

THE INFLUENCE OF COMPETENCE, INDEPENDENCE AND MOTIVATION ON APIP AUDIT QUALITY AT THE NORTH SUMATERA PROVINCIAL INSPECTORATE

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Article Info

Article History

Received : 30/01/2024
Reviewed : 24/02/2024
Accepted : 27/02/2024
Published : 31/03/2024

Volume : 25
No. : 1
Month : March
Year : 2024
Page : 67-78

Abstract

Public demands for clean and KKN-free governance require the implementation of good supervisory functions by auditors over the implementation of government. Good government financial management must also be supported by good audit quality. Because if the quality of the audit is low, it is likely to provide leeway to make deviations use the budget. This study aims to (1) test the effect of auditor competence on audit quality, (2) test the effect of auditor independence on audit quality, (3) test the effect of auditor motivation on audit quality. The object of this research is at the North Sumatera Provincial Inspectorate Office. The sample in this study was 37 (Thirty-Seven) Auditors and Supervisors at the North Sumatera Provincial Inspectorate Office. Data collection is implemented by means of questionnaire method. The research method used is Partial Least Square (PLS) analysis using the Smart PLS 4.0 application. The results of this study show that (1) auditor competence has a positive effect on audit quality, (2) auditor independence has a positive effect on audit quality (3) auditor motivation has a positive effect on audit quality.

Keywords : *Competence, Motivation, Independence, Audit Quality.*

1. INTRODUCTION

Suciwati & Suartika (2020) revealed that audit quality is the accuracy of information reported by auditors in accordance with generally accepted audit standards and can detect and report material misstatements in financial statements, including related disclosures both caused by errors / errors and fraud, able to provide confidence in internal control.

The importance of good audit quality will be one of the important dimensions of financial reporting quality because it reflects the credibility and assurance of company disclosure (Zainudin et. al., 2021). Public demands for clean and KKN-free governance require the implementation of good supervisory functions by auditors over the implementation of government. Good government financial management must also be supported by good audit quality. Because if the quality of the audit is low, it is likely to provide leeway to make deviations in the use of the budget (Fauziah, 2017).

However, in reality, the audit quality of the Government Internal Supervision Apparatus still found several problems, such as the findings of the BPK examination of the 2021 North Sumatera Provincial

Government Financial Statements which revealed that there were 1,730 findings that allegedly violated the rules in the report (Batubara, 202). BPK also found irregularities in the Financial Statements for Handling the Pandemic in North Sumatera, namely regarding spending on Covid-19 pandemic handling activities in North Sumatera (North Sumatera). The findings that are considered not in accordance with this provision are related to unexpected expenditures carried out by the North Sumatera Provincial Government, namely the overpayment of several procurements (pekuwali, 2021).

The quality of APIP audit results is also reflected in the quality of internal control which is assessed from the maturity level of the government internal control system (SPIP). The maturity level of SPIP implementation is the level of maturity / perfection of SPIP implementation in achieving internal control objectives characterized by the existence of hard control design (policies and procedures, organizational structure, bureaucracy) and soft control (competence, trust commitment, noble values and leadership). SPIP maturity is measured using levels 0-5. The higher the maturity value of SPIP indicates the better quality of SPIP implementation. The quality of SPIP implementation is considered good when the maturity assessment is at least level 3. However, in reality there are still many SPIP in Districts / Municipalities in North Sumatera with the maturity level of SPIP at level 2 (Developing) which means that internal control practices are not well documented and their implementation is very dependent on individuals and has not involved all organizational units. The effectiveness of control has not been evaluated so that there are many weaknesses that have not been adequately addressed (BPKP, 2019).

