



The Influence of Independence, Integrity, and Audit Tenure on The Audit Quality of The Makassar City Regional Inspectorate

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Abstract. This study aims to examine the effect of independence, integrity, and audit tenure on regional inspectorate audits in Makassar City. This study uses a descriptive quantitative approach. The population in this study were Government Internal Supervisory Apparatus or referred to as (APIP). The sample used was 35 people. The sample used is adjusted to a relatively small population, so that in sampling the researcher uses nonprobability sampling or saturated sampling. This study uses a survey as a data collection method in obtaining primary data for data processing. Multiple linear analysis tests were carried out with the help of the SPSS program to test and analyze whether there was a relationship between variables. The results of this study indicate that the processed data have met the classical assumption standards. The variable test results show that the variables of independence, integrity, and audit tenure partially show a positive and significant influence on the audit quality of the Makassar City regional inspectorate and simultaneously also have an influence on audit quality with a significant level of 5%.

Keywords: Independence, Integrity, Audit Tenure, Audit Quality.

1 Introduction

Aspects of implementing good government governance in achieving targets require the contribution of the community and DPRD in monitoring the implementation and performance of the government so that the programs implemented can be held accountable together. Implementation like this will reduce fraud in government agencies. With many findings made by the BPK at Makassar City government agencies which were stated directly by the Head of the Makassar City Inspectorate (Sulistiyanti, 2020)

Increasing the capabilities of government officials is needed with the concepts of transparency, quality of public services, suitability and systematicity, and accountability which will influence the good governance policies set by the government. The government's success lies in the implementation of internal control called the Government Internal Supervisory Apparatus, abbreviated as APIP.

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A. Patunru et al. (eds.), *Proceedings of the 8th International Conference on Accounting, Management, and Economics (ICAME 2023)*, Advances in Economics, Business and Management Research 279,
https://doi.org/10.2991/978-94-6463-400-6_5

The Government Internal Supervisory Apparatus (APIP) is a government organization formed with supervisory duties including the audit, review, evaluation process, as well as monitoring and assessing activities carried out by government organizations. APIP success indicators can be seen from suggestions and recommendations reported in the form of LHP (Inspection Result Report) by providing suggestions for increasing effectiveness and efficiency in preventing problems or failures that will occur in the future with reference to previous reports.

Along with these prevention efforts. Government officials are trying to improve the quality of audits so that the government, along with prevention efforts, can improve the quality of public service delivery. This increase was influenced by the increase in inspectorate entities in conducting program evaluations related to achieving performance targets through the quality of inspectorate audits.

The factor that influences audit quality is independence, which means that it is not easily controlled by other parties and must be in accordance with the interests of the public, not individuals. So what is needed in APIP officials is to have a spirit of integrity which is the harmony of thoughts, words and actions with an attitude of honesty, caring, responsibility, fairness and courage. Integrity is needed to be able to accept every different opinion honestly and admit mistakes that have been made unintentionally in the public interest without any fraud but done objectively.

Another factor that can influence audit quality is audit tenure, which is a certain period of time or the length of time required by the auditor in the audit which can form an attachment between the auditor and the client. discover characteristics or detect fraud.

Regarding earlier studies on the subject, Anwar (2022) found that independence has a sizable impact on audit quality. Research by Gaffar (2018) also corroborates this. The findings of earlier research on the integrity variable, which has an impact on audit quality, are contained in research by Maulana (2020), which is supported by research by Anwar (2022). Integrity has a positive and significant impact on audit quality. Earlier research has compared the relationship between audit tenure and audit quality in a number of different studies. According to research by Panjaitan (2014) and Johnson (2002), there is a significant relationship between audit quality and research quality. On the other hand, the research by Angela et al. Auditors have a tendency to take sides in their audits, according to (2019), because of their emotional connections with their clients. With this knowledge gap in mind, this study's objective is to investigate how independence, integrity, and audit tenure affect the audit quality of regional inspectorates.

2 Method

The data used in this research is quantitative research. Quantitative research is an approach that looks at a concrete, measurable, observable and classifiable reality and the research data is in the form of numbers and uses statistics. This research took the population, namely the Government Internal Supervision Apparatus or abbreviated (APIP) at the Makassar City Regional Inspectorate. The samples taken were 35

people. The sampling method uses nonprobability sampling or saturated sampling because the population is relatively small. Then, the researcher used a survey method to gather data by giving out questionnaires to respondents directly that contained a systematic list of statements related to variables and audit quality, which the respondents would then fill out. The type of information used is primary information, or information gathered from the responses to questionnaires that will be processed and examined (Ghozali, 2016). In order to predict the values of the dependent variable and the independent variable, which is made up of several factors, the data analysis approach employed in this study uses multiple regression analysis, which is an extension of simple regression analysis. For this study, the SPSS program will be useful.

