

# Remote Audit Post Covid-19 Pandemic in Achieving Professional Skepticism Auditor: Implementation of Social Presence Theory (Case Study on the Financial and Development Supervisory Agency)

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## ABSTRACT

Remote audit is an audit activity that is carried out outside the location of the audit object. Audit field work shifted from on-site to remote due to budget restrictions and health protocols during the COVID-19 pandemic. But remote audit reduces the quality of the auditor's professional skepticism due to his physical absence. As professional skepticism decreases, the level of assurance and audit quality also decreases. By implementing social presence theory, this research is expected to explore phenomena arising from the implementation of remote audits. This study aims to optimize the Computer-Mediated-Communication mechanism and the professional skepticism, to contribute to the research gap from previous studies, and to receive special attention in the future in order to produce better results of audit quality. This study uses a mixed-method research approach in answering research questions. The results of this study found that in conditions of physical absence, auditors maintain their level of assurance and audit quality in carrying out remote audits on the condition that supporting document data is available in digital form, information communication technology infrastructure, agreement between the auditor and the auditee to carry out remote audit, and the ability of auditors to balance professional skepticism with professionals judgment.

**Keywords:** remote audit, COVID-19, social presence theory, assurance, audit quality, face-to-face, computer-mediated-communication, auditor's professional scepticism

## 1. BACKGROUND AND PROBLEM

As a result of the implementation of Large-Scale Social Restrictions (or PSBB in Indonesia), the majority of entities enforce policies for their employees to be able to work from home or work from home. Where the majority of entities also enforce a hybrid policy by implementing alternating schedules for their employees to be able to work at home and in the office. Each entity puts in place a disaster recovery and continuity business plan as appropriate, and reviews business risk management going forward. The COVID-19 pandemic has disrupted various types of business activities in the world. The majority of entities in the world experience obstacles such as economic decline, business decline, limited mobility during the COVID-19 pandemic, resulting in adjustments to work patterns and mechanisms. Current conditions force entities to review

their risk profiles and adapt to government regulations, health protocols, and travel transportation restrictions. The application of the new work model, namely work from home, results in the emergence of new risks including the risks of accuracy, compliance, and free from errors for entities that were not previously considered under normal conditions [1] (IIA Indonesia, 2020).

In the world of auditing, there is an adjustment in the implementation of the work model where audits are no longer carried out conventionally. One of the adjustments to the implementation of the work model in the world of auditing is remote auditing. This adaptation of the remote audit work model is an audit that is partially or completely offsite. Remote audit as an innovation audit on originally developed to expand the space scope of the audit, reduce transportation costs, and improve efficiency when the audit [2] (Teeter et al,

2010). The scope of audit assignments will still cover all areas using digital technology to support auditors where on-site visits are not possible. In practice, remote auditing is challenging not only for external audits but also for internal audits.

Internal audit has an important role as a line of defense in effective risk management and control within and outside the organization. The COVID-19 pandemic requires all organizations to adapt their business processes. Conventional audit process be remote audits into the consideration because during past pandemics this entire organization will find the risks and challenges of the new. Change is of course to be followed by the management of the risks that should be updated and adjusted it continues constantly. Conditions of uncertainty this indicates the need for the role of internal auditors in order to manage the organization [3] (Sarens et al, 2012) and innovation audits in the midst of social distancing.

During the COVID-19 crisis, stakeholders and stakeholders have always relied on internal audit to provide insights in overcoming these risks. After the impact of COVID-19 spread, audit constraints also became more significant (Warta Ekonomi, 2020). The auditee's current focus is on efforts to respond appropriately to the pressures caused by COVID-19 such as identifying the processes and activities most affected, determining remediation steps to reduce the impact of COVID-19, and rescuing critical processes so that they can continue to operate. (IRMAPA, 2020). Annual audit plans need to be reviewed and the risk profile facing clients today is very different. This shows the agility and flexibility or agility of the auditors. The COVID-19 pandemic that is sweeping the world today is forcing entities to adapt and adjust their way of working, including internal audit entities (IIA Indonesia, 2020). Likewise, with the Financial and Development Supervisory Agency (BPKP), in order to maintain health and safety and comply with PSBB regulations from the government, BPKP auditors are required to work from home. That way, implementing remote auditing is no longer an option, but a necessity.