The findings of BPK and the level of maturity in several districts/cities in North Sumatera that are still getting level 2 indicate that there are still shortcomings in the quality of audits conducted by APIP in North Sumatera Province (BPKP, 2019). The results of the Maturity Assessment of SPIP implementation based on the results of Quality Assurance (QA) by BPKP Representatives of North Sumatera 65 Province until the end of the second semester of 2021 (as of November 30, 2021) show that ten local governments in the North Sumatera Province area have obtained level 3 (defined), namely North Sumatera Province, North Labuhanbatu Regency, South Labuhanbatu Regency, Langkat Regency, South Tapanuli Regency, North Tapanuli Regency, Toba Regency, Binjai City, Padangsidimpuan, and Tebing Tinggi City, while 24 other local governments obtained level 2.

Based on the Regulation of the Minister of State Apparatus Empowerment and Bureaucratic Reform number PER/05/M.PAN/03/2008 dated March 31, 2008 concerning Audit Standards for Government Internal Supervision Apparatus, this can be caused by various factors, one of which is also related to the competence possessed by APIP auditors, auditor independence in carrying out audits and also the motivation that drives APIP in conducting audits. High competence will make auditors have more knowledge in the field they are in, then the auditor will be able to understand the problems encountered more deeply, in contrast to auditors who have low competence (Haryanto & Susilawati, 2018). Therefore, inspectorate auditors must be employees who have high competence (Tjahjono and Adawiyah, 2019). However, in fact, in the report on the implementation of the National Strategy for Corruption Prevention (Stranas PK) Quarter VIII of 2022, it is stated that APIP's performance and competence are still inadequate.

An independent auditor must be an auditor who is not affected and not influenced by various forces that come from outside the accountant in considering the facts he encounters in the examination (Pirmansyah et al, 2019). Auditors who are independent will provide a real assessment of financial statements, without having a burden on any party, and can be accounted for by auditors (Pirmansyah et al, 2019).

The motivation of an auditor in carrying out an audit is also a factor that affects the quality of the Jefrinaldi & Halmawati (2021) audit. Jefrinaldi & Halmawati (2021) revealed that the competence and independence of auditors do not necessarily have a commitment to conduct audits properly without motivation. Motivation is often interpreted as a drive, movement of the soul and body that behaves in action with a specific purpose (Jefrinaldi & Halmawati, 2021).

There are differences contained in the results of previous research such as those conducted by Yaumi (2021) stating that auditor competence affects audit quality. Meanwhile, some research results show that auditor competence does not affect audit quality, such as those conducted by Widiya & Syofyan (2020). The same thing happens with the independence factor. Pinatik (2021) states that auditor independence affects the quality of the audit produced. However, the difference is shown by the results of research conducted by

Jeffryaldi & Halmawati (2021) which shows that independence does not affect audit quality. Ishak & Shalehah (2022) mentioned in the results of their research that the motivation of an auditor will affect the quality of the audit produced. But not in line with the results of Zainudin's research, et. al. (2021) which shows that auditor motivation has no effect on audit quality.

This research is a replication of research conducted by Idawati (2014) as the main reference. Idawati's research (2014) uses audit fee variables, audit rotation, auditor competence, and auditor motivation as independent variables, and audit quality as the dependent variable, while this study uses independent variables of auditor competence, auditor independence, and auditor motivation with dependent variables of audit quality. The difference between Idawati's (2014) research and this study is the auditor's independence variable to replace fee variables and audit rotation in Idawati's (2014) study.

Based on the research background described above, research problems can be formulated, namely:

1. How does auditor competence affect the quality of APIP audit of the North Sumatera Provincial Inspectorate?
2. How does auditor independence affect the quality of APIP audits of the North Sumatera Provincial Inspectorate?
3. How does auditor motivation affect the quality of APIP audit of the North Sumatera Provincial Inspectorate?

