

THE EFFECT OF AUDITOR PERSONAL CHARACTERISTICS ON ACCEPTANCE OF AUDIT DYSFUNCTIONAL BEHAVIOR (Study at Public Accounting Firm in Bandung)

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ABSTRACT

This research aims to determine how the characteristics of personal auditor are employee performance, organizational commitment and turnover intention at public accounting firm (KAP) in Bandung and to find out the Effect of Personal Auditor Characteristics on Acceptance of Audit Dysfungsional behavior. The method used in this research is descriptive analysis method. The sample in this study was determined by probability sampling method, meaning that the questionnaires were distributed randomly to KAP in Bandung. The population in this study are auditors who work at KAP in Bandung. The data analysis in this research is using multiple linear regression analysis. The results of this study indicate that partially employee performance and organizational commitment affect the acceptance of dysfunctional audit behavior, while turnover intention as no effect on acceptance of dysfunctional audit behavior. While simultaneously showing that employee performance, organizational commitment and turnover intention affect the acceptance of dysfunctional audit behavior.

Keywords: *employee performance, organizational commitment, turnover intention, dysfunctional audit behavior.*

INTRODUCTION

Audit or accounting examination is the process of gathering evidence of information to determine the level of conformity between information and established standards (Mulyadi: 2002). Someone who is competent and has the authority to conduct an audit is called an auditor.

According to Syahputra et al. (2015), auditor is a profession that has special qualifications in auditing financial statements and activities or operations of a company or organization. Regardless of their authority to audit the company's or organization's financial statements, there are still auditors who audit the company's financial statements that are not in accordance with established audit standards and procedures or what is called dysfunctional audit behavior.

According to Febrina (2012), dysfunctional audit behavior is a reaction from individuals to the environment, regulation or control system. A very tight control system can create anxiety for an auditor and can lead to out-of-procedure audit behavior.

The act of dysfunctional audit behavior can harm many parties, both the company being audited and the Public Accounting Firm where he works. In fact, the public accounting profession is a profession that is responsible for ensuring the level of trust or reliability of financial statements.

In carrying out an audit of dysfunctional behavior, an auditor will usually first understand the small gaps of every matter related to the audit to facilitate the auditor's steps to take action. This will have a direct impact on the audit procedures that should be followed. According to

Kiryanto (2015), dysfunctional audit behavior has a direct impact on audit quality results, while also increasing direct threats to several important points including inaccurate staff evaluations, loss of company revenue and also the company's future budget.

One of the factors that can affect the level of acceptance of dysfunctional audit behavior is the personal characteristics of the auditor. Auditor personal characteristics that can affect the acceptance of dysfunctional audit behavior, including external locus of control (Hartati, 2012; Evanuli, 2013; Basudewa et al., 2015; Pertiwi, 2015; Agustin et al, 2015; Devi and Suaryana, 2016), employee performance (Hadi and Nirwanasari, 2014; Devi and Suaryana, 2016), organizational commitment (Aisyah et al., 2012; Basudewa et al., 2015; Madinah, 2017) and turnover intention (Febrina, 2012; Devi and Suaryana, 2016; Madinah, 2017).

From previous studies, it is known that the external locus of control variable is a strong predictor in influencing dysfunctional audit behavior, while other variables such as employee performance, organizational commitment and turnover intention still show diverse effects, some researchers prove an influence while others do not.

Based on the research that has been done before, and the differences in the results of the influence of previous studies, the researcher wants to re-examine the factors that influence the acceptance of dysfunctional audit behavior by auditors. In this study, the researcher wants to re-examine the personal characteristics of the auditor, namely the employee performance variables, organizational commitment, and turnover intention, and eliminate the locus of control variable because the majority of the results from previous studies have a positive effect on dysfunctional audit behavior.

This research is relevant to be carried out during the Covid-19 pandemic because many companies have experienced a

decline in performance due to the Covid-19 crisis which resulted in the risk of doing creative accounting or manipulation of financial statements, in such conditions the professionalism of auditors is highly tested, therefore in this study the author would like to provides an overview of how professional the auditor is and how the causal relationship is with the auditor's personal characteristics. In addition, this research is important for the Public Accounting Firm (KAP) to emphasize all auditors to work professionally by giving high priority.

Based on the background that has been presented above, the authors are interested in conducting this research with the aim of knowing whether or not there is an influence of the auditor's personal characteristics, namely employee performance, organizational commitment and turnover intention on the acceptance of dysfunctional audit behavior.