Overall, audit institution leaders demonstrated flexibility and agility in responding to the dynamic risk environment caused by COVID-19. Leaders of audit institutions are required to adjust audit plans that are no longer relevant and expand the scope of the audit in line with the new risks faced (IIA Indonesia, 2020). The impact of the COVID-19 pandemic is potentially more severe than previous pandemics because in this era all elements, whether people around the world, the economy, communications, travel, and supply chains are more connected than ever before. This pandemic provides an opportunity for auditors to run new ways of working with the use of useful technology around the clock even if things return to normal. In addition, with

the pandemic, it is reaffirmed that auditors must be adaptive and flexible to changing risks.

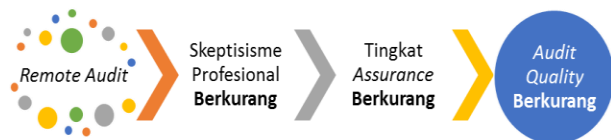
Internal audit is expected to be able to adjust the way it works with restrictions on traveling outside the region, gathering in large numbers, and work from home rules. Traditional audits with field visits and direct interactions cannot be carried out under current conditions. The solution that can be taken is to do a remote audit. The COVID-19 pandemic could be a turning point for internal auditors. If auditors are agile, the pandemic is an opportunity to demonstrate the relevance and contribution of internal auditors in decision making and problem solving and demonstrate their contribution to enhancing and protecting the value of the entity. In addition to changing the total audit plan, internal auditors also changed their approach through remote auditing. Remote auditing is an audit approach that is carried out partially or wholly outside the auditee's location or remote, where the audit team optimizes the use of information and communication technology in carrying out audit activities and achieving audit objectives when monitoring closely. on-site cannot or should not be implemented. Remote auditing in the context of remote auditing is not defined as the distance between the auditee and the audit team, but rather an approach in audit activities where audit activities are carried out using information technology. Remote auditing is the right response to this pandemic situation (IIA Global, 2020). This is mainly because most entities have restricted travel to critical business functions only, and many countries around the world have temporarily closed their borders.

In the audit and its relation to the COVID-19 pandemic, the adjustment of patterns and work mechanisms that occurred was from Face-to-Face (FTF) to Computer Mediated Communication (CMC). Adjustment of work patterns and mechanisms, especially in audit activities that require accuracy, compliance, free from errors, and the Five Code of Ethics for professional accountants, namely integrity, objectivity, professional competence and due care, confidentiality, and professional behavior (IFAC, 2005). In carrying out their main duties and functions, the auditor must implement the code of conduct. Because if it is not implemented, there will be potential risks of accuracy, compliance, and free from errors in assignments, one of which results in gaps in fraud or corruption. The problem that occurs is that the auditor is no longer able to physically attend the auditee's place or perform an on-site physical check. This change in work patterns and mechanisms to become CMC is possible considering the massive impact of disruption technology so that it can replace the previous work pattern, namely FTF.

Changes along with the use of electronic communications are growing rapidly in most industries

(Her, 2010). One form of audit adaptation during the COVID-19 pandemic is to conduct remote audits. With regard to remote audits, the stages of implementation are generally the same as those of conventional audits, consisting of the stages of planning, implementing, communicating audit results, and following up on audit results. However, the technical implementation is carried out virtually by using information technology devices or Computer Mediated Communication (CMC). Auditors are required to prepare to utilize information technology in the implementation of remote audits. In implementing this CMC, remote audit considers the availability of access, infrastructure, and auditor competence, as well as business process risk and audit risk. The use of information technology such as drones, google earth, audit systems, and telecommunications such as whatsapp, teleconference, video calls still pays attention to the auditor's professional judgment in conducting audits so that it is expected to maintain an attitude of professional skepticism (Puslitbangwas BPKP, 2021).

