



## THE INFLUENCE OF AUDITOR ETHICS, AUDIT FEE, AND AUDITOR MOTIVATION ON AUDIT QUALITY IN PUBLIC ACCOUNTING

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### *Abstract*

*This study aims to determine the effect of auditor ethics, audit fees, and auditor motivation on audit quality either partially or simultaneously. This study uses an associative research approach, namely research that aims to analyze the relationship between one variable and other variables or how one variable affects other variables. The population in this study are auditors who work at the Public Accounting Firm in Medan City. Sampling in this study used the Saturated Sampling technique. Data collection techniques in this study by distributing questionnaires to research respondents. The data analysis technique in this study used multiple linear regression analysis. The results of this study indicate that simultaneously auditor ethics, audit fees, and auditor motivation have a significant effect on audit quality with an F-test significance value of 0.000. Partially, auditor ethics and audit fees have a significant effect on audit quality with t-test significance values of 0.033 and 0.004 respectively. Meanwhile, the auditor's motivation partially has no significant effect on audit quality with a t-test significance value of 0.397.*

**Keywords:** Auditor Ethics, Audit Fee, Auditor Motivation, Audit Quality

## 1. INTRODUCTION

Public Accounting Firm (KAP) is an organization engaged in services, namely operational audit services, compliance audits, and financial statement audits. The Professional Standard of Public Accountants (SPAP) is a professional code of ethics that regulates public accountants in carrying out their profession. The development of the current public accounting profession is strongly influenced by the development of companies in general. The more public companies, the more public accounting services are needed. Public Accounting Firms (KAP) compete with each other for clients by trying to provide the best possible audit services.

Therefore, the auditor must produce a quality audit so as to reduce the misalignment that occurs between the management and the owner (Hanjani, 2014). The number of cases of companies that "fall" in business failures are associated with auditor failures, this threatens the credibility of financial statements. This threat in turn affects public perception, especially users of financial statements on audit quality.

Audit quality is important because with high audit quality, reliable financial reports will be produced as a basis for decision making. There is a phenomenon about the deteriorating quality of the auditor's audit. Accountant ethics is a very interesting issue. This is in line with the occurrence of several ethical violations by accountants, both independent accountants, company internal accountants and government accountants. The recent case in Corruption Case of Procurement of Service Operational Car at Bank Sumut at Tarmizi Achmad Public Accounting Firm. Quoted from the article (MedanBisnis – Medan, 2017). The report on the results of the investigative audit of the Public Accounting Firm Tarmizi Achmad (TA) in calculating state losses related to the corruption case in the procurement of official operational cars at Bank Sumut was considered wrong and tyrannical. Mentioned in the case at the state-owned bank, the state lost Rp 10.8 billion from Rp 18 billion. The audit conducted by Tarmizi Achmad (TA) was not based on audit/audit standards. The capacity of the TA auditor, Hernold Ferry Makawimbang, did not come from accounting or public accounting education, so he was wrong in calculating state losses related to the procurement of official operational cars at Bank Sumut.

Other cases are cited in (akuntanonline.com, 2013) One of the news about the existence of fake Public Accountants came from OJK (Financial Services Authority). From his presentation on one occasion, OJK stated that there was a Public Accountant who signed the audit report, but his license as a Public Accountant had not yet been issued. The phenomenon of the existence of fake Public Accountants, said Florus IAPI, must anticipate it by carrying out supervision by the



structural organs of the organization that will be supervised by the elected management later. Another priority is the improvement of audit fees. There are still many unfair practices such as audit fee competition. This happens because it has not been clearly regulated so that audit fees can be slashed in such a way for certain purposes. Currently there are rules for audit fees, unfortunately these rules have not been implemented in earnest. This is proven by the absence of real supervision and action from the previous IAPI management against the violators. In other words, in this case, it is not clear that there is a standard regarding audit fees so that there is price competition due to getting clients.

With the above examples, it can be seen that the quality of the audits produced is low and public accountants are doubtful because of this. In order to obtain good audit quality, auditors must carry out their audit duties based on the Auditing Standards set by the Indonesian Institute of Certified Public Accountants (IAPI, 2011), namely general standards, fieldwork standards, and reporting standards.

