

EFFECT OF WORK COMPLEXITY AND COMPLIANCE PRESSURE ON AUDITOR PERFORMANCE IN HOSPITALITY SERVICE COMPANIES IN THE CITY OF MEDAN

Dwi Saraswati,S.Pd,M.Si

Lecturer in the Faculty of Sosial Sains, University of Pembangunan Panca Budi

Ardhansyah Putra Hrp,S.Pd,M.Si

Lecturer in the Faculty of Economcs, University of Muslim Nusantara Al Wasliyah Medan

Abstract

This study aims to determine the effect of work complexity and compliance pressure on auditor performance in hotel service companies in the city of Medan. The population is auditor employees in the city of Medan. Samples taken were auditor employees at a five-star hotel in the city of Medan. The sampling criteria for auditor staff who were respondents in this study were work experience in FDA of at least one year. The data analysis technique used is the test instrument and multiple linear regression analysis. From the results of multiple linear regression analysis, the Work complexity variable hurts auditor performance. The results of testing the first hypothesis have a negative coefficient of -0.058 with a significance of 0.395 which means that the variable work complexity does not affect the auditor's performance, the second hypothesis states that compliance pressure hurts auditor performance. The analysis shows that the obedience pressure variable has a positive coefficient of 0.033 and a significance value of 0.612 so it is said to reject the second hypothesis. And the value of Adjusted R Square of 0.843 which means that amounted to 84.3% variable auditor performance can be explained by the variable complexity of the work and pressure obedience.

Keywords: work complexity, obedience pressure, auditor performance

I. Introduction

A. Background of The Problem

The increasing business competition climate, one of which is the provision of services by public accounting firms, requires every public accountant to improve performance to improve audit quality. Performance is the result of work achieved by someone in carrying out tasks by the responsibilities given (Kalbers & Fogarty, 1995). Performance is often used as a benchmark to determine whether a job can be said to be good or vice versa. Performance achievement or work performance for auditors can be assessed from three indicators, namely: (1) quality of work, namely the quality of audit work based on the ability, skills, and knowledge of the auditor; (2) the quantity of work, i.e. the number of work results that can be completed by the target given to the auditor and the auditor's ability to utilize the work supporting facilities and infrastructure; and (3) timeliness.

Complexity and time pressure are seen as appropriate variables given that most audit assignments are complex and complicated, and must be completed within a certain time limit. Their perceptions of the assignment of the different motivating researchers to use personality traits as individual characteristics that allegedly affect the performance of auditors. Auditors are usually confronted with many, varied, and interrelated tasks between one task and another (Engko & Gudono, 2007).

The complexity of the task here is interpreted as an individual's perception of a task due to limited capabilities and memory, as well as the ability to integrate the problems of decision-makers (Jamilah et al. , 2007). An assignment can be difficult for an auditor, but not so for other auditors (Restuningdiah & Indriantoro, 2000). Also, some studies show inconsistent results so this topic is important to research and discuss.

An auditor in the audit process provides an opinion with judgment based on past, present and future events. The case of large-scale audit failure has caused public skepticism about the inability of the accounting profession to maintain independence. The sharp focus is on the auditor's behavior in dealing with clients who are perceived as having failed to carry out their role as independent auditors. Auditor performance and auditor judgment are two variables that have a relationship.

Understanding the performance of auditors according to Mulyadi (2008) in Trisnaningsih (2011) is a public accountant who carries out an objective inspection assignment of the financial statements of a company or other organization to determine whether the financial statements present fairly by generally accepted accounting principles, in all material things, financial position and results of operations of the company. Judgment auditor is a consideration or thought in processing the acquisition of information (including feedback from previous actions), the choice to take action, receipt of further information, which is the decision-making behavior. Based on this understanding, it can also be interpreted that the performance of the auditor and auditor judgment will produce output in the form of opinion. Good performance will support the retrieval judgment auditors are good also. Thus the variables that affect auditor performance will certainly also affect the auditor's judgment.