Based on the background description above, this research raises the theme of Remote Auditing Post COVID-19 Pandemic in Achieving Auditor Professional Skepticism by Implementing Social Presence Theory. From the results of initial interviews with structural officers and functional officials of BPKP auditors, it was said that the Audit Results Report (LHA) published by BPKP during the COVID-19 pandemic experienced a decline in quality (audit quality) when compared to LHA published before the COVID-19 pandemic. -19. This happens because the auditor's professional skepticism is suspected to be reduced in the implementation of remote audits.



Associated with professional skepticism, this is an attitude that includes a questioning mind and critical evaluation of audit evidence. Because audit evidence is collected and assessed during the audit process, professional skepticism should be exercised throughout the process. The auditor should not assume that the management of the entity being audited is dishonest, but also must not assume that the honesty of the management is unquestionable. The COVID-19 crisis has the consequences of budgetary restrictions, distance restrictions, health mandates, and enforcement of health protocols that can potentially and negatively impact auditors' professional skepticism. In relation to the attitude of auditors' professional skepticism which is suspected to be reduced due to remote audits, this results in a low level of assurance resulting in low audit quality output as well. This is the problem raised in this research.

Sorensen and Ortegren (2020) research explains that conventionally audits have been carried out in the auditee's office where face-to-face communication (FTF) is the main means of communication between the auditor and the auditee. These dynamics are changing rapidly as auditors increasingly rely on computer-mediated communication (CMC) both with auditees and within their audit team (Baltes, et al., 2002; Brazel et al., 2004; Teeter et al., 2014; Bennett & Hatfield, 2018).

Meanwhile, according to Litzenberg and Ramirez (2020) explaining that with the development of the COVID-19 pandemic and travel restrictions around the world, together with the need to conduct audits in accordance with regulations or the urgent need to conduct audits, there has been renewed discussion and attention to efforts to find other alternatives to the conventional audit process (with the FTF method) to implement remote audit as soon as possible (with the CMC method). The remote audit process can be the best alternative that can be implemented. Meanwhile, research conducted by Wardani and Nugraheni (2020) regarding remote auditing in relation to information technology explains that the use of information technology in audit implementation for audit planning, risk assessment, and audit reporting is broad and important. This means that the auditor is facing increasingly complex transactions in the conduct of the audit that cannot be dealt with only by auditing manually. Utilization of information technology through audit software used by auditors greatly assists the implementation of audits for audit planning, risk assessment, and audit reporting.

Research conducted by Nelson (2009) defines professional skepticism as an attitude shown by the auditor's judgments and decisions that reflect a high assessment of the risk that an assertion is incorrect, depending on the information available to the auditor. Meanwhile, according to Zahra (2020) regarding the attitude of professional skepticism of auditors, he concludes that the more skeptical an auditor is, the better the quality of the remote audit he performs. Likewise, with competence, the more competent an auditor is, the better the quality of the remote audit he or she performs. By having these two things, an auditor can improve the quality of the audits they produce.

Regarding the level of assurance and audit quality in the implementation of remote audits, Khoirunnisa et al (2021) found that remote audits have different audit procedures compared to conventional audits due to the new framework owned by remote auditing. Remote auditing also has the same effectiveness and efficiency as conventional audits, so it is concluded in this research that remote audits have the same quality as conventional audits provided that the process has the support of both the auditor and the audited party.

In this study, the relationship between remote auditing, the achievement of an attitude of professional skepticism, level of assurance, audit quality, by implementing social presence theory or social presence theory is raised.

### **1.1 Formulation of Research Questions**

The formulation of the problem (research questions) on the problem in question, namely:

1. How Auditor perceptions about the quality of the audit results (audit quality), which includes Reliability, Consistency, Transparency, Assurance, and Compliance in the implementation mechanism of Computer Mediated Communication (CMC) as compared with the mechanism of Face-to-Face (FTF)?
2. How can the implementation of remote audit (CMC) with physical absence be applied at BPKP? What are the obstacles, barriers, and challenges in implementing remote audit at BPKP?
3. What is the perception of remote audit (CMC) based on the Attitude of Professional Skepticism as a requirement for Auditors in carrying out their main duties and functions in order to achieve audit quality that is equally reliable between CMC and FTF?
4. How to optimize Professional Skepticism in remote audit so that the delivery of audit quality is equally reliable between CMC and FTF?

