

EXPERIENCE, COMMITMENT AND SENSITIVITY AUDITORS OF ETHICS REPRESENTATIVES

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ABSTRACT

This study aims to determine whether Experience and Orientation of Ethics Affect the Professional Commitment and Sensitivity of Auditor Ethics at the Office of BPKP Representative of South Sulawesi Province. Data collection using Probability Sampling technique. Its population is all Auditor BPKP Representatives of South Sulawesi Province amount 115 Auditors, the sample amounted to 53 respondents. Methods of data analysis using path analysis. The result of the research shows that experience has no significant effect on professional commitment, ethical orientation has no significant effect on professional commitment, experience and ethical orientation has no significant effect on professional commitment, experience has a significant positive effect on auditor ethics sensitivity, ethical orientation has significant positive effect on auditor ethics sensitivity, experience and ethical orientation have a positive and significant influence on auditor ethics sensitivity through Professional Commitment as Intervening Variable.

Keywords: Experiences, Ethics Orientation, Sensitivity Ethic of Auditor, Commitment.

INTRODUCTION

BPKP is an internal auditor in managing state finances. BPKP performs the duties and responsibilities of implementing state finances in matters of development such as auditing, overcoming corruption, collusion, nepotism and providing supervision education or training based on existing regulations. Internal auditors often face dilemmatic situations in carrying out their audit duties. This condition shows that the auditor profession is not separated from ethical issues. Ethics in auditing is a systematic process for obtaining and evaluating evidence objectively about assertions of economic activity, with the aim of establishing the degree of conformity between these assertions, as well as the delivery of results to interested parties. An auditor must have an attitude that can support his performance in the field. Although everyone has different attitude characteristics, but in order to support the smooth running of the audit process, each auditor must at least implement a number of attitudes, namely professional skepticism, knowledge and experience, independence and objectivity (Dezoort, 1998; Mark, 2000).

Ethical sensitivity is the ability to know the nature of ethical sensitivity is a professional responsibility. ICPA (American Institute of Certified Public Accountants) requires the auditor to exercise professional sensitivity and moral judgment in all of his activities (Basar, 2018). Ethical sensitivity is one part of the process of moral decision making, which consists of: a). Moral awareness. Regarding the natural moral of the situation, b). Moral judgment. Making a decision that is morally right in that situation, c). Moral intent. Deciding to place a value in moral norms than the other norms. d). Moral action. Engaging in moral behavior (Judi, 1998).

The BPKP auditor as an internal examiner in the management of state finances must be supported by maintaining independence, professionalism, possessing the knowledge, expertise and experience needed to carry out audit tasks and applying the principle of prudence, thoroughness and accuracy and supported by auditor ethical sensitivity so that it is not guarantee that the auditor can improve the quality of the

results of the examination. But in reality the quality of audits produced by the supervisory and Development Agency (BPKP) was under the spotlight of In 2008 a case happened to the Financial and Development Supervisory Agency (BPKP). The BPKP is deemed not to provide the right opinion (the existence of a perception between the BPKP and the Prosecutor's Office). Where the prosecutor's office, BPKP is said to have made a wrong decision, this case originated from the procurement of medicines by the Health Office. When the BPKP audits, there are no things that can cause state losses from drug activities. While the prosecutor considers the BPKP to have been wrong in making audit decisions that have caused losses to the state (BPKP, 2009). This proves that the role of government auditors has not been maximized in detecting fraud in determining decision making related to ethical sensitivity which has an impact on state losses. Some cases of auditor failure can be used as material for evaluating professional ethics. Audit experience is one of the things that can affect the ethical sensitivity of auditors, because it is considered more conservative in dealing with ethical dilemmas. Another alternative in solving ethical issues is ethical orientation. Ethical orientation consists of two characteristics, namely idealism and relativism. The auditor must also be committed to the public interest. Commitment is divided into two, namely professional commitment and organizational commitment. Another thing that can be related to ethical sensitivity is the ethical culture of the organization.

