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Do the Quality of Investigation Audit Influenced by Auditor Independence and Professionalism?

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Abstract

This study examined the influence of independence and professionalism on the quality of investigation audit. This is a survey study conducted in the Law Enforcement Agencies in Indonesia, consisting of the Indonesian National Police, the Attorney General's Office, and the Corruption Eradication Commission. The unit of analysis is their investigators as respondents. The research instrument was built base on the operationalization of variables developed by previous research. Furthermore, the data were analyzed using descriptive statistical analysis and structural equation modelling (SEM) techniques. The results of this study provide empirical evidence that independence and professionalism have a significant positive effect on the quality of investigation audit. The model in this study can be used to measure the quality of investigation audit from the perspective of independence and professionalism.

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INTRODUCTION

The Audit Board of the Republic of Indonesia, hereinafter referred to as BPK, had the mandate to examine the management and responsibility of state finances, based on Article 23E of the 1945 Constitution. Further provisions for the implementation of this mandate are spelled out in RI Law Number 15 of 2004 concerning Audit of the Management and Accountability of State Finances and RI Law Number 15 of 2006 concerning the Audit Board. The two laws further regulate the audits conducted by the BPK on state finances.

Since the rolling of bureaucratic reform in Indonesia, BPK has been required to become a professional audit institution. Therefore, the BPK then made a series of changes, both in terms of institutions, improving the quality of audit results, increasing employee professionalism, improving infrastructure, and fulfilling the budget. These changes are expected to bring about New BPK: Leading by Example. In addition, BPK is also expected to be able to improve audit performance which is of concern to stakeholders. The results of audits of financial reports, performance and audits with specific purposes become public references. This condition prompted BPK to change the audit paradigm in order to create a prosperous Indonesia.

To realize the New BPK: Leading by Example, the BPK has compiled a Strategic Plan so that the ongoing process of change can be directed towards achieving BPK's Vision and Mission. Therefore, since 2006, the BPK has compiled the 2006-2010 Strategic Plan, the 2011-2015 Strategic Plan, and the 2016-2020 Strategic Plan as a form of BPK's commitment to producing the highest quality audit reports. In order to implement the BPK Strategic Plan, BPK uses the Maturity Model of Supreme Audit Institution as a reference in describing the direction of maturity of the role of the auditing organization. Based on this model, the BPK audit function in the future will be carried out in accordance with the BPK's maturity level, taking into account the developing macro environment and the BPK values. The hierarchical form of the BPK organization's maturity is as follows in Figure 1.

Figure 1. The Accountability Organization Maturity Model of BPK

One of the efforts to encourage the eradication of corruption is to carry out investigative examinations to reveal irregularities in the laws and regulations and state/ regional losses resulting from these deviations. Since November 2016, BPK has formed a Main Investigation Auditorate (MIA) work unit to carry out Investigative Examination, State Loss Calculation, and Providing Expert Information. The working mechanism in carrying out investigative examinations is based on the State Financial Audit Standards, the Investigation Audit Management Guidelines, and the Guidelines for Investigative Examination and Calculation of State Losses. The conduct of the investigative examination itself can come from the development of regular audit results, request from Investigator/ Court Ruling, requests from other agencies outside of the Investigator/ Court Ruling and even from public complaints.

The investigative examination assignment letter comes from the four groups mentioned above and an assignment letter can be issued if the related problem has met the element of irregularities resulting in state / regional loss and the two have a causal relationship. Then, when the examination has been completed, a report on

the results of the investigative examination is prepared. Furthermore, the report on the results of the investigation is submitted to the investigating agencies (Police, Judiciary, and the Corruption Eradication Commission) to be followed up.

Quality audits are important not only for investigators, but also for auditors when advancing as experts in court. Therefore, the formation of MIA to handle investigative examinations is BPK's answer to the phenomena that occur in society related to the quality of the results of BPK investigations. However, even after the formation of MIA there were still complaints from the public regarding the quality of the results of investigative examinations.

Examination is a process of problem identification, analysis and evaluation carried out independently, objectively, and professionally based on examination standards, to assess the truth, accuracy, credibility and reliability of information regarding the management and responsibility of state finances (RI Law No. 15 of 2004). The term examination can be called "audit". Audit is the collection and evaluation of evidence about information to determine and report on the degree of conformity between the information and criteria set, auditing must be carried out by competent and independent people (Arens et al., 2017). Then Akbar et al. (2016) stated that an auditor to support audit performance must have competency that can be obtained and improved through two factors, namely experience and education.

According to Whittington & Pany (2010), auditor specialization is a factor that affect audit quality. They stated that when an auditor becomes a specialist or an expert in a certain industry, that is, has a lot of experience and deep understanding in a particular client's specific industry, then the auditor will be able to produce a quality audit that is higher quality than with auditors who are not specialized in the client's specific industry area.

In addition, Louwers et al. (2008) states that the mental attitude of auditor independence is a cornerstone of high quality of audit quality. It is recommended that auditors always maintain their mental attitude of independence, in all matters relating to the provision of audit services, in order to improve audit quality.