### **1.2 Research Objectives**

The goal to be achieved by the author in this study is to optimize the mechanism of Computer Mediated Communication and the attitude of professional skepticism of Auditors within the Financial and Development Supervisory Agency, especially during the COVID-19 Pandemic and beyond so that in the future special attention will be given to produce better internal audit results. quality, more effective, more optimal, and more targeted.

Research conducted by Teeter (2010) concluded that remote auditing presents an opportunity for auditors to take advantage of technology and adapt to a changing information environment. Implementing a remote audit can make the auditor to redesign the audit method performed. In addition to the demands, motivations, and technological requirements of remote auditing, audit process reengineering plays a central role. From rebalancing and reassigning audit activities to implementing more comprehensive analytics, many issues remain with the audit reengineering process. In some cases, remote auditing also relies on reengineering the business process itself. Litzenberg and Ramirez

(2020) suggest using remote auditing by leveraging existing tools and technologies. IIA Global (2020) recommends that auditors stay technically up to date and access available resources to stay relevant.

The research strategy used in this research is a case study using a mixed-method research approach. The mixed-method research method is a combination of qualitative and quantitative methods in answering research questions, or commonly referred to as blended research. The phenomena that are the problem in this study can be answered in more complete and detailed manner. This approach is suggested in order to obtain better research findings and results in answering research questions.

### **1.3 Research Benefits**

This research is focused on the problem that especially during the COVID-19 pandemic, it is necessary to design a risk-based remote audit implementation that is applied within the Financial and Development Supervisory Agency because it has not contributed to the optimal results of internal supervision. Referring to Ellet's (2007) explanation regarding the benefits of case study research, the results of this study are expected to provide the following benefits:

1. Providing benefits and solutions for business practices that include auditors, BPK, Government Internal Supervisory Apparatus (APIP), auditee, Certified Public Accountants, preparers, academics, Regulators, Government, and so on.
2. Contribute to previous research gaps in maintaining an attitude of professional skepticism, as well as increasing the level of assurance and level of audit quality which includes Reliability, Consistency, Transparency, Assurance, and Compliance.
3. Mentioned in the research results include remote auditing by Sorensen and Ortegren (2020), Litzenberg and Ramirez (2020), Wardani and Nugraheni (2020); about the attitude of professional skepticism of auditors by Nelson (2009), Zahra (2020); about the level of assurance and audit quality by Khoirunnisa, et al (2021). However, until now, no one has linked it with social presence theory. So that this research is expected to contribute to the research gap from previous research.

## **2. LITERATURE REVIEW**

This chapter describes a literature review of previous studies and the theoretical basis that explains the implementation of remote auditing. The author uses previous research that discusses remote audit implementation and also uses social presence theory.

### **2.1 Social Presence Theory (SPT) in Achieving Professional Skepticism**

The theory that supports this research is the Social Presence Theory as expressed by Short, Willias, and Christie (1976), which was updated by Baozhou, Weiguo, and Zhou (2015). Social Presence Theory is the degree to which a person accepts other people in reality, namely as individuals and all interactions contained in them contain values of reciprocal relations.

In this theory it is defined that social presence is the degree to which a person accepts other people in reality, namely as individuals and all interactions contained in them contain values of reciprocal relations. This theory assumes that different media channels will bring differences in the substance of values that exist in the interaction process. The degree to which the values accommodate this bond depends on the amount of nonverbal information that appears in the channel used.

Social Presence Theory was developed to consider how the reduced communication channels involved in telecommunications ie no visual channels alter the interaction (Short et al, 1976). Social Presence is simply defined as awareness of the people with whom one communicates. The existence of visual channels such as face-to-face speaking enhances social presence by enabling visual cues such as facial expressions, body language, and speech distance that can alter the meaning of the audio channel only, often in an unconscious way (Short et al, 1976). For example, visual cues increase the synchronicity of interactions, indicating understanding as well as signals about whose turn it is to speak in a conversation. Audio channels also increase social presence, even when visual channels are absent. Audio channels provide elements that enhance meaning and understanding between parties, such as pitch, pause, and speed. Christie (1974) mentions that face-to-face communication with visual and audio channels conveying messages is considered to have a high social presence, communication methods that do not have visual or audio elements for example, text-only communication, such as email have little social presence.

