

The influence of organizational culture, ethical awareness and experience to ethical judgments auditor through Professional commitment (Study at Inspectorate Sub-Province of Bombana)

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ABSTRACT

Auditors in carrying out the examination have an important role in using ethical judgment which it leads to making the right decision. However, ethical situation also occurs not only in private sector but also at the level of government. Therefore, this study aimed to give empirical evidence that ethical judgments auditor is affected by organizational culture, ethical awareness and auditor's experience with professional commitment as a moderating variable. The research sample of 37 people are internal auditors in Inspectorate of Bombana Regency. The study employs a multiple regression model to analyse the data. As a result, the findings indicate that auditors in making their ethical judgments are affected by organizational culture, ethical awareness, experience and professional commitment.

Keywords: *Organizational Culture, Ethical Awareness, Experience, Professional Commitment, and Ethical Judgment.*

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I. INTRODUCTION

An important element in the implementation of good government governance is the auditor's role in relation with the quality of independent audit services. In the context regional autonomy, this role is increasingly required to minimize the various cases as implication of regional autonomy such as corruption, mark-up of goods and services and the other problems that resulted in financial losses. In Indonesia, especially at local government, auditor has three groups where their scopes of the assignment are different. On the first and second levels, auditor as an internal supervisors either Inspectorate or BPKP have a duty to supervise the financial management activities that is funded both from APBN and APBD. While the another level, auditor is an external level which is commonly known as BPK, it has a broader duty than internal auditor. Based on their assignments, ethical situation can be occurred on internal auditor particularly auditor in Inspectorate institution because its position directly responsible to Governor, Mayor and Regent which require them to obey and be loyal to the head of region. However, auditor is an independent profession which represents all constituents.

Inspectorate in Southeast Sulawesi Province consists of units area in Province, City and Regency. In order to perform their internal control functions in their scopes and territories, Inspectorate has not run optimally mainly on implications in the area of financial management. Based on the results of the analysis of financial management by using 145 indicators of appraisal in the classification of nine strategic areas that is developed by the World Bank and the Ministry of Home Affairs, showed that in general the capacity of financial management in the scope of Southeast Sulawesi province still needs improvement. Some of them are accounting and reporting; internal control; audit and external supervision (World Bank Report, 2012).

Related with examination of financial statements in regional work units (SKPD), there are some areas that are late in reporting financial statements to the Supreme Audit Agency (BPK). It is caused by the lack of resources on the auditor Inspectorate units at the provincial and sub-provincial level. As a result, most of the financial statements of regional government has a *disclaimer* opinion (no opinion) in 2009-2010, that is the city of Bau-Bau, Muna, North Konawe, South Konawe, Konawe, North Buton and Bombana. Furthermore, some regions such as Wakatobi has adverse opinion and 4 other areas with a qualified opinion that is Kolaka, North Kolaka, Kendari and Province.

While based on the the results of the examination report (LHP) with an unqualified opinion only owned by Buton. In 2011, an area with a disclaimer opinion is North Buton, Bombana and North Konawe (The BPK Representative in Prov. SULTRA, 2012).

The phenomenon mentioned above implicitly indicates the weakness of the internal control system in local governance. It is supported with the result on the findings of financial statement examination which it is reported by BPK on the second half of 2012 revealed numerous cases of abuses by the government, namely (1) 3,990 financial cases related to the findings of non-compliance with statutory provisions which resulted in losses, potential losses and shortage acceptance of Rp. 5.83 trillion; (2) 4815 cases of weakness of internal control systems; (3) 1,901 cases of irregularities in the administration; and (4) 2,241 cases in inefficiency and ineffectiveness of Rp. 3.88 trillion (BPK RI, 2013). It is clearly evidence of the ineffectiveness of the internal control system of government.

The internal control system of government is a set of procedures that must be carried out as stipulated in several sets of rules. Firstly, the Government Regulation No. 58/2005 about the Financial Management of Region. The rule in article no. 134 paragraph (1) obviously regulates the implementation of internal control functions which states that "in order to improve performance, transparency, and accountability of financial management, the regional head must arrange and conduct internal control systems in local government that he leads ". Hereinafter in paragraph (2) states that "the arrangement and the implementation of the internal control system based on the provisions of the legislation ".

