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Implementing Public Accountant Professional Standards to Improve Audit Quality in Public Accountant Firms in East Java, Indonesia

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Abstract

The purpose of this research is to adopt public accounting professional standards in Malang and Surabaya, East Java, Indonesia, in order to improve audit quality. A total of 150 junior and senior auditors, supervisors, managers, and partners from public accounting companies in Malang and Surabaya, Indonesia, were included in the sample. The study's findings revealed that the competency of the auditors performing audits on behalf of the customer had an impact on the audit quality. Recommendations for improving audit quality based on public accountants' professional standards should be maximized and implemented to public accountants' audits on the client side so that auditor quality improves and more assignments are completed.

Keywords: Professional standards for public accountants; Audit quality; Public accounting firms; Malang; Indonesia

JEL Classifications: M4; F65; M41

Introduction

Indonesia's adherence to the applicable auditing standards demonstrates the high audit quality. According to the Public Accountants' Professional Standards, which are based on international auditing standards (ISA). Clients will be satisfied with auditors' opinions if they conduct audits in accordance with public accountants' professional standards, which allows the auditor's quality to be accounted for. Every time an auditor does an examination, the auditor must instill confidence in the service's user. Technical expertise and training, independence through the use of competence in providing services, professional skills, supervision, assessing the existence of an internal control system, obtaining audit evidence, and providing an opinion on the financial statements as a whole are all things to think about (Sukrisno, 2004).

Following that, Kasner Sirumapea and Tanubrata, Sutanto, Fahmi, Bambang and Partners were appointed as auditors of PT Garuda Indonesia (Persero) Tbk's financial statements by the Ministry of Finance. The fine was given after the Ministry of Finance examined the AP/KAP on concerns with Garuda Indonesia's financial statements for the 2018 fiscal year. During its inquiry, the Ministry of Finance found inconsistencies, particularly in the revenue recognition of the cooperation agreement with PT Mahata Aero Teknologi, which was found to be in breach of accounting standards. AP Kasner Sirumapea's license has been suspended for a year (KMK No 312/KM.1/2019 dated 27 June 2019) for committing a major breach that has the potential to significantly harm the independent auditor's report opinion (KMK No 312/KM.1/2019 dated 27 June 2019) (Martin, 2019).

Audit quality has been studied by a number of scholars. Independent auditors, audit quality, and audit rotation criteria are all investigated in (Habib, 2013). Auditor turnover and rotation can help with audit quality and timeliness of auditor reporting, as well as auditor independence concerns. At MCCG Malaysia, (Salin, 2016) looked into how internal auditor governance affects audit quality. The effect of professional auditing and process auditing on audit quality was studied (Neely, 2016). Purwanti (2007) used auditor ethics as a mediator to assess audit quality's competence and independence. Shamharir (2018) looked into the impact of corporate governance on auditor quality. When it comes to audit quality and revenue management (Chou, 2005) See Hussein, Huss (2013).

Auditor accountability is influenced by audit quality (Kathryn, 2000). Organizational commitment and the auditors of public accounting firms (Cenker, 2007). Internal auditors were studied (Timothy, 1995), assessing the quality of audits (Cullough, 2004), Audit quality is influenced by a number of things (Rahmanti, 2003). The audit report is late (Evans, 2017), audit quality, financial status, and the auditor's perspective all have an impact (Faisal, 2007). Performance evaluations by auditors and non-auditors are compared (Bucheit, 2008). Audit quality is influenced by work experience, independence, objectivity, integrity, and competency (Ika, 2009). A corporate governance audit (Sunarsip, 2001) is necessary to achieve excellent company governance. Audit quality research (Thomas, 2003), Study of assessed auditor quality and the earnings response coefficient (Wong, 1993). Failures in Tenure and Audit Reporting Geiger (Geiger, 2002). Sekar (2003) A quasi-experimental approach to auditing expertise and independence from audit opinions 2010 (Omri), the quality of external auditors, Information Asymmetry, and the Bid-Ask Spread in Tunisian Listed Companies.

The purpose of this study, based on the background given above, is to implement audit quality in public accounting firms in Malang and Surabaya, Indonesia, in accordance with public accountants' professional requirements.

Formulation of the Question

How can public accounting firms use public accountants' professional standards to improve audit quality?

Research Objective

By implementing public accounting professional standards at public accounting firms in Malang and Surabaya?