The phenomenon of the low audit quality of BPK, has appeared since before MIA was formed until now. Iskandar Sitorus (in Edj, 2009) stated that the results of the investigation into the Century case conducted by BPK were invalid. The quality of the results of the BPK investigation audit is doubtful because it cannot conclude who is involved and cannot state a clear loss figure. Agus Martowardoyo (in Lestari, 2012) stated that the audit report on Hambalang resources produced by BPK did not reflect the audit results.

In addition to the aforementioned phenomena, the authors also see various efforts that have been made by BPK to improve audit quality. Hendar Ristriawan (in R. J. Akbar, 2014) revealed the reasons why the examination of cases carried out at the request of the Law Enforcement Agencies (LEA) was delayed. For one thing, LEA's request was not related to the initial evidence supporting the examination. He said in front of law enforcers in a meeting at the BPK. In fact, it is difficult for the BPK to initiate an investigation due to the lack of initial support that should be included by law enforcement officials when submitting a request for a case. The examination carried out does not only calculate how much the state has lost but also constructs the state loss based on the applicable law. This legal construction is needed so that the calculation of state losses does not come out of the legal provisions stipulated by law enforcement officials. With this coordination meeting, he hoped it would be ready to face the problem of BPK examination procedures, especially those involving law enforcement officials, so that the results of the BPK examination can also be used as material for investigations by law enforcement officials, in order to uncover a case.

Besides that, Barullah Akbar (in Nisaputra, 2017) stated that the cooperation between BPK and BAI Korea would assess the Investigation Audit Capacity and the Quality Assurance System. The two Supreme Audit Institutions work together to improve audit quality, because quality assurance is very important.

Furthermore, investigators as one of the BPK stakeholders who utilize the examination result report (ERR) for Investigative Examination and Calculation of State Losses, sincerely hope that the ERR has high quality audit quality which is the work of auditors who have high professionalism and independence, so that they can support efforts to eradicate corruption in Indonesia.

However, the expectations of BPK stakeholders, especially law enforcement agencies, have not been fulfilled. Based on the phenomena described above, there is a gap between the expectations of BPK stakeholders and the actual conditions regarding the quality of BPK's investigation audits. To that end, the BPK has tried to reduce the gap and made efforts to improve audit quality through cooperation with various countries.

In addition to the phenomenon related to the low quality of investigation audits described above, BPK has received a lot of attention due to actions that are not in accordance with the BPK auditors' code of ethics. Integrity violations that occurred when the examination was carried out which resulted in arrest by law enforcement agencies and undergoing trial at the Corruption Court. Two BPK auditors, Enang Hernawan and Suharto, were sentenced to a judge with a sentence of four years in prison. Apart from corporal punishment, the two defendants were also obliged to pay a fine of Rp200 million. If not paid, the sentence is replaced with three months in prison (Fat, 2010). Furthermore, BPK's auditor, Sigit Yugoharto is considered proven to have accepted bribes from the General Manager of Jasa Marga, Purbaleunyi Branch, Setia Budi. The judge sentenced to 6 years imprisonment and a fine of 250 million rupiah. (Gabrillin, 2018).

Meanwhile, in Sembiring (2017), President Joko Widodo praised and appreciated BPK's performance at the 2017 Annual Session of the People's Consultative Assembly. According to President Jokowi, BPK's performance is getting better at home and abroad. The BPK and the Government Internal Supervisory Apparatus have synergized to overcome the overlapping audit conditions. In addition, President Jokowi appreciated the Audit Result Follow-up Monitoring Information System implemented by the BPK so that the follow-up on the results of examinations in each ministry and government agency can be monitored accurately, efficiently and on time.

Based on the phenomena that occur in the community of interests, the gap theory and arguments explained in the research background, this study aims to examine the effect of independence and professionalism on the quality of investigative audits which are still rarely carried out, especially in Indonesia. According to William Jr et al. (2016), Public Accounting Firm (PAF) must always evaluate their commitment, in providing high quality audit quality, by maintaining the integrity and objectivity of their professional staff (partners and staff), to maintain their reputation in the eyes of the audit service user community. Similar to the BPK, the BPK must be able to maintain a commitment to produce high quality of audit quality by maintaining and ensuring that auditors have high integrity and objectivity when carrying out audits. Thus, the public's expectation of quality audit results from BPK can be realized.

LITERATURE REVIEW

In research, of course there must be a theory that used as the basis for applying the concepts of variables and indicators. In this section, each review will be explained for the three research variables, namely: Independence, Professionalism, and the Quality of Investigation Audit.

1) Independence Variable

Independence in auditing is behavior that is free from conflicts of interest or the influence of other parties in determining a decision, so that it is unbiased and objective in accordance with the facts. Independence is a mental attitude that is free from the influence of other parties, is not controlled by other parties, does not depend on others. Auditor independence means the existence of honesty within the auditor in considering facts and the existence of impartial, objective considerations in formulating and expressing opinions (Elliott & Jacobson, 1998; Mautz, 1972; Patrick et al., 2017; Rittenberg et al., 2010; Wallage et al., 2014).