Secondly, the Regulation of the Minister of Home Affairs No. 13/2006 as a follow-up to the issuance of Government Regulation No. 58/2005 and it has amended last in the Regulation of the Minister of Home Affairs No. 21/2011 concerning the Guideliness for Regional Financial Management. The regulation insists on the implementation of the internal control system in article 313 that: (1) in order to improve performance, transparency and accountability of regional financial management, the head of regional must organize and conduct the internal control systems in local government he leads; (2) internal control is a process designed to provide reasonable assurance regarding the achievement of the objectives of local government that reflected the reliability of financial reports, the efficiency and effectiveness of the implementation of programs and activities as well as compliance with laws and regulations; and (3) internal control at least meet the following criteria: (a) the creation of a healthy control environment; (B) the implementation of risk assessment; and (c) implementation of control activities.

Third, the policy specifically regulates the implementation of internal control systems, that is Government Regulation No. 60/2008 regarding the Government Internal Control System (SPIP). This regulation is set about: (1) general provisions; (2) The elements of internal control systems; and (3) strengthening for the effectiveness of the implementation of the internal control system of government.

Referring to these regulations, essentially the implementation of the internal control system is the responsibility of the head of the region to organize the government activities effectively, efficiently and economically so that the goals set previously can be fulfilled. Therefore to strengthen and support the effectiveness of the organization internal control systems, it needs internal supervision and guidance of the implementation of the internal control system of government. In this case the role of Government Internal Supervisory Apparatus (APIP) as the Local Government Inspectorate Auditor is required to provide an assessment and reasonable assurance that the process of planning, organizing and directing has been implemented properly by each unit in the regional work units, especially those associated with the process corporate governance. In addition the Local Government Inspectorate also acts as a facilitator and referral to give corrective actions in the area of the regional financial management.

Relationship between internal auditor and Regional Head can cause various ethical problems. Westra (2010) in his research argued that internal auditor often faced a dilemma situation, where auditor must obey to the leader and the other hand auditor must also deal with the demands of society to give an honest report. The dilemma situation could develop into conflicts audit when auditor is required to make decisions contrary to the independence and integrity. Some aspects of the function and purpose of the examination is also often lead to disagreements between auditors and clients (Hidayat and Hand, 2010).

Ethical issues between regional head and auditor is based on the relationship of compliance in the context of power and authority which the head of the region as the highest leader in the structure of regional organizations has the authority in instructing the assignments to the auditor Inspectorate. Head of the region can use its power (*executive power*) to apply pressure and intervention on the results of the internal auditor with the motivation to secure his position in the government, even for the sake of the election of the next regional head (Latifah, 2010). In this position auditor under the control of local leaders tend not to be refused because it could be considered non-adherent to a leader, so it can discontinue the supervisory assignment of auditor.

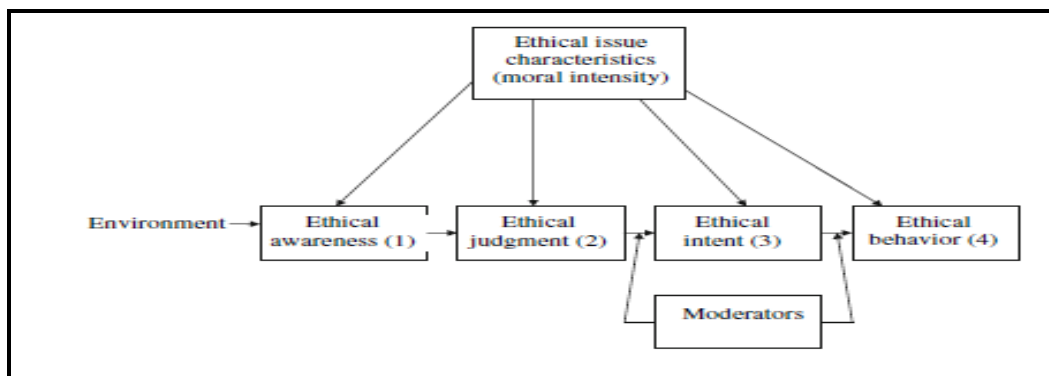
Brown (1986) states that a mandate from a leader in an organization can affect the behavior of subordinates because the leader have the power (*authority*). Inspectorate as an internal auditors has a role to conduct and carry out their duties in accordance with the code of ethics as the manifestation of responsibility and loyalty to the profession and society. The code of ethics is a reference for the auditors in conducting their duties so as to prevent non-ethical behavior. The government has established the Code of Conduct of Government Internal Supervisory Apparatus (APIP) as guidelines for auditors inspectorate to achieve a credible and have a moral responsibility to the profession so that it can improve the quality of financial information reported by government Institution. Considerations relating to ethics require the auditor to have an ability to understand any problems that arise in connection with ethics. Auditor should be able to put its position when a conflict occurs during activity assignments and behave ethically with reference to the norms, rules, and standards so as to produce the best solution. Marta in Zakaria and Lajis (2012) explains that the decisions made by individuals is the result of all the considerations about "what is right and wrong" standard established in perspective. Nevertheless, ethical behavior is not absolutely connected with the normative rules of behavior itself, but shaped by ethical considerations (Beach in Ponemon, 1990)

