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**The Effect of Auditor Ethics, Auditor Experience, Audit
Fees and Auditor Motivation on Audit Quality**

Yeni Kuntari

Universitas Diponegoro
yenikuntari@gmail.com

Anis Chariri

Universitas Diponegoro
anis_chariri@live.undip.ac.id

Nurdhiana

Sekolah Tinggi Ilmu Ekonomi Widya Manggala
nurdhiana27@gmail.com

Abstract

This study aimed to determine the effect of auditor ethics, auditor experience, audit fees, and auditor motivation on audit quality of public accounting firm in Semarang. The populations in this study were auditors who work on public accounting firm in Semarang. The total population of public accounting firm in Semarang according to Indonesian Institute of Certified Public Accountants in 2016 was 98 respondents from 14 public accounting firms. Questionnaires were distributed to auditors in all those public accounting firm. This study used purposive sampling judgement with criteria of sample were they have worked and experienced in public accounting firm for one year. A total sample of this study is 30 respondents. Using multiple linier regression analysis the results show that auditor ethics had a significant positive effect on audit quality; auditor experience had a significant positive effect on audit quality; audit fees had a significant positive effect on audit quality; and auditor motivation had a significant positive effect on audit quality. Ethics, experience, fees and motivation of auditor had a significant positive effect on audit quality.

Keywords: Ethics, Experience, Fee, Motivation, Audit Quality

INTRODUCTION

Audit quality is one of criteria that used to ensure financial reporting is reliable. In the accounting profession, audit plays an important role in serving the public interest. The role is to increase manager accountability, strengthen investor confidence and make financial reporting more convincing. In line with changes in the business world, changes must be responded by management too, especially in protecting the interests of shareholders. Changes in accounting standards, financial reporting, and auditing are all designed to provide better protection to investors. This is a form of accountability that is the task of the manager. Auditing is used as a guarantee for investors who base their trust on financial reporting.

The role of auditing is to decrease information asymmetry of accounting number, and minimize the residual loss of managerial opportunities in financial reporting. Auditing which is a guaranteed quality audit provides the fairness of accounting information for corporate stakeholders.

De Angelo (1981) defines audit quality as a market mechanism that enables audits to find anomalies of financial statements, and discloses them. Audits are understood as a process that systematic, procedural, independent of interest, and documented to obtain audit evidence and objectively evaluate to determine what extent the audit criteria can be met (SNI 19-19011-2005). From these terms, audit quality is used as the main mechanism. Besides being used by the company, the results of the audit can also be used by outsiders such as potential investors, investors, creditors, *Bapepam* and other related parties to assess the company and make strategic decisions in relation with the business. In this case, a public accountant serves as a third party connecting the company management with outside parties. From the public accounting profession, the public expects free and impartial assessments of the information presented by the management of the company in the financial statements (Mulyadi and Puradireja, 1998 as cited by Rahardja and Handjani (2014).

Each auditor is expected to uphold the professional ethics set by the Institute of Indonesia Chartered Accountant (IAI), so that unfair competition situation can be avoided. Accountant ethics is a very interesting issue. This is in line with the occurrence of several violations of ethics conducted accountants both independent accountants, corporate internal accountants and government accountants (Dewi, 2009). For example, some companies have a case that related to auditor ethics professionalism: Enron case (2001), WorldCom case (2001), Kimia Farma case (2002), Telkom case (2002), Lippo case(2003) (Raharja and Handjani, 2014).

Mulyadi & Puradiredja (2002) stated that if someone enters a career as a public accountant, he must first seek professional experience under the supervision of a more experienced senior accountant. Even in order for a new accountant to finish his formal education to undergo technical training in his profession, the government requires at least three years of experience as an accountant with a good reputation in the audit field for accountants seeking a license to practice in

the public accounting profession (Decree of the Minister of Finance Republic Indonesia No.43/KMK.017/1997).

The other factors that may affect the auditor to take decisions in providing audit opinion are audit fees (Rahardja and Handjani, 2014). According to Wanous et al. (1983) audit fee is one of the factors that an auditor want to carry out his work. According Jusup (2001), the amount of audit fees may vary depends on, among others: the risk of assignment, the complexity of the services provided, the level of expertise required to perform the service, the structure of the corresponding of public accountant firm costs and other professional considerations.