### **2.2 Face-to-Face (FTF) Audit Method**

Conventional audits are carried out with the face-to-face method, both in the planning stage to the reporting stage of the audit results. In the planning stage, the auditor performs internal coordination with the audit team to supervise the assignment. Face to face is considered more meaningful engagement. Even in the planning stage, the audit team meets physically to outline the audit objectives and delegate tasks.

While in the internal control and compliance evaluation stage, auditors interview process owners, evaluate paper and digital documentation, run test control settings or evaluate data on their laptops. Then

in the substantive testing phase, the auditor draws a sample of transactions locally and tests for anomalies. And in the stage of preparing audit conclusions and reporting audit results, auditors meet with process owners for follow-up.

### **2.3 Computer Mediated Communication (CMC) Audit Methods**

In auditing with the CMC method, the auditor uses information technology and computers in his audit assignments. In the preparation phase the auditor can use e-mail and telephone to arrange the audit and meet with management in a web conference and follow up with e-mail. In the planning phase, the audit team meets virtually in a web conference to discuss the details of the audit. Tasks are assigned automatically in the electronic paperwork system.

In the internal control and compliance evaluation stage, auditors interview process owners via video conferencing, connect to client systems via a network and run analytical tests via terminals. The audit team also checks the audit log. Then in the substantive testing phase, the auditor pulls a sample of transactions through the network and tests for anomalies. In a continuous setting, the automated system performs full sample testing and provides a list of exceptions for the auditor to follow up. Then in the stage of preparing audit conclusions and reporting audit results, auditors meet virtually via video conference with process owners for follow-up.

### **2.4 Remote Audit**

Several studies have been conducted previously to examine remote auditing. Research conducted by Wardani and Nugraheni (2020) regarding remote auditing in relation to information technology explains that the use of information technology in audit implementation for audit planning, risk assessment, and audit reporting is broad and important. This means that the auditor is facing increasingly complex transactions in the conduct of the audit that cannot be dealt with only by auditing manually. Utilization of information technology through audit software used by auditors greatly assists the implementation of audits for audit planning, risk assessment, and audit reporting.

Reporting from The IIA Indonesia (2020), the remote audit process is considered quite challenging and requires careful planning starting from the document inspection process, field physical examination, interviews and closing meetings. Audit remote is an approach to audits carried out partially or wholly outside the location of the auditee (off-site) or remotely (remote), in which the audit team to optimize the utilization of information and communication technologies in conducting audits and achieve the objectives of the audit when supervision on -site cannot or does not need to be implemented. Remote auditing in

the context of remote auditing is not defined as the distance between the auditee and the audit team, but rather an approach in audit activities where audit activities are carried out using information technology. Remote auditing is the right response to this pandemic situation (IIA Global, 2020).

Teeter and Vasarhelyi (2010) define remote auditing as a process in which auditors pair ICT with data analytics to assess the accuracy of financial data and internal controls, collect electronic evidence, and interact with clients without having to be physically present. Remote audits can be performed to support traditional audits and can be performed independently. A remote audit, also known as an electronic audit, is exactly the same as an audit but uses electronic means to remotely obtain audit evidence and evaluate it objectively to determine the degree of conformity with audit criteria. Remote auditing is a set of audit activities in a virtual environment. Virtual environments may consist of digital and/or non-digital activities using technology assets (software, hardware, sensors, PLCs, automated devices) to take some or all of the decisions in the process.

### **2.5 Professional Skepticism**

Skepticism has a skeptical root, namely doubt. Meanwhile, the auditor's professional skepticism has the meaning as an auditor's cautious attitude in dealing with a situation or audit evidence that is indicated to have the possibility of misstatement. Arens et al. (2012) also explained that skepticism is needed by auditors in making decisions regarding the required audit evidence.

Professional skepticism should be used in gathering evaluation materials that include the relevance, adequacy, and competence of the evidence. This is because the evidence will be evaluated during the auditing process. Therefore, an attitude of professional skepticism is needed during the auditing process. Thus, an auditor is obliged to have and apply an attitude of professional skepticism in carrying out the audit process. Professional skepticism is an attitude that includes applying a questioning mindset in the context of a proper understanding of the entity, its business and the environment in which it operates. This understanding, together with more general business knowledge and experience, enables the auditor to assess the risks of material misstatement in the entity's financial statements, assess the adequacy and appropriateness of audit evidence, and reach appropriate conclusions.