II. THEORETICAL FRAMEWORK

Research on auditor's judgments has been done by several researchers include Abdolmohammadi and Wright (1987); Vitell, et al. (1993);Ponemon (1990); Bass, et al. (1999); Douglas, et al. (2001); Patel, et al. (2002); Purnamasari (2006); Maree and Radloff (2007); Pflugrath, et al. (2007); Nassery and Vu (2010); Suhakim and Arisudhana (2012); and Nasution and Ostermark (2012). Their study empirically examine the variables that affect auditor to make ethical judgements, which then it can be divided into two factors, internal factors and external factors. Internal factors related to the characteristics of the individual (*personal characteristics*) such as age, experience, commitment, faith, and values individual. While external factors associated with the development of individual characteristics such as codes of conduct, environmental organizations, culture and work climate.

Ethical judgement is a central component in the process of decision-making stage. Classic decision making model developed by Jones (1991), which it explains that ethical issues arise from environmental factors such as culture, organization, and people. Responds on ethical issues such as ethical awareness is the first critical step in the box's the Jones model. Then if the ethical issue is recognized by decision makers, it is necessary to respond to ethical considerations, evaluate and decide the priority actions of the various alternatives considered for taken to done it. The ending result of the box's the Jones model is ethical behavior, that behavior is acceptable by law (*legal*) and moral by more community. Jones provide ethical issues as the definition of a person's behavior which, if carried out freely, it can have consequences "danger" or "useful" for the others (in Nguyen and Biderman, 2008).

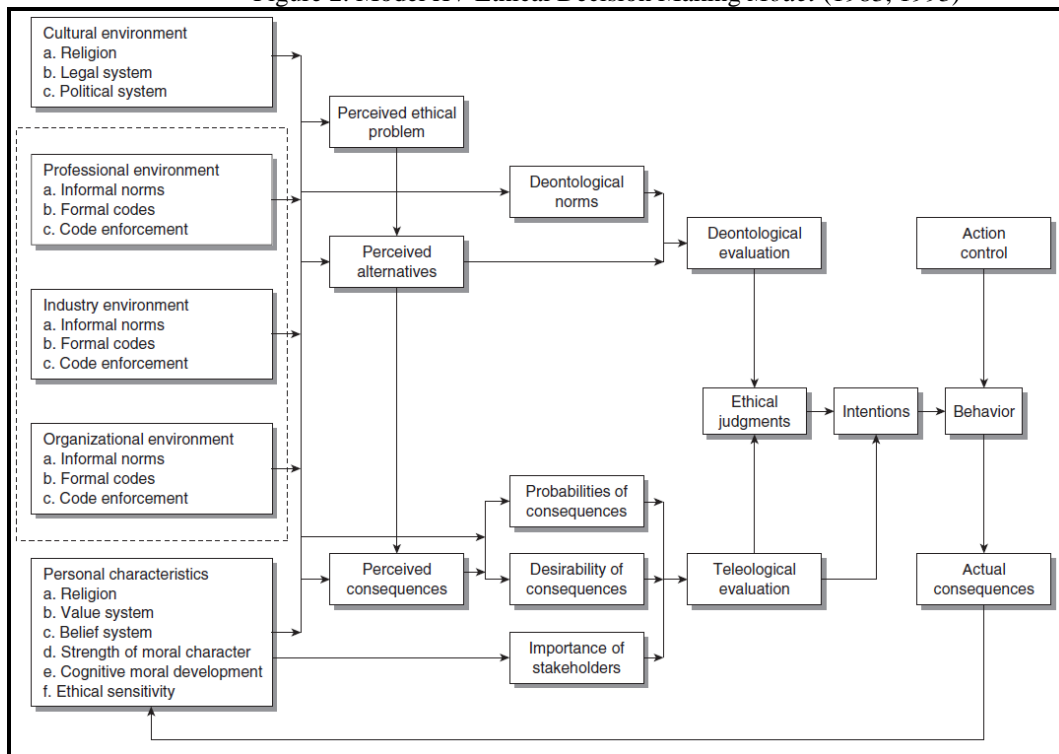
Figure 1. Model Ethical Decision Making Jones (1991)



Source: Nguyen and Biderman, 2008, *Journal of Business Ethics*

Other ethical decision-making model is a model-Vitell Hunt (*HV model*) developed by Hunt and Vitell 1986, which was then revised in 1993. Hunt and Vitell develop a model through a systematic approach to the study of marketing ethics in the decision-making process carried out by professionals marketing. *HV* ethical considerations in this *model* include the concept of ethics is *Deontological* and *Teleological* as evaluation of the ethics. the capability to understanding the ethical issues are influenced by cultural environment, professional environment, environmental industry, environmental organizations and personal characteristics.