In the field of auditing, motivation is the degree of how much encouragement individual auditors have to perform quality audits (Robbin and Judge, 2008). The auditor motivation is measured using eight statement items that describe the level of auditor perception about how much motivation it has to carry out the audit process well, i.e. the level of aspiration that wants to be realized through quality audits, toughness, tenacity, and consistency. The purpose of this study was to analyze the influence of auditor ethics, auditor experience, audit fees and auditor motivation on audit quality at Public Accounting Firm in Semarang, Indonesia.

LITERATURE REVIEW

Audit Quality

Audit quality is the ability of an auditor in performing its duties, where in auditing the auditor can find the client's mistake and report it. De Angelo (1981) define audit quality as a probability that the auditor will find and report the violations in the client's accounting system.

Audit quality is related to the auditor assurance in the form of a statement that the financial statements do not present material or fraudulent error. In addition, Coram & Woodliff (2003) stated that the quality of audits can be seen from the level of compliance auditor in implementing various stages that should be implemented in an audit, while according to the Institute of Indonesia Chartered Accountant (IAI) stated that audits conducted by auditors are to be qualified, if it meets auditing standards and standards of quality control. Rahardja and Hanjani (2014) stated that the factors that affect the quality of the audit are auditor ethics, auditor experiences, audit fee, and auditor motivations.

Auditor Ethics

Working as a public accountant, professionalism is the main requirement of this profession (Yasin & Nelson, 2012). Because in addition to professions working on public trust, the contribution of public accountants to the economy is enormous. Kinney (1975) as cited by Arrens and Loebbecke (1997) stated that auditor have a big role to improve credibility and reputation of company. In

addition, some researchers such as Peursem (2005) see that auditors play an important role in information networks in a company.

The simple logic that in order for a country's economy machine to channel public funds into productive operations that operate efficiently, it is necessary to provide reliable financial information, which allows investors to decide where their funds will be invested. For that needed a public accountant as an appraiser of information presented by management. So it is clear that so large the role of public accountants in the economy, especially within the scope of the company requires this profession to always be professional and adhere to the ethics and rules that apply.

Auditor Experiences

Mulyadi & Puradiredja (2002), if someone enters a career as a public accountant, he/she must first seek professional experience under the supervision of a more experienced senior accountant. Even for the accountant who has just completed his/her formal education can immediately undergo technical training in his/her profession, the government requires work experience of at least three years as an accountant with a good reputation in the audit field for accountants who want to obtain a license in the public accounting profession (Decree of the Minister of Finance Republic Indonesia No.43/KMK.017/1997).

Audit Fee

Kinney & Libby (2002) stated that audit fees are the amount of costs received by considering various things such as the complexity of the services provided, the level of expertise, and others.

Auditor Motivation

Motivation in auditing is the degree to which the auditor has the drive to perform quality audits (Goleman, 2001). Auditor motivation is measured using eight statement items that describe the level of auditor perception of how much motivation it has to carry out the audit process well, i.e., the level of aspiration that wants to be realized through quality audits, toughness, tenacity, and consistency.

Previous Research

This study was developed from the study of Bouhawia et al. (2015) and Kurnia et al. (2014). Bouhawia et al. (2015) examine the effect of work experience, independence, objectivity, integrity, competence, and organizational commitment on audit quality. Kurnia et al. (2014) examine the effect of competence, independence, time pressure, and auditor ethics on quality audit.

Hypothesis

H₁ : auditor ethics has a positive effect on audit quality

H₂ : auditor experience has a positive effect on audit quality

H₃ : audit fee has a positive effect on audit quality

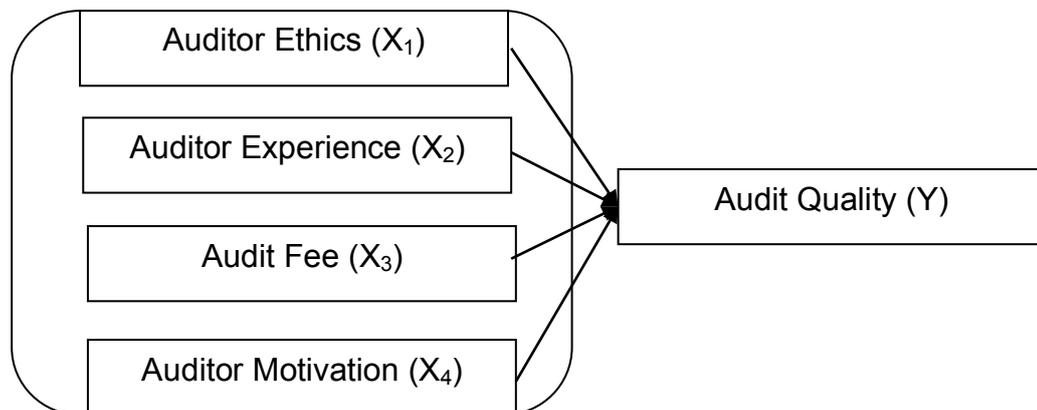
H₄ : auditor motivation has a positive effect on audit quality