Looking at the problem in the above, the author makes the title of the study is that "The factors that affect the performance of auditors in hospitality services companies in the city field". The problem faced is what factors can affect the performance of auditors in Medan city hotels? The specific purpose of this study is to prove empirically about what factors can affect the performance of auditors in Medan hotels. The urgency of the research is that auditor performance is needed in every company, so that by seeing good auditor performance, hotel service companies in the city of Medan can develop and can add investors, thereby increasing regional revenues.

II. Literature Review

A. Theoretical Basis

1. Auditor

The auditor himself can be interpreted as the person carrying out the audit. The auditor must have the qualifications to understand the criteria used and must be competent to know the type and amount of evidence that will be collected to get the right conclusions after examining the evidence, and the auditor must also be independent in gathering and evaluating evidence. There are several types of auditors who practice. According to Alvin A. Arens, Mark S. Beasley, Randal J. Elder (2011; 4) types of auditors include independent auditors (public accounting firms), government internal auditors, auditors of financial audit bodies, tax auditors, and internal auditors.

1. Public Accountant / Independent Auditor

Independent auditors act as individual practitioners and members of the Public Accounting Firm (PAF) who provide professional auditing services to clients. Independent auditors are often called auditors who work at the Public Accounting Firm (PAF). PAF is responsible for auditing historical financial statements published by companies. In general, licenses are given to those who have passed the CPA (*Certified Public Accountant*) test and have 26 practical experiences in the

auditing field. Independent auditors have the qualifications to carry out any type of audit because of the education and training they have gained and the experience they have.

2. Government Auditors Government internal auditors are auditors who work for the Financial and Development Supervisory Agency is to serve the needs of the government. The main portion of FDSA's audit efforts is mobilized to evaluate the operational efficiency and effectiveness of various government programs.

3. Auditor of the Supreme Audit Agency (BPK) The auditor of the Supreme Audit Agency is an auditor who works for the Republic of Indonesia Supreme Audit Agency (SAA), a body established under the Indonesian constitution. Led by a head, the SAA reports and is fully responsible for DPR. SAA primary responsibility is to carry out the DPR's audit function, and also has many audit responsibilities such as the Public Accounting Firm. SAA audits the majority of financial information created by various government agencies, both central and regional, before being submitted to the DPR. The audits conducted are focused on compliance audits because the power of issuance and acceptance of government agencies is determined by law.

4. The Tax Auditor of the Directorate General of Tax (DGT) under the Ministry of Finance of the Republic of Indonesia, is responsible for state revenue from the taxation sector and law enforcement in implementing the taxation provisions. The DGT implementation apparatus in the field are the Tax Service Office (TSO) and the Tax Inspection and Investigation Office (TIIO). TIIO has special auditors. TIIO's responsibility is to conduct an audit of certain taxpayers to assess whether they have met the provisions of the tax law. This audit is a compliance audit. Auditors who conduct audits are called tax auditors.

5. Internal Auditors are employees of the organization being audited. This type of auditor involves himself in an independent appraisal activity, called an internal audit, in the organizational environment as a form of service for the organization. The purpose of internal audit is to shape the organization's management in providing effective accountability. The scope of the internal audit function covers all stages of the organization's activities. Internal auditors primarily involve themselves in compliance and operational audits.

2. Performance

Performance is basically the work of someone who describes the quality and quantity of work that has been achieved by someone in carrying out their duties in accordance with their responsibilities. Performance between one person and another can be different, due to different driving factors. A person's performance in an organization will determine the effectiveness of the organization's performance.

According to AA Anwar Prabu Mangkunegara (2005: 67), the term performance comes from the word job performance or actual performance (work performance or actual achievement achieved by someone), namely the quality and quantity of work achieved by an employee in carrying out their duties in accordance with the responsibilities given to him. According to Robbins (2008) performance is the result of an evaluation of the work done by an individual compared to the criteria that have been set together, the notion of performance as a work of quality and quantity achieved by an individual in carrying out his duties in accordance with the responsibilities given to him.