2. LITERATURE REVIEW

Frame of Mind

1) Auditor Competence Affects Audit Quality

Competence is defined as skills or knowledge in a particular field as something important. The competence of the auditor will have a positive influence on the quality of the audit produced by the auditor. An auditor must have competence in the field of auditing, such as must have diligence, prudence, skilled in performing audit tasks (Haryanto & Susilawati, 2018). In maintaining audit quality, an auditor is required to improve his professional skills. This skill improvement can be done by attending audit training and experience passed by an auditor. By always doing and maintaining the competencies possessed, an auditor will produce quality audit results (Haryanto & Susilawati, 2018).

Yaumi (2021) states that auditor competence affects audit quality. This is also in line with research results (Jeffryaldi & Halmawati, 2021), (Rabiatul Adwia Syah et al., 2021), (Zainudin et al., 2021), (Pattiasina et al., 2021), (Pinatik, 2021), (Aswar et al., 2021).

2) Auditor Independence Affects Audit Quality

Independence is one of the ethical components that must be maintained by auditors. Independence means that the auditor must be honest, not easily influenced and impartial to anyone's interests, because he does his work in the public interest (F. Tomaso, 2020). In carrying out audits, independence is one of the factors that play an important role in producing a quality audit. Because if the auditor loses his independence, then the audit report produced is not in accordance with reality so that it cannot be used as a basis for decision making. Intervention from parties who have interests must be removed from the mind of an auditor because in carrying out audit work an auditor must be independent. The higher the level of auditor independence, the higher the quality audit results (Haryanto & Susilawati, 2018).

Pinatik, (2021) states that auditor independence affects the quality of the audit produced. This is in line with research (Pattiasina et al., 2021), (Yaumi, 2021), (Rabiatul Adwia Syah et al., 2021), (Hutagaol & Kartini, 2023), (F. Tomaso, 2020), (Suciwati & Suartika, 2020).

3) Auditor Motivation Affects Audit Quality

Every activity carried out by a person is driven by a force from within that person. This driving force is called motivation. The motivation that exists in a person will manifest a behavior directed at the goal of achieving job satisfaction goals (Ishak & Sholehah, 2022). An auditor will have a high fighting spirit to achieve goals and meet existing standards. In other words, motivation will encourage someone including auditors to excel, commit to the group and have high initiative and optimism. Audit quality will be high if the

wishes and needs of auditors who are used as work motivation can be met. Organizational compensation in the form of rewards according to their profession, will lead to audit quality because they feel the organization has paid attention to their work needs and expectations (Ishak & Sholehah, 2022).

Ishak & Sholehah (2022) mentioned in the results of their research that the motivation of an auditor will affect the quality of the audit produced. This is in line with research (Aswar et al., 2021), (Suciwati & Suartika, 2020), (Tjahjono & Adawiyah, 2019), (Munawaroh, 2019), (Ishak & Sholehah, 2022), (Nadi & Suputra, 2017), (Kuntari et al., 2017), (CA, 2015).

Research Hypothesis

Based on the results of the above research and conclusions from the existing theoretical foundation, the following hypotheses can be determined:

H1: Auditor Competence has a positive effect on Audit Quality

H2: Auditor Independence has a positive effect on Audit Quality

H3: Auditor Motivation Positively Affects Audit Quality

3. RESEARCH METHODS

This study used quantitative research methods. The research objects in this study are auditor competence, auditor independence, auditor motivation and APIP audit quality at the North Sumatera Provincial Inspectorate.

Data Collection and Analysis Techniques

Data Collection Techniques

The data collection technique used in this study was a questionnaire or questionnaire. The object of this research is at the North Sumatera Provincial Inspectorate Office. The population of this study was 106 Auditors and Inspectorates of North Sumatera Province. The sampling method uses purposive sampling with the criteria of auditors who have had more than 3 years of work experience in the North Sumatera Provincial Inspectorate. The sample in this study was 37 (Thirty-Seven) Auditors and Supervisors at the North Sumatera Provincial Inspectorate Office. Data collection is carried out by questionnaire method. Researchers used a Likert scale of 1-5 which was used to measure respondents' responses, namely a scale of 1 (strongly disagree); 2 (disagree); 3 (neutral); 4 (agree); 5 (Strongly agree). The research method used is SEM Partial Least Square (PLS) analysis using the Smart PLS 4.0 application.