One of the recommendations to improve audit quality is auditor ethics, in general ethics is a moral principle and act that forms the basis of a person's actions so that what he does is seen by the community as a commendable act and increases a person's dignity and honor, including in improving audit quality (Munawir, 2007 in the research of Ihsan Kamil, et al 2018). Each auditor is expected to adhere to the professional ethics that have been established by the Indonesian Institute of Certified Public Accountants (IAPI), so that unfair competition situations can be avoided. Considering the role of auditors is very much needed by people in the business world, so that auditors have an obligation to maintain their standards of ethical behavior towards the organizations where they work,

Another factor that can affect audit quality is audit fees. Audit fees are fees received by public accountants after carrying out their audit services, the amount depends on the risk of the assignment, the complexity of the services provided, the level of expertise needed to carry out these services, the cost structure of the KAP concerned (Andriani and Nursiam, 2017).

In addition to the above factors, the auditor's motivational factor is an important element in the audit task. According to M. Nur Ghufroon & Rini Risnawita S (2017: 83) human behavior is caused or initiated by motivation. Motivation is a condition in a person's personality that encourages the individual's desire to carry out certain activities in order to achieve a goal. Motivation also arises because they believe that the auditor can carry out the audit, in addition to customer requests and commercial needs. Audit quality will be high if the desires and needs of the auditors that make their work motivation can be fulfilled. Compensation from the organization in the form of awards (rewards) according to their profession,

This study will focus more on the effect of auditor ethics, audit fees and auditor motivation on audit quality. This study involves auditor respondents who work in the city of Medan. The reason is because the city of Medan is a big city on the island of Sumatra which has many large and small KAPs, which demand the existence of an independent auditor in conducting an examination of the financial statements in providing an opinion on the basis of the examination, so that their involvement in determining audit quality is sufficiently representative for this research.

Based on the background that has been explained and with the problems above that are still relevant, research is carried out with the themes of Auditor Ethics, Audit Fees, Auditor Motivation and Audit Quality. Therefore, the title that the author took for this research is "The Influence of Auditor Ethics, Audit Fees and Auditor Motivation on Audit Quality at Public Accounting Firms in Medan City".

## 2. RESEARCH METHODS

This study uses an associative approach. According to Sugiyono (2016) associative research is "research that aims to analyze the relationship between one variable and other variables or how the relationship between one variable affects other variables". This research was conducted in 23 Public Accounting Firms (KAP) in the Medan City Region which are registered in the IAPI 2018 Directory with The time of this research started from December 2018 to March 2019.

The population in this study are all Public Accountants who work at the Medan City Public Accounting Firm registered in the IAPI 2018 Directory. The sample is part of the population that the researcher wants to study. The sample is part of the number and characteristics



possessed by the population. So the sample is part of the existing population, so sampling must use a certain method based on existing considerations. In this sampling technique, the researcher uses the Saturated Sampling technique. In this study, researchers took 222 auditors at the Medan City Public Accounting Firm as the population and auditors who were still working and active from 222 auditors who were registered as samples. The number of samples of this study may change when the researcher conducts research.

In this study using qualitative data. Qualitative data is data that is expressed in the form of words, sentences and pictures and cannot be measured with a numerical scale. Qualitative data are generally quantified so that they can be processed further. The source of data in this study is primary data, namely raw data taken by the researcher himself (not by someone else) from the main source for the benefit of his research. (Irfan et al 2015:65). The data collection technique used in this study is to use a questionnaire. The type of questionnaire used is a direct questionnaire, delivered directly to the respondents of Public Accountants at each KAP where they work. The measurement of the variables used an instrument in the form of closed questions.

The scale used is an interval scale, this scale is also characterized by the distance between the intervals having the same value but not having a true zero value. The zero value contained on this scale only indicates the possibility that can be achieved. The type of measurement scale is through the Likert scale that has been provided. Likert scale is used to measure attitudes, opinions, and perceptions of a person or group of people about social phenomena. With a Likert scale, the variables to be measured are translated into variable indicators. Then the indicator is used as a starting point for compiling instrument items which can be in the form of questions or statements.