Literature Review

Audit Quality

Neely (2016) defines audit quality as the possibility of an inspection identifying and revealing flaws in a client's financial statements to financial statement users. Because examination quality is difficult to measure directly, some researchers use other indicators as proxies, such as the size of the public accounting company.

Tandiantong (2015) defines audit quality as the likelihood that the auditor will not issue an unqualified opinion in the audit report for financial statements that contain significant errors, and audit quality is the accuracy of accounting information supplied by the auditor. Accounting data determines the audit's ability to reduce noise and bias while boosting purity (accuracy).

Audit quality refers to the quality of an auditor's work when conducting services for clients. Auditors that follow the Indonesian accountant code of ethics and conduct audits in accordance with Auditing Standards (ISA), with peer review and a quality control system, would generate high-quality work.

Depending on the professional standards of public accountants, the auditor's services can be in the form of assurance, attestation, or non-assurance. Professional attestation services given by public accountants include audit services, examination services on prospective financial statements, review and analytical methodologies, mutually agreed procedures, and specific audit services or special examinations to detect fraud. An auditor is qualified, according to (Mulyadi, 2010), if the audit is carried out in accordance with auditing standards.

The audit quality is reflected in input orientation, which includes KAP assigning staff to carry out agreements, consultations, monitoring, appointments, professional development, promotions, and inspections. Orientation to the process, which includes topics such as independence, conformity to audit standards, and auditor competency. Performance of auditors, acceptance and continuation of client participation, and proper professional care are all examples of output orientation (Tandiantong, 2015).

According to auditing standards (Sukrisno, 2004) and SPAP, audit quality is defined by ten standards and all applicable Statements of Auditing Standards (PSA). General auditing standards, fieldwork auditing standards, and reporting auditing standards are the three types of auditing standards. Auditor self-requirements are governed by general standards, fieldwork standards govern the quality of auditing execution, and reporting standards direct auditors in communicating audit results to financial data consumers through audit reports. The International Standard on Auditing (ISA), which incorporates the 200-810 standards, now includes SPAP.

Audit quality is broken down into 12 (twelve) indicators, according to (McGrath, 1992): (1) experience means that in establishing a public accounting firm, (2) partners/managers must have a minimum of 3 years of work experience (3) understand expertise in the client's industry, which means that in auditing public accounting firms must be able to have accounting and auditing expertise (4) have technical competence in applying auditing standards (5) denotes that public accounting firms are skilled in the application of auditing standards. (6) Independence, which means that the examination must be conducted independently by public accounting firms. (7) be cautious, suggesting that the public accounting firm must be cautious when offering an opinion on the fairness of the financial accounts. (8) Involve colleagues/KAP managers in audit responsibilities, implying that the audit will include the manager. interacting with the client's audit committee (10) the accounting firm has adhered to ethical standards (11) is skeptical in audit assignments, implying that the public accounting firm's employees conducting field checks have a good understanding of accounting standards when performing an audit, it is necessary to have reservations about the client's financial statements. (12) peer inspected by a colleague or a third party, which means that the audit work of a public accounting company will be evaluated again by a colleague from another public accounting firm.

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(Hermanson, 1992) discovered that a number of audit quality indicators, such as audit experience, knowledge of the client's industry, responsiveness to client needs, adherence to audit standards, involvement of partners/KAP manager, and relationship with the audit committee, all have an impact on audit client satisfaction. [8] looked into four variables that affect audit quality: (1) the number of clients; the greater the number of clients, the better the audit quality produced; (2) the length of time an auditor has conducted an examination of a company (tenure); the longer an auditor has audited the same client, the higher the audit quality produced; and (3) the number of clients; the greater the number of clients, the better the audit quality produced. (3) the financial health of the client; the better the client's financial status, the more pressure the customer will put on the auditor to follow standards; and (4) third-party review; audit quality will improve if the auditor is aware that his or her work will be examined by a third party.

There are 28 auditor quality indicators, according to Neely (2016), divided into three categories: (1) audit professionals, (2) audit process, and (3) audit results. Auditing resources, person with specialist skills and knowledge, experience and audit personnel, industry expertise from audit personnel, audit personnel turnover, number of audits completed, training hours per audit personnel, audit hours and risk areas, and audit fees, effort, client risk, compliance with independent requirements, investment in supporting auditing quality infrastructure, results of corporate internal audit quality reviews, inspection results, and reimbursement for test procedures are all part of the audit process (Neely, 2016). The frequency and impact of restatement financial reports for errors, fraud, and other misconducting financial reports, monitoring the quality of financial reports, internal control reporting, going concern reporting time, and private litigation processes are among Neely's audit findings (2016).