Based on the above understanding, it can be concluded that performance is the result of the quality and quantity of work achieved by a person in carrying out work tasks assigned by the organization in accordance with the responsibilities given to achieve the goals that have been set together.

3. Auditor Performance

According to Trisnarningsih (2007) performance is a work that is achieved by someone in carrying out the tasks assigned to him. This result is achieved based on the skills, experience, and seriousness of the time measured taking into account the quantity, quality, and timeliness. Auditor performance is a manifestation of work in achieving better work results in achieving organizational goals (Fanani 2008). According to Asih (2006), auditor performance is the result obtained by a public accountant who carries out his duties. The task in question is to conduct an objective and independent examination of the financial statements of a company or organization, to see whether the financial statements are in accordance with accounting principles.

Auditor performance will be seen based on the results and the audit process conducted in accordance with existing rules and standards. Thus, an auditor's ability to complete his duties and a good understanding of the rules and applicable codes of conduct will lead to better work results.

4. Work Complexity

In the work environment, superiors will plan together with subordinates to determine the tasks that must be carried out by each subordinate, and also the time needed to complete the task. In determining the tasks given and the time needed to complete a given task and the time needed to complete a task, it is determined based on the supervisor's perception of the level of task complexity and experience of subordinates. With the varying degrees of complexity of the tasks obtained by the auditor on each of the different audit tasks, it can affect *judgment*.

Task complexity is the individual's perception of the difficulty of a task caused by limited capacity and memory and the ability to integrate problems owned by a decision-maker (Irwanti, 2011). Understanding the complexity of the task itself in this study shows the level of innovation and audit considerations needed by the examining staff in completing the assigned tasks.

The more complex, a task is, the auditor must think more about things. The complexity of the task is very close to the auditor's performance and can affect the audit policy made by the auditor. There are various understandings of task complexity, i.e. a set of tasks and information that is constantly changing by the auditor. The large amount of information that must be processed and the stages of work that must be done to complete a job indicate the level of complexity of the tasks to be faced by the auditor.

5. Compliance Pressure

Obedience pressure is defined as the pressure received by junior auditors or subordinates of more senior auditors or their supervisors and clients to take actions that deviate from ethical standards and professionalism (Irwanti, 2011). This will certainly cause pressure on the auditor himself to obey or not comply with the wishes of the client or his supervisor. Therefore, an auditor is often faced with the dilemma of applying the auditor's professional standards in his decision making (Jamilah et al, 2007).

The pressures in the audit assignment can be in the form of time *budget*, *deadline*, justification or accountability or from parties who have power and interests such as partners or clients. So that sometimes this pressure can make the auditor take action that violates the inspection standards. From this pressure, the auditor can carry out the task with the consequence of no longer being independent and violate existing standards or the auditor may not carry out the task with the consequence of getting sanctions in the form of termination of satisfaction from the client.

As a result, accounting standards have alternative choices related to the problem of suspicion in company selection and also the pressure on the auditor's attitude towards certain clients. An independent auditor can be defined as an auditor who has the ability to withstand pressure from clients or from superiors to do things that deviate from the established code of ethics (Meuwissen et al, 2003)

B. Conceptual Framework

Thinking framework is a synthesis of the relationships between variables that are compiled from various theories that have been described. Based on the theories described, the framework of thinking can be seen in the following figure.

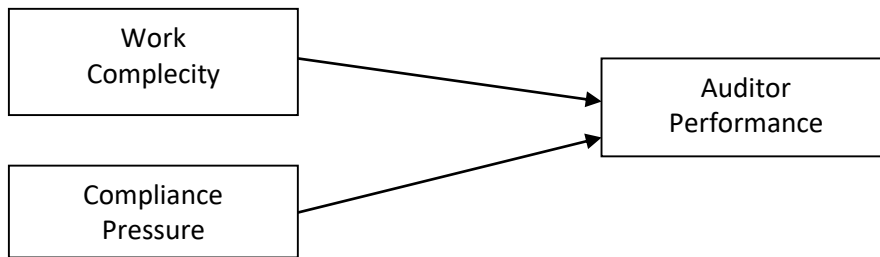


Figure 3.1

Framework

III. RESEARCH METHODOLOGY

A. Research Design

Based on the data used, this research is descriptive qualitative research. The type of data used in this study is primary data, obtained directly from respondents. Primary data used in the form of subject data in the form of opinions and characteristics of respondents. The research data is *cross-sectional* data, which is the type of data collected at a certain time.