Data Processing and Analysis Techniques

Data processing is done so that the data is easy to analyze and then conclusions can be drawn from the research that has been done. The data analysis method used is SEM Partial Least Square (PLS) analysis using the Smart PLS 4.0 application

1. Descriptive Statistical Analysis

According to Ghozali (2021), descriptive statistical analysis provides an overview or description of a data seen from the mean value, standard deviation, variance, maximum, minimum, sum, range, kurtosis, and skewness or distribution stagnation.

2. Equation of variable measurement models

The reflexive indicator model can be written the equation as follows:

$$x = \lambda x \xi + \delta$$

$$y = \lambda y \eta + \varepsilon$$

information:

x = indicator of exogenous latent variable (ξ)

y = endogenous variable indicator (η).

ε (epsilon) = is a measurement error related to endogenous variables

δ (delta) = states measurement error related to exogenous variables

λ (lambda) = declares factor loadings, which is a parameter that describes the direct relationship of an exogenous variable to its manifest variable.

3. Structural Equation Modeling - Partial Least Square (SEM-PLS)

PLS is a powerful analysis method because it can be applied to all data scales, this approach was first introduced by Herman would. PLS allows modeling structural equations with relatively small sample sizes and does not establish multivariate normal assumptions (Ghozali, 2021: 5). This research is expressed in the form of the following equation:

$$\eta = \gamma_1\xi_1 + \gamma_2\xi_2 + \gamma_3\xi_3 + \zeta$$

Information:

η	= Endogenous variable ability to detect fraud
ξ_1	= Exogenous variable of work experience
ξ_2	= Exogenous variable of professional skepticism
ξ_3	= Exogenous variable time pressure
$\gamma_1, \gamma_2, \gamma_3$	= Regression Coefficient
ζ	= Residual Variable

4. Evaluation of the Measurement Model (Outer Model)

The measurement model or outer model is used to show how each indicator relates to its latent variable (Ghozali, 2021).

a. Validity Convergent

Validity convergent refers to the principle that the gauges (manifest variables) of the construct must have a high correlation (Ghozali, 2021). The rule of thumb says that studies that are confirmatory in nature have a loading factor value that must exceed 0.7 for convergent validity tests.

b. Validity Discriminant

Validity discriminant refers to the principle that different construct manifest gauges should not have a high correlation (Ghozali, 2021). The discriminant validity test with reflexive indicators can be known through the cross loading value for each variable with a value of more than 0.70.

c. Composite Reliability

Reliability tests are carried out to prove the accuracy, consistency and accuracy of instruments in measuring constructs (Ghozali, 2021). The criteria of basic decision making in the reliability test using composite reliability with a value greater than 0.70 will be said to be reliable or reliable. If the value is less than 0.70 then it is declared unreliable or unreliable.

5. Structural Model Evaluation (Inner Model)

Structural model evaluation aims to predict the relationship between latent variables (Ghozali, 2021). Structural model evaluation is used to see the magnitude of the percentage of variance using R-square values, Q² predictive relevance, significance.

a. R-Squares

The R-Squares value is used to explain the substantive influence between exogenous latent variables on exogenous latent variables (Ghozali, 2021). This test has values of 0.75, 0.50, and 0.25 so it can be concluded that the model is strong, moderate, and weak. The higher the value, the better the prediction model of the proposed research model.

b. Q² Predictive Relevance

This test was carried out to describe the synthesis of crossvalidation and fitting functions with predictions from observed variables and estimates of construct parameters (Ghozali, 2021). A Q² value > 0 indicates that the observed values have predictive relevance, while a Q² value of < 0 illustrates that the model lacks predictive relevance.

c. Test the Hypothesis

The next model evaluation is to look at the significance value to determine the influence of variables with bootstrapping procedures (Ghozali, 2021). The bootstrap procedure uses the entire original sample to resample. Significance values must be used (two-tailed) t-values 1.65 (significance level = 10%), 1.96 (significance level = 5%), and 2.58 (significance level = 1%).