Contribution of Research

It is possible to increase audit quality in Malang and Surabaya by implementing public accountants' professional standards at public accounting firms.

Methods and Data

This is a qualitative study with a sample of 150 junior auditors, senior auditors, supervisors, managers, and partners from a population of public accounting firms in East Java. Data was collected using a 5-point Likert scale, with 1 strongly disagree, 2 disagree, 3 neutral, 4 agree, and 5 strongly agree as the primary data sources. The questionnaire is about implementing audit quality based on public accountants' professional standards (SPAP).

Research Variables

Audit Quality

The quality of the work conducted by the auditor in performing an examination of the client's financial statements starts with the design of the audit program, continues with the audits, testing, and ends with the compilation of the audit report (Sukrisno, 2004). The quality of the work/assignments completed by the auditor during field inspections is referred to as audit quality. In this study, audit quality was assessed utilizing professional audit instruments, audit processes, and audit findings. audit, which includes items such as audit experience, expertise, and training as indicators. technical abilities, responsiveness to client demands, competence, independence, adherence to auditing standards, management involvement, SPI compliance, audit report preparation with good opinions and suggestions auditing, working with the audit committee, adhering to ethical norms, having a good reputation, and peer review (Sukrisno, 2004).

The following is a list of public accounting businesses that can be used as study samples.

Table 1: The list of names of Public Accounting Firms as research samples are:

No	Name of Public Accountant	Number of auditors
1	Hari Purnomo dan Jaswadi Abdullah (HJA)	15
2	Dolli BSDA	10
3	Supriyadi	10
4	Nasikin	6
5	MadeSudarma (MTD)	7
6	Toufan SR	15
7	Achsin	3
8	Benny	10
9	Sendy	10
10	Drs. Arief HP	5
11	Buntaran dan Lisawati	5
12	Maroeta	10
13	Thomas	5
14	Basri	5
15	Setijawati	5
16	Drs. Dwikora	5
17	Drs. Kukuh	5
18	Drs.Jimmy	5
19	Drs.Nugroho	5
20	Drs. H.Mohammad Fajar	3
21	Drs. Widartoyo	3
22	Drs. Wawan Sumawan	3
Total		150

Findings

The researchers gave data on the gender of respondents from Public Accountants in Malang and Surabaya to assess the overall description of respondents' perceptions in this study.

Table 2: Frequencies and Percentages for Gender

Categories	Frequencies	Percent
Female	85	56.67%
Male	65	43.33%
Total	150	100%

Table 2, shows that males make up 56.67 percent of respondents from public accounting firms in Malang and Surabaya, East Java, while females make up 43.33 percent. This means that at KAP Malang and Surabaya, there are a lot of male auditors.

Table 3: Frequencies and Percentages for Age Respondeen

Categories	Frequencies	Percent
23-26	40	26.67%
27-30	35	23.24%
31-34	20	13.33%
35-38	15	10%
39-42	15	10%
43-47	10	6.67%
48-51	10	6.67%
52-57	5	3.33%
Total	150	100%

Table 3 reveals that the age of respondents from East Java Public Accounting Firms ranges, with the youngest being 23-26 years old, accounting for 40 people or 26.67 percent of the total. The respondents between the ages of 27 and 30 make up 35 people, or 23.24 percent of the total. Twenty participants, or

13.33 percent, of those who responded were between the ages of 31 and 34. Respondents aged 35-38 accounted for 15% of the total, or 15 persons. Respondents aged 39 to 42 accounted for 15% of the total, or 15 persons. The age group 43-47 has ten people, or 6.67 percent of the total number of respondents. Respondents aged 48 to 51 accounted for ten people, or 6.67 percent of the total. Respondents aged 52 to 57 accounted for 5 persons, or 3.33 percent of the total. It denotes that the respondent is of productive age, allowing its performance to be assessed, because many of the S1 Accounting personnel are still of productive age to be able to work auditing and making audit work papers at public accounting offices, the age of respondents in KAP Malang and Surabaya is primarily 23-26 years old.

The distribution of respondents' length of service in this study is shown in Table 4. The responses of the Public Accounting Firm are listed in the table below according to their length of service.