Based on the opinions of several experts and previous researchers (IESBA, 2013; Arens et al., 2017, 2015; Wallage et al., 2014) the measurement of independence variable uses several dimensions and indicators, namely: 1) Independence of the Audit Program (freedom to determine specific audit techniques, freedom to determine the audit procedures to be used, and freedom to determine alternative examination procedures); 2) Independence of the Audit Investigative (freedom in determining the key areas of the examination, freedom in carrying out activities to obtain audit evidence, and freedom from personal interests that hinder the audit); and 3) Independence of the Audit Reporting (freedom to write down irregularities or fraud that occurred, free to write down the amount of state loss according to audit evidence, and freedom to write down parties related to fraud).

2) Professionalism Variable

Professionalism is a person's behavior towards their profession based on the values of honesty, neutrality, continuous competency development, and subject to the professional code of ethics and applicable regulations (Gray, 1988; Heyrani et al., 2016; Rusell, 2000; Schaefer, 1984).

Based on the opinions of several experts and previous researchers (Hall, 1968; Kalbers & Fogarty, 1995; Reynolds, 2000; Rusell, 2000; Schaefer, 1984) the measurement of professionalism variable uses of several dimensions and indicators, namely: 1) Dedication (have full attention to the investigative audit, directly involved in investigative audit work, and adherence to the profession as an investigative auditor); 2) Social Obligation (the resulting investigative audit report is useful for the public, have power at the time of the trial, and from investigator pressure); 3) Autonomy Demands (independently in determining the results of investigative audits and have freedom of opinion against the construction of deviations from investigators); 4) Belief in Self Regulation (investigative examination is carried out by means and methods stipulated in the Audit Standards / Guidelines and the examination process is carried out with a tiered quality control and quality assurance); 5) Professional Community Affliction (become a member of an anti-fraud professional association or forensic auditor of the kind and establish cooperative interactions with fellow members of the profession).

3) The Quality of Investigation Audit Variable

The quality of audit is the level of quality of audit results determined by the absence of material misstatements/ procedures, the achievement of audit objectives through methodologies or guidelines prepared by the auditor, legally accountable in court, carried out in accordance with the applicable code of ethics and regulations, and does not cause problems/ unrest in the community (Arruñada, 2000; Francis, 2004; Gul et al., 2013; Jacobs, 2004; Knechel et al., 2013; Lee et al., 2016; Leung et al., 2007).

Based on the opinions of several experts and previous researchers (Anders, 2015; Francis, 2011; Knechel et al., 2013), the measurement of the quality of investigation audit variable uses several dimensions and indicators, namely: 1) Auditor Competence (have a certification of expertise in investigative auditing, have the ability in investigation audit, and having experience doing investigation audits); 2) Process of Impementation Investigative Audit (understanding the audit risk, following the standards/ guidelines that have been set, and infrastructure that supports the implementation of investigation audits); 3) Reporting the Investigative Audit Result (reveal any irregularities, disclose the parties related to irregularities, and disclose the impact of deviations that occur).

Hypotheses Development

According to Sekaran & Bougie (2016) the hypothesis is Logically conjectured relationship between two or more variables expressed in the form of a testabel statement. In accordance with the above understanding, the hypothesis is a logically suspected relationship between two or more variables in the formulation of propositions that can be tested empirically.

a) The Influence of Independence on the Quality of Investigation Audit

According to DeAngelo (1981), fee dependence on a client can be seen as surrogate for audit quality, where it represents the relative magnitude of client specific quasi rent. Then Chang & Monroe (1981) stated Auditor's independence is one component of audit quality. The auditors' perceptions of audit quality are affected by the risk of independence being impaired. Furthermore, Jamal & Sunder (2011) stated independence (infact as well as in appearance) is widely thought to be necessary for the quality of audit, and audit quality is often equated with independence.

From the explanations and opinions of several previous researchers it can be concluded that auditor independence has an influence on audit quality. This means that the higher the BPK upholds the independence of auditors in conducting audits, the higher the quality of the audit quality it produces. If the level of auditor independence decreases, then both public perceptions and auditors' own perceptions of the audit quality they produce will also decrease, because auditor independence is believed to be a major milestone in audit quality (Chang & Monroe, 1981; DeAngelo, 1981; Jamal & Sunder, 2011). Thus, the hypothesis as follows:

H1: auditor independence has influence on audit quality

b) The Influence of Professionalism on the Quality of Investigation Audit

According to Herrbach (2001), the preservation of a high level of apparent 'professionalism' is an important element in the social image of auditing. Samelson et al. (2006) found 302 finance directors surveyed positively associated auditor expertise, responsiveness to client, professionalism, understanding of client systems, and study of internal controls with perceived audit quality.

Furthermore, Yendrawati (2008) in her research conducted an analysis of the relationship between the professionalism of auditors and the consideration of materiality levels in the process of auditing financial statements. The results indicated that there is a positive relationship between the variable belief in the profession and the auditor's judgment on the value of materiality, which indicates that the more professional the auditor the more accurate he will be in determining the level of materiality in the examination.