Figure 2. Model HV Ethical Decision Making Model (1983, 1993)



Source: Hunt and Vitell, 2006, *Journal of Macromarketing*

A number of empirical studies to assess the ethical considerations auditor uses a scale of conduct or ethics multidimensional scale (*the Multidimensional Ethics Scale*) as a variable size etis.some of consideration include research conducted by Skipper and Hyman (1993); Bass, et al. (1999); Douglas, et al. (2001); Nguyen and Biderman (2008); Hidayat and Hand (2010).

Measurement in the context of accounting done by Cohen et al. (1996, 2001) by modifying the scale of measurement of the *Multidimensional Ethics Scale* into the five moral philosophy that is *moral equity* (moral that is inside a person), kontraktualisme, relativism, selfishness, and utilitarianism. Furthermore, the research conducted by Hidayat and Handayani (2010) measure ethical considerations the auditor at the Inspectorate in South East Sulawesi Environment using instrument *Multidimensional Ethics Scale* yang terdiri of 3 kinds of moral invalid constructs, namely *justice*, *utilitarianism* and *relativism* are accompanied by illustrative case 3 as adopted from Cohen et al. (1998).

Organizational culture is one of the variables that can influence the ethical considerations of Auditors. Research conducted by Douglas, et al. (2001) associate organizational culture and ethical considerations the auditor, where the organizational culture is defined as the ethical culture (*ethical culture organization*) that reflect the environmental ethic that formed through practice management and supported with values that can prevent unethical deeds. Results of the study, Douglas et al. (2001) found that the Organization's ethical culture affects the individual values in a form of idealism, where idealism will affect the auditor's considerations in making decisions. Further, Patel, et al. (2002) also proves that the cultural effect on the consideration of the auditor's Professional by taking samples on the auditor in the country of Australia, India, Malaysia and China (Chinese Malaysian).

The mandate contained in the regulation of the Minister of State for Administrative Reform of the State (YOUTH) number PER/04/URM.PAN/03/2008 about the code of ethics States that the auditor should APIP act according to the basic values in accordance with the principle – the principle of conduct namely brought integrity, confidentiality, and competence, thereby encouraging the realization of the ethical culture in the profession of APIP. The culture of an organization is a value shared by the Member organizations tend to shape the behavior of the Group (Kotter and Heskett, 1992, in Rose et al., 2008), so it can be a positive and negative force in achieving an effective organization achievements (Trisnaningsih, 2007).

In addition to the organizational culture, the variable consciousness ethics (*ethical awareness*) owned by the auditor also play an important role in ethical considerations the auditor. Awareness to behave ethically reflect ethical behavior in which an auditor in audit situations can distinguish good and bad behavior in accordance with the applicable code of ethics. Ethical awareness is high tend to make the auditor for more

cautious (conservative) in solving the ethical (Uyar and Ozer, 2011). This has been proven in research on ethical awareness in relation to the conduct of Auditors, one of whom is the research conducted by Suhakim and Arisudhana (2012) managed to prove the hypothesis that there is an influence of the consciousness of the ethical behaviour against the auditor in the performance of the tasks included in the giving consideration in conflict situations.

Nassery and Vu (2010) also examine the ethics and awareness about the ethical considerations of Auditors in some countries namely India, Sweden and Viet Nam. In his research, Nassery and Vu (2010) found that awareness of ethics are perceived differently by each individual who has different personal characteristics IE age, gender, education and experience.

Experience (*experience*) is a cognitive process that involves the distribution of knowledge and skills of individuals in the profession who traveled so it can add to the knowledge and expertise of the profession. The auditor's experience on various levels of the audit assignment good structured as well as unstructured tasks is urgently needed to provide audit considerations (Abdolmohammadi and Wright, 1987). Auditor considerations in decisions related to structured tasks of magnitude the number of samples that are used to test the compliance, whereas the unstructured task concerns the disclosure of audit adjustment decision which is still under discussion among the Auditors. An experienced auditor will make consideration of a relatively better in professional tasks compared with inexperienced auditor (Herliansyah and Meifida, in Praditaningrum and Januari, 2012).

