

The Effect of Organizational Commitment, Professionalism, and Ethical Behavior on Auditor Performance in Public Accounting Firms in Sumatra Region

Wiwik Nazipah Putri¹, Ratih Kusumastuti^{2*}, Rita Friyani³
Fakultas Ekonomi dan Bisnis, Universitas Jambi

Corresponding Author: Ratih Kusumastuti ratihkusumastuti@unja.ac.id

ARTICLE INFO

Keywords: Organizational Commitment, Professionalism, Ethical Behavior, and Auditor Performance

Received : 25, August

Revised : 13, September

Accepted: 15, October

©2024 Putri, Kusumastuti, Friyani:
This is an open-access article distributed under the terms of the [Creative Commons Atribusi 4.0 Internasional](https://creativecommons.org/licenses/by/4.0/).



ABSTRACT

The purpose of this study is to study how auditor performance is affected by the following factors: organizational commitment to the auditor's work, auditor professionalism, and ethical behavior. In addition, this study examines how organizational contribution, professionalism, and ethical behavior affect auditor performance. This study involved auditors from all over Sumatra who worked at Public Accounting Firms (KAP). The sample consisted of 5 regions: Jambi, Pekanbaru, Palembang, Medan, and Batam, with a total of 62 respondents. The data collection method through the SPSS 29 Software for Windows questionnaire was used to conduct the analysis of this study, which used multiple linear regression. According to the results of the study, although organizational commitment does not affect auditor performance, professionalism and ethical behavior significantly affect auditor performance. In addition, professionalism and ethical behavior affect the performance of auditors simultaneously with the organization's commitments.

INTRODUCTION

The role of accountants in providing precise and accurate financial information is crucial for various stakeholders, governments, investors, creditors, shareholders, employees, debtors, and in general. The performance of auditors in Public Accounting Firms (KAP) greatly affects the success of the organization's tasks and functions, so competent and thorough auditors are needed (Juliantri et al., 2020). Public Accounting Firms (KAP) focus on professional services such as operational audits, financial statement audits, and compliance audits, and are recognized by the government as a business entity that handles financial matters and provides public accounting services. Auditors at KAP must understand professional ethics as well as good corporate governance standards, as well as have special skills and a strong sense of responsibility in order to provide effective audit reports and provide a clear understanding of the company's financial condition to the public (Hariyanti & Mustikawati, 2019; Diana & Setiawan, 2020).

However, various cases of auditor failures, such as Garuda Indonesia's flawed financial statements and the manipulation of Raden Motor's financial statements, highlight violations of ethical principles and professionalism, which have a negative impact on public trust in the accounting profession (Karen et al., 2022; Perdani & Waluyo, 2016). Frauds that occur in the accounting sector, including asset misuse, corruption, and manipulation of financial statements, demonstrate the need for increased integrity and professionalism among auditors to prevent fraud and increase public trust (ACFE, 2022).

A recent survey conducted by the Association of Certified Fraud Examiners (ACFE) in 2022 showed that asset misuse is the most common form of fraud in organizations. In the survey, more than 86% of the cases revealed involved asset misuse, such as theft of goods, manipulation of inventory, or misuse of company facilities. Although corruption and manipulation of financial statements are also a major concern, with a lower percentage, asset abuse remains dominating as the most common type of fraud because it is easy for employees who have access to company assets (ACFE, 2022). Research conducted by Ghaisani and Supatmi (2023) also supports these findings, stating that asset abuse occurs more frequently because it is more difficult to detect than other forms of fraud such as manipulation of financial statements, which generally require higher-level management involvement.

