

THE EFFECT OF AUDITOR'S COMPETENCY, INTEGRITY AND OBJECTIVITY ON AUDIT QUALITY

(Empirical Study of Auditor on Accounting Firms in East Jakarta)

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Abstract -This study aims to determine, analyze and obtain empirical evidence about the influence of competence, integrity and objectivity of auditors on audit quality for auditors who work in several public accounting firms in East Jakarta.

This research uses an associative type of research with a quantitative approach, which is measured using multiple linear analysis methods with the application of SPSS version 25.0. The population of this study were auditors who work in public accounting firms in East Jakarta. The sample was determined based on the convenience sampling method, with 8 public accounting firms as the sample, so that the total number of respondents obtained was 57 auditors. The data used in this study are primary data with survey data collection techniques using questionnaires distributed directly to respondents. The results of this study indicate that the competence, integrity and objectivity of auditors have a significant effect on audit quality.

Keywords : Competence, Integrity, Objectivity and Audit Quality

I. Introduction

The profession of public accountant plays an important role in society and management, causing dependence on accountants' responsibilities to the public interest. One of the jobs and responsibilities of a public accountant is to carry out an audit whose purpose consists of the act of seeking detailed information about what is being carried out in the entity being examined, then comparing the results with predetermined criteria, and the results obtained by providing recommendation information. about the corrective actions needed to affect audit quality.

Eventhough each company has carried out internal audits within their respective companies, external audits are still carried out to verify the accuracy of the historical financial statements made, so companies need professional services from public accountants who work at accounting firm to provide a fairness opinion on their financial statements. However, not all auditors can do their job properly, and there are still some auditors who make mistakes or violations.

In Indonesia, violations committed by auditors also occur. For example, such as the violation committed by accounting firm Tanubrata Sutanto Fahmi Bambang and Partners who performed audit services for PT Garuda Indonesia, it was found that there was a violation in revenue recognition of the cooperation agreement between PT Garuda Indonesia and PT Mahata Aero Teknologi which did not comply with accounting recording standards. Due to the violation, the auditor in charge of auditing, namely Kasner Sirumapea, was given sanctions in the form of license suspension for 12 months and accounting firm Tanubrata Sutanto Fahmi Bambang and Partners were also given sanctions.

Based on the violation case, this causes users of financial reports and the public to question the competence, integrity and objectivity of the auditors, thereby also questioning the quality control and reliability of information provided by the Public Accounting Firm and demanding an increase in the quality of the resulting audit.

The quality of the audit obtained depends on how an auditor can carry out an audit in accordance with established quality and ethical standards. This quality standard is related to auditor compliance in understanding and carrying out audits based on applicable audit standards, this means that public accountants or auditors are required to have sufficient competence to be able to carry out audits. Quality standards have not been able to make the quality of an audit better if the auditor does not comply with existing and applicable ethical principles (Susilo and Widyastuti, 2015).

Integrity is also a determinant of audit quality because by maintaining integrity, how a public accountant or auditor will act honestly and frankly and professionally and wisely in making decisions so that it will determine how their performance can determine public confidence in the public accounting profession or auditors in providing quality. the best audits (Wardana and Ariyanto, 2016).

Apart from competence and integrity, the objectivity of auditors in performing professional services is also a determining factor in audit quality. Public accountants must always maintain their objectivity free from conflicts of interest or conflicts of interest and must not deliberately misstate facts or submit their judgments to others who do not have certain rights. Objectivity means that public accountants or auditors in carrying out their audits are required to be fair, use their professional judgment in gathering information in connection with the audit by taking into account all the facts. By maintaining objectivity, an auditor will act fairly without pressure or requests from certain parties or requesting information (Zahmatkesh and Rezazadeh, 2017).

Previous research on audit quality has been widely researched, Elen and Mayangsari (2013) stated that competence and objectivity do not have a significant effect, but integrity has a significant effect on audit quality. Salju *et. al.* (2014) stated that competence has no influence on audit quality. Baharuddin *et. al.* (2015) stated that competence and objectivity have an influence on audit quality. Ariani and Badera (2015) state that competence, integrity and objectivity have a

positive influence. Bouhawia et. al. stated that integrity and competence have a significant effect on audit quality. Susilo and Widyastuti (2015) state that integrity has an effect, but objectivity does not affect audit quality. Oklivia and Aan (2015) state that competence does not affect audit quality, but integrity and objectivity have an effect on audit quality. Wardana and Ariyanto (2016) state that integrity and objectivity have a significant effect on audit quality, but the results of research by Septyaningtyas (2017) state otherwise. Zahmatkesh and Rezazadeh (2017) state that competence and objectivity have an influence on audit quality. Iskandar (2018) states that competence has an influence while integrity has no effect on audit quality. Setiapraptadi (2019) states that competence and integrity have an influence but objectivity has no effect on audit quality.

According to the those literature review, researcher interested in conducting research to find out (1) whether competence has a significant effect on audit quality, (2) whether integrity has a significant effect on audit quality, and (3) whether objectivity has a significant effect on audit quality at accounting firms in East Jakarta.