Based on the explanation of the studies above, it can be concluded that there is a positive relationship between professionalism and the resulting audit quality. The more professional, the better the audit quality (Herrbach, 2001; Samelson et al., 2006; Yendrawati, 2008). Thus, the hypothesis as follows:

H2: auditor professionalism has influence on audit quality

METHODS

The object in this study is the influence of independence and professionalism on the quality of investigation audit. This study uses descriptive and causal-explanatory methods by testing hypotheses. Based on the research time horizon, included in the category of cross-sectional studies, namely research performed over a period of time, data is collected only once, perhaps in a period of several days or weeks or months, to answer research questions (Uma Sekaran & Roger Bougie, 2017). The data used are primary data collected through instruments (questionnaires) and secondary data obtained from journal or previous research reports that are used as theories, concepts used to build models of thinking frameworks, and research hypotheses and deepen analysis in explaining the conclusions of the research results.

The unit of analysis in this study is investigators at 3 Law Enforcement Agencies (the Indonesian National Police, the Attorney General's Office, and the Corruption Eradication Commission), who have experience working together to uncover cases through investigation audits conducted by BPK.Thus, the sample size set in this study was 267 investigators form 94 Work Units of 3 Law Enforcement Agencies in Indonesia.

This study can be regarded as survey research, because the measurement process used to collect information using a questionnaire with Likert scale. The questionnaire was distributed by visiting the respondent directly and via e-mail. In this study descriptive statistics were used by compiling a frequency distribution table to determine the level of value (average score) of the research variable. The categorization of respondent's answer scores is arranged based on the maximum score range and the minimum score divided by the number of desired categories. The guidelines for categorizing the research variable scores are presented in Table 2.

Table 2. The Guidelines For Categorizing The Research Variable Scores

Average Index	Category
1.00 – 1.80	Not Good
1.81 – 2.60	Not Fair
2.61 – 3.40	Fair
3.41 – 4.20	Good
4.21 – 5.00	Very Good

This study uses quantitative methods with probability statistics which are statistical techniques used to analyze sample data and the results will be applied to the population through testing the significance level of sample data on population parameters through the t-statistics on the confidence interval of 95% and the risk of error at $\alpha = 5\%$.

The research hypothesis will be tested using the Structural Equation Modeling (SEM) method approach with the help of Lisrel statistical software. In this study the construct or latent variable cannot be measured directly using observed variables or indicators. So that it must be lowered first in the form of dimensions, then can it be reflected through the indicators according to the theory used. Indicators used to measure latent variables must be tested for the validity and reliability of the instrument. The test uses the concept of Confirmatory Factor Analysis (CFA). According to Wijanto (2015), a variable is said to have good validity for constructs or latent variables if the value of the t-factor is greater than the critical value ($t_{value} \geq 1.96$) and the standard factor loading ≥

0.70. Meanwhile, Hair et al. (2014) stated that the value of factor loading ≥ 0.50 is very significant and the indicator can be declared valid.

In SEM reliability testing uses a composite reliability measure and varian extracted measure. A construct that has good reliability is if the value of Construct Reliability (CR) ≥ 0.70 and the value of Variance Extracted (VE) ≥ 0.50. Next is the preparation of flowchart which aims to examine the influence of independent variables (exogenous) on the dependent variables (endogenous) as shown in Figure 2.

The stages of data analysis in this study were developed using the concept of SEM. Then evaluated the Goodness of Fit (GoF) between the data and the research model. After the model is fit with the data, the hypotheses built into the research model can be tested.

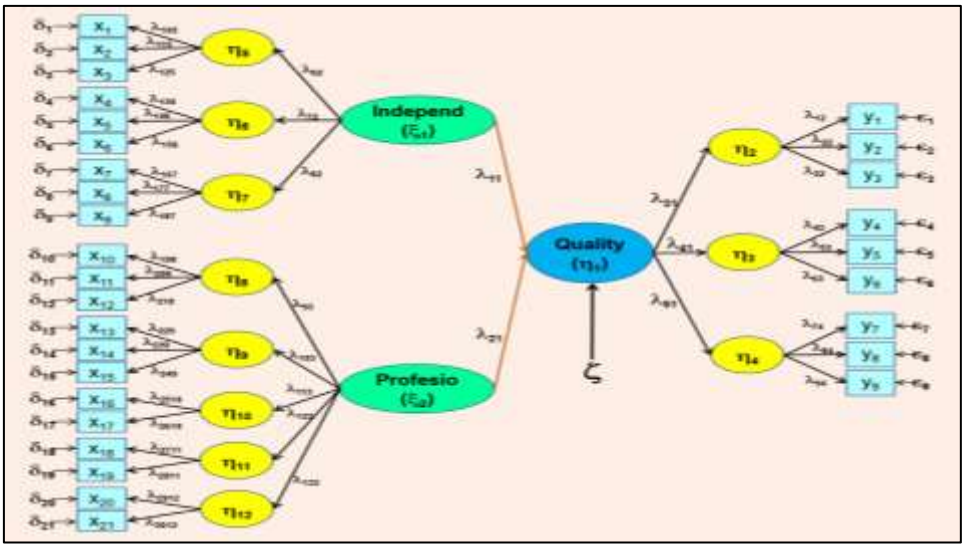

Figure 2. Flowchart Research Model

RESULT AND DISCUSSION

Descriptive Statistics Analysis

Based on the answers of 267 respondents, the descriptive statistical analysis provided data on average scores and categorization of answers for each variable as presented in Table 3. The variables have a total score and categorized as "very good" so it has an average score 4.80 which is also very good.