Previous research has shown that varying results regarding auditor effectiveness are influenced by organizational commitment, professionalism, and professional ethics. Several studies have found that while organizational commitment and professional ethics vary, professionalism affects auditor performance (Juliantri et al., 2020; Diana & Setiawan, 2020). The focus of this research is how auditor performance is influenced by organizational commitment, professionalism, and ethical behavior in the KAP in the Sumatra region, taking into account the phenomenon that occurs in various KAP in the region, such as in Palembang, Jambi, Riau, and North Sumatra. By modifying the independence variable to focus on organizational commitment, professionalism, and ethical behavior, this study aims to gain a deeper

understanding of the elements that affect auditor performance as well as their impact on auditor performance in the Sumatra region. This study will be able to make a significant contribution to the understanding of how auditor performance is affected by these factors and help improve the quality and integrity of audits in KAP.

LITERATURE REVIEW

Auditor Performance

Etymologically, the term "Performance" comes from the concept of work performance (performance). Performance can be considered as a consequence of the work or the method of execution of the work itself. This term encompasses a broad meaning, not only limited to the final result of the work, but also to how the work process is carried out. In other words, performance includes the implementation of tasks and the results achieved from the implementation of those tasks (Hariyanti & Mustikawati, 2019).

Organizational Commitment

Luthans (2002) states, "Organizational commitment is an attitude that shows employee loyalty and is a continuous process by which an organization member expresses his or her concern for the success and well-being of his organization." Based on this opinion, organizational commitment can be understood as a loyalty of the members of the organization so that it gives rise to positive actions that ultimately bring about the success of the organization. There are three components of organizational commitment according to (Hariyanti & Mustikawati, 2019), including: affective commitment, continuous commitment, normative commitment

The results of the study found by (Diana & Setiawan, 2020) shows that the performance of auditors is greatly influenced by the organization's commitment. This shows the level of engagement of auditors with organizations is positively correlated with their performance; Conversely, if the level of organizational commitment is lower, the auditor's results will be worse.

H1: At the Sumatra Public Accounting Firm, the performance of auditors is influenced by organizational commitment.

Professionalism

According to the Great Dictionary of Indonesian (2005), quality, quality, and action are the characteristics of a professional or individual who works in a field called professionalism. Audit professionalism means taking responsibility for more than just fulfilling legal and personal obligations. A public accounting professional recognizes that they are accountable to the public, clients, and fellow practitioners, including behaving respectfully, even if they have to sacrifice themselves (Indah Azhari dkk., 2020).

Researchers use the concept of Hall professionalism extensively to evaluate the level of professionalism of auditors, which is reflected in their attitudes and behaviors (Indah Azhari dkk., 2020).

The results of this study are in line with the research conducted by (Juliantri dkk., 2020) which states that professionalism affects the performance of auditors. In other words, the more professional an auditor is, the better his performance will be because the work will run well and achieve the expected results if the auditor is trustworthy and reliable in carrying out his duties.

H2: At the Sumatra Public Accounting Firm, the performance of auditors is influenced by professionalism.

Ethical Behavior

Ethical behavior is defined as behavior that reflects individual opinions and general social norms about what is considered good and right (Muria & Alim, 2021). Research conducted by (Gustini, 2016) states that there are three standards for decision-making, namely: , Utilitarian, Rights, and Justice

The results of the study conducted by (Zaleha & Novita, 2021) show that the relationship between professional ethics affects the performance of the auditor; if the auditor does not comply with or fulfill his professional ethics, he will not perform at his best and satisfy the client and himself.

H3: At the Sumatra Public Accounting Firm, Ethical Conduct affects the performance of auditors.

H4: The performance of auditors in Public Accounting Firms in the Sumatra region is influenced by Organizational Commitment, Professionalism, and ethical behavior.