H₅ : auditor ethics, auditor experience, audit fee and auditor motivation have a positive effect on audit quality

Theoretical Framework

Theoretical framework of this study is as follows:

Figure 1. Theoretical Framework



METHODS

This study is a causal-comparative research, which can be define as a type of research with the characteristics of problems in the form of causal relationships to observe the consequences that arise and re-stimulate the factors causing it.

Data Collection Method

Population sample in this study is auditor at Public Accounting Firm in Semarang. There are 98 auditors from 14 Public Accounting Firm in Semarang based on data from Indonesian Institute of Certified Public Accountants in 2016. Table 1 show the distribution of auditors in each Public Accounting Firm in Semarang.

The data in this study were collected through hand delivery survey, questionnaires are sent by delivering directly to the addresses of respondents. Questionnaires were distributed to auditor at Public Accounting Firm in

Semarang. This study used non probability sampling with judgment sampling. The criteria of sample in this study are (1) respondents have worked as an auditor for 3 years, and (2) respondents have been joined in the last public accounting firm at least 1 year. A total sample of this study is 30 respondents.

Table 1. Research Population Table

| No. | Public Accounting Firm (KAP) | The Number of Auditor |
|---------------------------------|--|------------------------------|
| 1 | KAP Leonard, Mulia & Richard (Branch) | 11 |
| 2 | KAP Drs. Tahir Hidayat | 6 |
| 3 | KAP I. Soetikno | 8 |
| 4 | KAP Drs. Sugeng Pamudji | 16 |
| 5 | KAP Ruchendi, Mardjito, Rushadi | 4 |
| 6 | KAP Bayudi Watu & Rekan | 7 |
| 7 | KAP Tarmizi Achmad | 16 |
| 8 | KAP Heliantono & Rekan | 3 |
| 9 | KAP Darsono & Budi Cahyo Santoso | 4 |
| 10 | KAP Arie Rachim | 5 |
| 11 | KAP Yulianti, SE, BAP | 5 |
| 12 | KAP Riza, Adi, Syahril & Rekan | 3 |
| 13 | KAP Drs. Beny Tony Frans & Daniel | 5 |
| 14 | KAP Hadori Sugiarto Adi dan Rekan (Branch) | 5 |
| The Number of Population | | 98 |

Variables and Measures

There are two type of variables in this study that is independent and dependent variable. Independent variables in this study consist of auditor ethics, auditor experience, audit fee and auditor motivation. Dependent variable in this study is audit quality.

Auditor ethics was measured using indicators: (1) audit report can be accounted by the auditor, to improve audit quality; (2) audit report in accordance with the rules of the Financial Accounting Standards that have been determined; (3) if an audit report is a mistake, the auditor is able to account for the audit report to improve the quality of the audit; (4) auditors have a sense of responsibility if the results of the examination still requires improvement and refinement; (5) auditors always weigh the following audit issues and their consequences carefully.

Auditor experience was measured using indicators: (1) conduct an audit over 3 years, so it becomes better to audit; (2) the longer it becomes auditor, the more it can detect errors that occur on the examination object; (3) many clients are already audited so that it makes better when doing the audit; (4) the auditor team that has moved KAP will enrich the experience as an auditor; (5) auditor ability in auditing is reflected in the number of experiences.

Audit fee was measured using indicators: (1) audit quality is determined by the amount of audit fee received and the complexity of the work; (2) audit quality is determined by the amount of audit fee received and the level of auditor expertise; (3) audit quality is determined by the amount of audit fee received and audit risk encountered; (4) the quality of the audit is determined by the amount of audit fees received and the effort to obtain clients; (5) the quality of the audit is determined by the amount of audit fees received and the effort to retain clients.

Auditor motivation was measured using indicators: (1) the results of the audit are really utilized by the policy makers so that it will have a considerable effect on improving the quality of public services; (2) frequent self-introspection; (3) will maintain audit results even though different from other peer team audit results; (4) seriousness in performing tasks is often influenced by mood.