Table 4: Frequencies and Percentages for Work Periode Responden

Categories	Frequencies	Percent
2-3	50	33.33%
4-5	40	26.67%
6-7	24	16.00%
8-9	15	10.00%
10-11	8	5.33%
12-14	6	4.00%
15-17	4	2.67%
18-20	3	2.00%
Total	150	100%

Table 4, shows that respondents in Public Accounting Firms in Malang and Surabaya have the lowest working duration of 2-3 years, with 50 people (33.33%), and the greatest working period of 4-5 years, with 40 people (26.67%). 24 employees, or 16 percent, have worked for 6-7 years. A total of 15 workers, or 10%, have worked for 8-9 years. The number of people working between the ages of 10 and 11 years is 8, or 5.33 percent. Six persons, or 4%, work between the ages of 12 and 14. Fourteen to seventeen-year-olds make up 2.67 percent of the workforce. Three employees, or 2% of the workforce, are between the ages of 18 and 20. Because some auditors staff change jobs to establish their own public accounting firm or become supervisors and managers while with 2-3 years of service at KAP Malang and Surabaya more and more because of the increasing number of employees, the longer the working period the less energy this is because some auditors staff change jobs to establish their own public accounting firm or become supervisors and managers while with 2-3 years of service at KAP Malang and Surabaya more and more because of the increasing number of employees. Accounting work as auditors and evidence collectors in the preparation of audit work documents.

Table 5: Responsibilities of respondents in Public Accounting Firms.

Categories	Frequencies	Percent
Partner	4	2.67%
Manajer	5	3.33%
Supervisor	50	33.33%
Senior Auditor	45	30.33%
Yunior Auditor	46	30.66%
Total	150	100.00%

Table 5, demonstrates that respondents from public accounting businesses in Malang and Surabaya, East Java, have 2.67 percent of partners, 3.33 percent of managers, 33.33 percent of supervisors, 30 percent of senior auditors, and 30.66 percent of junior auditors. Due to the enormous number of clients that must be audited, a considerable number of junior auditors, senior auditors, and supervisors are required to go into the field (companies/clients) to collect audit evidence and write audit working papers.

Table 6: Frequencies and Percentages for Education Responder

Categories	Frequencies	Percent
D3	11	7.33%
S1	120	80%
S2	15	10%
S3	4	2.67%
Total	150	100.00%

Table 6 above shows that, the last education of respondents from public accounting firms in Malang and Surabaya, East Java, is 7.33% D3, 80% S1, 10% S2 and 2.67% S3. The number of S1 workers is because they are making audit work papers in auditing in the field, while S2 is a supervisor and S3 is a Manager / Partner. Partner/manager as an independent auditor's opinion.

Table 7: Frequencies and Percentages for Type of Enterprise

Categories	Frequencies	Percent
Individual	6	4.00%
Partnership	144	96.00%
Total	150	100.00%

Table 7 shows that, the form of business entity from the Public Accounting Firms in Malang and Surabaya, East Java, is 4% as an individual while the partnership is 96%. Only a few forms of business entities for public accounting firms are in the form of individuals, while the majority of public accounting firms are in the form of partnerships. Table 8 shows the validity and reliability tests, the r-count shows a number above 0.5 means the data is valid and cronbach'a alpha above 0.6 means the data is reliable.

Table 8: Validity and Reliability Testing Result

Variable	Indicator	Instrument	R-count	Cronbach's Alpha	Conclusion
Audit quality	General standard	Experience min. 3 year	0.506	0.910	Reliable
-	-	Auditor have expertise and training	0.732	-	-
-	-	Responsif to client	0.746	-	-
-	Field work Standard	Auditor have competency	0.849	-	-
-	-	Auditor independend	0.861	-	-
-	-	Auditor have commitmet	0.765	-	-
-	-	Exist audit planning	0.832	-	-
-	-	Evaluation IC and audit evidence	0.768	-	-
-	-	Ethical conduct	0.818	-	-
-	Reported standard	Fairness of financial statement and auditor opinion	0.694	-	-

General standards (professional audit), fieldwork standards (audit process), and reporting standards are the three measures of audit quality (audit results). There are three questions in the audit professional indicator, six questions in the audit process indicator, and one question in the audit result indication.

The table below shows the results of the examination of respondents' replies to audit quality.