Table 3. Analysis of Research Variable Scores

No.	Variable	Σ Score	Mean	Categorization
1	Independence	11,514	4.79	Very Good
2	Professionalism	15,323	4.78	Very Good
3	The Quality of Investigation Audit	11,586	4.82	Very Good
	Total	38,423	4.80	Very Good

Source: Data Processing Results (2020)

Confirmatory Factor Analysis (CFA)

Suitability of the measurement model was tested using confirmatory factor analysis to find out the undimentional of the indicators that explained a factor or variable formed. The following are described confirmatory factor analysis in each research variable.

Independence Variable

This exogenous variable is measured by 3 dimensions consisting of 9 indicators. The results of CFA testing with the second order model for Independence Variable are shown in Figure 3. Based on Figure 3, all indicators

have factor loading value above 0.5 but RMSEA value still above 0.08. Furthermore, the results of re-specification in Figure 4 show RMSEA value below 0.08. To detail the value of factor loading can be seen in Table 4.

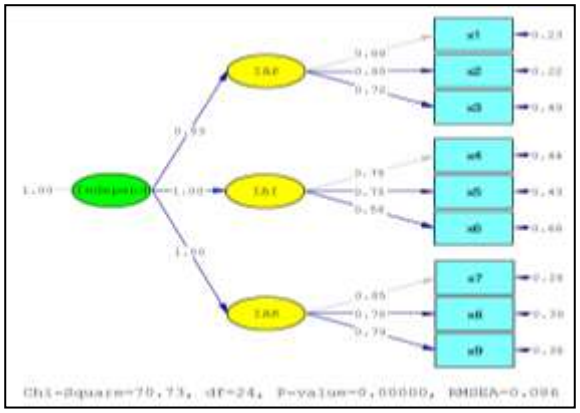

Figure 3. CFA Test of Independence Variable (*Standardized*)

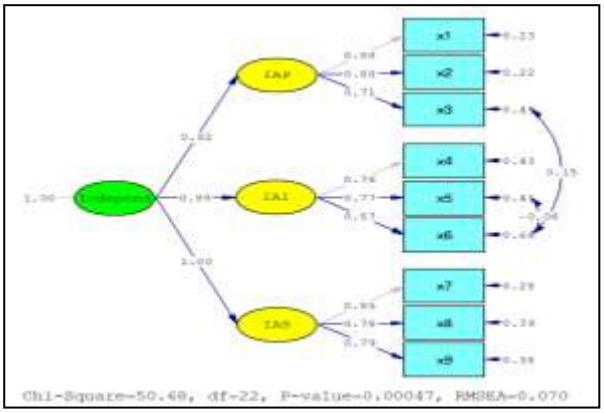

Figure 4. CFA Test of Re-specification of Independence Variable (*Standardized*)

Table 4. Validity and Reliability Test Results of Re-specification of Independence Variable

Latent Variable	Indicator	λ	λ^2	ε	CR	VE	Information
First Order							
IAP (Independence of the Audit Program)	x1	0.88	0.77	0.23	0.87	0.68	Reliable
	x2	0.88	0.77	0.23			
	x3	0.71	0.50	0.50			
IAI (Independence of the Audit Investigative)	x4	0.76	0.58	0.42	0.75	0.50	Reliable
	x5	0.77	0.59	0.41			
	x6	0.57	0.32	0.68			
IAR (Independence of the Audit Reporting)	x7	0.85	0.72	0.28	0.85	0.65	Reliable
	x8	0.78	0.61	0.39			
	x9	0.79	0.62	0.38			
Second Order							
Independence	IAP	0.92	0.85	0.15	0.98	0.94	Reliable
	IAI	0.99	0.98	0.02			
	IAR	1.00	1.00	0.00			

Source: the results of data processing (2020)

Based on Table 4, the results of first order test on the dimensions of IAP, IAI, and IAR, all the indicators have factor loading above 0.5 so that all indicators are valid in measuring each dimension. For the all values of CR above 0.7 and values of VE equal to above 0.5 so that it is reliable. This shows that the indicators have consistency in measuring each dimension.

In the results of second order test on Independence Variable, all dimensions have factor loading above 0.5 so that all dimensions are valid in measuring Independence Variable. Thus, the factor loading of IAR Dimension has the highest value, making it the strongest in reflecting Independence Variable while the IAP Dimension has the lowest value so that the dimension is the weakest in reflecting Independence Variable. For the value of CR is 0.92 > 0.7 and the value of VE is 0.94 > 0.5 so it is reliable. This shows that the three dimensions have consistency in measuring Independence Variable.

1) Professionalism Variable

This exogenous variable is measured by 3 dimensions consisting of 12 indicators. The results of CFA testing with the second order model for Professionalism Variable are shown in Figure 5. Based on Figure 5, one indicator hase factor loading value above 1, namely BSR Indicator. Furthermore, the results of re-specification in

Figure 6 show that all indicators have loading value above 0.5. To detail the value of factor loading can be seen in Table 5.