Audit quality was measured using indicators: (1) audit report contains objective findings and conclusions of the audit results, as well as constructive recommendations; (2) the resulting report must be accurate, complete, objective, convincing, clear, concise, and timely so that the information provided is of maximum benefit; (3) the report shall state the explanation or response of the official/party of the audit object about the audit result; (4) the report discloses matters which are issues that have not been resolved until the end of the audit; (5) the report should be able to express recognition of a successful achievement or an improvement action that has been carried out by the audit object.

Analysis Method

This study used multiple linear regression analysis method by using SPSS program, the formula is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Formula remarks:

Y = Audit Quality

a = Constanta

b = The regression coefficient

X₁ = Auditor Ethics

X₂ = Auditor Experiences

X₃ = Audit Fee

X₄ = Auditor Motivation

Hypothesis tested by using t-test and f-test. Acceptance criteria of H_0 and H_a in t-test results are: (1) H_0 accepted and H_a refused, if $-t_{table} < t\text{-count} < t_{table}$ = there is no significant effect between independent variable to dependent variable; (2) H_0 refused and H_a accepted, if $t\text{-count} \geq t_{table}$ or $t\text{-count} \leq -t_{table}$ = there is significant effect between independent variable to dependent variable. Acceptance criteria from f-test results is acceptance H_0 means the regression coefficient is not significant or not considered equal to zero, so the variable X_1 , X_2 , X_3 , and X_4 (auditor ethics, auditor experience, audit fee, and auditor motivation) in the regression model together does not have a significant effect on Y (audit quality).

FINDINGS

Reliability Test

Test of Reliability is a test conducted to determine whether these variables can be trusted for further testing. Here are the results of the reliability testing of each variable:

Table 2. Reliability Test

| No. | Variable | Cronbach's Alpha | Description |
|-----|--------------------|------------------|-------------|
| 1 | Auditor Ethics | 0.805 | Reliable |
| 2 | Auditor Experience | 0.784 | Reliable |
| 3 | Audit Fee | 0.732 | Reliable |
| 4 | Auditor Motivation | 0.782 | Reliable |
| 5 | Auditor Quality | 0.714 | Reliable |

Validity Test

Validity test is used to measure whether a questionnaire valid or not valid. In this study validity test done by looking at the significance of the correlation coefficient between each item or indicator to the total score of variables that show the results of probability $< 0,01$ or $< 0,05$ meaning significant (Ghozali, 2003). The results of the validity test are shown in the following table:

Table 3. The Results of Auditor Ethics Validity Test

| | | X1.1 | X1.2 | X1.3 | X1.4 | X1.5 | X1 |
|------|---------------------|--------|--------|--------|--------|--------|--------|
| X1.1 | Pearson Correlation | 1 | .601** | .679** | .425* | .430* | .801** |
| | Sig. (2-tailed) | | .000 | .000 | .019 | .018 | .000 |
| | N | 30 | 30 | 30 | 30 | 30 | 30 |
| X1.2 | Pearson Correlation | .601** | 1 | .674** | .413* | .394* | .796** |
| | Sig. (2-tailed) | .000 | | .000 | .023 | .031 | .000 |
| | N | 30 | 30 | 30 | 30 | 30 | 30 |
| X1.3 | Pearson Correlation | .679** | .674** | 1 | .633** | .627** | .910** |
| | Sig. (2-tailed) | .000 | .000 | | .000 | .000 | .000 |
| | N | 30 | 30 | 30 | 30 | 30 | 30 |
| X1.4 | Pearson Correlation | .425* | .413* | .633** | 1 | .539** | .743** |

| | | | | | | | |
|------|---------------------|--------|--------|--------|--------|--------|--------|
| | Sig. (2-tailed) | .019 | .023 | .000 | | .002 | .000 |
| | N | 30 | 30 | 30 | 30 | 30 | 30 |
| X1.5 | Pearson Correlation | .430* | .394* | .627** | .539** | 1 | .725** |
| | Sig. (2-tailed) | .018 | .031 | .000 | .002 | | .000 |
| | N | 30 | 30 | 30 | 30 | 30 | 30 |
| X1 | Pearson Correlation | .801** | .796** | .910** | .743** | .725** | 1 |
| | Sig. (2-tailed) | .000 | .000 | .000 | .000 | .000 | |
| | N | 30 | 30 | 30 | 30 | 30 | 30 |

