as a sample place has a positive value.

The results of the descriptive statistical data from the value of the research variable, namely financial distress, among others, have a minimum value of 9.266, a maximum value of 539.017 and for an average value of 126.368 these results indicate that the average financial distress used as a sample place has a positive value.

The results of the descriptive statistical data from the value of the research variables, namely auditor switching, among others, have a minimum value of 0, a maximum value of 1 and for an average value of 0.44 these results indicate that the average auditor switching used as a sample place has a positive value.

Logistic Regression Analysis

Analysis of model feasibility test results

The analysis of the results of the feasibility test of the model conducted is to assess the feasibility of the binary logistic regression model. This test is performed using the Goodness of Fit Test which is measured by the Chi-square value at the bottom of the Hosmer and Lameshow Test. The significance value listed is then compared with the significance level (α) of 5%. The following are the results of the classification prediction identification in Table 4.8:

Table 3. Model Feasibility Test Results

Hosmer and Lemeshow Test

Step	Chi-square	Df	Sig.
1	5,342	8	, 720

Source: SPSS output

From the test results in table 3 above, it is obtained a Chi-square of 5.342 with a significant value of 0.720 and 8. From these results it can be seen that the significant value is greater than 0.05 so that the null hypothesis is accepted, which means that there

is no difference between the predicted classification and the observed classification. So it can be concluded that the logistic regression model used has met the data sufficiency (fit). This means that the model is able to predict the observed values or the model can be accepted because it matches the observational data so that this model can be used for further analysis.

Model Fit Testing (Overall ModelFit)

The first analysis carried out was to assess the overall fit of the model against the data. The overall model fit test is done by comparing the value between -2 Log Likelihood (-2LL) at the beginning (Block Number = 0) and the final -2 Log Lokelihood (-2LL) (Block Number = 1). The hypothesis for assessing the fit model is:
H0: The hypothesized model is fit with the data
Ha: The hypothesized model does not fit the data

Table 4 Model Accuracy in Predicting EM (Block Number = 0)

Iteration History, b, c

Iteration		-2 Log likelihood	Coefficients Constant
Step 0	1	205,779	-, 240
	2	205,779	-, 241
	3	205,779	-, 241

a. Constant is included in the model.

b. Initial -2 Log Likelihood: 205,779

c. Estimation terminated at iteration number 3 because parameter estimates changed by less than, 001.

Source: SPSS output

Based on table 4. statistics used are based on the likelihood function. The likelihood L of the model is the probability that the hypothesized model describes the input data. To see a better model for predicting the possibility of auditor switching in manufacturing companies using the -2 log likelihood value. From the results of the calculation of this analysis, the value -2 log likelihood is 205.779 seen in the iteration history at step 0 (Block Number 0).

Table 5.Model Accuracy in Predicting EM (Block Number = 1)

Iteration Historya, b, c, d

Iteration		-2 Log likelihood	Coefficients Constant	Audit Opinion	KAP size	Financial Distress
Step 1	1	204,315	, 521	-, 627	-, 267	-, 001
	2	204,313	, 535	-, 637	-, 279	-, 001
	3	204,313	, 535	-, 637	-, 279	-, 001

a. Method: Enter

b. Constant is included in the model.

c. Initial -2 Log Likelihood: 205,779

d. Estimation terminated at iteration number 3 because parameter estimates changed by less than, 001.

Source: SPSS output

Then the results of the calculation of table 5 of -2 log likelihood values in the second block (block number = 1) or in step 1, it can be seen that the -2 log likelihood value is 205.779. The overall assessment of the regression model uses the -2 log likelihood value, where if there is a decrease in the second block compared to the first block, it can be concluded that the second regression model is getting better. As shown in Tables 4.5 and 4.6, in the first block (block number = 0) the -2 log likelihood value is 205.779 and in the second block (block number = 1) the -2 log likelihood value is 204.313. The decrease in the likelihood value of 1.466 shows that the hypothesized model is fit with the data.

Coefficient of Determination (Nagelkerke R Square)

This coefficient of determination using the Cox & Snell R Squre in the Summary model table can be interpreted the same as the coefficient of determination R squre in multiple linear regression, but because the maximum value of cox & snell R squre is usually smaller than one so it is difficult to interpret like R square and is rarely used (Uyanto, 2016: 236).

Table 6. Cox & Snell R Squre and Nagelkerke R Square coefficients

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	204,313a	, 010	, 013

a. Estimation terminated at iteration number 3 because parameter estimates changed by less than, 001.

Source: SPSS output

From table 6, it is obtained that the test results of the -2Log Likelihood model produce 204.313 from the coefficient of determination seen from the Nagelkerke R Square is 0.013 (1.3%) and the Cox & Snell R Square value is 0.010 (1%). This means that the independent variables of audit opinion, KAP size and financial distress are able to explain the variation of the dependent variable auditor switching by 98.7%, while the rest is explained by other factors outside this study.