The following examples show the relationship between auditor performance and Organizational Commitment, Professionalism, and Ethical Behavior based on the framework of thinking provided by the author:

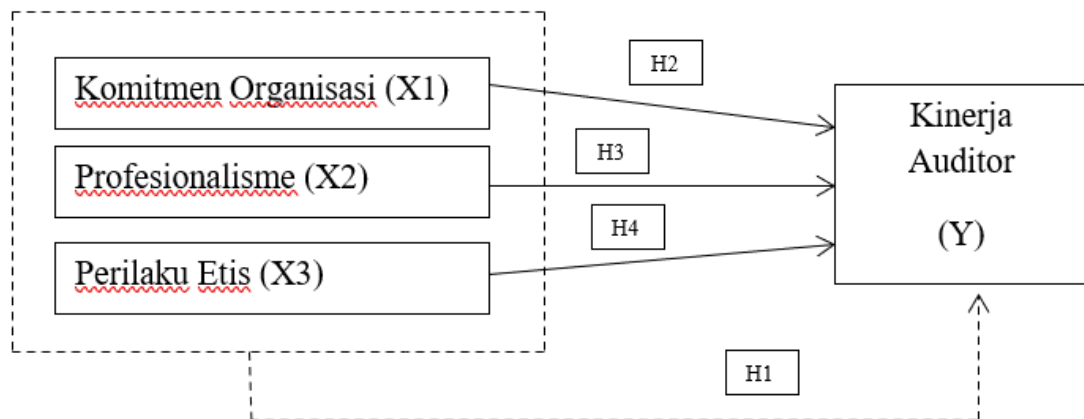


Figure 1. Conceptual Framework

METHODOLOGY

Quantitative methods are used to measure the relationship between research variables. This method focuses on statistical analysis. The study population includes all auditors in Public Accounting Firms (KAP) in Sumatra, with samples taken from five regions: Jambi, Batam, Pekanbaru, Palembang, and Medan, using the proportional sampling method. The number of samples determined through the Slovin formula is 62 auditors. Data were collected

using questionnaires that included statements related to independent variables (organizational commitment, professionalism, and ethical behavior) and dependent variables (auditor performance) measured on a Likert scale of 1-5. Data analysis is carried out using the SPSS application to process statistical data efficiently and accurately.

RESEARCH RESULTS

This study conducted a descriptive analysis to see how the organizational committee, professionalism, ethical behavior, and performance of KAP auditors were described in the Jambi, Pekanbaru, Palembang, Medan and Batam regions. First, a validity test is performed, which shows that What is supposed to be measured can be measured with this tool. The Rtable value of the study is based on the number of respondents (n) = 62 and df = 62-2 = 60, so the r-table is 0.248. Based on the results of the validity and reliability test, this study tested four variables: Organizational Commitment (X1), Professionalism (X2), Ethical Behavior (X3), and Auditor Performance (Y). The validity test shows that all statements from each variable are declared valid, because the value of r count of each statement is greater than the r table (0.250). In the Organizational Commitment variable (X1), the highest r value was found in KO_06 of 0.848, while for the Professionalism variable (X2), the highest value in P_13 was 0.741. For the Ethical Behavior variable (X3), PE_01 had the strongest correlation with an r-calculated value of 0.772, while the Auditor Performance variable (Y) showed the highest value in KA_01 with 0.783.

After the validity test, a reliability test is carried out to ensure data consistency. Based on the Cronbach Alpha value, all variables are declared reliable, because the value is more than 0.60. The Professionalism variable (X2) had the highest Cronbach Alpha score of 0.910, indicating excellent internal consistency, followed by Organizational Commitment (X1) with 0.887, Ethical Behavior (X3) with 0.850, and Auditor Performance (Y) with 0.839. These results show that the instruments used in this study are valid and reliable, so they are worthy of use in future analysis. Second, multiple linear regression testing is used to measure the influence of Organizational Commitment (X1), Professionalism (X2) and Ethical Behavior (X3) on Auditor Performance (Y) as shown in the table below:

Table 1. Multiple Linear Regression Analysis Test Results

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	,111	,078		1,430	,159		
	KO	,095	,096	,120	,984	,330	,504	1,983
	P	,272	,086	,385	3,169	,003	,506	1,976
	PE	,362	,102	,406	3,536	<,001	,568	1,760

a. Dependent Variable: KA

Based on table 6, a regression line equation can be obtained as follows:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \epsilon$$

$$Y = 0,111 + 0,095X_1 + 0,272X_2 + 0,362X_3 + \epsilon$$

Considering the above equation, it can be interpreted as follows:

1. The constant value has a positive value of 0.111, which indicates that there is a unidirectional influence between the independent variable and the dependent variable. If all independent variables, including Organizational Commitment (X1), Professionalism (X2), and Ethical Behavior (X3), are valued at all or unchanged, then the performance variable is 0.111.
2. The coefficient of the Organizational Commitment variable (X1) is 0.095, indicating that the organizational commitment variable positively affects the auditor performance variable. In other words, if the value of the variable of organizational commitment increases, then the auditor's performance will increase by 9.5 percent.
3. The coefficient of the professionalism variable (X2) was 0.272, which showed that the professionalism variable had a positive impact on the auditor's performance variable. In other words, if the value of the professionalism variable increases, it will increase the auditor's performance by 0.272, or 27.2%.
4. The coefficient of ethical behavior variables (X3) of 0.362 shows that this variable has a positive impact on auditor performance variables. In other words, if the value of this variable increases, it will improve the auditor's performance by 36.2 percent.

Third, the normality test is used to find out whether the residual or perturbing variable has a normal distribution in the regression model. There are two methods to know if a residual has a normal distribution.

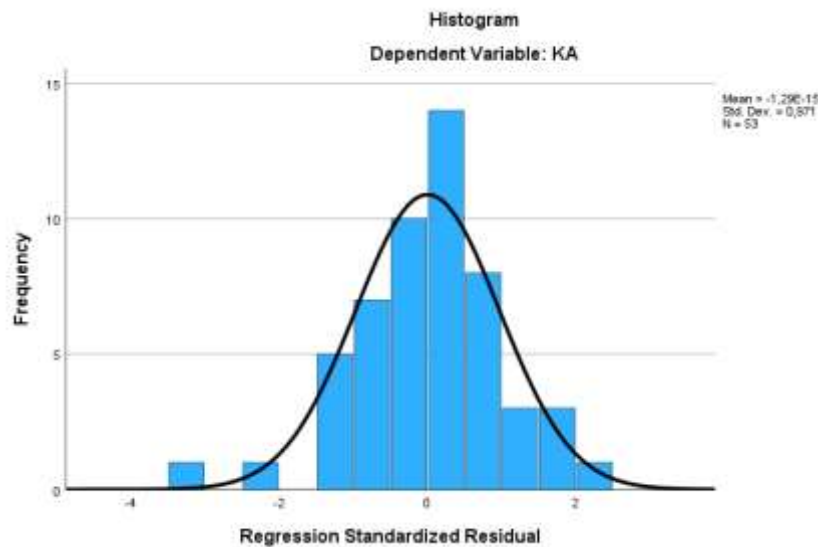


Figure 2. Grafik Histogram

Since Figure 2 tends to follow a normal curve pattern, or bell shape, Figure 2 can show the observation that the residual values of the observed data have been distributed normally.

Fourth, the Multicollinearity Test which aims to find out how the independent variables in the study interact with each other. The way to test it is to look at the value of VIF (*Variance Inflation Factor*), where if the VIF value > 10.00 or the *Tolerance* value < 0.01 , there is multicollinearity between the

independent variables and if the VIF value < 10.00 and the *Tolerance value* > 0.01 , there is no multicollinearity between the independent variables. The following table shows the results of the multicollinearity test:

Table 2. Multicollinearity Test

Independent Variable	Collinearity Statistic		Information
	Tolerance	VIF	
Organizational Commitment	0,504	1,983	No multicolienarita occurs
Professionalism	0,506	1,976	No multicolienarita occurs
Ethical Behavior	0,568	1,760	No multicolienarita occurs

The variables of organizational commitment are known based on the results of the multicollinearity test shown in table 7, professionalism and ethical behavior have a VIF value of < 10.00 and a *Tolerance value* of > 0.01 , meaning that all independent variables do not occur multicollinearity.