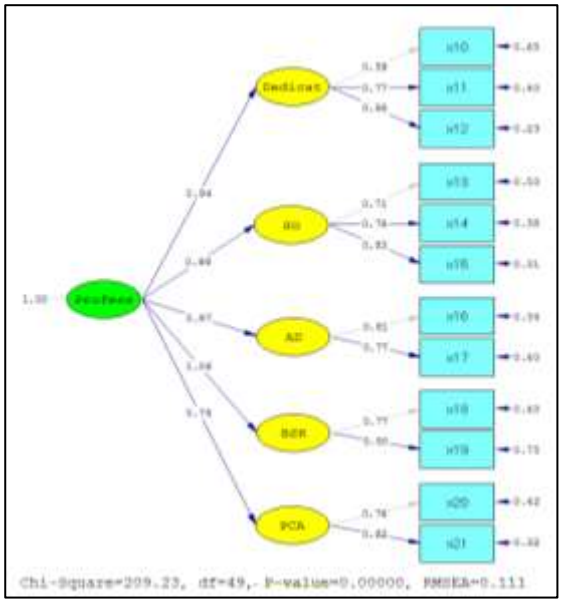

Figure 5. CFA Test of Professionalism Variable (*Standardized*)

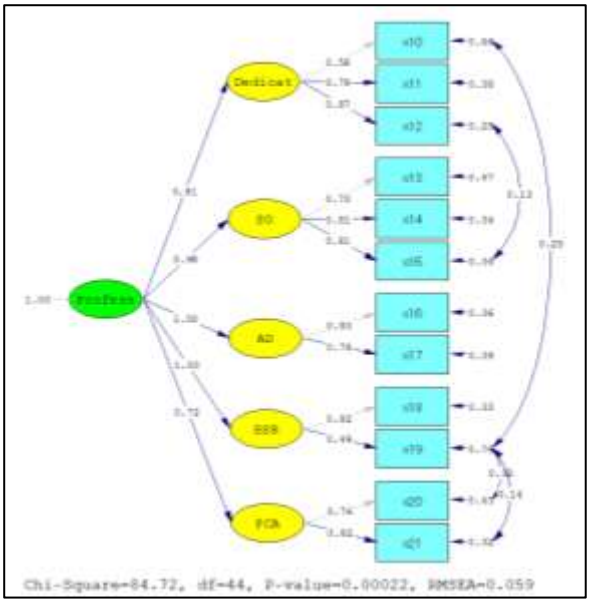

Figure 6. CFA Test of Re-specifications of Professionalism Variable (*Standardized*)

Table 5. Validity and Reliability Test Results of Re-specification of Professionalism Variable

Latent Variable	Indicator	λ	λ^2	ε	CR	VE	Information
First Order							
Dedication	x10	0.58	0.34	0.66	0.80	0.57	Reliable
	x11	0.79	0.62s	0.38			
	x12	0.87	0.76	0.24			
SO (Social Obligation)	x13	0.73	0.53	0.47	0.83	0.62	Reliable
	x14	0.81	0.66	0.34			
	x15	0.81	0.66	0.34			
AD (Autonomy Demands)	x16	0.80	0.64	0.36	0.77	0.62	Reliable
	x17	0.78	0.61	0.39			
BSR (Belief in Self Regulation)	x18	0.82	0.67	0.33	0.66	0.50	Reliable
	x19	0.57	0.32	0.68			
PCA (Professional Community Affliction)	x20	0.76	0.58	0.42	0.77	0.63	Reliable
	x21	0.82	0.67	0.33			
Second Order							
Professionalism	Dedication	0.91	0.83	0.17	0.97	0.86	Reliable
	SO	0.98	0.96	0.04			
	AD	1.00	1.00	0.00			
	BSR	1.00	1.00	0.00			
	PCA	0.72	0.52	0.48			

Source: the results of data processing (2020)

Based on Table 5, the results of the first order test on the 5 dimensions, all the indicators have factor loading above 0.5 so that all indicators are valid in measuring each dimension. For the all values of CR above 0.7 and VE above 0.5 so that it is reliable. This shows that the indicators have consistency in measuring each dimension.

In the results of the second order test on Professionalism Variable, all dimensions have factor loading above 0.5 so that all dimensions are valid in measuring Professionalism Variable. Thus, the factor loading of AD and BSR Dimensions have the highest value, making it the strongest in reflecting Professionalism Variable while the PCA Dimension has the lowest value so that the dimension is the weakest in reflecting Professionalism Variable. Thus, the value of CR is 0.97 > 0.7 and the value of VE is 0.86 > 0.5 so it is reliable. This shows that three dimensions have consistency in measuring Professionalism Variable.

2) The Quality of Investigation Audit Variable

This endogenous variable is measured by 3 dimensions consisting of 9 indicators. The results of CFA testing with the second order model for Quality Variable are shown in Figure 7. Based on Figure 7, all indicators have factor loading value above 0.5 but RMSEA value still above 0.08. Furthermore, the results of re-specification in Figure 8 show RMSEA value below 0.08. To detail the value of factor loading can be seen in Table 6.