B. Populasi dan Sampel

Population is the whole object or subject that is in an area and meets certain requirements relating to the research problem or the whole unit or individual within the scope to be studied (Nanang Martono: 20 12). The population is auditor employees in the city of Medan. Samples taken were auditor employees at a five-star hotel In Medan City. The sampling criteria for auditor staff who were respondents in this study were work experience in PAF of at least 1 year so that they were considered to have had relatively sufficient time to understand and adjust all forms of assignments accompanied by time pressures on the assignments.

C. Data Types and Sources

The type of data used in this study is primary data, obtained directly from respondents. Primary data used in the form of subject data in the form of opinions and characteristics of respondents. The research data is *cross-sectional* data, which is the type of data collected at a certain time.

D. Data Collection Techniques

In this study, the data collection method used was primary data in the form of a questionnaire. A questionnaire is a data collection technique that is done by giving a set of questions or written statements to respondents to answer (Sugiyono, 2012). In this study, researchers will collect primary data obtained by distributing questionnaires to respondents both by *mail questionnaire* and through dissemination using the *google form* application.

E. Data Analysis Techniques

To determine the effect of the complexity of the work and pressure of the observance of the performance auditor performed multiple linear regression analysis (*multiple regression analysis*) and hypothesis testing using t-test (partial) and R^2 (coefficient of determination). Data processing is performed with the help of the *SPSS 20* computer application program *for windows*.

1. Validitas Test

Validitas is a measure that shows the level of validity of an instrument. A valid instrument is a measuring tool used to obtain valid data and can be used to measure what is being measured. (Sugiyono, 2015).

2. Reliabilitas Test

The reliabilitas test is intended to test the consistency of the questionnaire in measuring the same contract or the stability of the questionnaire if used from time to time (Ghozali, 2011). The reliability test of the research instrument was tested using Cronbach's alpha coefficient formula. If the alpha coefficient value is greater than 0.6 then it is concluded that the research instrument is reliable or reliable (Ghozali, 2011)

3. Regression Analysis

Multiple linear regression analysis is an analysis used to determine the effect of two or more independent variables on the dependent variable (Santoso, 2004). The multiple regression formula used is as follows:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Information :

Y = Auditor Performance

A = constant (price of Y, if X = 0)

b₁₋₂ = Regression coefficient (shows the number of increases or decreases in the dependent variable based on the relationship of the value of the independent variable)

X₁ = Work Complexity

X₂ = Compliance Pressure

4. The coefficient of determination (R^2)

The coefficient of determination (R^2) essentially measures how far the model's ability to explain variations in the dependent variable. The magnitude of the coefficient of determination is 0 to 1. The value of *the adjusted R²* small means the ability of independent variables in explaining the dependent variables is very limited. A value close to one means that independent variables provide almost all of the information needed to predict dependent variables. (Ghozali. 2013: 95).

IV. RESEARCH RESULT AND DISCUSSION

Table 4.1
Simple Linear Regression Analysis H 1

Model	Unstandardize d Coefficients		Standar dized Coeffici Ents	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.755	.357		7.722	.000
Work Complexity	-0,058	.044	.254	-0,857	0,395
Obedience Pressure	0,033	.070	.269	0,510	0,612

The first hypothesis states that the work complexity variable has a negative effect on auditor performance. The results of testing the first hypothesis have a negative coefficient of -0.058 with a significance of 0.395 which means that the variable work complexity has no effect on auditor performance. It can be said that the results of this study did not accept the first hypothesis.