II. BASIS OF THEORY AND HYPOTHESIS DEVELOPMENT

2.1. Attribution Theory

Attribution theory was first expressed by Fritz Heider who concluded that a person's behavior is determined by internal forces or internal forces as well as external or external forces. Internal strength is the strength that comes from within a person, for example, the strength in trying to achieve something that he is trying to achieve. Meanwhile, external forces or external forces are forces that come from outside in the form of certain situations or circumstances that force a person to carry out several activities based on certain pressure or coercion (Robin in Elen and Mayangsari, 2013). Attribution theory in this study is used to identify and analyze auditors' behavior regarding factors that can affect audit quality so that it will be tested according to the relevant variables, namely competence, integrity, and objectivity.

2.2. Audit Quality

Good audit quality illustrates where an auditor must have the skills, expertise and ability to obtain audit evidence. Audit evidence obtained directly by auditors can be carried out through several means in the form of physical examination, observation or observation, recalculation, or inspection which will be more reliable than audit evidence obtained indirectly (Hery, 2019).

A quality audit reflects the performance produced by the auditor so that it can be accounted for. The audit quality of the auditors is measured based on two approaches, namely the results approach and the process approach in which the observation and analysis process approach is carried out by the auditor while the results approach refers to the size of the audit. In conducting an audit, the quality of the audit produced by the auditor is assessed by how precise, accurate and completed in accordance with established and applicable criteria and standards (Susilo and Widyastuti, 2015).

The Public Accountant Professional Code of Ethics (IAI, 2019) states that there are several basic principles of professional ethics that must be adhered to by public accountants, namely as follows:

- a. Integrity
Public accountants or auditors must be firm and honest in all professional relationships and business relationships.
- b. Objectivity
Public accountants or auditors must not allow any bias, conflict of interest, or undue influence from others to influence their professional judgment or business judgment.
- c. Professional Competence and Careful Attitude Prudence
Public accountants or auditors have the knowledge and professional skills at the level necessary to ensure that clients or employers will receive competent professional services

based on the development of practices, regulations, and methods of carrying out work and act sincerely and in accordance with the methods of doing work and professional standards. applicable.

d. Confidentiality

Public accountants or auditors maintain the confidentiality of information obtained as a result of professional relationships and business relationships by not disclosing such information to any party without the consent of the client or employer, unless there is a legal obligation to disclose the information, and do not use the information for profit. private or third party.

e. Professional Behavior

Public accountants or auditors must comply with all applicable laws and regulations and avoid any behavior that reduces trust in the profession.

Audit quality can be achieved by applying an attitude of professional wisdom and professional vigilance, namely an attitude where a public accountant or auditor must perform professional services with a sense of curiosity and consider all information obtained with critical and vigilant assessment of audit evidence, and focus on accuracy. from information obtained through the audit process (Tuanakotta, 2015).

2.3. Competence

The auditor must have the appropriate competence and capability to carry out the audit. Auditors must also have formal education in accounting, adequate practical experience for the work being carried out, and follow continuing professional education (Arens, 2015).

The Public Accountant Professional Code of Ethics (IAI, 2019) explains that there are several indicators used to measure the competencies that a public accountant or auditor must have, namely as follows:

1. Professional knowledge and expertise

Each auditor must have an educational background or knowledge at least in the field of accounting so that he has a value that is in accordance with general standards. This means that an auditor must have sufficient skills as an auditor to provide assurance to clients or employers that they will receive competent professional services.

2. Professional attention and care

An auditor must behave prudently and carefully in accordance with the professional standards and professional code of ethics that apply when carrying out professional activities and providing professional services.

There are three things that must be owned by an auditor to be able to improve his competence (Rusdiana and Saptaji, 2018), namely as follows:

1. Personal Quality

Auditors are required to have an open and broad mindset, be able to adapt and work together in a team, have a high sense of curiosity and commitment, have the belief that there are no easy solutions and be able to handle uncertainties.

2. General knowledge

The auditor must have sufficient knowledge to be able to provide the best service. Whether it is knowledge in understanding the client's organization or entity or knowledge in accounting and auditing to understand the information system of the client's financial reporting cycle.

3. Special Skills

Specific skills possessed by an auditor may include expertise in reading statistical data information, expertise in operating computers, expertise in obtaining information, as well as expertise in making and interpreting reports properly.

Hooks (2011) defines several indicators contained in the competence of a public accountant or auditor, namely as follows:

- a. Communication and leadership skills
A public accountant or auditor must be able to provide and obtain useful information and be able to make appropriate decisions through his ability to influence, inspire, and motivate others to achieve their best performance.
- b. Ability to strategize and think critically
A person must be able to analyze a data information, knowledge, and understanding or insight to provide quality advice for strategic decision making.
- c. Technology expertise
Ability to use and analyze information data obtained with a view to providing the best professional services and in accordance with applicable standards.

