

Mediation and Moderation Models in the Correlation Between Independence, Objectivity and Auditor Performance: Implications for Audit Quality (Case Study at BPKP Representative of West Java Province)

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Abstract

Background - The basic principles of an auditor based on the Indonesian Government Internal Audit Standards in carrying out their duties are independence and objectivity, which in turn, high or low independence and objectivity can affect auditor performance. In this study to explain the effect of the relationship between independence, objectivity and auditor performance, two models are proposed, namely: independence model after being mediated by objectivity and its impact on auditor performance and objectivity model after being moderated by independence and its impact on auditor performance.

Purpose - This study aims to examine how independence can increase auditor objectivity and how independence can strengthen auditor objectivity, which in turn improves auditor performance.

methodology - The research method used is the survey method, namely: research method that collects data by distributing questionnaires to samples that are used as respondents. The sampling technique is a saturated sampling method, so that of the 128 auditors who are the population at the BPKP Representative of West Java Province, 89 respondents will be sampled. The analysis tool uses Component Based Structural Equation Modeling (CBSEM) with the help of SmartPLS software version 3.0.

Findings - The results of the study prove that: independence after being mediated by objectivity has a significant positive effect on auditor performance, and independence after moderating objectivity has a significant positive effect or strengthens auditor performance.

Originality - The novelty in this research is in the research location, research object and research model.

Keywords: independence, objectivity, auditor performance
