



Exploring The Impact Of Auditor Independence, Dysfunctional Behavior And Professional Skepticism On Audit Quality

¹Kelvin,² Handra Tipa

^{1,2}Universitas Putera Batam, Indonesia.

¹kelvinzhan29@gmail.com, ²handra@puterabatam.ac.id

*Correspondence E-mail : kelvinzhan29@gmail.com

Abstract: This study aims to examine the effect of auditor independence, dysfunctional auditor behavior, and professional skepticism on audit quality. Using a quantitative approach, the research adopts a positivist paradigm that assumes behavioral constructs can be objectively measured and statistically analyzed to determine causal relationships. The study was conducted in Batam, Indonesia, with auditors working in public accounting firms registered in the 2025 IAPI directory. The total population consisted of 14 public accounting firms, and the sampling technique used was census sampling (saturated sampling), which included all eligible auditors to ensure a comprehensive representation of audit practices in the region. Primary data were collected through structured questionnaires distributed via Google Forms using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Data analysis SPSS due to its suitability for handling complex relationships among latent variables with relatively small to medium sample sizes. The results based on Table 2 show that the independence variable has a t-value of $2.269 > t\text{-table } 1.98498$ with a significance level of $0.000 < 0.05$, indicating that independence significantly affects audit quality. The dysfunctional auditor behavior variable shows a t-value of $2.657 > 1.98498$ and a significance of $0.000 < 0.05$, meaning it significantly influences audit quality. Similarly, professional skepticism has a t-value of $2.997 > 1.98498$ and a significance of $0.000 < 0.05$, confirming its significant impact on audit quality. Overall, the findings highlight that independence, auditor behavior, and professional skepticism are key determinants of audit quality in public accounting firms in Batam.

Keywords: Audit Quality, Independence, Dysfunctional Auditor Behavior, Professional Skepticism, Auditor.

INTRODUCTION

In modern economies, the audit process plays a pivotal role in ensuring the credibility and transparency of financial reporting. Financial statements are subject to independent examinations, during which auditors evaluate whether the information presented complies with generally accepted accounting principles. As defined by DeAngelo (DeAngelo, 1981), audit quality refers to the probability that an auditor will detect and report material misstatements, assuming the auditor maintains independence. High audit quality not only fosters investor confidence but also strengthens corporate governance and mitigates information asymmetries between management and shareholders.



While the theoretical importance of audit quality is well established, historical audit failures underscore its practical relevance. Prominent cases such as Enron and WorldCom, as well as local scandals including Jiwasraya and Garuda Indonesia, have revealed the consequences of compromised auditor independence and ethical lapses. These incidents illustrate how inadequate audit quality can erode public trust, impair market efficiency, and result in significant financial losses.

In the Indonesian context, auditing practices are regulated by the Standar Profesional Akuntan Publik (SPAP), issued by the Indonesian Institute of Certified Public Accountants (IAPI), and by Undang-Undang No. 5 of 2011 concerning Public Accountants. Despite this regulatory framework, violations persist. As of July 2025, the Finance Profession Supervisory Centre (PPPK) under the Ministry of Finance had suspended the licenses of sixteen public accountants and permanently revoked two licenses (Direktorat Pembinaan dan Pengawasan Profesi Keuangan, 2025a). PPPK's 2024 Annual Report further revealed that the most frequent violations involved SA 500, which pertains to audit evidence. These findings indicate ongoing challenges in obtaining and evaluating sufficient and appropriate audit evidence. The second most common violations related to SA 315, which addresses the identification and assessment of risks of material misstatement. Key issues included inadequate procedures for understanding clients' businesses and internal controls, as well as failures to assess risks at both the financial statement and assertion levels across transactions, account balances, and disclosures (Direktorat Pembinaan dan Pengawasan Profesi Keuangan, 2025b). These findings suggest that existing professional standards and regulations have not yet been fully effective in curbing audit misconduct, raising persistent concerns about audit quality and auditor accountability in Indonesia.