2.4. Integrity

Bouhawia *et. al.* (2015) argued that integrity is important for auditors to be professional, where auditors are not only required to be honest but also in various aspects related to the quality of the auditors' performance, such as factors of fairness, transparency, courage, wisdom, and auditor responsibility in carrying out professional services.

Integrity is needed as an ethical principle to maintain and expand public trust where members must carry out all their professional responsibilities with the highest level of integrity (Arens, 2015).

According to the Code of Ethics for Professional Accountants Section 110 (IAI, 2019) states that the principle of integrity requires every professional accountant to be straightforward and honest in all professional relationships and business relationships. Integrity also means being straightforward and always telling the truth. High integrity makes an auditor trusted by the general public because of his honesty and transparent attitude so that his trust can be accounted for in front of the public (Wardana and Ariyanto, 2016).

Ariani and Badera (2015) suggest that integrity can be measured by looking at the honesty and wisdom given by auditors in conducting audits.

1. Auditor Honesty
Auditors are required to be honest by obeying the rules, not adding or reducing facts and not accepting everything in any form. Auditors must also be honest in managing and using information resources within the scope of their authority.
2. Auditor's discretion
Auditors must act wisely and be careful and be responsible in all decision-making actions they take. In addition, auditors must also pay attention to whether the services provided are in accordance with the applicable professional code of ethics and auditing standards.

The Code of Ethics for the Professional Public Accountant (IAI, 2019) explains that public accountants or auditors are not allowed to knowingly and directly have a relationship or involvement in various reports, statements, communications, or other information when they believe the information is:

- a. Contains an error either materially or contains a statement which could be misleading.
- b. A statement or information that is given in a careless and thorough manner.
Omitting or obscuring information that should be disclosed, so that it can be misleading.

2.5. Objectivity

Objectivity is the benchmark that differentiates the profession of an auditor from other accounting professions. Auditors must make a balanced assessment and consideration of all relevant conditions so that they are not affected by the existence of an interest, be it their own interest or the interests of others to make a decision (Wardana and Ariyanto, 2016). Several behavioral indicators that can support the objectivity of an auditor are as follows:

1. Free from conflicts of interest

Auditors who perform professional services are not allowed to have a certain relationship or problem with clients or parties that are related to these problems so that they can affect the quality of their actions or decisions in performing professional audit services.

2. Not influenced by other people or other parties

The auditor must be able to act fairly and decisively without being influenced by pressure or interference from other parties so that it can affect judgments and in making professional decisions.

3. Don't allow bias

An auditor in carrying out his professional services must provide an opinion and judgment in accordance with actual information and with full professional judgment.

Public accountants who provide professional services are required to consider whether or not there is a threat to compliance with the basic principles of objectivity that can occur from an interest in the relationship with the entity being audited or with its directors, officers, and employees (Hery, 2017, 2019).

Auditors are required to be careful and free from conflicts of interest or conflicts of interest. Regulation of the Minister of Finance (PMK) Number 154 of 2017 Article 38 states that every public accountant or auditor as well as KAP in providing their services is required to maintain independence and be free from conflicts of interest. The said conflict of interest includes:

- a. Public accountants or auditors have a financial interest in the client entity or have control over the client or obtain benefits from the client by having direct or indirect investment; have joint ownership with clients; have a material business relationship with clients; or have control or have leadership positions, directors, managers, or important positions in client finance.
- b. Public accountants or auditors have family relationships with leaders, directors, administrators, or people with important positions in the client's finance or accounting sector.
- c. Public accountants or auditors provide assurance services and non-assurance services such as bookkeeping services or services related to client financial records or reports; financial information technology services; as well as management consulting services related to financial reporting in the same financial year period.

2.6. Hypothesis Development

2.6.1. Effect of Competence on Audit Quality

The competencies needed in conducting an audit are knowledge and abilities. The auditor must have the knowledge to understand the entity being audited, then the auditor must have the ability to work together in teams and the ability to analyze problems. By having competence or expertise in professional services, it will affect the quality of the audit he does.

H1: Competence has a significant effect on audit quality.

2.6.2. The Effect of Integrity on Audit Quality

Integrity requires every member to act firmly, honestly, fairly and responsibly in their professional and business relationships. In the face of rules, specific guidance standards or facing conflicting opinions, members must test their decisions or actions taken and whether the auditors have maintained their integrity in public. Where integrity requires public accountants or auditors to comply with applicable standards and ethics in accordance with the Professional Code of Ethics for Public Accountants.

H2: Integrity has a significant effect on audit quality.

2.6.3. Effect of Objectivity on Audit Quality

Objectivity establishes an obligation for the auditor to be fair, impartial, intellectually honest, not prejudiced and free from conflicts of interest or being under the influence of other parties that could reduce his professional judgment or business relationship. The auditor makes his decisions

by making a balanced assessment of all relevant conditions and is not affected by his own interests or the interests of others.

H3: Objectivity has a significant effect on audit quality.

III. RESEARCH METHODS

3.1. Research Strategy

The research strategy used in this study is to use associative research to find out the relationships between two or more variables with other variables or how the relationship between two or more variables affects other variables (Sugiyono, 2018). The approach method used in this research uses quantitative methods with research data in the form of numbers or quantities and statistical data analysis. This study aims to analyze the influence of the competence, integrity and objectivity of auditors as independent variables on audit quality as the dependent variable in this study.