THEORETICAL BASIS

AUDIT DYSFUNCTIONAL BEHAVIOR

Dysfunctional audit behavior is an action taken by the auditor by manipulating data in the audit process which can reduce the quality of the audit directly or indirectly solely so that the auditor gets personal gain. Dysfunctional audit behavior is a form of manipulation in the audit process that aims to make the auditors get personal benefits from such behavior (Donnelly et al, 2003). Actions that lead to dysfunctional audit behavior can be caused by the existence of a very tight control system from the work environment that causes conflict in the individual (Otley and Pierce, 1996).

Dysfunctional audit behavior that directly affects audit quality is altering of audit procedures and premature sign off, while those that affect indirectly are underreporting of time. Obtaining less evidence, less accurate processes and audit stage errors are also the effects of dysfunctional audit behavior.

EMPLOYEE PERFORMANCE

Performance is something that an individual wants to achieve or a person's ability to show to others. Many experts define or interpret this performance. However, in principle, performance is the achievement of the results of a process that has been carried out. From the auditor's point of view, performance is the result of work achieved by an auditor in carrying out his duties, in accordance with responsibilities and becomes one of the measures used to determine whether or not a job is good (Hanif, 2013).

Dysfunctional audit behavior will appear when the auditor feels he does not have the ability to achieve the results desired by himself through their own efforts. Thus, auditors who consider their performance low will more easily accept dysfunctional audit behavior than auditors with high performance (Susanti, 2015).

ORGANIZATIONAL COMMITMENT

Organizational commitment is the level of an employee in favor of the company which is assessed through the employee's loyal attitude towards the company he occupies.). Organizational commitment is also an individual assessment that refers to a person's loyal attitude to the company he occupies (Grahita, 2016).

Organizational commitment can be built if each individual develops three attitudes that are interconnected with the organization, namely identification, involvement and loyalty (Lubis, 2014). Identification is defined as a person's understanding of the vision, mission or goals of the organization. While involvement (involvement) is defined as a feeling involved in a job. For example, an employee who feels happy with the work he does. Then loyalty itself means a feeling that the organization where they work is the place where they both live.

Organizational commitment can be distinguished into three characteristics, namely (1) a strong belief in and a strong acceptance of organizational goals, (2) a desire to work seriously for the realization

of organizational goals, and (3) have a strong desire to remain a part of the organization. From the three characteristics above, it can be concluded that organizational commitment is a manifestation of individual acceptance of organizational goals so that it can motivate the individual to seek membership in an organization (Susanti, 2015).

TURNOVER INTENTION

Turnover Intention is the desire of an auditor to leave the organization that the auditor occupies. The auditor's perceived desire to leave the organization where the auditor works tends to be because they are not worried about the sanctions that will be received if the behavior is detected (Malone and Roberts, 1996). Turnover intention can be influenced by skills and abilities, where the lack of an auditor's ability to reduce or eliminate the desire to leave the organization so that they remain in the Public Accounting Firm (KAP) where they work even though there is a desire to change places of work.

Individuals who have turnover intention are more likely to work without fear of the consequences of the actions that the individual has made. Someone who has turnover intention will tend to engage in various dysfunctional behaviors. A person or individual who intends to leave the organization can be considered not so concerned with the adverse effects of deviant behavior on performance appraisal (Grahita, 2016).

HYPOTHESES

EFFECT OF EMPLOYEE PERFORMANCE ON ACCEPTANCE OF AUDIT DYSFUNCTIONAL BEHAVIOR

Research conducted by Harini et al (2010) shows that the higher the performance level of an auditor, the lower the auditor's acceptance of dysfunctional behavior. From research conducted by Basudewa and Merkusiwati (2015) shows that auditor performance has a significant effect on deviant behavior in audits. It can be seen from the research, that employee

performance has an influence on the acceptance of dysfunctional audit behavior.

Performance is the achievement of the results of a process that has been carried out. From the auditor's point of view, performance is the result of work achieved by an auditor in carrying out his duties, in accordance with responsibilities and becomes one of the measures used to determine whether or not a job is good (Hanif, 2013). Individuals who are motivated by a job and think that the work they do is meaningful to them, then there will be a sense of responsibility for the work done so that it will increase the motivation and performance of the individual.

H1: Employee performance affects the acceptance of dysfunctional audit behavior

EFFECT OF ORGANIZATIONAL COMMITMENT ON ACCEPTANCE OF AUDIT DYSFUNCTIONAL BEHAVIOR

An auditor shows an attitude of commitment by working earnestly even under pressure. The absence of organizational commitment will affect the dysfunctional behavior of the audit. That way if an auditor does not have an attitude of organizational commitment, the auditor will be carried away to perform dysfunctional audit behavior. However, if the auditor has a high commitment attitude, the auditor will avoid dysfunctional audit behavior.