Research Pflugrath, et al. (2007) tested the influence of experience against the ethical considerations of Auditors, auditors found that in using the reasoning is largely determined by experience auditor. The results of this research contains the notion that quality considerations the auditor is the result of the experience of constructions knowledge, understanding and skills for conducting examinations in the various situations of the audit. This is emphasized also in the code of ethics established by the regulations of the APIP State Minister for utilization of State apparatus (YOUTH) number PER/04/URM.PAN/03/2008, stating that the experience is one that must be owned by the auditor in carrying out its work.

The commitment of the Professional (*professional commitment*) is an important factor that affects the behavior of auditor when facing ethical issues in conflict situations. Nasution and the Ostermark (2012) States that the social pressure situations well pressure compliance to norms of partner or/adat tend to affect the consideration of the auditor. Research results and Ostermark Nasution (2012) found that the profession and the rules inherent in it play a role in internal pressure in the company minimize hood. Auditors who acquire knowledge concerning the inspection activities in the exercise of the profession can behave with unnatural when it gets pressure both from within and from outside the (*internal and external pressures*). The statement of Lord and DeZoort (2001) cite Mowday, et al. (1979) and the Otley and Pierce (1996) that professional commitment refers to the power of the individual in his profession. Auditors who have high professional commitment means having a strong conviction and able to perform tasks in accordance with the profession and have a strong desire to participate in the membership of the profession and behave in accordance normaprofesi. Responsibility to the profession and its benefits to constituents influence the auditor's behaviour in using ethical considerations. Public Accountant professional standards (SPAP) in section 150 professional behavior, requires the auditor to comply with any laws and regulations that apply, as well as avoiding any action that could discredit the profession.



Description :

1. H1 Duoglas (2011),Patel (2002), Kotter and Hasket(1992) and Rose (2008)
2. H2 Nassery and Vu (2010), Uyar and Ozer (2011)
3. H3 Abdolmohammad and Wright (1987), Pflugrath (2007)

III. RESEARCH METHODS

Research sample is a whole population (saturated sample). In total 20 seniors auditor from Inspectorate of Bombana, local government, participated in the study. The means experience of participant was over 5 years in the some field. All participant had full questionnaire up and return it back to researcher not over 7 days. The method utilized to analyse the data is multiple regression analysis.

Hypothesis 1

Organizational culture influence the ethical judgement auditor through professional commitment in decision-making

Culture has been defined by a variety of perspectives, but agreement on the definition of culture has not been determined by Ikhsan and Isaac (2005: 32-33) states that culture is the norms and values that guide the behavior of members of the organization. Each member will behave in accordance with the prevailing culture of the environment in order to be accepted. The culture of thinking of course looked at from the aspect of the behavior of members of the organization as a manifestation of that cultural values .Hofstede, et al (1990) in Ikhsan and Isaac (2005: 33) states that cultural values can be manifested in a variety of behavioral choice.

Organizational culture reflects a value system that is Morgan (in Lozano, 1998) that the understanding of the organization as a culture has two main standpoints: first, focusing on the meaning of symbolic or mystical characteristic of life that reflects the organizational rationality and secondly, the organization is based on the system where the framework and objectives are distributed, thus creating the term in the learning organization that is a symbol, destination, interpretative frameworks and so on. Cultural organizations in this perspective reveals that symbolically, organizational culture can be interpreted through the mechanism of action and objectives inherent in the mechanism.

Organizational culture has a correlation with ethics. This was stated by Lozano (1998) that analyzes the relationship between organizational culture and ethics can be viewed from two perspectives, first, organizational culture can be seen as a fundamental grounding in ethics institutionalization within organizations. And the second perspective that organizational culture can be regarded as a framework (*backbone*) ethics organization, so that in this perspective the term ethics and culture sometimes cause confusion in their interpretation, specifically for The second glance is what motivates research on organizational culture as a potential tool in developing ethics in the organization. In this case, ethics and culture can be misinterpreted because both terms have a reference in developing common values within the organization. Value refers to what is believed by people when doing the work, and the organization is a place for people to describe these values. Ethical standards organizations needed to describe these values into behaviors that are expected by the organization. This is confirmed by Hoffman, 1986 and Weiss, 1986 in Lozano (1998) that an organizational culture where ethics in developing organizational culture is a way to resolve the conflict between the individual and organizational values.