Professional skepticism is an important aspect of the auditor's judgment regarding the planning, execution, and evaluation of audit results. In a study conducted by Zahra (2020) regarding the attitude of professional skepticism of auditors, it concluded that the more skeptical an auditor is, the better the quality of the remote audit he or she performs. Likewise, with

competence, the more competent an auditor is, the better the quality of the remote audit he or she performs. By having these two things, an auditor can improve the quality of the audits they produce.

## **3. RESEARCH METHODS**

### **3.1 Research Strategy and Approach**

The research strategy used in this research is a case study using a mixed-method research approach. The mixed-method research method is a combination of qualitative and quantitative methods in answering research questions, or commonly referred to as blended research. The phenomena that are the problem in this study can be answered in more complete and detailed manner. This approach is suggested in order to obtain better research findings and results in answering research questions. Another consideration in using a combination of quantitative and qualitative research is that the research design, data collection, and data analysis can be carried out effectively so that this research is more convincing and encourages more complete and creative data collection.

### **3.2 Data Collection**

This study uses primary data by using research instruments in the form of interviews and reports obtained directly from the Financial and Development Supervisory Agency (document analysis). In addition to supporting the analysis, the researcher also uses secondary data in the form of regulations and provisions issued by The Institute of Internal Auditors (IIA), the Association of Indonesian Government Internal Auditors, the Financial and Development Supervisory Agency (BPKP), and other media.

This study uses an interview instrument because the researcher wants to conduct a preliminary study to find problems that must be investigated and also if the researcher wants to know things from the respondents who are more in-depth and the number of respondents is limited. The target respondents in this study include structural officers, functional auditors from various levels (first auditors to middle auditors) in the BPKP environment. The recruitment process starts with the researcher submitting a Research Cover Letter from the Master of Accounting, Faculty of Economics and Business, University of Indonesia. Then the researcher also submitted a Letter of Request for Willingness to Interview accompanied by making schedule arrangements with the target respondents. Interviews are planned to be conducted face-to-face as well as online. Interviews were conducted face to face or in- depth interviews with the target respondents. The instrument in this research is interviews conducted face-to-face or in- depth interviews with structural officials, functional auditors from various levels (first auditors to middle auditors) in the BPKP environment who are the target

respondents. This interview was conducted to explore the information obtained from the questionnaire related to the research question. In conducting interviews, researchers will find it easier to continue the questions by considering whether the answers from the interviews are relevant and related to the research questions.

### 3.3 Data Analysis

Data analysis is the process of systematically searching and compiling data obtained from interviews, field notes, and documentation, by organizing the data into categories, describing them into units, synthesizing, compiling into patterns, choosing what is important and what is important. that will be studied, and make conclusions so that they are easily understood by themselves and others (Open Science Framework, 2015).

In this data analysis, researchers process and prepare data for analysis. Researchers will prepare interview transcripts for officials related to remote audit implementation at BPKP, scan previous interview materials, type field data, or sort and organize the data into different types depending on the source of information. This is done so that the objectives of efficiency and effectiveness in interviews can be measured considering that they were carried out during the COVID-19 pandemic.

The analysis data used content analysis, thematic analysis, constant comparative analysis.

## 4. DISCUSSION

This chapter is structured to answer the research questions that have been set previously, namely regarding Remote Auditing Post COVID-19 Pandemic in achieving Auditor Professional Skepticism. In particular, this study wants to explore the implementation of Social Presence Theory.

### 4.1 Auditor's Perception of Audit Quality in the Implementation of Computer Mediated Communication (CMC)

Remote Audit can be carried out remotely completely or partially by taking into account the condition of professional judgment, the auditor assesses that all remote audit procedures can be carried out with results that provide adequate assurance and the supporting infrastructure owned by the audit object such as applications, networks, data allows for remote audits. Eulerich et al (2021) found that from the auditor's perception they believe that remote auditing is as effective and efficient as conventional audits. Besides that, from the research find that the support of the parties that are audited significantly improve the effectiveness and efficiency of the audit remotely. Franita (2012) revealed that the effectiveness of remote auditing in the midst of the COVID-19 pandemic can be

maintained if internal auditors can ensure that the required information is sufficient, and regular meetings between work units can be met so that communication runs well.