3 Results And Discussion

3.1 Testing Research Instruments

a. Test data quality

This research first tested the quality of the data using a validity test and a reliability test. It is evident from the test results that the test outcomes of each statement item produce a correlation coefficient that is greater than the r-table, which means that the research instrument for each variable is able to measure what needs to be measured, namely the variables independence, integrity and audit tenure. So all variable items can measure the inspectorate's audit quality variables. Apart from the validity test, a reliability test was also carried out. The test results show that Cronbach's alpha is greater than 0.7 so it can be stated that the instrument for all dependent variables has been tested for reliability so that it is considered to be of sufficient reliability.

b. Classic assumption test

Table 1. One-Sample Kolmogorov-Smirnov

Test Statistics Asymp. Sig. (2tailed)	.079
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Source: SPSS output

Using the normality test and multicollinearity test, the traditional premises of this study were examined. The table below contains a non-parametric statistical test, and it shows the results of the normality test. According to the test results, Kolmogorov-Smirnov has an asymp sig of .079. This indicates that the data is normally distributed because the asymp sig is greater than the alpha value of > 0.05 .

Table 2. Multicollinearity Test Results (Coefficient)

	Collinearity Statistics
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	Tolerance	VIF
Independence	0.693	1,986
Integrity	0.945	1,367
Tenure audits	0.771	1,234

Source: SPSS output

Based on the results of the multicollinearity test in the table above, it shows that the VIF value for the independence, integrity and audit tenure variables is smaller or $VIF < 10$ with a tolerance level of > 0.1 so it can be concluded that there is no multicollinearity between the independent variables in this research model so it is declared valid.

3.2 Hypothesis Test Results

Table 3. Model Summary

Model	R	R Square	AdjustedR Square	Std. Error of the estimate
1	,973	,853	,873	.34876

Source: SPSS output

In hypothesis testing, the examiner tries to look at the coefficient of determination which plans to observe the ability of a dependent variable to influence the independent variable. Based on the table above, the audit quality variable can be explained by the variables independence, integrity, and audit tenure to the extent of 87.3 percent, with the remaining 12.7 percent being explained by other variables that were not included in the study.

Apart from that, based on the F test in the ANOVA table to predict audit quality using $\alpha = 5\%$ indicates that the significance level in the f test is 0.000, which means it is smaller than 0.05, so it can be explained that independence, integrity and audit tenure simultaneously have an influence on audit quality.

Table 4. Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	12,674	1,453		4,764	,000
Independence	,437	,768	,046	1,663	.011
Integrity	,874	,356	,764	1,764	,002
Tenure Audit	1,546	,875	,065	2,654	,000

Source: SPSS output

Based on the multiple regression statistical tests that have been carried out, one mathematical equation from this research can be prepared as follows:

$$Y = 12.674 + 0.437X1 + 0.874X2 + 1.546X3 + e$$

The hypothesis test's findings indicate that the independence variable has a favorable impact on audit quality with a significance level of 0.011. These findings are consistent with studies showing that independence affects audit quality (Fauziah and Yanthi, 2021; Anwar & Rinaldy, 2022). When it comes to their auditing activities, independent auditors don't take sides and aren't swayed by outside forces. An auditor's evaluation of the financial reports they review will be influenced by the high level of independence they possess.

Based on the findings of hypothesis testing with a significance level of 0.002, the integrity variable also exhibits an influence on audit quality. According to earlier research (Idawati W, 2016), this study was conducted. This justifies the fact that integrity affects audit quality in a positive and significant way. Integrity is a way of being that is connected to honesty, knowledge, responsibility, and courage. Auditors must fulfill their obligations by constantly expanding their knowledge and skill sets in order to detect fundamental fraud. Additionally, the audit's quality will be enhanced by the auditor's integrity.

Furthermore, the audit tenure variable also has a positive and significant influence on audit quality with a significance level of 0.000. The results of this research are in accordance with the findings made by Panjaitan (2014). A certain period of time or the longer the auditor has a relationship with the client, in this case the government agency regarding the audit of its financial reports in this research, shows that there is a significant influence on audit quality. In conducting audits, auditors must have independence that can accommodate optimal audit quality. The length of interaction between the auditor and the client will make the auditor better understand the ins and outs of the program, specific information, organizational management and internal control so as to increase the auditor's competency in detecting material misstatements.

The results of these findings are in accordance with the latest achievements achieved by the Makassar City Inspectorate in April 2023 to level 3 APIP capability. Audit quality has a correlation with the achievements achieved by Makassar City so that it is hoped that it will be able to implement supervision of 3-E, namely Effectiveness, Economics and Efficiency in every activity carried out in Regional Apparatus Organizations. This is also due to the collaboration of the audit staff of the Government Internal Audit Apparatus who helped the Makassar City Government realize its vision and mission to make the bureaucracy free from indications of corruption.

4 Conclusion

From the test results in this research, it was concluded that independence, integrity and audit tenure had a positive and significant effect on the audit quality of the Makassar City regional inspectorate. In carrying out its supervisory function, it can be concluded that the Makassar City Inspectorate has carried out this function well in terms of inspection and testing. This can happen because of the quality of auditing and good coordination with government agencies. Regarding Makassar City's achievements regarding level 3 capability, it is hoped that it can be maintained.

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