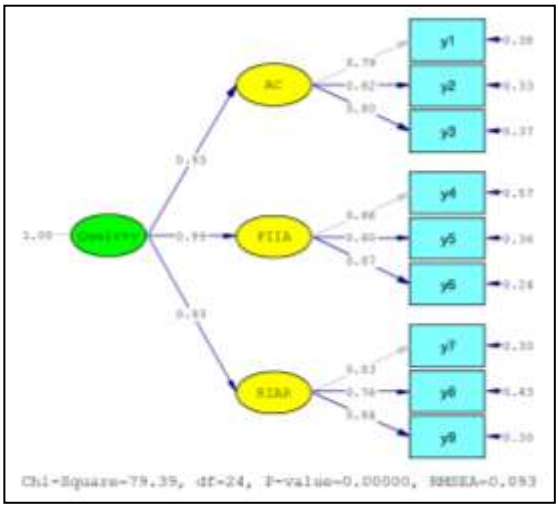

Figure 7. CFA Test of Quality Variable (*Standardized*)

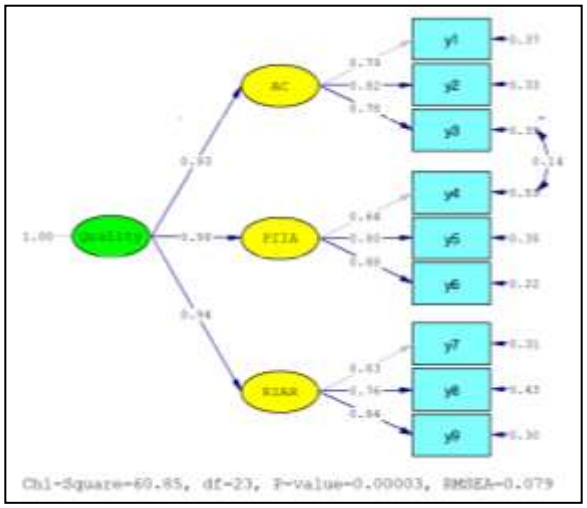

Figure 8. CFA Test of Re-specification of Quality Variable (*Standardized*)

Table 6. Validity and Reliability Test Results of Re-specification of Quality Variable

Latent Variable	Indicator	λ	λ^2	ε	CR	VE	Information
	First Order						
AC (Auditor Competence)	y1	0.79	0.62	0.38	0.84	0.63	Reliable
	y2	0.82	0.67	0.33			
	y3	0.78	0.61	0.39			
PIIA (Process of Implementation Investigative Audit)	y4	0.64	0.41	0.59	0.82	0.61	Reliable
	y5	0.80	0.64	0.36			
	y6	0.88	0.77	0.23			
RIAR (Reporting of Investigative Audit Results)	y7	0.83	0.69	0.31	0.85	0.66	Reliable
	y8	0.76	0.58	0.42			
	y9	0.84	0.71	0.29			
	Second Order						
Quality of Investigation Audit	AC	0.93	0.86	0.14	0.97	0.90	Reliable
	PIIA	0.98	0.96	0.04			
	RIAR	0.94	0.88	0.12			

Source: the results of data processing (2020)

Based on Table 6, the results of the first order test on the dimensions of AC, PIIA, and RIAR, all the indicators have factor loading above 0.5 so that all indicators are valid in measuring each dimension. For the all values of CR above 0.7 and VE above 0.5 so that it is reliable. This shows that the indicators have consistency in measuring each dimension.

In the results of the second order test on Quality Variable, all dimensions have factor loading above 0.5 so that all dimensions are valid in measuring Quality Variable. Thus, the factor loading of PIAA Dimension has the highest value, making it the strongest in reflecting Quality Variable while the AC Dimension has the lowest value so that the dimension is the weakest in reflecting Quality Variable. Thus, the value of CR is 0.97 > 0.7 and the value of VE is 0.90 > 0.5 so it is reliable. This shows that three dimensions have consistency in measuring Quality Variable.

Test Result of Full Structural Model

In this section, the evaluation results of the fit model and parameter values are estimated from the structural equation model. The empirical model generated from the theoretical model in this study requires full model testing. After confirmatory factor analysis for each latent variable, then carried out the full structural model estimation as shown in Figure 9.

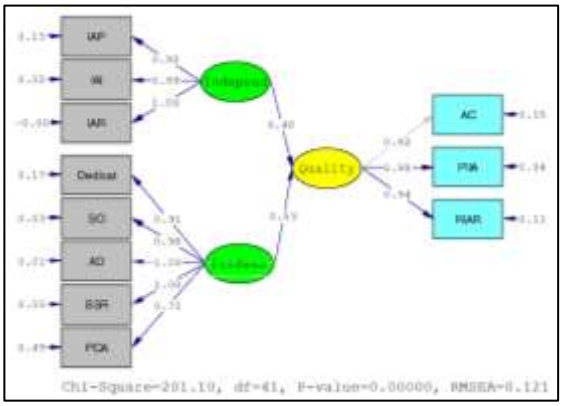

Figure 9. Full Structural Model (*Standardized*)