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 4. The Results of Auditor Experience Validity Test

| | | X2.1 | X2.2 | X2.3 | X2 |
|------|---------------------|--------|--------|--------|--------|
| X2.1 | Pearson Correlation | 1 | .828** | .562** | .769** |
| | Sig. (2-tailed) | | .000 | .001 | .000 |
| | N | 30 | 30 | 30 | 30 |
| X2.2 | Pearson Correlation | .828** | 1 | .761** | .842** |
| | Sig. (2-tailed) | .000 | | .000 | .000 |
| | N | 30 | 30 | 30 | 30 |
| X2.3 | Pearson Correlation | .562** | .761** | 1 | .821** |
| | Sig. (2-tailed) | .001 | .000 | | .000 |
| | N | 30 | 30 | 30 | 30 |
| X2 | Pearson Correlation | .769** | .842** | .821** | 1 |
| | Sig. (2-tailed) | .000 | .000 | .000 | |
| | N | 30 | 30 | 30 | 30 |

** . Correlation is significant at the 0.01 level (2-tailed).

Table 5. The Results of Auditor Motivation Validity Test

| | | X4.1 | X4.2 | X4 |
|------|---------------------|--------|--------|--------|
| X4.1 | Pearson Correlation | 1 | .635** | .817** |
| | Sig. (2-tailed) | | .000 | .000 |
| | N | 30 | 30 | 30 |
| X4.2 | Pearson Correlation | .635** | 1 | .716** |
| | Sig. (2-tailed) | .000 | | .000 |
| | N | 30 | 30 | 30 |
| X4 | Pearson Correlation | .817** | .716** | 1 |
| | Sig. (2-tailed) | .000 | .000 | |
| | N | 30 | 30 | 30 |

** . Correlation is significant at the 0.01 level (2-tailed).

Table 6. The Results of Audit Fee Validity Test

| | | X3.1 | X.3.2 | X.3.3 | X3 |
|------|---------------------|------|--------|-------|--------|
| X3.1 | Pearson Correlation | 1 | .682** | .370* | .690** |
| | Sig. (2-tailed) | | .000 | .044 | .000 |

| | | | | | |
|-------|---------------------|--------|--------|--------|--------|
| | N | 30 | 30 | 30 | 30 |
| X.3.2 | Pearson Correlation | .682** | 1 | .374* | .692** |
| | Sig. (2-tailed) | .000 | | .042 | .000 |
| | N | 30 | 30 | 30 | 30 |
| X.3.3 | Pearson Correlation | .370* | .374* | 1 | .696** |
| | Sig. (2-tailed) | .044 | .042 | | .000 |
| | N | 30 | 30 | 30 | 30 |
| X3 | Pearson Correlation | .690** | .692** | .696** | 1 |
| | Sig. (2-tailed) | .000 | .000 | .000 | |
| | N | 30 | 30 | 30 | 30 |

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 7. The Results of Audit Quality Validity Test

| | | | | |
|-----|---------------------|--------|--------|--------|
| | | Y.4 | Y.5 | Y1 |
| Y.4 | Pearson Correlation | 1 | .837** | .731** |
| | Sig. (2-tailed) | | .000 | .000 |
| | N | 30 | 30 | 30 |
| Y.5 | Pearson Correlation | .837** | 1 | .578** |
| | Sig. (2-tailed) | .000 | | .001 |
| | N | 30 | 30 | 30 |
| Y | Pearson Correlation | .731** | .578** | 1 |
| | Sig. (2-tailed) | .000 | .001 | |
| | N | 30 | 30 | 30 |

** . Correlation is significant at the 0.01 level (2-tailed).

From the above data shows that the correlation between each indicator shows some indicators have a significant result. So it can be concluded that indicator question that used in this study is valid.

Hypothesis Testing

This study used multiple linear regression to analyze the data. The results of normality test with one-sample Kolmogorov-Smirnov test showed that the distribution of data is normal. Kolmogorov-Smirnov Z values for auditor ethics, auditor experience, audit fee, auditor motivation, and audit quality are 0.773, 1.020, 1.101, 1.260, 0.916 and not significance at 0.05. The results of multicollinearity test showed that there is no multicollinearity between independent variables in the regression model (the VIF value is less than 10 and Tolerance value greater than 0.1). The VIF value for auditor ethics, auditor experience, audit fee, auditor motivation, and audit quality are 1.114, 1.251, 2.249, and 2.054 with tolerance values 0.898, 0.799, 0.445, and 0.487. The results of heteroscedasticity test in this study showed that there is no heteroscedasticity in the model regression.