Prior research has identified several behavioral determinants of audit quality, among which auditor independence, dysfunctional audit behavior, and professional skepticism are particularly salient. Auditor independence reflects an impartial mental attitude that enables auditors to issue objective opinions free from client influence (Ammara et al., 2025), (Gunawan & Lestari, 2025). However, long-term client relationships, economic dependence, and time budget pressures often threaten this objectivity (Asriningpuri & Gruben, 2021). Dysfunctional audit behavior refers to actions such as premature sign-off or underreporting of time, which deviate from auditing



standards and compromise the sufficiency of audit evidence (Donnelly et al., 2003), (Fata & Asmara, 2024). Meanwhile, professional skepticism, as emphasized by the International Auditing and Assurance Standards Board (IAASB), represents a questioning mindset, characterized by critical assessment and alertness to potential misstatements or fraud (Rasuli et al., 2024), (Tjia & Rahayu, 2024).

Although each of these factors has been extensively studied, prior research has often examined them in isolation. For example, (Asriningpuri & Gruben, 2021) focused primarily on dysfunctional auditor behavior, while (Tjia & Rahayu, 2024) emphasized professional skepticism. Few studies have simultaneously investigated the combined effects of independence, dysfunctional behavior, and skepticism on audit quality within a unified empirical framework, particularly in the Indonesian context. This gap highlights the need for a more integrated approach to understanding how these behavioral dimensions collectively influence audit outcomes.

Therefore, this study aims to investigate the roles of auditor independence, dysfunctional audit behavior, and professional skepticism in determining audit quality, using an empirical framework tailored to the Indonesian auditing environment.

METHOD

This study adopts a quantitative approach to examine the influence of auditor independence, dysfunctional audit behavior, and professional skepticism on audit quality. The research is conducted in Batam, Indonesia. The methodology follows a positivist paradigm, assuming that behavioral constructs can be measured objectively and analyzed statistically to determine causal relationships.

The research design is structured around hypothesis testing using survey data. The process begins with problem identification and theoretical grounding, followed by hypothesis formulation, instrument development, data collection, and statistical analysis. The data were analyzed using Structural Equation Modeling - Partial Least Squares (SEM-PLS), chosen for its robustness in handling complex models with latent variables and small to medium sample sizes.

The population consists of auditors working in public accounting firms registered in the 2025 IAPI directory and located in Batam. A total of 14 firms were identified, and the sampling



technique used is census sampling (saturated sampling), involving all eligible auditors due to the manageable population size. This ensures comprehensive representation of audit practices in the region. Primary data were collected using a structured questionnaire distributed via Google Forms. The instrument uses a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree)

RESULT AND DISCUSSION

Test Results t

The purpose of the t-test is to find out whether there is a significant difference or significant influence between two data groups or between independent variables on bound variables in a study.

The results of the t-test are:

Model	Coefficients ^a			t	Sig.
	Unstandardized Coefficients	Standardized Coefficients			
	B	Std. Error	Beta		
1 (constant)	26.317	8.428		2.839	.006
Independence	.155	.177	.069	2.269	.000
Dysfunctional auditor behavior	.199	.193	.155	2.657	.000
Professional Skepticism	.189	.123	.165	2.997	.000

Table 1. Hasil Uji t

Sumber: Hasil olah data SPSS 25, 2024

Based on table 1, the t value can be calculated on the independence variable $2.269 > t$ table 1.98498 and the significance value of $0.000 < 0.05$. It can be concluded that independence partially affects audit quality. The variable Dysfunctional auditor behavior $2.657 > t$ table 1.98498 and the significance value was $0.000 < 0.05$. This means that the variable Dysfunctional auditor behavior has an effect on audit quality. Furthermore, Professional skepticism $2.997 > t$ table 1.98498 and significance value $0.000 < 0.05$. This means that the Professional Skepticism variable has an effect on audit quality.