Matrix Classification

The classification matrix shows the predictive power of the regression model to predict the probability of KAP displacement by the company. The classification matrix serves to show the predictive power of the regression model to predict the possibility of companies making decisions to voluntary auditor switching. The results can be seen in the following table:

Table 7 Classification Matrix
Classification Tablea

Observed			Predicted		
			Auditor Switching		Percentage Correct
			0	1	
Step 1	Auditor S witching	0	82	2	97.6
		1	63	3	4.5
	Overall Percentage				56.7

a. The cut value is, 500
Source: SPSS output

Based on table 7, the predictive power value of the regression model to predict the possibility of companies moving KAP is 4.5%. This shows that by using the regression model used, there are 3 companies (4.5%) that are predicted to move KAP from a total of 66 companies that have moved KAP. The predictive strength of the company model that did not move KAP was 97.6%, which means that with the regression model used there were as many as 82 companies (97.6%) that were predicted not to move KAP from a total of 84 companies that did not move KAP.

Logistic Regression Coefficient Analysis

After assessing the logistic regression model, the next step is to conduct a logistic regression analysis and test the effect of the independent variables on audit opinion, KAP size and financial distress on the dependent variable auditor switching, the resulting regression coefficient. The results of the logistic regression analysis can be seen as follows:

Table 8 Logistic Regression Test Results

Variables in the Equation

		B	SE	Wald	Df	Sig.	Exp (B)
Step 1a	Audit Opinion	-, 637	, 935	, 464	1	, 496	, 529
	KAP size	-, 279	, 512	, 298	1	, 585	, 756
	Financial Distress	-, 001	, 001	, 531	1	, 466	, 999
	Constant	, 535	, 935	, 327	1	, 567	1,707

a. Variable (s) entered on step 1: OpinionAudit, SizeKAP, FinancialDistress.

Source: SPSS output

Based on table 8 the test results of the logistic regression coefficient produce the following model:

SWITCHt = 0.535 - 0.637 OPDIT - 0.279 UKAP - 0.001 FINRES + ε

Based on the results of logistic regression testing as described above, the results can be interpreted as follows:

1. Based on the logistic regression equation above, it is known that the constant value for the regression equation (a) is 0.535. This shows that the opportunity for the company to do auditor switching is 0.535, a positive value means that if all independent variables are considered non-existent or have a value of 0, the sample company will continue to do auditor switching.

2. The OPDIT variable shows a regression coefficient of -0.637 with a significance level (p) of 0.496, greater than α = 5% (0.05). Because the level of significance (p) is greater than α = 5% (0.05), the first hypothesis is not supported. This study failed to prove the influence of audit opinion on auditor switching.
3. The UKAP variable shows a regression coefficient of -0.279 with a significance level (p) of 0.585, greater than α = 5% (0.05). Because the level of significance (p) is greater than α = 5% (0.05), the second hypothesis is not supported. This study failed to prove the influence of KAP size on auditor switching.
4. The FINRES variable shows a regression coefficient of -0.001 with a significance level (p) of 0.466, greater than α = 5% (0.05). Because the level of significance (p) is greater than α = 5% (0.05), the 3rd hypothesis is not supported. This study failed to prove the effect of financial distress on auditor switching.

Test Analysis ResultsHypothesis

In this study, the hypothesis test aims to determine whether there is an effect of the audit opinion variable, KAP size and financial distress on auditor switching in manufacturing companies listed on the Indonesia Stock Exchange (BEI). Based on the calculations shown in the table as follows:

Table 9 Hypothesis Test Results

Variables in the Equation

		B	SE	Wald	Df	Sig.	Exp (B)
Step 1a	Audit Opinion	-, 637	, 935	, 464	1	, 496	, 529
	KAP size	-, 279	, 512	, 298	1	, 585	, 756
	Financial Distress	-, 001	, 001	, 531	1	, 466	, 999
	Constant	, 535	, 935	, 327	1	, 567	1,707

a. Variable (s) entered on step 1: OpinionAudit, SizeKAP, FinancialDistress.

Source: SPSS output

1. Audit Opinion

   Based on table 9, it is known that the audit opinion regression coefficient is -0.637 with a wald value of 0.464 and a significance level of 0.496. With a significance level greater than 0.05, it shows that H1 is rejected, which means that the audit opinion has no effect on the company's decision to do auditor switching. This shows that the logistic regression model Hypothesis 1 is rejected.
2. KAP size

   Based on table 9, it is known that the size of the KAP regression coefficient is -0.279 with a wald value of 0.298 and a significance level of 0.585. . This shows that in the logistic regression model Hypothesis 2 is rejected.
3. *Financial Distress*

   Based on table 9, it is known that the financial distress regression coefficient is -0.001 with a wald value of 0.531 and a significance level of 0.466. With a significance level greater than 0.05, it indicates that H3 is rejected, which means that financial distress has no effect on the company's decision to do auditor switching. This shows that in the logistic regression model Hypothesis 3 is rejected.