3.2. Population and Sample Research

3.2.1. Research Population

Population is an area that is determined or chosen by researchers to be researched and studied and then conclusions are drawn by measuring objects or subjects that have predetermined qualities and characteristics (Sugiyono, 2018). The population in this study were several auditors who work at Public Accounting Firms in the East Jakarta area who are registered in the Directory of Public Accountants Institute published and approved by IAPI in 2019, namely 54 Public Accounting Firms.

3.2.2. Research Samples

The sample is part of the number and characteristics of the predetermined population (Sugiyono, 2018). The sampling technique used in this study is convenience sampling where the sampling technique is directly taken based on the availability of respondents and the ease of obtaining information data (Riyanto, 2018:). The intended respondents are public accountants or auditors who work in several accounting firm in East Jakarta. In addition, respondents are also not given position restrictions such as junior auditors, senior auditors, supervisor auditors, managers and colleagues so that all public accountants or auditors who work at the accounting firms concerned can be included as respondents with a minimum educational background having taken a D3 major in Accounting.

3.3. Data and Data Collection Methods

The data used in this study are primary data, namely data that will be obtained directly from the source or place where this research was conducted directly. The data collection method used in this study is a survey method with data collection techniques through questionnaires distributed directly to respondents. The questionnaire is a data collection technique by giving a set of questions or written statements that must be answered by respondents (Sugiyono, 2018). The questionnaire contains statements to obtain information on matters relating to competence, integrity and objectivity based on the indicators of each variable. In its measurement, each indicator listed in the questionnaire is measured using a 4-point Likert scale.

3.4. Data Analysis Methods

Data analysis is an activity after data from all respondents or other data sources are collected (Sugiyono, 2018). The researcher conducted a reliability test, validity test and classical assumption test consisting of normality, multicollinearity, and heteroscedasticity tests. The data analysis method in this research is to use multiple linear regression analysis to test the effect of competence, integrity and objectivity of auditors on audit quality. The data analysis method used in this research is using the assistance of the IBM SPSS 25.0 application program. The regression equation used in this study is as follows.

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + e$$

Information :

Y : Quality Audit

α : Constants

β : A regression coefficient indicating the number of increases or decrease in the dependent variable based on the independent variable

X1 : Auditor Competence

X2 : Auditor Integrity

X3 : Auditor's Objectivity

IV. RESULTS

4.1. Overview of Research Objects

4.1.1. Place and time of research

The object of this research is an auditor who works at a Public Accounting Firm in East Jakarta that is registered in the 2019 Directory of Public Accountants and gives permission to researchers to conduct research.

The data collection used in this study was through a questionnaire distributed to auditors in order to obtain a total sample of 57 questionnaires from 8 public accounting firms in East Jakarta. The distribution and collection of questionnaires was carried out from January 22 to February 26, 2020. Researchers could not distribute more questionnaires because this was due to the inaccurate timing of distributing the questionnaires because it coincided with the peak season where the auditors were busy providing professional and busy services. come to their clients so that only a few auditors are in the office. The distribution of questionnaires that have been sent and received can be seen in Table 4.1 below.

Table 4.1. Questionnaire Distribution

No.	Name of Public Accounting Firm	Distributed Questionnaires	Questionnaire Accepted	Processed Questionnaires
1.	KAP Abdul Aziz Fiby Fariza	10	10	10
2.	KAP Afwan	5	3	3
3.	KAP Drs. Bambang Sudaryono & Partners	10	7	7
4.	KAP Erfan & Rakhmawan	10	8	8
5.	KAP Giffar & Ambri	7	7	7
6.	KAP I Wayan Artawa	7	7	7
7.	KAP Rexon Nainggolan & Partners	10	10	10
8.	KAP Yuwono H.	5	5	5
Total		64	57	57

Source: Primary data processed, 2020

Based on Table 4.1. It can be concluded that this study involved 8 KAP in East Jakarta with a total of 57 auditors as respondents. An overview of the details of the distribution and return of the questionnaires is shown in Table 4.2. following.

Table 4.2. Questionnaire Distribution Details

No.	Information	Total	Percentage
1.	Number of questionnaires distributed	64	100%
2.	Number of returned questionnaires	57	89.06%
3.	Number of questionnaires that were not returned	7	10.94%
4.	Number of questionnaires that can be processed	57	89.06%

Source: Primary data processed, 2020

Based on Table 4.2. Above, it can be concluded that the questionnaires distributed in this study amounted to 64 questionnaires while 7 questionnaires did not return, or 10.94%, so that the number of questionnaires returned and could be processed into 57 questionnaires or as much as 89.06%.

4.1.2. Respondent Characteristics

1. Respondent identity based on gender

An overview of the identity of respondents based on gender can be seen in Table 4.3. following.