Competencies are related to education and adequate experience owned by public accountants in the field of auditing and accounting, while independence is related with public accountant ethical issues that are not easily influenced. This is in line with the opinion of, which states that auditors when auditing must have expertise that includes two elements, namely knowledge and experience. In accordance with general standards in the Professional Standards of Public Accountants that auditors are required to have sufficient experience in the profession they are engaged in, and are required to fulfill technical qualifications and experience in the industries they audit (Arens, 2004; Nurdiono, 2018).

The auditor develops based on experience gained through discussion, training and standard use. Auditors who have experience are considered more conservative when faced with ethical dilemmas. This shows that experience is very important, because the more telitia auditors increase the ethical sensitivity of auditors. Experience can also be interpreted as something that has been experienced (lived, felt, borne). Experience is a thing that cannot be separated from everyday human life. Experience is also very valuable for every human being, and experience can also be given to anyone to use and be a guide and human learning.

Another alternative that can be used to resolve ethical dilemmas is ethical orientation. Ethical orientation is an alternative pattern of behavior for resolving ethical dilemmas, which are formed by idealism and relativism. This study uses each indicator to measure idealism and relativism. actions guided by ethical and moral values, while relativism relates to rejection of ethical and moral values. Both measures are important to be used to measure the relationship of ethical orientation with ethical sensitivity. Commitments are divided into two, namely professional commitment and organizational commitment. Organizational commitment and professional commitment are two different things. Commitment according to experts is to explain that commitment is a promise that is made by someone to themselves and others and must be reflected in our actions or behavior. Commitment is also considered as a complete recognition that comes from the character or character of someone who spontaneously comes out. Indicator of professional commitment in this study relates to the auditor's commitment to his profession as an auditor, while organizational indicators are related to the auditor's commitment to the organization where he works. To prove the expertise or professionalism of an auditor must also have experience in audit practice, because inexperienced auditors will make greater attribution of errors than experienced auditors. Therefore a good auditor is required to have professionalism in carrying out his duties, which means that professionals have been educated to carry out complex tasks independently and solve problems that arise in carrying out these tasks by using their expertise and experience (Derber, 1991).

The auditor's ethical orientation not only affects ethical sensitivity but also their professional commitment. Auditors who are sensitive to ethical issues will be more professional. In order to be able to exercise its sensitivity in terms of ethical considerations, the auditor must be aware of ethical problems in his work, and that sensitivity is the initial stage in the ethical decision making process. Integrity also becomes very important for the auditor profession because this profession risks its integrity to check testimony about the integrity of other parties (management). Testimony about the integrity of the other party can only be trusted if the auditor itself is of good integrity. This study refers to the study by using path analysis to examine the relationship of idealism from ethical orientation and relativism from ethical orientation to ethical sensitivity through commitment (organizational commitment and professional commitment). Low auditor relativism has a high level of professional commitment. Idealists are always trying to avoid mistakes to users of financial statements. Thus, auditors who have this type are more accepting and believing in the goals and values of the profession of accountants, obedient (loyal) to the standards of the accounting profession, giving opinions morally and trying to remain part of the accounting profession. Study are ethical orientations that influence professional commitment, organizational commitment, and ethical sensitivity. Organizational commitment affects ethical sensitivity. Relativism does not affect organizational commitment, professional commitment does not significantly affect organizational commitment, and professional commitment does not affect ethical sensitivity.

Research Objectives

In accordance with the problems that have been formulated, the objectives of this study are:

1. To analyse the effect of experience on auditor ethical sensitivity.
2. To analyse the effect of ethical orientation on ethical sensitivity of auditors.

3. To analyse the influence of experience on professional commitment.
4. To analyse the influence of ethical orientation on professional commitment.
5. To analyse the influence of experience on the ethical sensitivity of auditors through professional commitment as an intervening variable.
6. To analyse the influence of ethical orientation on auditor ethical sensitivity through professional commitment as an intervening variable.
7. To analyse the influence of ethical orientation and experience on the ethical sensitivity of internal auditors with professional commitment as an intervening variable.