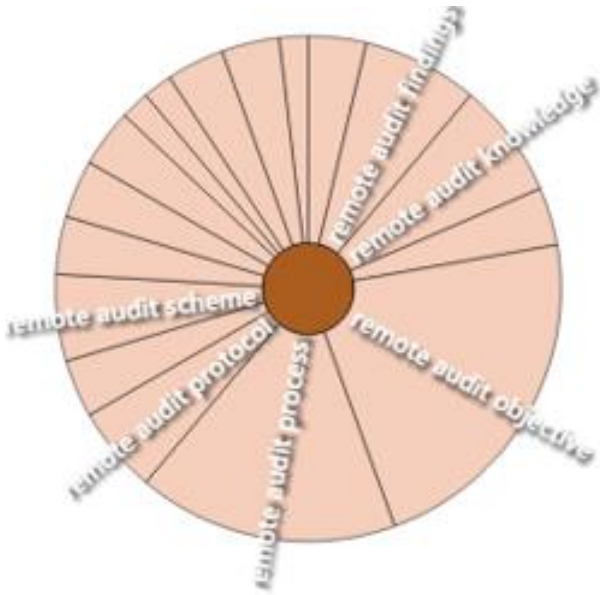


During the COVID-19 pandemic, business and face-to-face meetings between auditors and clients were suspended. As a result, auditors turn to remote auditing to continue their audit plans. Auditors implement remote audits in response to restrictions due to the COVID-19 pandemic (Wagener et al, 2021).

### 4.2 Implementation of Remote Audit (CMC) at BPKP

In implementing a remote audit at BPKP, there are several limitations, namely direct observation cannot be replaced because the auditor can observe body language or even pay attention to conditions that should not be. However, in-person audits also have limitations under certain conditions. Auditors can find it difficult to establish a relationship with the auditee, due to the loss of the auditor's opportunity to provide instructions, tips, and observations for improvement. In addition, it is difficult to identify best practices or describe things that could be of benefit to others.

Uraian	Narsum#1	Narsum#2	Narsum#3	Narsum#4	Narsum#5	Narsum#6
Methods	Remote	Remote	Hybrid	Remote	Hybrid	Remote
Task Comply	Reguler	Reguler, Bukan Audit Bansos	Reguler	Reguler, Bukan Audit Bansos	Reguler, Bukan Audit Investigasi	Reguler
Professional Scenticism	Reasonable	Reasonable	Reasonable	Reasonable	Reasonable	Reasonable
Tools Communication	Whatsapp, Zoom, Teams	Whatsapp, Zoom, Meet	Whatsapp, Zoom, Webex	Whatsapp, Zoom, Webex	Whatsapp, Zoom, Teams	Whatsapp, Zoom, Meet
Crucial Step	Perencanaan Pelaksanaan Tindak Lanjut	Perencanaan Pelaksanaan	Perencanaan Pelaksanaan Pelaporan	Perencanaan Pelaksanaan Pelaporan	Perencanaan Pelaksanaan	Perencanaan Pelaksanaan