4. RESULT AND DISCUSSION

Data Analysis Results

Measurement Model Results (*Outer Model*)

1. *Validity Convergent*

From the results of the convergent validity test, it can be seen that *the loading factor* value > 0.7 so that it can be concluded that all indicators used are valid.

2. *Validity Discriminant*

From the results of the *Validity Discriminant* test shows that all HTMT values < 0.9 , it can be stated that all constructs have been validly discriminant based on HTMT calculations.

3. *Composite Reliability*

From the reliability test, it can be seen that *the Composite Reliability value* > 0.7 so that it can be concluded that all constructs are reliable and can be used for further testing.

Results of the Structural Model (*Inner Model*)

1. R-Squares

Based on the R-Squares test, the R-Squares value is 0.838 with high criteria. The R-square value of the audit quality variable is 0.838 or in other words the audit quality variable is influenced by other variables in the model, namely auditor competence, auditor independence, and auditor motivation by 83.8%. The remaining 16.2% was influenced by other factors outside the model.

2. Q² Predictive Relevance

Based on the results of the Q² Predictive Relevance test, the Q² Predictive Relevance value of 0.645 or $Q^2 > 0$ indicates that the observed values have predictive relevance.

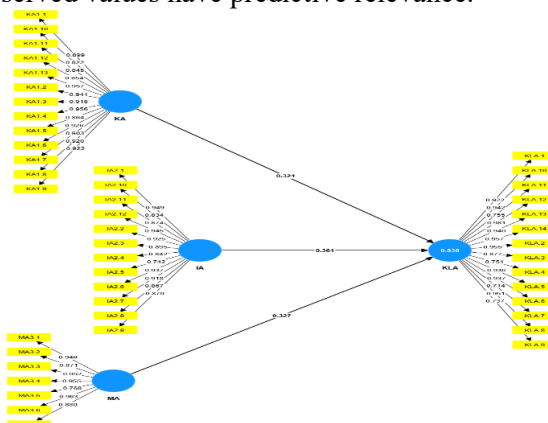


Figure 2. PLS Algorithm Estimation Results

Hypothesis Test Results
Table 4.30 Hypothesis Test Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
X1 -> Y	0,324	0,314	0,130	2,501	0,006
X2 -> Y	0,361	0,354	0,123	2,935	0,002
X3 -> Y	0,327	0,346	0,125	2,613	0,005

Source: Data processed (2023)

The next model evaluation is to look at the significance value to determine the influence of variables with bootstrapping procedures (Ghozali, 2021). From the results of the bootstrapping calculation, a statistical T value of each relationship or path will be obtained. Testing this hypothesis is set with a significance level of 0.05 and is one-tailed. The hypothesis can be accepted if the statistical T value is greater than 1.64 (Jogiyanto, 2011). From the table above it can be seen that the Statistical T value of all variables is greater than 1.64 so

that the hypothesis is accepted. Based on the Table, the results for each hypothesis test can be described as follows:

1. Hypothesis 1 states that auditor competence has a positive influence on audit quality. The results of PLS calculations show that auditor competence does have a positive influence on audit quality. The statistical T value of the auditor's competence is $2.501 > 1.64$.
2. Hypothesis 2 states that auditor independence has a positive influence on audit quality. The calculation results show that auditor independence is proven to have a positive influence on audit quality. The statistical T score of auditor independence is $2.935 > 1.64$.
3. Hypothesis 3 states that auditor motivation has a positive influence on audit quality. The calculation results state that the auditor's motivation is proven to have a positive influence on audit quality. The statistical T score of auditor independence is $2.613 > 1.64$.