Table 4.3. Respondent Identity Based on Gender

Gender	Total	Percentage
Male	43	75%
Women	14	25%
Total	57	100%

Source: Primary data processed, 2020

Based on Table 4.3. Above shows that of the total 57 respondents, 75% or as many as 43 auditors of whom are male, while 25% or as many as 14 auditors are female.

2. Respondent identity based on latest education

An overview of the respondent's identity based on the latest education can be seen in Table 4.4. following.

Table 4.4. Respondent Identity Based on Latest Education

Last education	Total	Percentage
D3	5	9%
S1	45	79%
S2	7	12%
S3	0	0%
Total	57	100%

Source: Primary data processed, 2020

Based on Table 4.4. above, it can be seen that most of the respondents who work at KAP have 45 or 79% of the latest Strata-1 (S1) education, 7 people or 12% for Strata-2, 5 or 9% of Diploma 3, and auditors who has no Srata-3 education or as much as 0%.

3. Respondent identity based on length of work experience

An overview of the respondent's identity based on the length of work experience can be seen in Table 4.5.

Table 4.5. Identity of Respondents Based on Length of Work Experience

Length of Work Experience	Total	Percentage
< 1 year	2	4%
2 to 5 years	31	54%
6 to 10 years	22	39%
> 10 years	2	4%
Total	57	100%

Source: Primary data processed, 2020

Based on Table 4.5. above, it can be seen that based on the length of experience working as an auditor at the Public Accountant Office, several public accountants or auditors who have work experience <1 year are 4% or as many as 2 people, 2 to 5 years of 54% or as many as 31 people, 6 to 10. year by 39% or as many as 22 people, as well in the amount of 4% or as many as 2 people have worked at the Public Accountant Office concerned for more than 10 years.

4. Respondent identity based on position in the Public Accounting Firm

An overview of the identity of respondents based on their position in the Public Accounting Firm can be passed through Table 4.6. following.

Table 4.6. Respondent Identity Based on Position Position

Position Position	Total	Percentage
Junior Auditor	24	42%
Senior Auditor	26	46%
Auditor Supervisor	4	7%
Manager	3	5%
Partner	0	0%
Total	57	100%

Source: Primary data processed, 2020

Based on Table 4.6. Above, it can be seen that most of the respondents have positions as senior auditors, namely 46% or as many as 26 people, junior auditors as many as 42% or as many as 24 people, supervisor auditors by 7% or as many as 4 people and managers by 5% or as many as 3 people .

4.2. Data Quality Test Results

4.2.1. Validity Test Results

The validity test is done by comparing the respondent's answer value for each question or rcount with rtable. In this study, the r table used was 0.2609 in the degree of freedom, namely 55 (n - 2 or the number of samples of 57 - 2 = 55) and at the significance level of the two-way test of 5%. If the rcount value is greater than rtable, then each statement stated in the questionnaire is valid. The results of the validity test in this study can be seen in Table 4.7., Table 4.8., Table 4.9., And Table 4.10 below.

Table 4.7.Results of the Competency Variable Validity Test

Statement	R _{tabel} value	R _{hitung} value	Information
KP1	0.2609	0.814	Valid
KP2	0.2609	0.682	Valid
KP3	0.2609	0.695	Valid
KP4	0.2609	0.568	Valid
KP5	0.2609	0.691	Valid
KP6	0.2609	0.676	Valid
KP7	0.2609	0.459	Valid
KP8	0.2609	0.582	Valid
KP9	0.2609	0.525	Valid

Source: Primary data processed, 2020 (SPSS)

Based on Table 4.7. prove that the competency variable is declared valid because each item of the statement has a correlation value that is greater than r_{table} namely 0.2609 so that the nine items of the statement can measure what the researcher wants to measure.

Table 4.8.Results of the Integrity Variable Validity Test

Statement	R _{tabel} value	R _{hitung} value	Information
IN1	0.2609	0.658	Valid
IN2	0.2609	0.439	Valid
IN3	0.2609	0.440	Valid
IN4	0.2609	0.785	Valid
IN5	0.2609	0.696	Valid
IN6	0.2609	0.528	Valid
IN7	0.2609	0.566	Valid

Source: Primary data processed, 2020 (SPSS)

Based on Table 4.8. prove that the integrity variable is declared valid because the seven statements have a correlation value greater than r_{table} namely 0.2609 so that the seven items of the statement can measure what the researcher wants to measure.

Table 4.9.Results of the Objectivity Variable Validity Test

Statement	R _{tabel} value	R _{hitung} value	Information
OB1	0.2609	0.400	Valid
OB2	0.2609	0.490	Valid
OB3	0.2609	0.404	Valid
OB4	0.2609	0.574	Valid

OB5	0.2609	0.514	Valid
OB6	0.2609	0.483	Valid
OB7	0.2609	0.589	Valid
OB8	0.2609	0.524	Valid
OB9	0.2609	0.746	Valid
OB10	0.2609	0.404	Valid

Source: Primary data processed, 2020 (SPSS)

Based on Table 4.9. proving that the objectivity variable is declared valid because the ten items of the statement have a correlation value greater than r_{table} , namely 0.2609, so that the ten items of the statement can measure what the researcher wants to measure.