In research conducted by Setyaningrum and Murtini (2014) and Basudewa and Merkusiwati (2015) showed that organizational commitment has an effect on dysfunctional audit behavior. Meanwhile, research conducted by Basriani et al (2018) shows that organizational commitment has no effect on dysfunctional audit behavior. From the research above, it can be seen that it is still possible to have an influence on the attitude of organizational commitment to dysfunctional audit behavior.

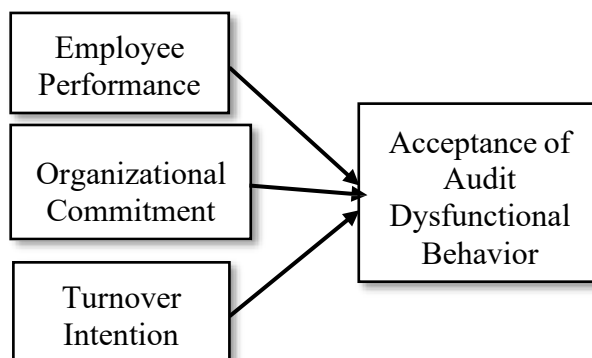
H2: Organizational commitment affects the acceptance of dysfunctional audit behavior

EFFECT OF TURNOVER INTENTION ON ACCEPTANCE OF AUDIT DYSFUNCTIONAL BEHAVIOR

An auditor who has a higher desire to change workplaces will be able to engage in dysfunctional audit behavior because the level of fear of sanctions imposed on him if dysfunctional actions are detected decreases. Individuals who intend to leave the organization may be considered unconcerned with the impact of dysfunctional behavior on performance appraisals. So, auditors who have turnover intention will be more likely to accept dysfunctional audit behavior.

Research from Basudewa and Merkusiwati (2015) and Devi and Suaryana (2016) shows that turnover intention has an influence on the acceptance of dysfunctional audit behavior. Meanwhile, in the research of Basriani et al. (2018) stated that turnover intention has no effect on the acceptance of dysfunctional audit behavior. From these different results, researchers want to re-examine the turnover intention.

H3: Turnover intention affects the acceptance of dysfunctional audit behavior



METHOD

POPULATION, SAMPLE AND MEASUREMENT SCALE

The population in this study are auditors who work at the Public Accounting Firm (KAP) in the city of Bandung. The sampling technique in this study is the probability sampling technique. In this study, the data collection used is using primary data. In this study, researchers used a questionnaire with a checklist instrument

and each variable was measured using a Likert scale.

The auditor's dysfunctional behavior variable is measured by whether or not the auditor agrees on some dysfunctional behavior actions. Audit dysfunctional behavior will be measured by 8 statements that have previously been used in Grahita's research (2016). Employee performance variables are measured by whether or not the auditor agrees to carry out the predetermined performance. Employee performance will be measured by 7 statements related to performance that were previously used in Susanti's research (2015).

Organizational commitment is measured by the instrument previously used by Susanti (2015), the instrument consists of 6 statements related to how much the auditor cares about the organization where he works. Then, for turnover intention measured by the instrument used by Susanti (2015), the instrument consists of 3 statements regarding how long the auditor wants to work at the current workplace.

DATA ANALYSIS TECHNIQUE

DATA QUALITY TEST

The data quality test used in this study is a test of validity and reliability. The validity test is used to measure whether or not the questionnaire used is valid, because the questionnaire is said to be valid if the statement in the questionnaire is able to reveal something that will be measured in the questionnaire (Ghozali, 2016).

A reliable instrument is an instrument which, if used several times to measure the same object, will produce the same data (Sugiyono, 2017:121). A questionnaire is said to be reliable if a person's answer to a question is consistent from time to time (Ghozali, 2016).

CLASSIC ASSUMPTION TEST

The classical assumption test in this study includes the normality test which is used to determine whether the residual value is normally distributed or not. If the residual value is normally distributed, then

the regression model can be said to be good. Normality can be seen from the significance value which if the value is > 0.05 then the distribution can be said to be normal.

The second classic assumption test is the multicollinearity test, which is used to test whether the regression model finds a correlation between independent variables (Ghozali, 2016). A good regression model should not have a correlation between the independent variables. The absence of multicollinearity can be seen from the tolerance value < 10 and the VIF value > 0.10 .

Then the third classic assumption test is heteroscedasticity test. Heteroscedasticity is a condition where in the regression model there is an inequality of variance from the residuals from one observation to another. The heteroscedasticity test aims to test whether the regression model has variance inequality from residuals in one observation to another (Ghozali, 2016). A good regression model is a regression model that does not experience heteroscedasticity. To detect the occurrence of heteroscedasticity or not, scatterplot and glejser test > 0.05 will be used.