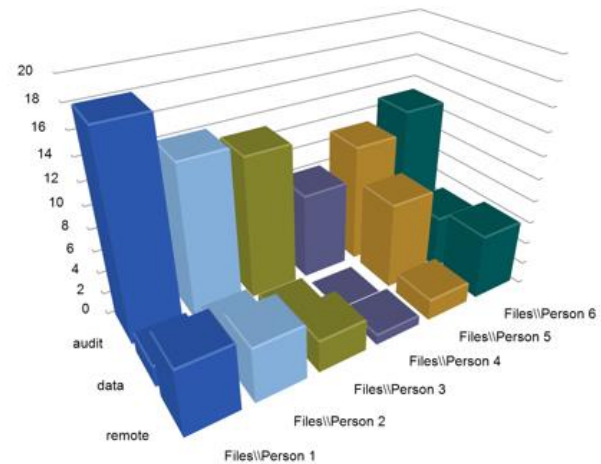
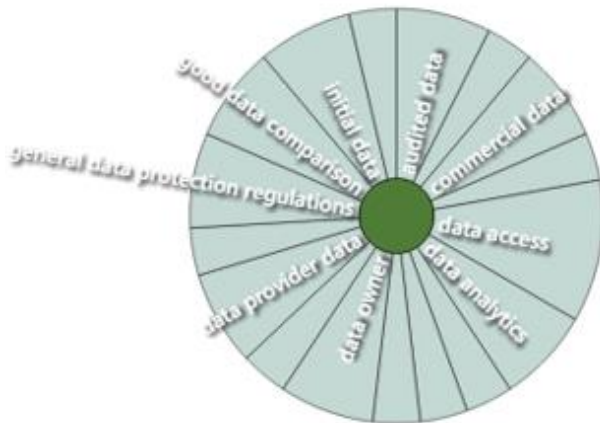


to-face, and staff may be less engaged in remote conditions far away.



Regarding social presence theory, it has the implication that by doing it remotely, it can reduce direct personal interactions that can open up opportunities for fraud, because the auditee can submit documents that have been manipulated and eliminate relevant information. In addition, there are risks associated with delays in receiving information, so it is possible that there is a lack of credibility of audit information. Moreover, auditors may experience difficulties in building relationships with management and in understanding organizational culture due to the lack of face-to-face interaction.

In dealing with challenges and obstacles in implementing remote audits, preparations are needed, among others, auditors need to prepare for technological malfunctions, including the conference link not working, people cannot hear and forget to turn on the microphone, as well as file, video, and photo size limitations that require assistance. IT personnel.



Other limitations identified include communication tends to require scheduling in advance, timeliness of receiving information will be more difficult, remote training of team members is more difficult and takes longer, it is difficult to share knowledge and be aware of progress from other scopes that may have an impact on audit areas because teams are generally more focused when placed together, review reports and working papers take longer than in-person audits, work may appear less structured, difficulty is greater without face-

This is because the collection of information in a remote audit still refers to a clearly defined deadline. All information obtained is stored in a single document and shared with the team on a daily basis. For the collection of audit evidence such as physical documents such as photos of assets or inventory, it is necessary to provide a time stamp of evidence from the auditee.

## 5. CONCLUSION

The condition of the auditor's presence cannot be carried out due to the provisions on mobility restrictions in the emergency period, so that it requires adjustments or strengthening in its implementation during the



pandemic. Remote audit methods that require the physical presence of the auditor include preliminary and final talks, testing of the physical results of activities, collection and testing of audit documents, interviews, and confirmations. The remote audit stage is carried out by utilizing information technology, electronic systems, communication technology, community involvement, as well as new adaptations to be fast and flexible in auditing.

Based on social presence theory, audit assignments include requests for information and interactive problem solving and a combination of the two. In CMC with physical absence, auditors must balance professional skepticism with professional judgment. Auditors must have the ability to adapt and be flexible in planning and executing implementation. Changes in the environment as well as the data received allows the auditor to adjust the plans that have been prepared at the beginning of the engagement.

The use of technology and communication to carry out confirmation, inventory, observation and inspection needs to be agreed with the documentation and preparation of inspection reports. For government program activities that involve beneficiaries in a wide area, the use of the community as an audit partner can be considered. Thus the communication of audit results becomes easier because the audit object can accept the recommendations submitted by the auditor. From the discussion of the audit results, the audit object makes a response which then becomes the material for the preparation of the audit report which becomes the output. Regarding the agreed recommendations, the audit object follows up with monitoring by the auditor through the use of information and communication technology so that the level of assurance and audit quality can be maintained as planned.

## **AUTHORS' CONTRIBUTIONS**

The authors confirm contribution to the paper as follows: study conception and design: Ryan and Elvia; data collection: Ryan and Elvia; analysis and interpretation of results: Ryan and Elvia; draft manuscript preparation: Ryan and Elvia. All authors reviewed the results and approved the final version of the manuscript.

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