Table 8 show the results of multiple linear regression analysis in this study. The coefficient of determination (Adjusted R²) value for the regression model in this study is 0.867. It means that 86.7% variation of audit quality can be explained by the variation of auditor ethics, auditor experience, audit fee and auditor motivation while the remaining 13.3% are explained by other variables in outside model that used in this study.

Hypothesis one in this study said that auditor ethics has a positive effect on audit quality. Based on the results of regression analysis on Table 8, auditor ethics has a positive coefficient of 0.177 and its significance value is smaller than 0.05 that is 0.000. The results of comparison between t-count and t-table show that t-count for auditor ethics is greater than t-table (t-count 4.225 > t-table 2.0595). Based on these results, H₁ is accepted and it can be concluded that auditor ethics has a positive effect on audit quality. This results support the theory that professionalism is the main requirement as a public accountant. Because in addition to professions that works on public trust, the contribution of public accountants to the economy is very big. Arrens and Loebbecke (1997) said that auditor role to improve the credibility and reputation of the company is enormous.

Table 8. Multiple Linear Regression Results

| | | Coefficients ^a | | | | |
|----------------------------|--------------------|-----------------------------|------------|---------------------------|--------|-------|
| | | Unstandardized Coefficients | | Standardized Coefficients | | |
| Model | | B | Std. Error | Beta | T | Sig. |
| 1 | (Constant) | 0.945 | 1.273 | | 0.743 | 0.465 |
| | Auditor Ethics | 0.177 | 0.042 | 0.301 | 4.225 | 0.000 |
| | Auditor Experience | 0.183 | 0.055 | 0.254 | 3.364 | 0.002 |
| | Audit Fee | 0.261 | 0.068 | 0.391 | 3.853 | 0.001 |
| | Auditor Motivation | 0.373 | 0.081 | 0.447 | 4.611 | 0.000 |
| R | | | | | 0.941 | |
| R Square | | | | | 0.886 | |
| Adjusted R Square | | | | | 0.867 | |
| Std. Error of the Estimate | | | | | 0.887 | |
| F | | | | | 48.437 | |
| Sig. F | | | | | 0.000 | |
| t-table | | | | | 2.0595 | |
| F-table | | | | | 2.76 | |

Dependent Variable: Audit Quality

Hypothesis two in this study said that auditor experience has a positive effect on audit quality. Table 8 show that auditor experience has a positive coefficient of 0.183 and its significance value is smaller than 0.05 that is 0.002. The results of comparison between t-count and t-table show that t-count for auditor experience

is greater than t-table ($t\text{-count } 3.364 > t\text{-table } 2.0595$). Based on these results, H_2 is accepted and it can be concluded that auditor experience has a positive effect on audit quality.

The results of H_2 in this study support the theory that the more work experience of an auditor is increasing the quality of the examination results. Work Experience according to professional standards of public accountants (SPAP, 2001), in the first general standard of PSA no 4, i.e., in conducting audits to arrive at a statement of opinion, auditor should always act as an expert in accounting and auditing. The attainment of such expertise begins with formal education, which is expanded through subsequent experiences in audit practice. Auditor work experience is an experience that the auditor has in auditing in terms of duration of work as an auditor and the number of inspection duties that have been done. This is in accordance with Sukriah et al. (2009) showed that work experience has a positive effect on quality of examination results. The experience of public accountants will continue to increase along with the increasing number of audits performed and the complexity of audited corporate financial transactions that will add and expand its knowledge in the field of accounting and auditing (Christiawan, 2002). It identified that the longer period of work and experience the auditor has, its will be better and can improve audit quality (Alim et al., 2007).

Hypothesis three in this study said that audit fee has a positive effect on audit quality. Based on the results of regression analysis on Table 8, audit fee has a positive coefficient of 0.261 and its significance value is smaller than 0.05 that is 0.001. The results of comparison between t-count and t-table show that t-count for audit fee is greater than t-table ($t\text{-count } 3.853 > t\text{-table } 2.0595$). Based on these results, H_3 is accepted and it can be concluded that audit fee has a positive effect on audit quality.