### 3. RESULTS AND DISCUSSION

#### Descriptive Statistics

**Table 1. Descriptive Statistics**  
**Descriptive Statistics**

	N	Minimum	Maximum	mean	Std. Deviation
Auditor Ethics	50	45.00	75.00	61.4400	9.36812
Audit Fee	50	10.00	20.00	17.0800	2.60173
Auditor Motivation	50	6.00	28.00	17.1000	5.00306
Auditor Quality	50	12.00	20.00	17.2000	2.17594
Valid N (listwise)	50				

Based on table 1, it is known that the Auditor Ethics Variable has a mean value of 61.4400, a minimum value of 45.00, a maximum value of 75.00 and a standard deviation value 9.36812. This means that auditors who work in Public Accounting Firms (KAP) have sufficient Auditor Ethics. The Audit Fee variable has a mean value of 17.0800, maximum value 20.00, minimum value 10.00 and the standard deviation value 2.60173. This means that auditors who work in Public Accounting Firms (KAP) have sufficient audit fees. Auditor Motivation Variable has a mean value of 17.1000, the maximum value is 28.00, the minimum value is 6.00 and the standard deviation value is 5.00306. It means that auditors who work in Public Accounting Firms (KAP) have sufficient Auditor Motivation. The audit quality variable has a mean value of 17.2000, the maximum value is 20.00, the minimum value is 12.00 and the standard deviation value is 2.17594. It means that the auditors who work in the Public Accounting Firm (KAP) have sufficient audit quality.

#### Validity Test

Validity test is used to measure whether a questionnaire is valid or not. A questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire. The validity test can be seen in the corrected item total correlation column in SPSS and after measuring using SPSS, the significant level of all questions will be seen. The following table shows the results of the validity of each variable:



**Table 2. Validity Test**

<b>items</b>	<b>Question</b>	<b>Rcount</b>	<b>Rtable</b>	<b>Test results</b>
<b>Auditor Ethics</b>				
Item 1		0.942	0.279	<b>Valid</b>
Item 2		0.967	0.279	<b>Valid</b>
Item 3		0.945	0.279	<b>Valid</b>
Item 4		0.944	0.279	<b>Valid</b>
Item 5		0.925	0.279	<b>Valid</b>
Item 6		0.925	0.279	<b>Valid</b>
Item 7		0.931	0.279	<b>Valid</b>
Item 8		0.922	0.279	<b>Valid</b>
Item 9		0.925	0.279	<b>Valid</b>
Item 10		0.947	0.279	<b>Valid</b>
Item 11		0.929	0.279	<b>Valid</b>
Item12		0.942	0.279	<b>Valid</b>
Item 13		0.937	0.279	<b>Valid</b>
Item 14		0.963	0.279	<b>Valid</b>
Item 15		0.967	0.279	<b>Valid</b>
<b>Audit Fee</b>				
Item 1		0.795	0.279	<b>Valid</b>
Item 2		0.849	0.279	<b>Valid</b>
Item 3		0.864	0.279	<b>Valid</b>
Item 4		0.887	0.279	<b>Valid</b>
<b>Auditor Motivation</b>				
Item 1		0.753	0.279	<b>Valid</b>
Item 2		0.813	0.279	<b>Valid</b>
Item 3		0.845	0.279	<b>Valid</b>
Item 4		0.857	0.279	<b>Valid</b>
Item 5		0.843	0.279	<b>Valid</b>
Item 6		0.700	0.279	<b>Valid</b>
<b>Audit Quality</b>				
Item 1		0.907	0.279	<b>Valid</b>
Item 2		0.925	0.279	<b>Valid</b>
Item 3		0.937	0.279	<b>Valid</b>
Item 4		0.940	0.279	<b>Valid</b>

Based on the table above of the 29 items, it can be found that all items are valid, no items should be discarded. Thus the 29 items may be continued to the next data test.



### Reliability Test

Reliability test is used to measure a questionnaire which is an indicator of a variable. A questionnaire is said to be reliable or reliable if someone's answer to the statement is consistent. To find out whether a variable is reliable or not, a statistical test is carried out by looking at the Cronbach Alpha value  $> 0.6$  then it can be stated that the instrument is reliable or trustworthy. The following table shows the results of the reliability test for each variable, namely: Audit Quality, Auditor Ethics, Audit Fees and Audit Motivation, with a total sample of 50 respondents.