Table 4.10. Results of the Validity Test of Audit Quality Variables

Statement	Rtabel value	Rhitung value	Information
KA1	0.2609	0.419	Valid
KA2	0.2609	0.478	Valid
KA3	0.2609	0.399	Valid
KA4	0.2609	0.481	Valid
KA5	0.2609	0.484	Valid
KA6	0.2609	0.421	Valid
KA7	0.2609	0.550	Valid

Source: Primary data processed, 2020 (SPSS)

Based on Table 4.10. prove that the audit quality variable is declared valid because each item of the statement has a correlation value greater than r_{table} namely 0.2609 so that the ten items of the statement can measure what the researcher wants to measure.

4.2.2. Reliability Test Results

The reliability test in this study was used using Cronbach's Alpha where a research instrument can be declared reliable if the Cronbach's Alpha coefficient value has a value greater than 0.70 (Ghozali, 2018).

Table 4.11. Reliability Test Results

Variable	Cronbach's Alpha	Information
Competence	0.883	Reliable
Integrity	0.834	Reliable
Objectivity	0.815	Reliable
Audit Quality	0.743	Reliable

Source: Primary data processed, 2020 (SPSS)

Based on Table 4.11. It shows that the value reliability coefficient *Cronbach's Alpha* for the competency variable of 0.883, the integrity variable of 0.834, the objectivity variable of 0.815, and the audit quality variable of 0.743 so that it can be concluded that all research variables are declared reliable because they have a Cronbach's Alpha value greater than 0.70 and this indicates

that each statement item used is able to obtain consistent results, so that if the statement is submitted or reused, it will get relatively the same results.

4.3. Classical Assumption Test Results

4.3.1. Normality Test Results

1. Graph Analysis

In graphic analysis, if the data spreads around the diagonal line and follows the direction of the diagonal line, the regression model meets the normal distribution (Ghozali, 2018). To find out whether the residuals are normally distributed or not, it is used *normal probability plot* where in the graph the cumulative distribution is compared to the normal distribution. Following are the results of the normality test based on the P-Plot chart analysis in Figure 4.1.

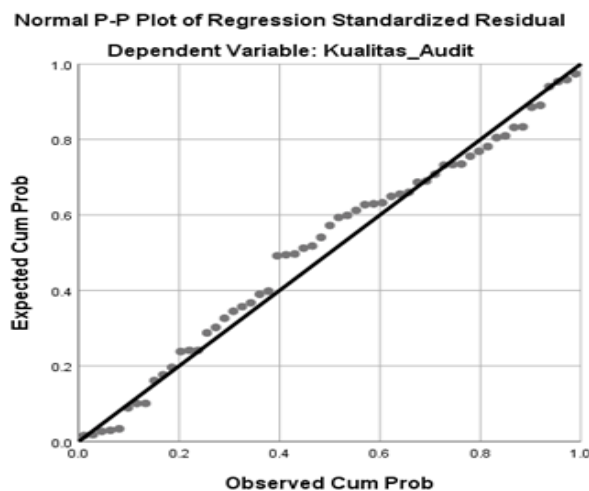


Figure 4.1. P-Plot Normality Test Results

Source: SPSS output (primary data processed, 2020)

Based on the appearance of Figure 4.1. In the output of the normality test, it can be concluded that the points (data) are scattered around the diagonal line and follow the direction of the line from the diagonal, so the regression model is feasible to use because it fulfills the assumption of normality.

2. Statistic analysis

Normality testing can then use statistical analysis to provide further explanation if an error occurs in interpretation through graphic analysis, so that in testing the distribution normally or not through statistical analysis, a Kolmogorov-Smirnov non-parametric test is required with the criterion of a significant value greater than 0.05 or 5%, then the data is normally distributed (Ghozali, 2018).

Table 4.12. Kolmogorov-Smirnov Non Parametric Test Results

		Unstandardized Residual
N		57
Normal Parameters ^a , b	Mean	,0000000
	Std. Deviation	0.67276709
Most Extreme Differences	Absolute	,105
	Positive	,058

	Negative	-, 105
Statistical Test		, 105
Asymp. Sig. (2-tailed)		.177c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: SPSS output (primary data processed, 2020)

Based on Table 4.12. Kolmogorov-Smirnov non-parametric test shows *Statistical Test* 0.105 and significant at 0.177, this means that the data meets the normality test because it has a significant value greater than 0.05 and is normally distributed.

4.3.2. Multicollinearity Test

To test multicollinearity is done by looking *Variance Inflation Factor (VIF)* and Tolerance. If the VIF value <10 and Tolerance > 0.10 , the variable can be said to have no multicollinearity. Conversely, if VIF > 10 and Tolerance < 0.10 then there is multicollinearity.