Table 9: Respondents' Responses to Audit Quality

Indicator	Respondent's Answer										Mean	
	1		2		3		4		5			
	F	%	F	%	F	%	F	%	F	%		
X _{1.1}	General standard										4.00	
X _{1.11}	Auditor has audit experience min 3 years	1	0.7	12	8	46	30.7	71	47.3	20	13.3	3.65
X _{1.12}	Auditor has technical expertise and training	0	0	1	0.7	14	9.3	83	55.3	52	34.7	4.24
X _{1.13}	Auditor is responsive to client's needs	0	0	1	0.7	16	10.7	98	65.3	35	23.3	4.11
X _{1.2}	Fieldwork standards										4.32	
X _{1.2}	Auditor has competence/ability in conducting audit	0	0	1	0.7	12	8	69	46	68	45.3	4.36
X _{1.22}	Auditors must be independent in conducting audits	0	0	1	0.7	12	8	73	48.7	74	42.7	4.33
X _{1.23}	Auditor has commitment to KAP organization	0	0	0	0	10	6.7	82	54.7	58	38.7	4.32
X _{1.24}	Teamwork in audit planning	0	0	1	0.7	8	5.3	77	51.3	64	42.7	4.36
X _{1.25}	Understanding of SPI and audit evidence	0	0	1	0.7	10	6.7	74	49.3	65	43.3	4.35
X _{1.26}	Auditor applies Ethical Standards in audit	0	0	2	1.3	14	9.3	83	55.3	51	3	4.22
X _{1.3}	Reporting standards										4.31	
X _{1.31}	Fairness of financial statements and auditor's opinion	0	0	2	1.3	12	8	74	49.3	62	41.3	4.31
Total mean X ₁											4.23	

According to Table 9, the auditor's general standard indicators include three questions: the auditor must have a minimum of three years of audit experience, the auditor must have adequate technical expertise and training, and the auditor must understand the client's industry. Finally, the auditor must be responsive to the client's needs. Conducting audit assignments necessitates at least three years of audit experience with a 3.65 average. This indicates that 47.3 percent agree and strongly agree 13.3 percent, whereas 8 percent disagree., 0.7 percent severely disagree, and 30.7 percent said indifferent.

Auditors have enough technical skills and training, and they comprehend the client's industry, according to question points in executing audit assignments, with an average of 4.24. By agreeing 55.3 percent and strongly agreeing, respondents strongly agree that audit experts have enough technical expertise and training and are knowledgeable about the client's sector. Although 0.7 percent disagree, 34.7 percent said they were neutral, and 9.3 percent said they were indifferent.

The average score for auditing questions that are sensitive to client demands is 4.11. This means that 65.3 percent of respondents strongly agree that audit professionals are reflected in auditors being sensitive to client needs, whereas 0.7 percent disagree and 10.7% say indifferent.

The average field work standard indicator is 4.0, indicating that the majority of respondents agree that audit professionals are indicators formed during audit assignments.

The auditor has technical competence in applying auditing standards, implements an independent audit in mental attitude and reality on financial statements, has accounting profession commitment to the audit, involves colleagues/KAP managers in the audit as well as planning, audits SPI compliance/understanding and collected evidence in conducting audits, and implements ethical standards, according to the reporting standard indicator.

The average score for the question about auditors' technical skill in applying auditing standards is 4.36. This result indicates that respondents highly agree that the audit process is represented in auditors' technical

competence in applying auditing standards, with 46% agreeing, 45.3 percent very agreeing, and 0.7 percent disagreeing. 8 percent replied neutral, and the rest agreed.

The average score on the questions about independent audits in terms of mental attitude and realism on financial accounts is 4.33. This suggests that respondents highly believe that the audit process is represented in the implementation of independent audits in mental attitudes and in reality on financial statements, with 48.7% agreeing, 42.7 percent strongly agreeing, 0.7 percent disagreeing, and 8% indifferent.

With an average score of 4.32, the question items demonstrate a high dedication to the auditing profession. This indicates that 54.7 percent agree, 38.7 percent strongly agree, and 6.7 percent state neutral about the audit process reflecting a significant commitment from the accounting profession to audit quality.

The average score for audit and planning questions involving KAP colleagues/managers is 4.36. This means that 51.3 percent of respondents strongly agree that the audit process is reflected by incorporating KAP colleagues/managers in the audit and that there is planning, while 0.7 percent disagree and 5.3 percent indicated indifferent.

An average of 4.35 was given to questions about the existence of a compliance audit, understanding of SPI, and evidence acquired during the audit. This indicates that 49.3 percent of respondents strongly agree that the audit process is represented in the existence of an audit of compliance / understanding of SPI and collected evidence in the conduct of the audit, whereas 0.7 percent disagreed and 6.7 percent expressed indifferent.