Simultaneous Testing

This test is conducted to test whether the audit opinion variables, the size of the accounting firm and financial distress simultaneously affect auditor switching. The results of the Omnibus Testof Model Coeficient can be seen in the following table:

Table 10 Simultaneous Testing

Omnibus Tests of Model Coefficients

		Chi-square	Df	Sig.
Step 1	Step	1,466	3	, 690
	Block	1,466	3	, 690
	Model	1,466	3	, 690

Source: SPSS output

Based on table 10, it shows that simultaneously audit opinion, KAP size and financial distress can explain auditor switching. This can be seen from the Chi-Square results of 1.466 with a df of 3 and a significance of 0.690, whose value is greater than 0.05. This shows that the hypothesis is rejected, so it can be concluded that audit opinion, size of public accounting firm and financial distress do not simultaneously affect auditor switching.

Discussion of Research Results

1. The Effect of Audit Opinions on*Auditor Switching*

Based on the results of logistic regression testing, which shows that this first hypothesis aims to test whether there is an influence between audit opinion on auditor switching. The logistic regression test results obtained a regression coefficient of -0.637 with a significance level (p) of 0.496, greater than α = 5% (0.05). Because the level of significance (p) is greater than α = 5% (0.05), the first hypothesis is not supported. This study failed to prove the effect of audit opinion on auditor switching in manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2015-2019 period. The results of research conducted by Ginting and Fransisca (2014), Susan and Trisnawati (2011) show that audit opinion has no effect on auditor switching, meaning that the company that gets an opinion other than WTP,

2. Effect of KAP Size on Auditor Switching

Based on the results of logistic regression testing, which shows that this second hypothesis aims to test whether there is an influence between the size of KAP on auditor switching. The logistic regression test results obtained a regression coefficient value of -0.279 with a significance level (p) of 0.585, greater than α = 5% (0.05). Because the level of significance (p) is greater than α = 5% (0.05), the second hypothesis is not supported. This study failed to prove the influence of KAP size on auditor switching in manufacturing companies listed on the Indonesia Stock Exchange (BEI) during the 2015-2019 period. The results of research conducted by Aprillia (2013) contradict this study, because Big Four KAP is considered to have quality. which is higher when compared to KAP non Big Four. Big KAP provides a higher KAP size. The results of this study also show that companies that use KAP services affiliated with the Big Four have a low probability of performing auditor switching and prefer to stay with KAP affiliated with the Big Four. This can be because investors will prefer to use accounting data from reputable KAP.

3. Effect of Financial Distress on Auditor Switching

Based on the results of logistic regression testing, which shows that this third hypothesis aims to test whether there is an influence between financial distress on auditor switching. The logistic regression test results obtained regression coefficient value of -0.001 with a significance level (p) of 0.466, greater than α = 5% (0.05). Because the level of significance (p) is greater than α = 5% (0.05), the 3rd hypothesis is not supported. This

study failed to prove the influence of financial distress on auditor switching in manufacturing companies listed on the Indonesia Stock Exchange (BEI) during the 2015-2019 period. The results of this study are in accordance with Yahya's (2016) research that financial distress has no effect on auditor switching. Financial distress may have important implications for decision making in maintaining audit firms. When a company experiences financial difficulties, there is a possibility that the company will replace a lower-cost KAP to reduce audit costs. However, based on the results of this study, when a company experiences financial distress, the company will not replace the KAP because it shows that everything that happens in the company is going well. Frequent changes in KAP will increase the start-up costs of auditors, namely understanding the client's business environment and client audit risk. However, based on the results of this study, when the company experiences financial distress, the company will not replace the KAP because it shows that everything that happens in the company is going well. Frequent changes in KAP will increase the start-up costs of auditors, namely understanding the client's business environment and client audit risk. However, based on the results of this study, when the company experiences financial distress, the company will not replace the KAP because it shows that everything that happens in the company is going well. Frequent changes in KAP will increase the start-up costs of auditors, namely understanding the client's business environment and client audit risk.

V CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of research and discussion of the effect of audit opinion, size of KAP and financial distress on auditor switching in manufacturing companies listed on the Indonesian Stock Exchange, the following conclusions can be drawn:

1. Based on the coefficient test results, it shows that the audit opinion has no effect on *auditor switching*. That is, this indicates that if the auditor provides an unqualified opinion, the company will tend to change the accounting firm which allows it to obtain an opinion that is in line with what the company expects so that the company will look for an auditor who will provide an opinion in accordance with the company's expectations.

2. Based on the results of the coefficient test, it shows that the KAP size has no effect on *auditor switching*. This means that this shows that companies that have used the services of large KAPs are less likely to change KAP, because large KAPs are considered to be of higher quality than small KAPs so that companies will look for KAP with high credibility to increase company credibility.

3. Based on the results of testing the coefficient shows that *financial distress* has no effect on auditor switching. This means that this indicates that companies experiencing financial distress tend not to do auditor switching, because companies will have less confidence if they are audited with auditors who have higher quality than the previous auditors.

Suggestion

The suggestions in this study are as follows:

1. Further research is suggested to add or replace variables that are related to auditor switching, such as audit opinion, audit fees, change of board of commissioners and change of management.
2. Future studies are suggested to increase the research period.
3. Future research can replace companies with companies listed on the IDX as samples.

Limitations

The limitation in this study is that the selection of research objects only uses manufacturing companies listed on the IDX in 2015-2019. And this study only tests audit opinion, KAP size, financial distress and auditor switching, while some other variables are not tested in this study.

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