**Table 3. Reliability Test**

Variable	Cornbach's Alpha	Information
Auditor Ethics	0.780	Reliable
Audit Fee	0.828	Reliable
Auditor Motivation	0.799	Reliable
Audit Quality	0.846	Reliable

Thus based on the table IV-10 above, it can be concluded that the questions in this questionnaire are reliable because they have Cornbach's Alpha value  $> 0.6$ . This shows that each question item used will be able to obtain consistent data.

### Classic Assumption Test

#### 1. Normality test

Normality test is used to test whether in a regression model, the independent variable, the dependent variable, or both have a normal distribution or not. In the One Sample Kolmogorov-Smirnov Test with the condition that the Asymp value. Sig (2 tailed)  $> sig 0.05$  then the data distribution is normal. Normality test is also detected by looking at the spread of data (points) on the diagonal axis of the graph or by looking at the histogram of the residuals. If the data spread around the diagonal line by following the direction of the diagonal line or the histogram graph shows a normal distribution pattern, then the regression model meets the assumption of normality.

**Table 4. Normality Test Results  
One-Sample Kolmogorov-Smirnov Test**

		Unstandardized Residual
N		50
Normal Parameters, b	mean	.0000000
	Std. Deviation	1.63484774
Most Extreme Differences	Absolute	.097
	Positive	.097
	negative	-.090
Test Statistics		.097
asyp. Sig. (2-tailed)		<b>.200c,d</b>

Based on table 4 above the significant value of the test *One Sample kolmogrov-Smirnov Test* Asymp value. Sig. (2-tailed) of  $0.200 > sig 0.05$ . It can be concluded that the value is normally distributed.

#### 2. Multicollinearity Test

Multicollinearity test aims to identify whether there is a relationship between the independent variables in a good regression model, there should be no correlation between the independent variables. To see whether there is multicollinearity by looking at the tolerance and variance inflation factor (VIF). If the VIF value is  $< 10.00$  and the tolerance value is  $> 0.10$  then there is no multicollinearity, but the VIF value is  $> 10.00$  and the tolerance value is  $< 0.10$  then multicollinearity occurs.



**Table 5. Multicollinearity Test Results  
Coefficientsa**

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Auditor Ethics	.629	1,589
	Audit Fee	.636	1.573
	Auditor Motivation	.981	1.019

a. Dependent Variable: Audit Quality

Based on table 5 above, the results of the calculation of the tolerance value show the tolerance value  $> 0.10$ . This is indicated by the variables of auditor ethics, audit fees, and auditor motivation, which means that there is no multicollinearity between the independent variables in this study. The results of the VIF calculation also show the same thing, namely the independent variable has a VIF value  $< 10.00$ . So it can be concluded that there is no multicollinearity between the independent variables in this study.

### 3. Heteroscedasticity Test

Heteroscedasticity test in this study was carried out by the Glejser test. The condition for the model to say that there is no heteroscedasticity is if the significance of all independent variables is  $> 0.05$ .

**Table 6  
Heteroscedasticity Test Results  
Coefficientsa**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2,980	1.188		2,508	.016
	Auditor Ethics	.000	.019	-.001	-.006	<b>.995</b>
	Audit Fee	-.104	.069	-.268	-1.504	<b>.139</b>
	Auditor Motivation	.004	.029	.021	.144	<b>.886</b>

a. Dependent Variable: RES2

From table 6 The above shows that the significance value of auditor ethics, audit fees and auditor motivation is obtained-each is 0.995; 0.135; and 0.886, so it can be concluded that there is no variable that contains heteroscedasticity because the significance value is  $> 0.05$ .

### Multiple Linear Regression Analysis Results

Multiple regression analysis aims to measure the strength of the relationship between two or more variables. The results of processing using SPSS data on multiple regression analysis about the effect of Auditor Ethics (X1), Audit Fee (X2) and Auditor Motivation (X3) on Audit Quality (Y) can be seen in the following table:



**Table 7.**  
**Multiple Linear Regression Test Results**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	<b>6.038</b>	2006		3.009	.004
	Auditor Ethics	<b>.071</b>	.032	.308	2.204	.033
	Audit Fee	<b>.355</b>	.116	.424	3.053	.004
	Auditor Motivation	<b>.042</b>	.049	.096	.855	.397

a. Dependent Variable: Audit Quality

From table 7 Coefficients above (in the Unstandardized Coefficients column) it can be seen that the multiple linear regression equation is as follows:

$$Y = 6.038 + 0.071(X1) + 0.355 (X2) + 0.042(X3) + e$$

Based on each coefficient value in the multiple linear regression equation above, it can be interpreted as follows:

1. The constant has a positive value of 6.038, this indicates that if the variables of auditor ethics (X1), audit fees (X2) and auditor motivation (X3) are considered 0 then there is an increase in the value of audit quality (Y) of 6.038.
2. The coefficient of auditor ethics variable (X1) is 0.071, meaning that if there is an increase in the value of the auditor ethics variable (X1) by 1%, it will increase audit quality by 0.071 (7.1%)
3. The variable coefficient, audit fee (X2) is 0.355, meaning that if there is an increase in the value of the audit fee variable (X2) by 1%, it will increase audit quality by 0.355 (35.5%)
4. The coefficient of the auditor's motivation variable (X3) is 0.042, meaning that if there is an increase in the value of the competency variable by 1%, it will increase the audit quality by 0.042 (4.2%).

### Hypothesis testing

#### 1. Partial Regression Test (t Test)

The t test is to see whether there is a significant relationship or not in the relationship between each independent variable (X) to the dependent variable (Y).

**Table 8. Partial Test Results (t)**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.038	2006		3.009	.004
	Auditor Ethics	.071	.032	.308	2.204	.033
	Audit Fee	.355	.116	.424	3.053	.004
	Auditor Motivation	.042	.049	.096	.855	.397

a. Dependent Variable: Audit Quality

a) Auditor Ethics Variable (X1)

The test results obtained the t value for the Auditor Ethics variable showing the value of  $t_{count} > t_{table} = 2.204 > 2.012$  with a significance value of  $0.033 < 0.05$ , which means that the significance value of 0.033 is smaller than 0.05, so H1 is accepted and H0 is rejected, which means that it indicates that Auditor Ethics has a significant effect on Audit Quality.

b) Audit Fee (X2)

The results of the test obtained the value of t for the Audit Fee variable showing the value of  $t_{count} > t_{table} = 3.053 > 2.012$  with a significance value of  $0.004 < 0.05$ , which means that the



significance value of 0.004 is less than 0.05, so H2 is accepted and Ho is rejected, which means that audit fees have a significant effect on audit quality.

c) Auditor Motivation (X3)

The results of the test obtained the t value for the Auditor Motivation variable showing the t value<sub>count</sub> < t<sub>table</sub> = 0.855 < 2.012 with a significance value of 0.397 > .05, which means that the significance value of 0.397 is greater than 0.05, so H3 is rejected and Ho is accepted, which means that the auditor's motivation has no significant effect on audit quality.

## 2. Simultaneous Regression Test (F Test)

F statistical test to test the relationship between one dependent variable and one or more independent variables.

**Table 9**  
**Simultaneous Test Results (f)**

ANOVAa						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	101.036	3	33,679	<b>11,829</b>	<b>.000b</b>
	Residual	130,964	46	2.847		
	Total	232,000	49			

From the results of data processing above, it can be seen that the value of F<sub>count</sub> = 11,829 > F<sub>table</sub> 2.80 with a probability value of 0.000 < 0.05 singification. Thus, the conclusion is that there is a significant effect of Auditor Ethics, Audit Fee and Auditor Motivasi together (simultaneously) on Audit Quality. Therefore, H4 which states that there is an influence of Auditor Ethics, Audit Fee and Auditor Motivation on Audit Quality is accepted.

## 3. Coefficient of Determination (Adjusted R-Square)

The Coefficient of Determination Test (R2) is essentially to measure how far the model's ability to explain the variation of the dependent variable is. If R2 is getting closer to 1, it shows the stronger the influence of the independent variable on the dependent variable which can be explained by the independent variable. If R2 is getting smaller and closer to zero, it can be said that the influence of the independent variable on the dependent variable is getting smaller. The value of the coefficient of determination is determined by the value of R square as can be seen in the table below:

**Table 10. Coefficient of Determination Results**  
**Model Summary**

Model	R	R Square	Adjusted Square	Std. Error of the Estimate
1	.660a	<b>.436</b>	.399	1.68732

a. Predictors: (Constant), Auditor Motivation, Audit Fee, Auditor Ethics

Based on the results of the regression calculations in the table above, it can be seen that the coefficient of determination (R square) obtained is 0.436. This means that 43.6% of the Audit Quality variables can be explained by the variables of Auditor Ethics, Audit Fees and Auditor Motivation, while the remaining 56.4% can be explained by other predictor variables not included in this study.