Table 4.13. Multicollinearity Test Results

Predictor	Tolerance	Variance Inflation Factor (VIF)	Information
Competence	0.992	1,008	There is no multicollinearity
Integrity	0.243	4,114	There is no multicollinearity
Objectivity	0.243	4,117	There is no multicollinearity

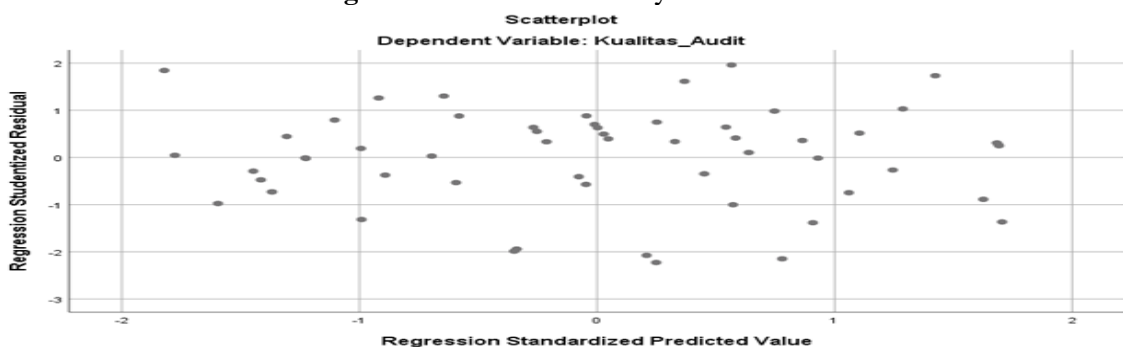
Source: Primary data processed, 2020 (SPSS)

Based on Table 4.13. The above shows that there is no multicollinearity in the competency, integrity, and objectivity variables. In the competency variable, the value is obtained *Tolerance* 0.992 is greater than 0.10 and the VIF value is 1.008 which is smaller than 10. In the integrity variable, the Tolerance value is $0.243 > 0.10$ and the VIF value is $4.114 < 10$. In the objectivity variable, the Tolerance value is $0.243 > 0.10$ and obtained a VIF value of $4.117 < 10$. So it can be concluded that there is no correlation between each independent variable because there is no one variable that has a VIF value > 10 and Tolerance < 0.10 and there is no multicollinearity.

4.3.3. Heteroscedasticity Test Results

The heteroscedasticity test is carried out to test whether in the regression model there is an inequality of variants from the residuals of one observation to another (Ghozali, 2018). In this study, to be able to determine the presence or absence of heteroscedasticity deviations was done using the Scatterplot graph in Figure 4.2. following.

Figure 4.2. Heteroscedasticity Test Results



Source: SPSS output (data processed, 2020)

Based on Figure 4.2. above shows that the scattered and irregular points above and below the number 0 (zero) on the Y axis so that it can be concluded that there is no heteroscedasticity in the regression model, therefore the regression model is suitable to be used to measure audit quality based on the independent variables that influence it. namely competence, integrity and objectivity of auditors.

4.4. Data Analysis Test Results

4.4.1. Multiple Linear Analysis Test Results

Multiple linear regression analysis is used by researchers to find out how the state of the dependent variable fluctuates, if two or more independent variables as predictor factors are manipulated (Sugiyono, 2018). The results of the multiple linear analysis test are presented in Table 4.14. following.

Table 4.14. Multiple Linear Regression Analysis Test Results

Coefficients ^a			
Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
(Constant)	-1,688	.699	
Competence	.024	.017	.035
Integrity	.126	.045	.140
Objectivity	.671	.039	.860

a. Dependent Variable: Audit_Quality

Source: SPSS output (data processed, 2020)

Based on Table 4.14. above, the test results of multiple linear regression analysis obtained from the regression coefficients above are as follows:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3$$

$$Y = -1.688 + 0.024 \text{ Competence} + 0.126 \text{ Integrity} + 0.671 \text{ Objectivity}$$

The regression equation shows a constant value of -1.688, which means that if other variables have a fixed value or value of 0 (zero), then without the competence, integrity, and objectivity variables as independent variables, the audit quality will decrease by -1.688.

The regression coefficient on the competency variable is 0.024, this means that if the competency variable changes by one unit on the condition that other variables do not change in value it will cause an increase in audit quality by 0.024 so that the auditor's competence has an influence on audit quality.

The regression coefficient on the integrity variable is 0.126, which means that if the integrity variable changes by one unit, provided that other variables do not change in value, it will cause an increase in audit quality by 0.126 so that the integrity of the auditor has an influence on audit quality.

The regression coefficient on the objectivity variable is 0.671 which means that if the integrity variable experiences a change of one unit, provided that other variables do not change in value, it will cause an increase in audit quality by 0.671 so that the integrity of the auditor has an influence on audit quality.

4.4.2. Result of Determination Coefficient Test (R2)

The coefficient of determination is done to find out how much the variable is attached to the dependent variable. The value of R2 has an interval level of 0 to 1 ($0 \leq R^2 \leq 1$). If the value of R2 is close to number 1, the independent variable can provide almost all the information needed to predict the correctness of the dependent variable. The coefficient of determination test results can be seen in Table 4.15. following.