Fifth, the heteroscedasticity test is carried out to determine whether there is homoscedasticity or not in the regression model. This analysis is carried out by looking at plot graphs.

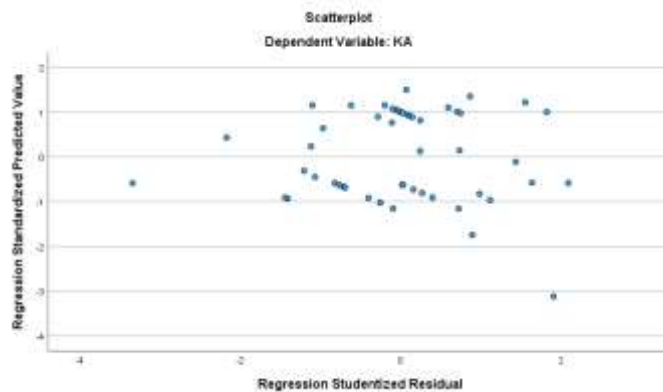


Figure 3. Heteroscedasticity Test Results

The scatterplot graph above shows that the points are scattered randomly, scattered both above and below the number 0 on the Y axis.

DISCUSSION

The Effect of Organizational Commitment on Auditor Performance

The results of the study show that organizational commitment affects the performance of auditors significantly or negatively. This means that while there are indications an increase in organizational commitment can be associated with improved auditor performance, this relationship is not strong enough to be considered statistically significant. Therefore, even if the coefficient is positive, it does not mean that it can be concluded that the organization's commitment can be real and consistent to improve auditor performance. The results of this study are in line with the findings of a previous

study conducted by (Leemann et al., 2023) which stated that the performance of internal auditors is not affected by organizational commitment; in other words, neither high nor low levels of organizational commitment will affect how well internal auditors perform.

The Effect of Professionalism on Auditor Performance

The results of the study show that professionalism affects the performance of auditors positively and significantly. An auditor who carries out his duties with high professionalism tends to be more competent, meticulous and ethical in carrying out their responsibilities. With high professionalism, auditors are able to identify and address problems more efficiently, provide more accurate recommendations, and maintain stakeholder trust.

The results of this study are in line with research conducted by (Juliantri et al., 2020) which states that professionalism has a positive impact on auditor performance, which means that the more professional an auditor is, the better his performance will be because the work will run smoothly, well, and produce the expected results if the auditor can be trusted and reliable in carrying out his duties.

The Influence of Ethical Behavior on Auditor Performance

The results of this study show that ethical behavior has a positive and significant effect on auditor performance. When auditors adhere to high ethical standards, they can identify and report audit findings objectively and accurately, without being influenced by external pressures or conflicts of interest. This not only improves the quality of audits, but also strengthens the reputation of the auditor and the firm. Additionally, ethical behavior helps to create a transparent and fair work environment, which makes clients and other stakeholders more trusting.

The results of this study are consistent with research conducted by (Tumundo, 2019) which states that auditor performance is greatly influenced by the code of ethics. This means that the auditors at the Regional Inspectorate of North Sulawesi Province comply well with the code of ethics, which can have an impact on their performance. This shows that higher professional ethics indicate better auditor performance.

The Importance of Organizational Commitment, Professionalism, and Moral Behavior on Auditor Performance

The results showed that the F test applied to all independent variables simultaneously or simultaneously. namely the variables of organizational commitment (X1), professionalism (X2) and ethical behavior (X3), together (simultaneously) have a significant influence on the bound variable, namely the auditor performance variable (Y). The combination of these three variables creates an optimal work environment for auditors to carry out their duties more effectively and efficiently. Organizational commitment provides the necessary support and motivation for auditors, while professionalism ensures that auditors have the necessary knowledge and abilities to complete tasks to a high

standard. On the other hand, ethical behavior maintains integrity and trust in the audit process, which is essential for reliable and accurate results. Thus, improvements in these three aspects together will encourage the whole.