Douglas, et al. (2001) defines organizational culture in the perspective of ethics (*ethical organizational culture*) or, more specifically called an ethical environment, stating that the ethical culture of the organization is generated through management practices and values that are applied to avoid unethical behavior. Those values are at the core of organizational culture which is manifested in the practice of the organization. In this context, the "value" describe "what should be" while "the practice of" explaining "what to do". Perceptions of organizational culture based on the conditions experienced by a person in the organization, such as appreciation, support, and expected behavior obtained in the organization.

Research Douglas, et al. (2001) concerning the ethical culture of the organization is done on a public accountant who worked in international public accounting firms in the United States. In his research, Douglas, et al. (2001) used measurements of *Corporate Ethics Scale* developed by Hunt, et al. (1989), which reflects the circumstances in which employees assess whether managers act ethically associated with ethics in the organization. Awards (*reward*) and penalties (*Punish*) given as a consequence of ethical or unethical behavior.

The research organization's ethical culture within the public sector have been carried out by Falah (2007) on the internal auditor in BAWASDA the District Government and the Municipality in the Province of Papua before the division and the Government of Papua Province. Falah (2007) uses a five-item measure developed by Douglas et al. (2001) adopted in the research Hunt et al. (1989).

Hofstede (1994) in Patel, et al. (2002) suggests that organizational culture is a pattern of thought, feeling and action of a social group, which differentiates with other social groups. View Hofstede (1994) is based on four dimensions, namely the power distance, uncertainty avoidance, individualism - collectivism, and masculinity-femininity. While ethical considerations auditor is in the process of taking consideration can be justified by using the code of conduct (Svanberg, 2012).

Patel, et al. (2002) examined the influence of cultural values on the auditor's professional judgment by

taking the *settings* in Australia, India, China and Malaysia. By reviewing the cultural values in the country, the results of the study found cultural differences in each country tends to affect the auditor's judgment in conflict situations between auditor and client. In connection with the settlement of the conflict, the auditor Australia less inclined to accept settlement of the conflict through the termination by the client than the auditor of India, China and Malaysia.

Douglas, Davidson, and Schwartz (2001) also found an association between organizational culture and ethical considerations auditor. Organizational culture affects individual values are factors inherent in the auditor's idealism thus affecting the provision of professional judgment.

Hypothesis 2

Ethical awareness influence the ethical judgement auditor through professional commitment in decision-making

Ethical awareness is the awareness of the individual on various ethical problems encountered (Jordan, 2009 in Uyar and Ozer, 2011). Social expectations or norms of behavior often associated with ethical awareness. Norma is a set of rules that govern the behavior of individuals regarding any action that can be done and can not be done in a variety of social situations (Reynolds, 2006). Furthermore Uyar and Ozer (2011) also states that the auditor's ethical awareness is a concern to ethical dilemmas in relation to ethical decision-making process.

Some researchers give another term ethical awareness that moral sensitivity (*moral sensitivity*) or ethical sensitivity (*ethical sensitivity*), defined as the level of consciousness of a person on how a behavior affects others and how to respond to such behavior in situations of ethics (Rest in Jordan, 2007). Moral decision making model developed by Rest (1983, 1986, 1994) includes four components systematic in evaluating ethical behavior, with the first component is a moral sensitivity. Furthermore, the second component is the moral considerations, the third component is moral motivation and the fourth component is the moral character / ethical behavior.

Ethical awareness is based on the consideration of value and individual beliefs, moral awareness, played an important role to making in final decision. Trevino (in Suhakim and Arisudhana, 2012) states that the development of individual moral consciousness is a cognitive process that determines how an ethical dilemma individu to thinking that it, as well as the process for deciding what is right and wrong in the situation..

In the context of accounting, ethics awareness leads to knowledge of auditors in carrying out audit tasks in accordance with the code of professional conduct. Codes of ethics provide guidance for auditors in an effort to avoid inappropriate behavior etis. The role of Minister of State for Administrative Reform No. PER / 04 / M.PAN / 03/2008 on the code of conduct stipulated Government Internal Supervisory Apparatus as efforts to achieve good governance necessary management oversight internal quality government and ethics professional. Kode APIP provide guidance for internal auditors to requirement accountable administrative applying and avoid unethical behavior in the implementation audit. the behavioral principles that must be adhered to is the integrity, objectivity, confidentiality and competence.

Zakaria and Lajis (2012) states that the auditor in the face of a dilemma situation often use ethical considerations in considering various alternatives and choose the best alternative in resolving the problems arising. The judgment formed after considering both good and bad based on established standards.

Hoo and Yeing (2008) examined the awareness of the code ethics in the profession of journalism and found a positive association between awareness of the code ethics with the behavior of idealism in making a judgment (*moral judgment*). behavioral idealism means that individuals have a tendency to avoid decisions that endanger other people when making considerations.