LITERATURE REVIEW

Sensitivity of Auditor Ethics

The ability of a professional to behave ethically is greatly influenced by the sensitivity of the individual's judgment. An important factor in assessing ethical behavior is the awareness of individuals that they are moral agents. Individual awareness can be assessed through the ability to realize the existence of ethical values in a decision that is mentioned as ethical sensitivity. The ability of an individual to behave professionally is strongly influenced by the sensitivity of the individual. Important factor in assessing ethical sensitivity is the individual's awareness that they are moral agents. Therefore, ethical awareness can be assessed through its ability to realize the existence of ethical values in the environment in which it works.

Model or framework for analyzing four components of a framework to examine the development of individual moral thinking processes and individual behavior in making decisions where each component influences moral behavior and failure on indicators can lead to unethical behavior.

Research in accounting is focused on ethics in terms of decision-making ability and ethical behavior. The ability to recognize the ethical nature of a decision is ethical. If the auditor does not recognize the nature of ethics in a decision, the moral scheme will not lead to the ethical problem.

Professional Commitment

Professional Commitment is the level of individual loyalty in the profession of professional commitment based on understanding the behavior, attitudes and professional orientation of a person in carrying out tasks is a reflection of the norms, rules and ethical code of the profession. These professional norms, rules and codes of ethics function as a control mechanism that will determine the quality of their work. This means that in a professional there is a system of values or norms that will regulate their behavior in the process of carrying out their duties or work. The level of desire to maintain professional attitudes can vary between workers and other workers, depending on the individual perceptions of each. That is why a professional association is emphasized that there is a high level of professional commitment manifested in the implementation of tasks or the work it faces (Ruyter, 1999). Older auditors have a higher professional commitment than those who are new to the profession as auditors, because auditors who work longer have a high value of loyalty to the professional commitment is an assessment of one's loyalty to his profession, which shows acceptance and trust in the values and goals of the profession.

Auditor's Experience

The auditor's experience is experience in conducting audits that are seen in terms of the length of time he works as an auditor and the large number of examinations that have been carried out. Auditors demand high expertise and professionalism. Such expertise is not only influenced by formal education, but many other factors that influence, among others, are experience. Auditors have advantages in terms of detecting errors, understanding errors accurately and looking for causes of errors. Ethical

orientation is the development of an individual's ability to pay attention to ethical issues. Each person's ethical orientation is determined by the level of his needs. These needs will interact with personal experience then the value system will determine the purpose of the application of individual behavior so that ultimately the actions that should be taken can be realized.

Research Approach

This research is included in the domain of quantitative research because it will examine the relationship and influence between independent and dependent variables. The population in this study were all auditors at the Office of the BPKP Representative of South Sulawesi Province. The number of auditors who became the population in this study were 115 respondents. Sampling in this study was conducted using the Probability Sampling method, the number of samples taken in this study were 53 auditors.

Method of collecting data, In this study data was collected by distributing questionnaires to auditors working at the Public Accountant Office in Makassar. Then the answers to each instrument were collected through a tabulation process using a Likert scale. In this study, several stages of data analysis will be explained and the objectives will be explained, namely; 1) test validity for measuring valid or valid whether or not a questionnaire has been distributed to all respondents. 2) reliability testing to test the consistency of data and measure the extent to which measurements used can be trusted or relied upon. 3) the normality test is done to see the regression model of the dependent variable (independent) and the independent variable (free) has a contribution or not through the Normal Probability Plot chart. 4) multicollinearity test is needed to determine whether there is an independent variable that has similarities with other independent variables in one model. 5) heteroscedasticity test aims to test whether in the regression model variance and residual inequalities occur one observation to another observation (Spyros, 2018). This path analysis technique will be used in testing the amount of contribution shown by the

path coefficients on each path diagram of casual relationships between experience variables (X1), ethical orientation (X2), and professionalism commitment (Y) on auditor ethical sensitivity (Z) .