Research conducted by supporting this (Leemann et al., 2023) All of these independent variables affect the results of internal auditors. This means long work experience, adequate compensation, high commitment to the company, and a good understanding of government, and high role clarity will improve performance. Research conducted by (Alfianto & Suryandari, 2015) simultaneously Factors such as audit structure, organizational commitment, and professionalism greatly affect auditor performance.

CONCLUSIONS AND RECOMMENDATIONS

The results of the study show that organizational commitment, professionalism, and ethical behavior have different impacts on auditor performance. Organizational commitment, while having a positive coefficient, is not significantly influenced by auditor performance. This proves that the level of organizational commitment, both high and low, does not have a strong enough impact to significantly affect the auditor's performance. On the contrary, professionalism and ethical behavior have been proven to have a positive and significant effect on auditor performance. Auditors who have a high level of professionalism tend to work more competently, thoroughly, and ethically, which in turn improves the quality of work and the trust of stakeholders. Similarly, high ethical behavior ensures that auditors work with integrity, which improves audit quality and professional reputation. The combination of these three factors creates an optimal work environment, allowing auditors to carry out their duties more efficiently and productively. This study supports the conclusion that improvements in these three aspects together will help improve auditor performance.

Based on the results of the research, several recommendations can be given to improve the performance of auditors. First, it is important for organizations to improve the professionalism of auditors through ongoing training and certification programs. Training that includes mastery of the latest technology and international standards will help auditors work more competently, which can be proven to have a significant effect on their performance. Second, auditor ethical behavior needs to be strengthened by instilling a clear ethical culture through a strict compliance program and code of conduct. Rewards and sanctions systems must also be implemented to encourage integrity in work, so that audit quality is improved and stakeholder trust is maintained. In addition, even if organizational commitment is not proven to have a significant direct influence on performance, companies still need to create a work environment that supports the auditor's commitment to the company's goals. This can be done by improving internal communication, providing fair rewards, and creating an inclusive work environment. By adopting a holistic approach that pays attention to professionalism, ethical behavior, and organizational commitment at the same time, companies can

ensure that auditors work effectively, productively, and with high integrity, so that overall audit performance will improve.

ADVANCED RESEARCH

Further research can focus on several aspects to deepen understanding of the relationship between commitment to the organization, professionalism, ethical behavior, and auditor performance. One area that can be explored further is a longitudinal study of the relationship between auditor performance and organizational commitment. The study will assess how changes in organizational commitment over time affect auditor performance, taking into account mediating variables such as job motivation and job satisfaction. In addition, research can explore the interaction between professionalism and ethical behavior, to assess whether high levels of professionalism are more effective in improving auditor performance when supported by strong ethical behavior.

REFERENCES

- Alfianto, S., & Suryandari, D. (2015). Pengaruh Profesionalisme, Komitmen Organisasi Dan Struktur Audit Terhadap Kinerja Auditor. Vol. 4 (No. 1), Hal. 1-9.
- Association of Certified Fraud Examiners (ACFE). (2022). Report to the Nations: Global Study on Occupational Fraud and Abuse.
- Diana, A. L., & Setiawan, D. A. (2020). Pengaruh Profesionalisme, Komitmen Organisasi Dan Independensi Terhadap Kinerja Auditor (Sudi Empiris: Kantor Akuntan Publik Jakarta Timur). Jurnal Inovasi Penelitian, Vol 2 (No 10), hal. 3513-3538.
- Ghaisani, A. A., & Supatmi, S. (2023). Pendeteksian Kecurangan Pelaporan Keuangan Menggunakan Fraud Pentagon. Owner, Vol 7 (No 1), hal. 599-611. <https://doi.org/10.33395/owner.v7i1.1233>
- Gustini, E. (2016). Pengaruh Pengalaman Audit, Komitmen Profesional, Orientasi Etika Dan Nilai Etika Organisasi Terhadap Pengambilan Keputusan Etis Auditor Internal Di Kota Palembang. Jurnal Ilmiah Ekonomi Global Masa Kini, Vol 7 (No 2), hal. 62-73. <https://doi.org/10.36982/jiegmk.v7i2.178>