The results of this study support the research results of Jamilah *et al.* (2007) and Fitriany *et al.* (2011) state that work complexity has no effect on auditor performance. This condition shows that the complexity of work on audit work received by the auditor in a certain period of time, usually in January to March is a natural thing and often happens in every public accounting firm, bearing in mind that the public accounting firm has an obligation to check the fairness of the client's financial statements. and issue an opinion on the audited financial statements.

The results of the second hypothesis testing show results that are not in accordance with the formulation of the hypothesis which states that the pressure of compliance has a negative effect on auditor performance. The analysis shows that the obedience pressure variable has a positive coefficient of 0.033 and a significance value of 0.612 so it is said to reject the second hypothesis. In line with the results of the first hypothesis testing, the results of this test indicate that compliance pressure has no effect on the auditor's performance. The results of this study support the results of previous studies conducted by Fitriany *et al.* (2011) who found that time pressure had no effect on auditor job satisfaction and dysfunctional behavior that could reduce audit quality.

This is because in carrying out every assignment given by an auditor, he already has a time allocation that is adjusted to the complexity of the work given so that the auditor must be able to carry out the tasks assigned efficiently. This result also shows that although the auditor is faced with the problem of obedience pressure, the auditor actually gives a positive response by doing the best work within the given time limit.

A. Coefficient of Determination

Determination Coefficient Results Table

R	0,928
R Square	0,861
Adjusted R Square	0,843

F	47,811
Significance	0,000

The value of R^2 shows the level of capability of all independent variables to affect the dependent variable, while the rest is determined by other variables outside variables. The coefficient of determination is between zero and one. The higher the coefficient of determination, the better the ability of the independent variable in explaining the dependent variable.

The above table shows the value of *Adjusted R Square* of 0.843 which means that amounted to 84.3% variable auditor performance can be explained by the variable complexity of the work and pressure obedience.

V. CONCLUSION

From the results of the research and discussion conducted, the researcher concluded that the work complexity variable has a negative effect on auditor performance. The results of testing the first hypothesis have a negative coefficient of -0.058 with a significance of 0.395 which means that the variable work complexity has no effect on auditor performance.

The results of the second hypothesis testing show results that are not in accordance with the formulation of the hypothesis which states that the pressure of compliance has a negative effect on auditor performance. The analysis shows that the obedience pressure variable has a positive coefficient of 0.033 and a significance value of 0.612 so it is said to reject the second hypothesis. In line with the results of the first hypothesis testing, the results of this test indicate that compliance pressure has no effect on the auditor's performance.

REFERENCES

- Anis Choiriah. (2013). *“Pengaruh Kecerdasan Emosional, Kecerdasan Intelektual, Kecerdasan Spiritual, dan Etika Profesi Terhadap Kinerja Auditor dalam Kantor Akuntan Publik (Studi Empiris pada Auditor dalam Kantor Akuntan Publik di Kota Padang dan Pekanbaru)”*. Skripsi. Padang: Universitas Negeri Padang.
- Anwar Prabu Mangkunegara. (2005). *Sumber Daya Manusia Perusahaan*. Bandung: Remaja Rosdakarya.
- Arens, Alvin A., Randal J. Elder, & Mark S. Beasley. (2006). *Auditing dan Jasa Assurance : Pendekatan Integrasi. (Alih Bahasa: Herman Wibowo)*. Jilid 1. Edisi Keduabelas. Jakarta: Penerbit Erlangga.
- Arywanti Marganingsih dan Dwi Martani. (2010). *Anteseden Komitmen Organisasi dan Motivasi: Konsekuensinya Terhadap Kinerja Audit Intern Pemerintah*. Jurnal Akuntansi dan Keuangan Indonesia
- Bhuono Agung Nugroho. (2005). *Strategi Jitu Memilih Metode Statistik Penelitian dengan SPSS*. Yogyakarta: Penerbit Andi.
- Boyton, W.C., R.J. Johnson and W.G. Kell. (2003). *Modern Auditing (7th edition)*. New York: John Wiley & Sons, Inc.
- Christina Gunaeka Notoprasetyo. (2012). *Pengaruh Kecerdasan Emosional dan Kecerdasan Spritual Auditor Terhadap Kinerja Auditor Pada kantor Akuntan Publik di Surabaya*. Jurnal ilmiah mahasiswa akuntansi
- Davis, Keith, & Jhon W. Newstrom. (2010). *Perilaku Dalam Organisasi. (Alih Bahasa: Agus Darma)*. Jakarta: Erlangga.
- Emzir. (2009). *Metodologi Penelitian Pendidikan Kuantitatif dan Kualitatif*. Jakarta: PT Grafindo Raja Persada.