Discussion

The Effect of Competency on Audit Quality

Hypothesis 1 states that auditor competence has a positive influence on audit quality. Based on the results of PLS calculations, it shows that auditor competence does have a positive influence on audit quality. The statistical T value of auditor competence is $2.501 > 1.64$. That way hypothesis 1 is declared acceptable or proven. This shows that competence has a significant effect on audit quality. Auditor competence is measured using indicators that explain the dimensions of knowledge, expertise, skills and education.

Based on the results of descriptive statistics it can be concluded that:

1. The average value of the knowledge dimension possessed by auditors and supervisors in the North Sumatera Provincial Inspectorate is 3.43 which is included in the "good" category. The auditor's knowledge of government accounting standards, technical guidelines for regional financial management, regional financial management is included in the good category, only the auditor's knowledge of financial reporting and the performance of local government agencies is still classified as "sufficient". Likewise, the expertise dimension has an average value of the expertise dimension owned by auditors and supervisors in the North Sumatera Provincial Inspectorate which is 3.32 which is included in the "sufficient" category. This shows that the auditor's expertise on Government Audit Standards (SAP), regional financial policies and procedures, internal control and supervision is still classified as sufficient, this still needs to be improved by attending training in the fields related to Government Audit Standards (SAP), regional financial policies and procedures, internal control and supervision as well as related to financial reporting and performance of local government agencies.
2. The skill dimension has an average score of 3.43 which falls into the "good" category. This shows that the auditor's skills in communicating the results of the examination to the auditor or stakeholders orally clearly and effectively as well as the auditor's skills in making reports on the results of the audit / supervision that have been carried out well are classified as good.
3. The education dimension above can be concluded that the average value of the education dimension owned by auditors and supervisors at the North Sumatera Provincial Inspectorate is 3.32 which is included in the "sufficient" category. This shows that auditor education as measured by having education with job qualifications as a government internal auditor, Every year auditors attend continuing education and training (PPL), opportunities and support from leaders to take the auditor functional position certification exam (JFA), having JFA certification as one of the requirements for government internal auditors still need to be improved for the better.

Based on the demographics of respondents in the certificate of expertise section, it can be seen that:

- 1) The certificate of expertise possessed by auditors in the North Sumatera Provincial Inspectorate is the majority of Auditor Functional Position certificates that must be owned by an auditor.
- 2) Other certificates of expertise in audit-related fields are still a small number of auditors who have them. This can be improved by providing opportunities for auditors to attend continuing education and training (PPL), for example on the development of inspection standards, government accounting

standards (SAP), assessment of government internal control (SPIP), examination of regional financial information systems (SIKD) as evidenced by regular certificates.

The results of this study are in line with the results of the study (Yaumi, 2021) Mention that the competence of auditors affects the quality of audits. To improve the quality of an audit, an auditor depends largely on his level of competence. In maintaining audit quality, an auditor is required to improve his professional skills.

This skill improvement can be done by attending audit training and experience passed by an auditor. By always conducting and maintaining the competencies possessed, an auditor will produce quality audit results. Basically, competence has a positive influence on audit quality, so it can be said that an auditor who has the required competence can carry out audit tasks in a quality manner (Haryanto & Susilawati, 2018).

This can also be seen from the data on certificates of expertise possessed by auditors and supervisors at the North Sumatera Provincial Inspectorate. Each auditor has a certificate of expertise that supports auditors in conducting audits such as auditor functional position certificates, risk management, performance audits, procurement of goods and services, and other supervisory certificates. The auditor's understanding and skills of government audit standards, rules, legal basis and governance, as well as the skill of communicating audit results both orally and in writing are also factors that affect the quality of audit results conducted.