Results of Pathway Analysis 2

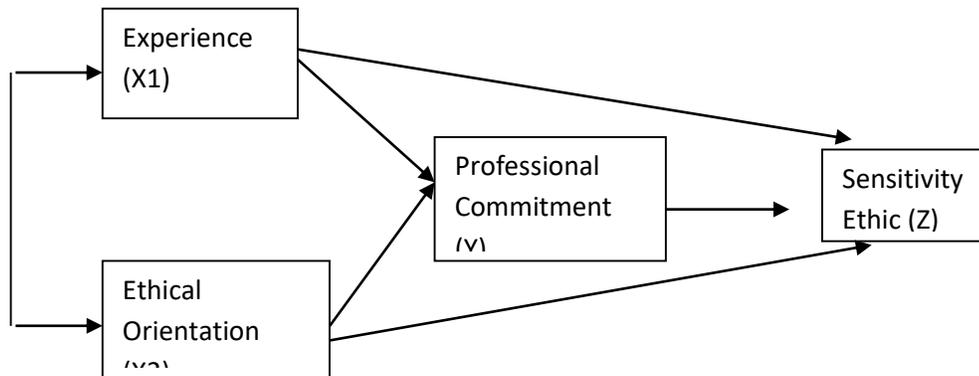


Figure 1 Path analysis

RESULTS AND DISCUSSION

Data Analysis Results

In this study, the initial stage of analyzing the data is to test the validity of the data to measure the data that is used through the assistance of the SPSS program.

The SPSS output results show that all instruments used have significant values smaller than 0.05 and it can be concluded that all research instruments used are valid. then performed reliability tests to test the consistency of data and measure the extent to which the measurements used can be trusted or relied upon.

The following are the results of reliability tests as shown in table 2 below:

Table 2. Reliability Test Results

Variable	Cronbach's Alpha	Value Reliabilities	of Information
Experience	0,875	0,60	Reliable
Ethical orientation	0,677	0,60	Reliable
Professional commitment	0,737	0,60	Reliable
Ethical Sensitivity	0,817	0,60	Reliable

The reliability test results in table 2 shows the cronbach's alpha value greater than 0.6 and shows that all items in this study are consistent and reliable.

Normality Test Results

In this study to test normality, it is used to use the Kolmogorov-Smirnov Test on the basis of decision making, namely if the probability value (Asymp Sign) is greater than the error rate of 5% (0.05), then the data is normally distributed and if the opposite occurs not normally distributed. Normality Test results can be seen in table 3 below:

Table 3. Normality Test Results

One Sample Kolmogorov-Smirnov Test

			Un standardized Predicted Value
N			40
Normal Parameters			
		Mean	6,9041667
		Std. Deviation	0,37359551
Most Differences	Extreme	Absolute	0,073
		Positive	0,073
		Negative	-0,049
Test Statistic			0,073
Asymp.Sig (2-tailed)			200

Based on table 3 above, it can be seen that the Asymp.sig value is 0.200 > 0.05. This is in accordance with the provisions that have been set, it can be concluded that the data is normally distributed and can be used in further testing.

Multicollinearity Test Results

If there is a high correlation between the independent variables, then the relationship between the independent variables to the dependent variable becomes disturbed. To test multicollinearity can be seen from the tolerance value and the value of VIF (Variance Inflation Factor). If the VIF value is not more than 10 and the tolerance value is not less than 0.1, the model can be said to be free from multicollinearity. The results of multicollinearity testing can be seen in table 4:

Table 4. Multicollinearity Test Results

Coefficient

Model	Collinearity Statistics	
	Tolerance	VIF
X1	.908	1.102
X2	.998	1.002
Y	.907	1.103

The multicollinearity test results in table 3 show that auditor experience variables, ethical orientation and ethical sensitivity have tolerance values above 0.1 and VIF less than 10 and show that in the regression equation model there are no symptoms of multicollinearity so that data can be used in this study .