MULTIPLE LINEAR REGRESSION ANALYSIS

Based on the regression model that has been designed, the regression equation is formulated as follows:

$$Y = 42,467 - 0,385X_1 - 0,543X_2 - 0,305X_3$$

RESULT AND DISCUSSION

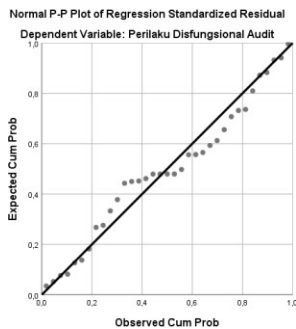
DATA QUALITY TEST

The results of the validity test showed that each statement item has a significance value (sig.) < 0.05 , it can be concluded that each statement instrument can be said to be valid. This is because an instrument is said to be valid if it has a value < 0.05 .

Meanwhile, the results of the reliability test showed that each variable had a Cronbach alpha value > 0.6 . So it can be concluded that the questionnaire used to

measure the variables in this study is reliable.

CLASSICAL ASSUMPTION TEST



From Figure above, , shows the diagonal line which is the intersection line between the expected probability line and the observation probability. Based on the Normal p-p plot of rRegression Standardized Residual, it can be seen that the points spread close to the diagonal line, this indicates that the residuals are normally distributed.

The results of the multicollinearity test showed all tolerance values > 0.10 and the Variance Inflation Factor (VIF) < 10 , meaning that all variables in this study did not occur multicollinearity or there was no correlation between independent variables.

Then for the results of the heteroscedasticity test, the results of the significance value (sig.) of each variable are > 0.05 . So it can be concluded that the regression model does not occur heteroscedasticity.

HYPOTHESIS TEST RESULTS

The coefficient of determination shows that the adjusted R square value is 0.360 or 36%. This means that the variability of the dependent variable, namely the acceptance of dysfunctional audit behavior which can be explained by the independent variables, namely employee performance, organizational commitment and turnover intention of 36%, the remaining 64% is explained by other variables outside this study.

Based on the results of the t test, it was found that the employee performance variable (X1) has a significance value (sig.) of 0.042 or less than 0.05. So, because the

significance value (sig.) is $0.042 < 0.05$, it can be concluded that employee performance affects the acceptance of dysfunctional audit behavior so that H1 can be accepted. This means that the better the performance of the auditor on the work given, the acceptance of dysfunctional audit behavior will decrease. Auditors have a good performance can be seen from the way the auditor works on the work given. The auditor will carry out all the work assigned without violating the policies that have been determined and work in accordance with audit procedures. Therefore, the auditor must provide good performance in order to provide a good image for an auditor and at the same time keep the auditor away from dysfunctional audit actions.

Furthermore, for the organizational commitment variable (X2), it can be seen that the significant value is 0.039 or less than 0.05, which means $0.039 < 0.05$. So it can be concluded that organizational commitment affects the acceptance of dysfunctional audit behavior so that H2 can be accepted. This is because the higher the organizational commitment of an auditor, the acceptance of dysfunctional audit behavior will decrease. The auditor's organizational commitment can be seen how much he cares about the organization where he works. Auditors will wholeheartedly do any work to promote and bring the good name of the organization in general.

Then it can be seen that the turnover intention variable (X3) has a significance value of 0.523 or greater than 0.05. Because the significant value is $0.523 > 0.05$, it can be concluded that turnover intention has no effect on the acceptance of dysfunctional audit behavior or H3 is not accepted. This means that the acceptance of dysfunctional audit behavior is not influenced by the turnover intention of an auditor. This means that if the auditor has a desire to change jobs, it does not guarantee that the auditor will accept dysfunctional audit behavior.

For the results of the F test, the results showed a significance value of 0.001 or less

than 0.05. In addition, from the calculation results obtained f_{count} of 7.375 which means the value is greater than f_{table} which is 2.87. Based on the above comparison because the significance value is $0.001 < 0.05$ and $f_{count} 7.375 > 2.87 f_{table}$, it can be concluded that employee performance, organizational commitment and turnover intention have a joint effect on the acceptance of dysfunctional audit behavior.

CONCLUSION

From the research that has been done, it can be concluded that employee performance and organizational commitment affect the acceptance of dysfunctional audit behavior. That is, the better the auditor's performance on the work given, the acceptance of dysfunctional audit behavior will decrease and also the higher the organizational commitment of an auditor, the acceptance of dysfunctional audit behavior will also decrease.

Meanwhile, turnover intention has no effect on the acceptance of dysfunctional audit behavior. That is, if the auditor has a desire to change jobs, it does not guarantee the auditor will accept dysfunctional audit behavior.

This study has limitations, namely the limitation of acceptance of questionnaires by KAP makes the number of respondents limited. The author gives suggestions for further research to expand the reach or replace the object of research so that the number of respondents obtained can be more.

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