When associated with Agency Theory Jansen and Meckling (1976) say there is a separation between owners (*owners*) and maintainers (*managers/agents*) company. This raises the community's need for the auditor profession. The auditor is considered an independent party between the agent as the provider of information (financial statements) and the *stakeholders* as a user of information, thus reducing *Ashmetry Information*. This is also in line with the results of the study (Jefrynaldi & Halmawati, 2021), (Rabiatul Adwia Shah et al., 2021), (Zainudin et al., 2021), (Pattiasina et al., 2021), (Pinatik, 2021), (Aswar et al., 2021), (Suciwati & Suartika, 2020), (F. Tomaso, 2020), (Hutagaol & Kartini, 2023), (Tjahjono & Adawiyah, 2019), (Prasanti et al., 2019), (Hajering et al., 2020), (Marwa et al., 2019), (Haryanto & Susilawati, 2018), (Fauziah, 2017), (Nadi & Suputra, 2017), (Darmawan et al., 2017).

The Effect of Independence on Audit Quality

Hypothesis 2 states that auditor independence has a positive influence on audit quality. The calculation results show that auditor independence is proven to have a positive influence on audit quality. The statistical T score of auditor independence is $2.935 > 1.64$. Therefore, hypothesis 2 is declared acceptable or proven. This shows that independence has a positive effect on audit quality.

Based on the results of descriptive statistics on the dimension of independence in planning / programs it can be concluded that:

1. The independence of auditors and supervisors in the North Sumatera Provincial Inspectorate has a value of 3.50 or is included in the "good" category. This indicates that the auditor is free from managerial interference or friction intended to eliminate, determine, or alter any part of the audit, the auditor is free from interference or uncooperative respect for the chosen application procedure, and the auditor is free from any outside effort to make the audit work reviewed other than that provided for in the audit process.
2. The independence dimension in the examination has an average value of 3.47 or falls into the "good" category. This indicates that in the examination process the auditor has direct and free access to all books, records and other sources of information in connection with business activities, liabilities and resources, the auditor cooperates actively with managerial personnel during the auditor examination, the auditor is free from any managerial effort to assign or determine the activities to be examined or to establish the receipt of evidence, and the auditor is free from personal interests or relationships that lead to exclusion or limitation of examination of activities, records, or persons who should be included in the audit. However, in question items, direct and free access to all officials and employees in the relevant agency in connection with business activities, obligations, and resources owned by auditors in the examination process is still quite sufficient. This still needs to be improved by the way the authorized leadership allows access to the auditor to inspect all officials or employees involved in the audit process carried out by the auditor.

3. The independence dimension in the reporting above can be concluded that the independence of auditors and supervisors in the North Sumatera Provincial Inspectorate has a value of 3.49 or is included in the good category. This can be seen from the question items which show that in the process of reporting audit results and making audit reports, auditors are free from all attempts to intervene from other parties that can change the facts contained in the audit report. This is in accordance with what is contained in Audit Theory, the independent concept in Financial Statement audit includes 3 (three) stages, first; independent in determining the approach and behavior when someone is assigned to professional work (this independence is a combination of confidence, freedom from client control, ability and expertise and *judgment* based on *training* results and experience), second; independent as required by an auditor when he or she performs review and verification functions in a satisfactory manner (a combination of bias and prejudice-free), third; Independently recognize the fact that public recognition and acceptance of auditor status is essential to the successful achievement of its objectives

The results of this study are in line with the results of the study (Pinatik, 2021) which states that the independence of the auditor affects the quality of the audit produced. Independence is one of the ethical components that must be maintained by auditors. Independence means that the auditor must be honest, not easily influenced and impartial to anyone's interests, because he does his work in the public interest (F. Tomaso, 2020).