Heteroscedasticity Test Results

The purpose of heteroscedasticity test is to test whether in the regression model variance inequalities occur from residuals to one observation to another observation. If the variance from the residual one observation to

another observation is different then it is called heteroscedasticity. The results of heteroscedasticity testing can be seen in table 5 below:

Table 5. Heteroscedasticity Test Results

Model	Un Coefficient B	Standardized Std.Error	Standard ized Beta	t	Sig.	Collinearity Statistics Toller ance	VIF
Consta nt	0,293	0,764		0,383	0,704		
X1	0,031	0,061	0,106	0,61	0,564	0,908	1.102
X2	0,029	0,073	0,066	0,397	0,694	0,998	1.002
Y	-0,027	0,046	-0,591	-0,591	0,558	0,907	1.103

Hypothesis Test Results

Path Analysis Results 1

Figure 2. Results of Path Analysis 1

Table 6. Path coefficient, direct contribution, indirect, total contribution, experience contribution (X1) and experience (X2) simultaneously and significantly towards professional commitment (Y)

Variable	Coefficient	Contribution			Contribution with X1 and X2
		Direct	Indirect	Total	
X1	0.303	0.303	-	0.303	
X2	-0,041	-0,041	-	-0,041	
E1	0.978	0.956	-	-	
X1 and X2	-	-	-	-	0.044

Based on the results of the calculation of the path analysis of equation 1, it provides objective information as follows:

1. The amount of experience contribution (X1) which indirectly affects professional commitment (Y) is 0.303 or 30.3%

2. The amount of ethical orientation contribution (X2) which indirectly affects professional commitment (Y) is -0.041 or -4.1%

3. The amount of experience contribution (X1) and ethical orientation (X2) which indirectly affects professional commitment (Y) is 0.044 or 4.4%. the remaining 0.956 or 95.6% is influenced by other factors such as the effect of audit fees, auditor competency and changes in authority.

Pathway Analysis Results 2

Figure 3. Results of Pathway Analysis 2

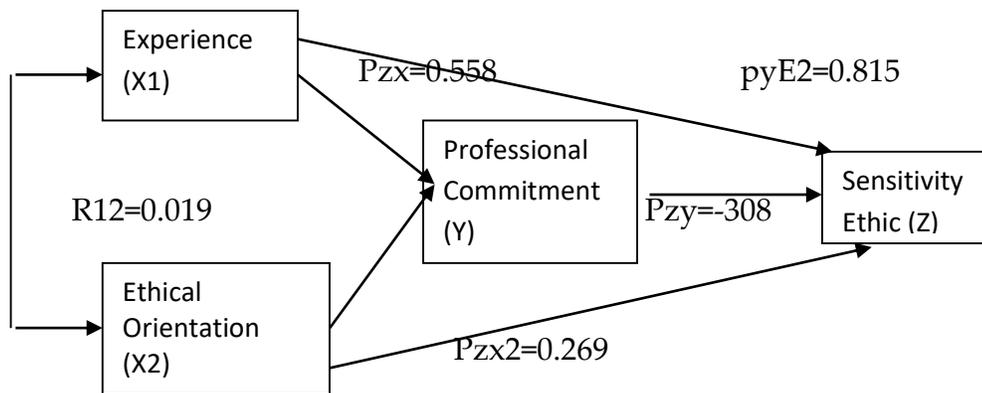


Table 7. Path coefficient, direct contribution, indirect, total contribution, experience contribution (X1) experience (X2) and professional commitment (Y) simultaneously and significantly towards the sensitivity of ethics (Y)

Variable	Coefficient	Contribution			Joint contribution
		Direct	undirect	Total	
X1to Y	0.303	0.303	-	0.303	
X1 to Z	0.558	0.558	-0.172	0.386	
X2 to Y	-0.041	-0.041	-	-0.041	
X2 to Z	0.269	0.269	-0.083	-0.186	
Y to Z	-0.308	-0.308	-	-0.308	
E2	0.815	0.665-	-	-	
X1,X2 and Y	-	-	-	-	0.335