Table 4.15.Determination Coefficient Test Results

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.984a	.968	.966		.69155

a. Predictors: (Constant), Objectivity_Auditor, Competence_Auditor, Integrity_Auditor

b. Dependent Variable: Audit_Quality

Source: SPSS output (data processed, 2020)

Based on Table 4.15. above, it is known that the R value is 0.984 or 98.4%, this means that the relationship between the factors that can affect audit quality is known to be strong because the R value is greater than 0.50. The coefficient of determination (*Adjusted R Square*) of 0.966 or 96.6%, which means that the competency, integrity, and objectivity variables can explain 0.968 or 96.8% of the audit quality. Meanwhile, 3.2% (100% -96.8%) is explained by other variables that are not in the research variable. Meanwhile the standard error of the estimate (SEE) is 0.69155, where the smaller the SEE value, the more precise the regression model will be in predicting the dependent variable.

4.5. T Test Results

The t test is done by comparing the t-count statistical value with the t-table. The t test can also be done by looking at the t significance of each variable in the regression output by comparing the significance level of 0.05. If $t_{count} > t_{table}$ or its significance level < 0.05 , then H_0 is rejected and H_a is accepted, which means that the independent variable has an influence on the dependent variable. Meanwhile, if $t_{count} < t_{table}$ or its significance level > 0.05 , then H_0 is accepted and H_a is rejected, then the independent variable has no effect on the dependent variable.

Based on the results of hypothesis testing, with the number of respondents as many as 57 ($n = 57$), the independent variable amounted to 3 ($k = 3$) then it was determined *Degree Of Freedom*($df = nk - 1$) ($57 - 3 - 1 = 53$). With a significance level of 0.05 and $df = 53$, the table is determined in Microsoft Excel using the following Insert Function formula.

$$T_{table} = TINV(\text{probability}; \text{deg_freedom}) \\ = TINV(0.05; 53)$$

$$T_{table} = 2.005746$$

The partial statistical t test results are presented in Table 4.1.6. as follows.

Table 4.16.T Statistical Test Results

Coefficientsa					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-1,688	.699		-2,415	.019
Auditor_ Competence	.024	.017	.035	2,422	.021

Integrity_Auditor	.126	.045	.140	2,809	.007
Objectivity_Auditor	.671	.039	.860	17,300	.000

a. Dependent Variable: Audit_Quality

Source: SPSS output (data processed, 2020)

V. CONCLUSION, IMPLICATIONS AND LIMITATIONS OF THE RESEARCH

5.1. Conclusion

This study aims to determine the effect of auditor competence, integrity, and objectivity on audit quality at public accounting firm in East Jakarta. This study obtained and used 57 auditors as respondents with the results of the research described, it can be concluded as follows:

1. Auditor competence has a positive effect on audit quality. The broader the knowledge they have and the more expertise gained through the experience of the auditors, the more thorough in their duties, the more accurate the services provided so that the resulting audit will be better.
2. Auditor integrity has a positive effect on audit quality. The more auditors reflect an attitude that is full of honesty, courage, and transparency, the more auditors will comply with applicable regulations so that this will make auditors more careful in acting and wiser in making decisions so that auditors can provide quality audits that can be accounted for to parties who use it.
3. Auditor objectivity has a positive effect on audit quality. An auditor who has an objective attitude towards the services he provides will not be easily affected by interference from other parties. The auditor must also prevent any bias or conflict of interest, both his own interests and the interests of others, so that all assessments and considerations for the services provided are in accordance with the information obtained so that the resulting audit quality is relevant and in accordance with existing facts.

5.2. Implications

Based on the results of these conclusions The implications that can be given in relation to this research are as follows:

1. The results of this study are aimed at auditors who work in public accounting firms in the East Jakarta region to maintain their integrity and objectivity in providing audit services or even increase their competence through continuous training or seminars so that they can provide maximum quality audits.
2. This research is expected to encourage further research by developing further with a wider research sample so that it can provide more accurate results. If the next researcher is interested in doing research with the same variables as this study, it is better if future researchers add additional variables not included in this study or carry out research in a different area from this research in order to obtain more representative research results.

5.3. Research Limitations and Further Research Development

The limitations experienced by researchers when conducting this research should be taken into consideration for further researchers in the future, namely as follows:

1. The research sample used in this study only includes auditors who work in the public accounting firm in the East Jakarta area, so that the research results obtained in this study cannot be generalized if they represent all auditors in DKI Jakarta.
2. The time period for distributing and taking questionnaires from the Public Accounting Firm cannot be ascertained, considering that the time for distributing the questionnaires coincided with the beginning of the year and in the peak season so that several auditors who worked at the KAP concerned were carrying out tasks outside the office or outside the

city so that the time for distribution questionnaires, answering questionnaires, and taking questionnaires are also limited because they depend on the availability of time from the Public Accounting Firm.

3. This study measures audit quality only limited to the aspects of auditor competence, auditor integrity, and auditor objectivity in accordance with respondents' perceptions through distributed questionnaires without direct interviews with respondents.

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