Test Results f

The criterion of the f test is that if f is calculated $> f$ table, H_0 is rejected and H_a is accepted, which means that simultaneously there is an influence. Then if f counts $< f$ table, H_0 is accepted and H_a is rejected, which means that simultaneously there is no effect. The results of the f test are:



ANOVA ^a						
	Model	Sum of Square	df	Mean Square	F	Sig.
1	Regression	491.918	4	29.980	9.888	.000 ^b
	Residual	973.242	95	2.896		
	Total	445.160	99			

a. Dependent Variabel: Audit Quality

b. Predictors: (Constant), Independence, Dysfunctional Audit Behavior, Professional Skpeticism

Table 2. Hasil Uji f

Sumber: Hasil olah data SPSS 25, 2024

Based on the table 2, the results are obtained if the value of f is calculated as $9.888 > f$ table 2.47 and a significant value of $0.000 < 0.05$ so that it can be concluded Therefore, it can be concluded that Independence, Dysfunctional audit behavior, professional skpeticism simultaneously affect audit quality.

Discussion

Based on the test results in Table 2, it is known that the independence variable has a calculated t value of 2.269 which is greater than the t table (1.98498) and a significance value of $0.000 < 0.05$. This shows that auditor independence has a significant effect on audit quality. This means that the higher the level of independence of the auditor in carrying out his duties, the higher the quality of the audit produced. Independent auditors are able to maintain objectivity and professionalism in providing audit opinions, without pressure or interest from other parties. Furthermore, the variable of dysfunctional auditor behavior also showed a calculated t value of $2.657 > t$ table 1.98498 with a significance of $0.000 < 0.05$. This means that the auditor's dysfunctional behavior has a significant effect on the quality of the audit. These results suggest that dysfunctional behaviors such as ignoring audit procedures, shortening audit time, or underreporting of time can degrade the quality of the resulting audits. Thus, the higher the level of auditor dysfunctional behavior, the lower the quality of the resulting audit.

Then, the variable of professional skepticism has a calculated t value of $2.997 > a$ table of 1.98498 with a significance value of $0.000 < 0.05$. This shows that the professional skepticism of auditors has a significant effect on audit quality. Auditors who have a high level of professional skepticism will be more critical in assessing audit evidence and will not easily receive information from clients without adequate verification. Thus, a professional skepticism plays an important role



in detecting errors and indications of fraud during the audit process. Overall, the results of this study reinforce that independence, dysfunctional behavior, and professional skepticism are important factors that determine audit quality in Public Accounting Firm (KAP) auditors.

CONCLUSION

Based on the results of the t-test and f-test, this study concludes that auditor independence, dysfunctional auditor behavior, and professional skepticism significantly influence audit quality, both partially and simultaneously. The t-test results show that independence has a significant positive effect on audit quality, indicating that auditors who maintain objectivity and freedom from external influences are able to produce higher-quality audits. Conversely, dysfunctional auditor behavior has a significant negative effect on audit quality. Behaviors such as ignoring procedures or reducing audit effort can lower the reliability of audit results. In addition, professional skepticism also significantly affects audit quality. Auditors with a higher level of skepticism tend to be more critical and thorough in assessing audit evidence, enabling them to detect errors or fraud more effectively.

The results of the f-test further confirm that independence, dysfunctional behavior, and professional skepticism jointly have a significant effect on audit quality. Overall, these findings emphasize the importance of maintaining auditor independence, minimizing dysfunctional behaviors, and strengthening professional skepticism to ensure the production of high-quality audits within Public Accounting Firms (KAP).

REFERENCE

- Ananda, C., & Faisal, F. (2023). Audit fees, audit tenure, auditor industry specialization, audit firm size, and audit quality: Evidence from Indonesian listed companies. *Jurnal Dinamika Akuntansi dan Bisnis*, 10(2), 213–230. <https://doi.org/10.24815/jdab.v10i2.27750>
- Ammara, Y. A., Noholo, S., & Lukum, A. (2025). Pengaruh independensi, pengalaman auditor, dan skeptisme profesional terhadap kualitas audit. *Jambura Accounting Review*, 6(1), 357–371. <https://doi.org/10.37905/jar.v6i1.173>