The average score for questions about following ethical guidelines is 4.22. This means that 55.3 percent agree, 34.0 percent strongly agree, 1.3 percent disagree, and 9.3 percent express neutral that the audit process is reflected in the implementation of ethical norms.

The audit process is an indicator formed by the auditor's technical competence in applying auditing standards, teamwork and audit planning, implementation of independent audits in mental attitude and reality on financial statements, and have a strong commitment from the accounting profession to audit quality, audit compliance / understanding of SPI an average of 4.32, indicating that respondents strongly agree that the audit process is an indicator formed by the auditor having technical competence in applying auditing standards, teamwork and audit planning, implementation of independent audits in mental attitude and reality on financial statements

The reporting standard indicators ask the auditor questions about how to correctly prepare audited financial statements in compliance with SAK for audit recommendations. The average score on this question is 4.31. This result indicates that the audit results reflect the auditors' work in appropriately generating audited financial statements in accordance with SAK audit recommendations, with 49.3 percent agreeing, 41.3 percent strongly agreeing, 1.3 percent disagreeing, and 8% neutral.

The average value of the audit quality variable is 4.23, as seen in table 8 above. These findings can be explained by the fact that the majority of respondents believe audit quality is described by audit professionals, audit processes, and audit results. The audit process indicators, which are the main forming indicators of audit quality in KAP Malang and Surabaya, show that KAP auditors prioritize competence/ability of auditors in conducting audits, existence of audit team cooperation, understanding SPI, and independence in mental attitude and reality when carrying out audit assignments.

Confirmatory Factor Analysis

Audit Quality

The factor loading value is used to determine which dimensions can be utilized as indicators of the Audit Quality variable. The following table shows the results of the CFA test on the indicators that make up the Audit Quality variable:

Table 10: Loading Factor Audit Quality

Indicators and Variable	FL	CR	p
General/Professional audit standards←Audit Quality	0.516	6.228	0.000
Std.Field work/process audit←Audit Quality	0.851	6.468	0.000
Std.Reporting/Audit result← Audit quality	0.741	6.083	0.000

The indicators that make up the audit quality variable have a factor loading (FL) with a significance level (p) of 0.05 and a critical ratio value larger than 2.0, as shown in table 10. As a result, all of these indications are critical in determining audit quality. These findings support Neely's (2011) theory that audit quality, which is capable of improving high auditor performance, is generated by audit professionals, audit processes, and audit results.

Discussions

According to Agus (2004) and SPAP (IAI), audit quality is influenced by audit experience, technical expertise, and training, as well as audit competence, responsiveness to client needs, independence, audit planning, assessment, and understanding of the internal control system, and audit evidence competent, the client's financial statements have been prepared in accordance with IFRS that are applied consistently and fully, and include the auditor's opinion and ethical stand. The results showed that audit quality had a substantial impact on auditor performance, with a p value of 0.05. The findings of the study support Neely's (2016) assertion that audit quality is comprised of audit professionals with audit experience, expertise, and adequate technical training, as well as details on staffing, partner workload, manager and staff workload, technical accounting, auditing resources, and people with specialist skills and knowledge.

The audit process includes the results of internal audit quality reviews, quality ratings and compensation, competence, audit fees, business, client risk, compliance with the need for independent accounting information systems, investment in supporting auditing quality infrastructure, inspection results, and compensation test technique. The frequency and impact of restatement financial reports for errors, fraud, and other misconducting financial statements, measuring the quality of financial reports, internal control reporting, going concern reporting time, independent survey results from committee members, and private litigation proceedings are all part of the audit findings.

According to the findings of the study, the auditor's competence is demonstrated by technical expertise and training with professional skills from the auditor, the audit team's cooperation in preparing audit work papers and audit planning, understanding and assessment of SPI, and the auditor's independence in conducting field inspections. With the most recent education level expertise S1, S2, and S3, attending seminars and symposia trainings in the field of accounting and professional examinations have a dominant influence on audit quality in gaining higher assignments, according to the application.

Conclusion

With a sample of 150 junior auditors, senior auditors, supervisors, managers, and partners, this study examines the implementation of audit quality in public accounting firms in Malang Raya and Surabaya, East Java, Indonesia, in accordance with professional norms of public accountants. Auditors who have technical competence in applying auditing standards, teamwork in carrying out audit planning and gathering evidence in auditing, understanding or evaluating the internal control system, and independent auditors in carrying out their duties are the highest indicator items on audit quality, according to confirmatory analysis. More research is needed to extend the indicators that potentially influence audit quality in Indonesia.

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