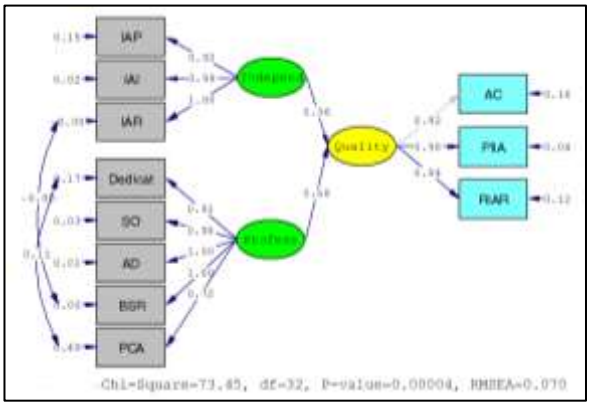

Figure 10. Re-specifications of Full Structural Model (*Standardized*)

Based on Figure 9, it can be seen that all indicators have value of factor loading above of 0.05, but value of RMSEA still above of 0.08. For this reason, it is necessary to re-specified the Full Structural Model as shown in Figure 10. Furthermore, the results of the Lisrel based on the re-specifications of the Full Structural Model produce the structural equations are mathematically:

The Quality of Investigation Audit = 0.36 Independence + 0.58 Professionalism + 0.18

Furthermore, to test the full model of SEM is done with 2 types of conformity model testing and model hypothesis testing. Full SEM testing models are used to see the fairness of the model or suitability model. Evaluation of good suitability of structural equation models by comparing the values of recommended fit indixes as presented in Table 7.

Table 7. Evaluation of Indeces Fit of Re-specifications Full Structural Model

No.	*Goodness of Fit*	*Target Value*	*Value*	*Description*
1	*Chi-square (P-value)*	*expected small (≥ 0.05)*	73.45 (0.00004)	Small (Not Fit)
2	RMSEA	≤ 0.08	0.078	Fit
3	NFI	≥ 0.90	0.99	Fit
4	NNFI	≥ 0.90	0.99	Fit
5	CFI	≥ 0.90	1.00	Fit
6	IFI	≥ 0.90	1.00	Fit
7	RFI	≥ 0.90	0.99	Fit
8	SRMR	≤ 0.05	0.024	Fit
9	GFI	≥ 0.90	0.95	Fit
10	AGFI	≥ 0.90	0.90	Fit

Source: Data Processing Results (2020)

Based on Table 7, it can be seen the results of testing the suitability of the overall model almost all GoF indeces have met the fit criteria except P-value so that can be continued at the next analysis stage to test the research hypotheses. While the summary of the results of the structural model estimation of the relationship between latent variables through the path coefficient test is presented in Table 8 as the Lisrel results shown in Figure 11.

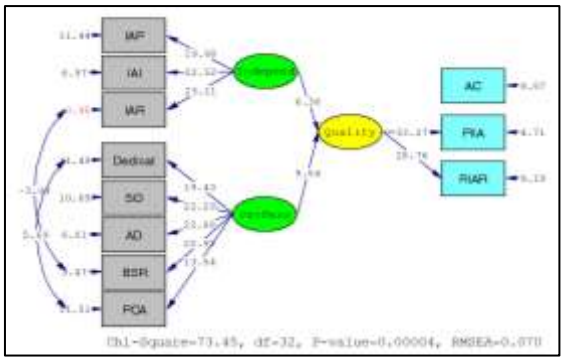

Figure 11. Re-specifications of Full Structural Model (T-*values*)

Through the results in Table 8, it can be seen, the variables Independence and Professionalism have an influence of 82% on the Quality of Investigation Audit Variable. The remaining 18% is determined by other variables besides the both of independent variables. Judging from the path coefficient, the most dominant variable affecting Quality of Investigation Audit is Professionalism with a path value of 0.58, then Independence with a path value of 0.36.

Table 8. Results of Path Coefficient Estimates and Statistical Tests

Relationship	*Path Coefficient*	*T-value*	*R-square (Simultan)*	
Independ → Quality	0.36	6.36	0.82	H1 accepted
Professionalism → Quality	0.58	9.54		H1 accepted

Source: the results of data processing (2020)

This result provides empirical evidence that Auditor independence and professionalism has a significant positive influence on the Quality of Investigation Audit. The results of this study are in line with previous studies, that Independence positively influence the Quality of Investigation Audit (Chang & Monroe, 1981; DeAngelo, 1981; Jamal & Sunder, 2011) and professionalism also positively influence the Quality of Investigation Audit (Herrbach, 2001; Samelson et al., 2006; Yendrawati, 2008).

CONCLUSION

This study aims to examine the effect of independence and professionalism on the quality of investigative audits. The results show that Auditor independence had a direct positive influence on the quality of investigation audit, thus the higher the Independence can increase the Quality of Investigation Audit. This influence was supported by the auditor's freedom to prepare an investigative audit program, determine the methodology and audit procedures, and determine the scope of the audit in the investigative audit.

Professionalism directly had a positive influence on the quality of investigation audit, so the higher the Professionalism can increase the Quality of Investigation Audit. This influence was supported by the attitude of the auditor to give full attention in carrying out the audit, as well as the role of the investigative audit report which has the power when the auditor provides information as an expert in a court of corruption.

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