## Discussion

### 1. The Effect of Auditor Ethics on Audit Quality

From the results of partial hypothesis testing, it shows that there is a significant influence between Auditor Ethics on Audit Quality. Auditor ethics is a moral principle that forms the basis for every auditor in carrying out their duties and responsibilities. In order to improve auditor performance, auditors are required to maintain standards of ethical behavior to produce quality audits. Every profession without exception is very concerned about the quality of the services produced. The public accounting profession also pays attention to the quality of the audit produced





as very important to ensure that the auditor profession can fulfill its obligations to its service users. One of the factors that influence the quality is the auditor's adherence to the code of ethics which is reflected by the attitude of professional responsibility, public interest, independence, objectivity, integrity, professional competence and prudence, professional behavior, and technical standards. It can be concluded that the higher the ethics of the auditor, the better the audit quality will be. Based on the explanation above, every profession without exception is very concerned about the quality of the services produced.

The public accounting profession also pays attention to the quality of the audit produced as very important to ensure that the auditor profession can fulfill its obligations to its service users. and technical standards. It can be concluded that the higher the ethics of the auditor, the better the audit quality will be. Based on the explanation above, every profession without exception is very concerned about the quality of the services produced. The public accounting profession also pays attention to the quality of the audit produced as very important to ensure that the auditor profession can fulfill its obligations to its service users. and technical standards. It can be concluded that the higher the ethics of the auditor, the better the audit quality will be. Based on the explanation above, every profession without exception is very concerned about the quality of the services produced. The public accounting profession also pays attention to the quality of the audit produced as very important to ensure that the auditor profession can fulfill its obligations to its service users. The results of this study support research conducted by Zavara Nur's research (2016), Hanjani Andreani's research (2014) and Irwanti Bunga Nurjanah et al. (2014).

## **2. The Effect of Audit Fees on Audit Quality**

From the results of partial hypothesis testing, it shows that there is a significant influence between Audit Fees on Audit Quality. Audit fees are fees received by public accountants after carrying out their audit services, the amount depends on the risk of the assignment, the complexity of the services provided, the level of expertise needed to carry out these services, the cost structure of the KAP concerned (Andriani and Nursiam, 2017). If the fee that will be obtained by the auditor is not in accordance with the characteristics of the determination of the amount of the audit fee, it is suspected that the motivation to carry out the audit process cannot be maximized. The existence of such a situation will indicate that the auditor is working in accordance with the service fee he will receive. The existence of this imbalance causes the auditor to be dysfunctional in the process of completing the audit work. A higher quality auditor will charge a higher fee, because a quality auditor will reflect the information held by the company owner. Kurniasih, et al in Zahara's research (2014).

In this case the auditor may determine the audit fee based on the risk of the assignment, and in determining the audit fee, the auditor considers the level of expertise required in his assignment. The audit work provided can affect the determination of audit fees because auditors with high fees will have more responsibility in carrying out the tasks assigned by the client by conducting a broader and in-depth audit of the client company so that possible irregularities in the client's financial statements can be detected. The detection of irregularities reflects the high quality of the audit process, this is because the quality of the audit process is the implementation of the audit with the correct application of accounting standards and auditing standards by the auditors.

It can be concluded that the higher the audit fee received by the auditor, the better the audit quality will be. When the audit fee is higher, the quality of the audit produced is also higher. The results of this study support research conducted by Zavara Nur's research (2016), Hanjani Andreani's research (2014), and Margi Kurniasih, Abdul Rohman (2014).