- Arigawati, D. (2025). Strategi penyusunan laporan keuangan yang transparan dan akurat untuk meningkatkan kepercayaan investor. *Jurnal Neraca Peradaban*, 5(2), 74–86. <https://doi.org/10.55182/jnp.v5i2.561>
- Asriningpuri, G. P., & Gruben, F. (2021). The effect of time budget pressure and dysfunctional auditor behavior on audit quality: A case study in an audit firm in Indonesia. *Diponegoro Journal of Accounting*, 10(4), 1–12. <http://ejournal-s1.undip.ac.id/index.php/accounting>
- DeAngelo, L. E. (1981). Auditor size and audit quality. *Journal of Accounting and Economics*, 3(3), 183–199. [https://doi.org/10.1016/0165-4101\(81\)90002-1](https://doi.org/10.1016/0165-4101(81)90002-1)
- Dewita, T. H., & NR, E. (2023). Pengaruh audit tenure, rotasi audit, dan fee audit terhadap kualitas audit. *Jurnal Eksplorasi Akuntansi*, 5(1), 370–384. <https://doi.org/10.24036/jea.v5i1.627>
- Direktorat Pembinaan dan Pengawasan Profesi Keuangan. (2024). *Accounting profession annual inspection report 2024*. <https://pppk.kemenkeu.go.id/in/post/accounting-profession-annual-inspection-report-2024>
- Direktorat Pembinaan dan Pengawasan Profesi Keuangan. (2025a). *Daftar akuntan publik (AP) yang dikenakan sanksi pembekuan izin per 31 Juli 2025*. <https://pppk.kemenkeu.go.id/in/post/daftar-akuntan-publik-yang-dikenakan-sanksi-pembekuan-izin>
- Direktorat Pembinaan dan Pengawasan Profesi Keuangan. (2025b). *Handbook of the international code of ethics for professional accountants, including international independence standards* (Vol. 1). International Ethics Standards Board for Accountants. <https://www.ethicsboard.org>
- Donnelly, D. P., Quirin, J. J., & O'Bryan, D. (2003). Auditor acceptance of dysfunctional audit behavior: An explanatory model using auditors' personal characteristics. *Behavioral Research in Accounting*, 15(1), 87–110. <https://doi.org/10.2308/bria.2003.15.1.87>
- Fata, K., & Asmara, R. Y. (2024). The effect of dysfunctional audit behaviour, the application of independence, and competence on audit quality with auditor ethics as a moderating variable (Survey on public accountants in Jakarta). *Pakistan Journal of Life and Social Sciences*, 22(2). <https://doi.org/10.57239/pjlss-2024-22.2.001694>



- Gunawan, D., & Lestari, M. A. (2025). Impact of auditor independence, professionalism, and skepticism on audit quality. *Advances in Accounting Innovation*, 1(2), 178–187. <https://doi.org/10.69725/aai.v1i2.193>
- Hurt, R. K. (2010). Development of a scale to measure professional skepticism. *Auditing: A Journal of Practice & Theory*, 29(1), 149–171. <https://doi.org/10.2308/aud.2010.29.1.149>
- Pawitri, W., Suryani, I., Syahrudin, M., & Nuryana, A. (2024). Kualitas audit dalam pengaruh penerapan good corporate governance terhadap pencegahan fraud. *Jurnal Riset Akuntansi dan Bisnis*, 10(2), 271–281. <https://doi.org/10.38204/jrak.v10i2.1942>
- Rasuli, M., Zarefar, A., & Johari, R. J. (2024). Professional scepticism, independence, information technology, auditor competence, and audit quality. *Jurnal Reviu Akuntansi dan Keuangan*, 14(1), 243–257. <https://doi.org/10.22219/jrak.v14i1.29963>
- Tjia, C., & Rahayu, P. A. (2024). The analysis of relationship between digital transformation, audit risk, and professional skepticism toward audit quality. *Jurnal Akuntansi Maranatha*. <http://journal.maranatha.edu>