- Gibson, James L. (2000). *Organisasi, Perilaku, Struktur dan Proses*. Edisi ke-5. Catatan ke-3. Jakarta: Penerbit Erlangga.
- Gomes, Faustino Cardoso. (2009). *Manajemen Sumber Daya Manusia*. Yogyakarta: Penerbit Andi.
- Greenberg, Jerald & Baron, Robert A. (2000). *Perilaku Organisasi*. Jakarta : Prentice Hall.
- Gunawan Cahyasumirat. (2006). “Pengaruh Profesionalisme dan Komitmen Organisasi Terhadap Kinerja Internal Auditor, Dengan Kepuasan Kerja Sebagai Variabel Intervening”. Tesis. Semarang: Universitas Diponegoro
- Haryadi Sarjono & Winda Julianita. (2003). *SPSS vs Lisrel: Sebuah Pengantar Aplikasi untuk Riset*. Jakarta: Penerbit Salemba Empat.
- Hery. (2010). *Potret Profesi Audit Internal (di Perusahaan Swasta & BUMN Terkemuka)*. Bandung: Alfabeta.
- Hian Ayu Oceani Wibowo. (2009). “*Pengaruh Independensi Auditor, Komitmen Organisasi, Gaya Kepemimpinan, dan Pemahaman Good Governance terhadap Kinerja Auditor (Studi Empiris pada Kantor Akuntan Publik di Daerah Istimewa Yogyakarta)*”. Tesis. Yogyakarta: Universitas Islam Indonesia.
- Hofstede, G., Bram, N., Denise, D.O. and Geert, S. (1990). “*Measuring Organizational Culture: A Qualitative and Quantitative Study across Twenty Cases*”. *Administrative Science Quarterly*. (35) : 286-316
- Imam Ghozali. (2011). *Aplikasi Analisis Multivariate dengan Program SPSS*. Semarang: Badan Penerbit Universitas Diponegoro.
- Kartini Kartono. (2008). *Pemimpin dan Kepemimpinan*. Jakarta: Raja Grafindo Persada.
- Kasidi. (2007). “*Faktor-faktor Yang Mempengaruhi Independensi Auditor Persepsi Manajer Keuangan Perusahaan Manufaktur Di Jawa Tengah*”. Tesis. Semarang: Universitas Diponegoro.
- Ketut dedik Suarina, Nyoman Trisna Herawati, & Nyoman Ari S.D. (2014). “*Pengaruh Gaya Kepemimpinan dan Independensi Terhadap Kinerja Auditor Eksternal (Studi Kasus pada Kantor Akuntan Publik di Provinsi Bali)*.” *e-Jurnal SI Ak Universitas Pendidikan Ganesha*. Vol. 2. No. 1.
- Purba, Desy Hamidarwaty. (2009). “*Analisis Pengaruh Independensi Auditor, Etika Auditor, dan Komitmen Organisasi terhadap Kinerja Auditor di Kantor Akuntan Publik kota Surakarta*”. Tesis. Surakarta
- R.A. Fabiola. (2005). “*Analisis Pengaruh Kecerdasan Intelektual, Kecerdasan Emosional dan Kecerdasan Spiritual Terhadap Kinerja Karyawan (Studi kasus di hotel Horison Semarang)*”. Tesis. Semarang: Universitas Diponegoro.