- Hariyanti, J. N., & Mustikawati, R. I. (2019). Pengaruh Independensi, Kompetensi, Komitmen Organisasi, Pengalaman Dan Motivasi Kerja Terhadap Kinerja Auditor Pada Kantor Akuntan Publik Di Daerah Istimewa Yogyakarta. *Jurnal Profita: Kajian Ilmu Akuntansi*, Vol 7 (No 4), hal. 1-21.
- Indah Azhari, S. R., Junaid, A., & Tjan, J. S. (2020). Pengaruh Kompetensi, Independensi, Dan Profesionalisme Auditor Terhadap Kualitas Audit Dengan Etika Auditor Sebagai Variabel Moderasi. *Invoice : Jurnal Ilmu Akuntansi*, Vol 2 (No 2), hal. 139-184.
<https://doi.org/10.26618/inv.v2i2.4116>
- Ismail, A. M. (2018). Pengaruh Penggunaan Teknologi Informasi Terhadap Kinerja Auditor. hal. 1-9.
- Juliantri, N. L. P. A., Novitasari, N. L. G., & Saitri, P. W. (2020). Pengaruh Profesionalisme, Komitmen Organisasi, Locus Of Control Internal, Dan Locus Of Control Eksternal Terhadap Kinerja Auditor Di Kantor Akuntan Publik Di Bali. *Jurnal Kharisma*, Vol 2 (No 1), hal. 181-191.
- Karen, K., Yenanda, K., & Evelyn, V. (2022). Analisa Pelanggaran Kode Etik Akuntan Publik Pada Pt Garuda Indonesia Tbk. *SIBATIK JOURNAL: Jurnal Ilmiah Bidang Sosial, Ekonomi, Budaya, Teknologi, dan Pendidikan*, Vol 2 (No 1), hal. 189-198.
<https://doi.org/10.54443/sibatik.v2i1.519>
- Leemann, F., Mannan, A., & Rura, Y. (2023). Pengaruh Pengalaman, Kompensasi, Komitmen Organisasi, Pemahaman Good Governance, dan Kejelasan Peran terhadap Kinerja Auditor Internal. *Akrual: Jurnal Bisnis dan Akuntansi Kontemporer*, 1-13.
<https://doi.org/10.26487/akrual.v16i1.22106>
- Muria, R. M., & Alim, M. N. (2021). Perilaku Etis Dan Kode Etik Akuntan Profesional Dalam Akuntan Publik. *Wacana Equilibrium (Jurnal Pemikiran Penelitian Ekonomi)*, Vol 9 (No 01), hal. 41-52.
<https://doi.org/10.31102/equilibrium.9.01.41-52>

Perdani, F. N., & Waluyo, I. (2016). Pengaruh Framing, Urutan Bukti Dan Pengalaman Kerja Auditor Terhadap Audit Judgment (Studi Kasus Pada Auditor Yang Bekerja Di KAP Wilayah DIY Dan Solo). *Jurnal Profita*, hal. 1-18.

Tumundo, M. (2019). Pengaruh Kepatuhan Pada Kode Etik, Kompetensi Dan Pengalaman Audit Terhadap Kinerja Auditor Pada Inspektorat Daerah Provinsi Sulawesi Utara. *Jurnal EMBA*, Vol 7 (No 4), hal. 4945-4958.

Zaleha, P. A., & Novita, N. (2021). Dampak Teknologi Informasi, Etika Profesi Terhadap Kinerja Auditor. *Jurnal Akuntansi Dan Auditing*, Vol 17 (No 1), hal. 90-114. <https://doi.org/10.14710/jaa.17.1.90-114>