Hypothesis 3

The experience influence the ethical judgment auditor through professional commitment in decision-making

Praditaningrum and Januarti (2012) states that the audit experience an auditor experiences in performing the examination of financial statements in terms of both the length of time, and the number of assignments that have been done. The ability of auditors in carrying out the duties prescribed by his experience in solving inspection tasks that are well structured, semi-structured and not structured. Technical competence can be improving through experience that provide the knowledge base for the auditor in developing cognitive abilities and skills in decision making.

Pflugrath, et al. (2007) found that the more experience the more auditors can generate quality consideration. Someone more experience in a field of substantive have more things that are stored in memory and can develop a good understanding of events (Jeffrey, 1996) .According Herdiansyah (2008) accountant experienced examiner also showed higher selective attention to relevant information. Therefore, the higher the auditor's experience will be able to make any assumptions in explaining the findings of the audit compared with less experienced auditors.

Research conducted Pflugrath, et al. (2007) uses indicators of the length of time the experience of auditors and audit to measure the amount of experience and influence on the auditor's judgment. Neither the Praditaningrum research and Januarti (2012) uses time indicator auditor experience measured in annual and number of audits that have ever dealt with while working in the CPC.

Empirically, Larkin (2000) conducted a study involving internal auditors in financial institutions and states that experienced internal auditors tend to be more conservative in the face of an ethical dilemma situation. Then Pflugrath, Bennie and Chen (2007) also found that the quality of the auditor's judgment is determined by the auditor's experience in assessing the financial statements are free of material misstatement. The auditors more carefully and addressing the issues of audit and review it through discussion, so the greater audit risk, the higher the intensity of the discussions that will be done.the expriences provide additional capabilities for auditors in improving the quality considerations in various situations and cases of examination.

Butt in research and Januarti Sabrina (2012) proved that an experienced auditor will make a *judgment* that is relatively better in his duties. Auditors who have more flying hours tend to be more experienced when compared to the less experienced auditors.

IV. RESULTS AND DISCUSSION

Based on the results of hypothesis testing against each variable by considering theoretical research and empirical research results by previous researchers and supported by the arguments of the findings, described as follows :

Discussion of organizational culture influence the ethical judgement auditor through professional commitment in decision-making ?

Regression analysis showed that organizational culture affects the auditor ethical considerations in decision making through professional commitments. These results can be interpreted that the auditor in the organizational culture is formed and represented by the auditor's behavior, giving confidence in pshycologi that in carrying out each audit assignment, professional commitment is the key to improving and strengthening the value of viewpoints in pshycology and influential institutional and personal so forming a positive image of the whole institution.

The audit results are based on the commitment will bear quality results so that auditors in deliberation and decision making related to audit findings in the field, recommended in accordance with the facts and findings of the audit, and believes that these recommendations be a good start to make corrections and is an adequate basis to give opinion evidence or an equivalent field audit findings without trying to manipulate the findings in accordance with the wishes of the auditee.

These findings reinforce the findings of Patel, et al (2002), Douglas, Davidson and Schwartz (2001) who conducted research in Australia, India, China and Malaysia. Results from both researchers examined in depth cultural values associated with ethical considerations auditors, found that cultural values are likely to affect the auditor ethical considerations in making to making decision. However, Davidson, et al that organizational culture has an association with the auditors because of ethical considerations influence organizational culture values individuals namely idealism factor of value attached to the auditor that affect the provision of professional considerations.

Discussion of the ethical awareness influence the ethical judgement auditor through professional commitment in decision-making?

Statistical test results to the awareness of ethics and ethical considerations in decision-making with the auditor's professional commitment is moderated showed that awareness of ethics against the auditor's judgment does not affect though moderated by professional commitments. The result can be described that the inspectorate auditor Bombana in carrying out its audit assignments more emphasis on individual aspects of the inherent supervision in accordance with the terms of the respondent's answer in terms of measurement integrity.

Ethical considerations in decision making audit auditor through professional commitment can not be proved in the second equation models. This shows that the professional commitment is not a moderating variable between ethical awareness of the ethical considerations auditor. Findings indicates that through the professional commitment, knowledge and understanding of the ethics auditor does not affect consideration in

each inspection tasks. Nonetheless, the positive value of the coefficient in the regression equation showed a positive interaction between ethics awareness and professional commitment to ethical considerations auditor.