Based on the results of the calculation of the path analysis of equation 2, the objective information is given as follows:

1. The amount of experience contribution (X1) which directly affects ethical sensitivity (Z) is 0.558 or 55.8%. While the amount of experience contribution (X1) indirectly affects ethical sensitivity (Z) through professional commitment (Y) $X1 \rightarrow Z \rightarrow Y = 0.558 \times (-0.308) = -0.172$.
2. The amount of orientation contribution (X2) directly influences ethical sensitivity (Z) is 0.269 or 26.9%. while the magnitude of the contribution of ethical orientation (X2) indirectly affects ethical sensitivity (Z) through professional commitment is $X2 \rightarrow Z \rightarrow Y = 0.269 \times (-0.308) = -0.083$.
3. The contribution of professional commitment (Y) which directly affects ethical sensitivity (Z) is -0.308 or -30.8%.
4. The amount of experience contribution (X1) and ethical orientation (X2) that affect ethical sensitivity (Z) through professional commitment (Y) as a simultaneous intervening variable is 0.335 or 33.5%. The remaining 0.665 or 66.5% is influenced by other factors such as expertise, audit situation and gender.

From the explanation above, it can be concluded that overall that ethical experience and orientation that influences the ethical sensitivity of auditors through professional commitment is only 33.5% lower than the influence of other factors of 66.5%.

DISCUSSION

Effect of Auditor Experience on Professionalism Commitment

The results of the statistical coefficient test obtained experience variables with a value of 0.060 sig. compared to the probability of sig or (0.05 < 0.060), then Ho1 is accepted and Ha1 is rejected, meaning that experience does not significantly influence professional commitment. Partial trajectory coefficient (path coefficient) shows a positive relationship between experience variables to professional commitment of 0.303 or 30.3%. Working as an auditor (a measure of experience) became an

important part that influenced the attitude of commitment to professionalism. With the experience gained by an auditor, it will improve expertise such as audit expertise and professional judgment which are closely related to forming a professional attitude (Phild, 2010; Sue, 2016) .

Knowledge an auditor must have audit expertise. The expertise is divided into two groups, namely technical and non-technical expertise. And one of them is non-technical data obtained by personal factors and one of them is experience (Bonner, 2016).

Thus the results of this study do not support the proposed hypothesis. Research shows that an auditor who has high experience does not always have a high commitment to commitment to professionalism at work. Experience is a non-technical lesson obtained from the past through activities that have been found before and can be used to measure the extent of the development of an individual.

Effect of Influential Ethical Orientation on Commitment to Professionalism

The statistical test results of the Coefficient obtained an ethical orientation variable with a value of sig 0.797. compared to the probability of sig or ($0.05 < 0.797$), then H_0 is accepted and H_a is rejected, meaning that ethical orientation does not significantly influence professional commitment. Partial coefficient (path coefficient) shows a negative relationship between experience variables to professional commitment of -0.041 or -4.1%. The results of this study support the research. Thus the results of this study do not support the proposed hypothesis. Research shows that an auditor who has a high ethical orientation tends to not have a high commitment to professionalism at work. Ethical orientation will shape the belief, willingness and desire to run and maintain status as someone who is professional in his field for the survival of both the entity / company or individual. But not always the auditor who upholds the application of ethics in the commitment to work as someone who is professional (Yoon, 2016).

CONCLUSION AND RECOMMENDATION

This study found that auditor experience and ethical orientation did not significantly influence professional commitment. Experience has a significant effect on the ethical sensitivity of auditors. Professional commitment has a significant negative effect on auditor's ethical sensitivity. This study suggests to further researchers to increase the number of new variables other than the variables used in this study in order to better know what factors can influence the ethical sensitivity of auditors and also use qualitative methods in analyzing data. The results of this study are expected to be able to provide input and consideration for auditors working in the related BPKP to further increase the sensitivity of auditors for quality audit work.

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