## **3. The Effect of Auditor Motivation on Audit Quality**

From the results of partial hypothesis testing, it shows that there is no significant influence between Auditor Motivation on Audit Quality. Motivation is a process that begins with a physiological or psychological definition of driving behavior or drives aimed at sensitive goals. Motivation is a condition in a person's personality that encourages the individual's desire to carry out certain activities in order to achieve a goal. There is a belief that human behavior is caused by motivation. With this motivation, a person will have a high fighting spirit to achieve goals and meet existing standards. In other words, motivation will encourage someone to do something, including the auditor, to achieve,



But in fact the motivation of auditors at KAP in Medan City is not in accordance with what is expected and put forward according to existing theory. As we can see in the questionnaire statement point 3 on the level of Tenacity which states "what the auditors have done so far has been quite good, there is no need for improvement" and point 6 on the level of consistency which states "the sincerity of the auditor in carrying out his duties is often influenced by mood or mood". In this case, an auditor should have a positive motivational attitude, meaning that if an auditor does a job well enough, there should be no need for improvement. Auditors must continue to make improvements in whatever case an auditor does in order to maintain good audit quality. And in the point 6 statement, the auditor should not be influenced by mood or mood in maintaining consistency because if a job is done in accordance with the existing mood, it is not necessarily a person's mood or mood is good, Motivation is also not the only factor that plays a role in audit quality.

So The results of motivational research have no significant effect on audit quality so that the higher or lower the level of motivation, it is not necessarily the better the quality of the audit produced. The results of this study contradict the research by Hanjani Andreani (2014) which states that motivation has a significant effect on audit quality. And in line with research conducted by research by Lilis Ardini (2010) which states that motivation has no significant effect on audit quality.

#### **4. The Effect of Auditor Ethics, Audit Fees and Auditor Motivation on Audit Quality**

From the results of simultaneous hypothesis testing, it shows that there is a significant influence between Auditor Ethics, Audit Fees and Auditor Motivation on Audit Quality. This shows that the rise and fall of audit quality is influenced by the level of ethics, fees, and motivation of the auditor. All independent variables each coefficient is positive. This means that there is a positive relationship between each independent variable, namely auditor ethics, audit fees and auditor motivation on the dependent variable, namely audit quality. Although the results of the partial test, the auditor's motivation does not have an effect on audit quality, it does not have a significant effect. The higher the ethics of the auditor and the audit fee owned by an auditor, the better and better the quality of the audit produced. If the fee that will be obtained by the auditor is not in accordance with the characteristics of the determination of the amount of the audit fee, it is suspected that the motivation to carry out the audit process cannot be maximized. And if the ethics of the auditor is good, the fees generated and the motivation of the auditor are also good so that the quality of the audit carried out goes well.

So in the problems studied, it is known that the independent variables simultaneously (Auditor Ethics, Audit Fees and Auditor Motivation) have a moderate relationship with the results of Quality Audits at the Public Accounting Firm in Medan City, namely 43.6% and the remaining 56.4% is influenced by the following factors: another factor. In other words, the higher the ethics of the auditor, the audit fee and the motivation of the auditor, the higher the quality of the audit it produces and also the better the results of the audit quality.

## **4. CONCLUSION**

Based on the results of data analysis and discussion in the previous chapter, it can be concluded that

1. Auditor ethics has a positive and significant influence on audit quality at KAP in Medan City. So it can be concluded that the higher the ethics of the auditor, the better the audit quality will be.
2. Audit fee has a positive and significant impact on audit quality at KAP in Medan City. So it can be concluded that the higher the audit fee received by the auditor, the better the audit quality will be.
3. Auditor motivation does not have a positive and significant effect on audit quality at KAP in Medan City. In other words, the audit quality variable cannot be influenced by the Auditor Motivation variable, so it can be concluded that the higher or lower the motivation level, the better the audit quality produced.
4. Auditor Ethics, Audit Fee and Auditor Motivation have a significant influence together (simultaneously) on Audit Quality at KAP in Medan City. In other words, the higher the



ethics of the auditor, the audit fee and the motivation of the auditor, the higher the quality of the audit produced and also the better the results of audit quality.

This study also still has limitations such as this study using data collection methods through questionnaires that were left at the KAP according to the agreed time so that the data obtained were based on respondents' perceptions only, this caused researchers not to be able to monitor the correctness of the answers to the questions. in the questionnaire and the busyness of the KAP so that some KAP refused to fill out the questionnaire, in this study only 7 KAPs were willing. With these limitations, it is hoped that improvements can be made for future research.

Based on the limitations in this study, the suggestions that can be given by researchers are:

1. Further research can be supplemented by conducting more in-depth observations not only using questionnaires.
2. Further research is suggested to add more research samples in order to get a broader picture of the situation of the object under study.
3. Further research it should be necessary to develop variables that can enrich the factors that affect audit quality as a form of development.

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