Based on the results of descriptive statistical analysis, respondents' perceptions regarding the relative awareness both with a score of 84.65% means that the level of sensitivity or sensitivity to ethics auditor has been very good. Similarly, the auditor's professional commitment that affective commitment, continuous and relatively normative good. This is indicated by a total score of the criterion of 75.1%, which means a stronger emotional bond auditor to the profession and the organization with the purpose of adhering to the profession. Therefore, although the ethical awareness and commitment of auditors in Inspectorate Bombana relatively good, but the auditor's knowledge and understanding of ethics that applies not affect consideration in any inspection task through organizational commitment.

Discussion of Experience influence the ethical judgement auditor through professional commitment in decision-making ?

Hypothesis test results influence the experience of the ethical considerations in decision making audit auditor through professional commitment can be demonstrated in the second equation models. This shows that the professional commitment is moderating variables between the experience of the ethical considerations auditor auditor on Bombana. Finding of District Inspectorate Office indicated that the experience of the auditors through a high professional commitment can affect ethical considerations auditor in each inspection tasks. Furthermore, the positive value of the coefficient in the regression equation showed positive interaction with experience and professional commitment to ethical considerations auditor.

Based on the results of the descriptive statistical analysis of the 20 respondents, respondents' experience of different levels so that the resulting implications for the consideration also different. Similarly, the auditor's professional commitment that affective commitment, continuous and normative relatively good, with a total score of the criterion of 75.1%, which means a stronger emotional bond auditor to the profession and the organization with the purpose of adhering to the profession. This shows that the professional commitment is one of the important factors that held the auditor Inspectorate Bombana in carrying out audit tasks, especially in decision-making. Therefore, the level of experience of different auditors through a high professional commitment can affect ethical considerations auditor in each inspection tasks.

Research Implication

The research findings provide theoretical and practical implications as follows:

Research Findings

1. Auditor in conducting the audit assignment organizational culture can influence the behavior so that any audit findings in the field of ethical considerations is a dominating force on him and strengthened by the commitment of the organization. Audit decisions based on ethical considerations and organizational commitment mempengaruhi childbirth objective decisions or recommendations for each audit finding that the implementation of the field.
2. The auditor in performing audit assignments in the field, awareness of ethical considerations that auditors have not become dominating in her that the audit findings in the field who should be informed and recommended objectively to society broadly based on the principles of transparency and accountability are not able to be reported or ignored because of considerations of loyalty Strong to superiors. Psikologi influence or strong loyalty will form a mutually behavior consequently protect critical information to improve overall organizational weaknesses not unfold as it should. The impact of such behavior causes the auditor the audit findings are important in government organizations are not clearly revealed.
3. Auditor which has a scope of audits with various organizations both in the government and private sector will improve the skills (skills) and knowledge (knowledge) auditor. auditor Inspectorate in Bombana despite having a different experience but a high professional commitment can improve his skills in applying ethical considerations in any decision on the field audit.

Theoretical Implication

The study's findings reinforce that the culture of the organization, the auditor is able to improve the experience of the auditor ethical considerations in determining the audit decision that found in the field. These findings are consistent and relevant information about the theory of organizational culture and experience of an auditor is able to improve the performance and ability to implement audit decisions based on facts audit field. While the ethics of auditors is still considered weak because it proved that etikan not affect keputusan audit although mediated organizational commitment. Ethics theories have still consistent with some previous studies, among others, research conducted by Suhakim and Arisudhana (2012) managed to prove the hypothesis that there are

significant ethical awareness of the behavior of auditors in the implementation of the tasks included in the consideration in conflict situations.

Practical Implication

Research findings provide important notes for an auditor that an auditor primarily in Inspectorate in Bombana, however organized government was formed a good organizational culture, experience and skill auditor adequate and high commitment, but if the behavior of auditors in the audit decision making have yet to implement or understand code auditor ethics are good then the decision would have the result that a large gap between the facts audit and audit results of the decision, as a result of information generated does not give an idea fit the facts in the field and likely to mislead users information especially to the public.

V. CONCLUSION

Based on the results of research and discussion that has been described, the conclusions of this study are as follows:

1. Through professional commitment, organizational culture influence the ethical considerations auditor audit decision.
2. Through professional commitment, ethical awareness can not affect the auditor ethical considerations in decision making audit.
3. commitment of professionals able to moderate the influence of experience on the ethical considerations auditor audit decision.

VI. SUGGESTION AND RESEARCH LIMITATION

This study has limitations in sample quantities so as to generalize this study suggested for further research take samples in large numbers and involves the entire unit Inspectorate District, City and Province of Southeast Sulawesi. In addition to variable experience, further research should use the number of audits based on long experience of the auditor.

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