The results of H_3 in this study support the theory that in the amount of the membership fee may vary depending on among others: the assignment risk, the complexity of the services provided, the level of expertise that is treated to carry out the service, the structure of the corresponding public accounting firm costs and other professional judgments. Public accounting firm members are not allowed to obtain clients by offering fees that can damage the professional image (Mulyadi & Puradiredja, 2002). In the code of ethics of Indonesian accountants (SPAP, 2001), it is regulated that the benefits of professional services should not depend on the results or findings on the execution of such services.

Hypothesis four in this study said that auditor motivation has a positive effect on audit quality. Table 8 show that auditor motivation has a positive coefficient of 0.373 and its significance value is smaller than 0.05 that is 0.000. The results of comparison between t-count and t-table show that t-count for auditor motivation is greater than t-table ($t\text{-count } 4.611 > t\text{-table } 2.0595$). Based on these results, H_4 is accepted and it can be concluded that auditor motivation has a positive effect on audit quality.

The results of H_4 in this study support the theory that motivation is a process that explains the intensity, direction, and perseverance of an individual to

achieve his goals. The three main elements in this definition include intensity, direction, and persistence. This is in accordance with the research of Terry as cited by Deliarnov (1996) stated that motivation is defined as the desire from within which encourages a person to act. O'Donnell as cited by Deliarnov (1996) describes motivation as an encouragement and effort to fulfill or satisfy a need or a goal. Audit quality will be high if the desire and needs of auditors who make the motivation work can be fulfilled. The compensation of the organization in the form of rewards according to their profession, will lead to the quality of the audit because they feel that the organization has been concerned with the needs and expectations of their work.

Hypothesis five in this study said that auditor ethics, auditor experience, audit fee and auditor motivation have a positive effect on audit quality. Table 8 show the value of F-count and F-table. The results of comparison between F-count and F-table show that F-count is greater than F-table (F-count 48.437 > F-table 2.76) and its significance value is smaller than 0.05 that is 0.000. Based on these results, H_5 is accepted and it can be concluded that auditor ethics, auditor experience, audit fee and auditor motivation have a positive effect on audit quality.

The results of H_5 in this study support the theory that audit quality is the ability of an auditor in carrying out its duties where in auditing the auditor can find client errors and report it. This is in accordance with research De Angelo (1981) and Coram & Woodliff (2003). De Angelo (1981) define audit quality as a probability that the auditor will find and report the violations in the client's accounting system. Besides that, this results is in accordance with De Angelo (1981) and Carcello & Neal (2000) research which says that large public accounting firm will strive to present greater audit quality compared to small public accounting firms. Measuring audit quality is not easy because audit quality is difficult to measure objectively, so researchers have used various dimensions of audit quality. The quality of the audit is related to the auditor's assurance in the form of a statement that the financial statements do not present material or fraudulent error. In addition, as quoted by Coram & Woodliff (2003) states that audit quality can be seen from the level of compliance auditor in carrying out various stages that should be implemented in an audit.

CONCLUSION

The results of this study indicate that the entire hypothesis (H_1 , H_2 , H_3 , H_4 , H_5) in this study is supported. This means that auditor ethics, auditor experience, audit fee, and auditor motivation are the determinant factors that can affect audit quality. Auditor ethics has a positive effect on audit quality. Auditor experience has a positive effect on audit quality. Audit fee has a positive effect on audit quality. Auditor motivation has a positive effect on audit quality. Auditor ethics, auditor experience, audit fee and auditor motivation have a positive effect on audit quality.

Based on the results of previous research and discussion, there are some suggestions from this study. First, the results of this study show that auditor experience shows the smallest value compared with other variables. Mulyadi &

Puradiredja (2002) stated that if someone enters a career as a public accountant, he/she must first seek professional experience under the supervision of a more experienced senior accountant. Even for the accountant who has just completed his formal education can immediately undergo the training in his profession, the government requires working experience of at least three years as an accountant with a good reputation in the field of auditing for accountants who wish to obtain a practice license in the public accounting profession (The Decree of the Finance Minister Republic Indonesia No. 43/KMK.017/1997). This is show that only a small number of auditors are inexperienced in dealing with clients of large corporations who want to use their services. Second, for the public accounting firm, most of the auditors should have working experience at least 3 years. In order to improve his experience better often discuss with senior auditors with more experience. Third, for future research is expected to conduct better research, especially by adding external factors such as the complexity in checking finance, a large number of companies and spread throughout Indonesia.

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