This is also in line with the results of the study (Pattiasina et al., 2021), (Yaumi, 2021), (Rabiatul Adwia Shah et al., 2021), (Hutagaol & Kartini, 2023), (F. Tomaso, 2020), (Suciwati & Suartika, 2020), (Munawaroh, 2019), (Haryanto & Susilawati, 2018), (Fauziah, 2017), (Nadi & Suputra, 2017), (Wardayati, 2016), (Darmawan et al., 2017)

The Effect of Motivation on Audit Quality

Hypothesis 3 states that auditor motivation has a positive influence on audit quality. The calculation results state that the auditor's motivation is proven to have a positive influence on audit quality. The statistical T score of auditor independence is $2.613 > 1.64$. Therefore, hypothesis 3 is stated to be acceptable or proven. This shows that motivation has a positive effect on audit quality.

Based on the results of descriptive statistics, it is concluded that the motivation of auditors and supervisors in the North Sumatera Provincial Inspectorate in the achievement dimension has a value of 3.57 or is included in the "good" category. This shows that auditors have the opportunity to attend training or certification of expertise in the field of auditing, have been promoted by leaders to hold certain positions that have important responsibilities, and auditors have received awards (*rewards*) for their achievements in a job.

1. The Affiliate dimension has a value of 3.36 or falls into the "sufficient" category. This shows that auditors feel happy when valued and respected opinions at work, but the level of discipline and punctuality of auditors in working and carrying out their duties needs to be improved to be better. This is in accordance with Abraham Maslow's needs theory which identifies the basic needs that human beings have, in order of importance: physiological needs, security needs, and social needs, reward needs and "self-actualization". Later, David McClelland developed this work in his 1961 book, "*The Achieving Society*." which states that three motivational factors are the need for achievement, the need for affiliation, and the need for power.
2. The power dimension has a value of 3.54 or falls into the "good" category. This shows that awareness, understanding, commitment from top management/leaders regarding the benefits and role of APIP is good. The involvement of top management / leaders in reviewing and supervising auditors effectively in providing feedback on auditors' activities / work is also good. The audit process is related to the expectation of better company growth than previous conditions. The existence of auditors is related to the hope of better company growth in the future and the quality of its auditors. Top management or the head of the inspected entity is responsible for following up on recommendations and creating and maintaining processes and information systems that monitor the status of follow-up on recommendations and make improvements or prevention so that errors do not recur.

The results of this study are in line with the results of Ishak & Shalehah's (2022) research which states that the motivation of an auditor will affect the quality of the audit produced. The higher the level of motivation

of an auditor, the higher the quality of the audit produced. Motivation will encourage someone including auditors to excel, commit to the group and have high initiative and optimism.

Therefore, great motivation is needed so that the audit task can be completed properly (Aswar *et al.*, 2021). This is also in line with research (Aswar *et al.*, 2021), (Suciwati & Suartika, 2020), (Tjahjono & Adawiyah, 2019), (Munawaroh, 2019), (Isaac & Sholehah, 2022), (Nadi & Suputra, 2017), (Kuntari *et al.*, 2017), (CA, 2015).

5. CONCLUSION

From the results of the research that has been done, it can be concluded that the competence of auditors has a positive effect on audit quality. The higher the competence of the auditor, the higher the quality of the audit produced. Competency is required to produce high audit quality and also demonstrate the characteristics of knowledge, expertise, skills and education that auditors must have or need.

The independence of the auditor has a positive effect on the quality of the audit. The higher the independence of the auditor, the higher the quality of the audit produced. Auditors who are free from interference and personal relationships with other parties will make the audit results produced in accordance with actual circumstances. Auditor motivation has a positive effect on audit quality. The higher the motivation the auditor has, the higher the quality of the audit produced. Audit quality will be high if the wishes and needs of auditors who motivate their work are met.

Based on the results of the research obtained, the author provides several suggestions, namely for auditors and inspectorate leaders, to produce good audit quality and improve the competence of an auditor, auditors can attend training/seminars related to their duties as the duties and responsibilities of internal auditors. Motivation is also needed for every auditor so that it is expected that the inspectorate leadership can provide rewards and compensation for every work that has been completed so that auditors are more motivated to produce better audit quality. Further researchers are expected to conduct similar studies by adding other variables that have not been studied in this study.

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