

Analysis of the Effect of Competency, Independence, Audit Planning, Audit Supervision, And Auditor Reporting on Audit Quality in Medan Inspectorate with Motivation as a Moderating Variable

Sanni Rolina Sipayung¹, Abdillah Arif Nasution², Rujiman³

^{1,2,3}Department of Accounting, Faculty of Economics and Business Universitas Sumatera Utara, Indonesia

Corresponding Author: Sanni Rolina Sipayung

DOI: <https://doi.org/10.52403/ijrr.20240706>

ABSTRACT

This quantitative study aims to analyze the effect of auditor competencies, independence, audit planning, supervision, and reporting on audit quality moderated by the auditor's work motivation. The research population is 118 people, and the determination of samples was done using the total sampling method, so there were 118 samples. Data collection methods used questionnaires, and data analysis used the Smart PLS program.

The results showed that auditors' competency, independence, and reporting positively and significantly affected audit quality. At the same time, audit planning and audit supply have no effect. Work motivation can moderate the effect of audit independence, planning, and supervision of audit quality. Work motivation cannot moderate the effect of auditor competencies and reporting on audit quality. To the Head of the Medan City Inspectorate Office, it is recommended that attention be paid to these factors so that the quality of financial statements can be further improved.

Keywords: *auditor competence, auditor independence, audit planning, audit supervision, and audit auditor reporting audit*

INTRODUCTION

The auditor is a professional trusted to determine the reasonableness of the information provided by the company to the public. Inspectorate auditors have an essential role in the sustainability of government institutions. If the inspectorate's audit results show good financial supervision and management, it can be said that the results are of quality. However, suppose the results show a leeway for government institutions to commit fraud and deviations in using finances. In that case, the internal audit results can be said to be low.

The auditing supervision function plays an essential role in ensuring good audit quality. The Government Internal Supervision Apparatus (APIP) is a government agency formed with the task of carrying out internal audit supervision in the central government and regional government, which consists of the Financial and Development Supervisory Agency (BPKP), Inspectorate General of the Ministry, Inspectorate/Unit Internal Supervision of the State Ministry, Main Inspectorate/ Inspectorate of Non-Ministry Government Institutions, Inspectorates/ Internal Supervision Units on State and State Institutional Secretaries and State Institutions, Provincial/ Regency/ City Inspectorate.

The inspector is the regional head's right hand, and the head first performs the

supervisory function before the external examination is carried out. The Government's Internal Supervisory Apparatus (APIP) of the Inspectorate is not just a watchdog but also a consultant and quality assurance, where there will be more preventive or prevention in its assignment. The phenomenon in this study is that the audit quality of the Medan City Inspectorate is still not satisfactory even though the Medan City Inspectorate has increased its independent competence and audit. It happens because of the lack of audit supervision, so the internal auditor of the Medan City Inspectorate does not detect many deviations. The report shows the results of the BPK (Supreme Audit Agency) inspection on implementing the management of the Medan City Revenue and Expenditure Budget (APBD) of the 2016-2021 Budget Year, which for the following are some of the findings of deviations in the management of the Medan City APBD.

Table 1. Findings of BPK RI at the Medan Inspectorate

No	Fiscal Year	Type of Findings			
		By Compliance		By SPI	
		Number of Findings	Finding Value	Number of Findings	Finding Value
1	2017	8	17,227,305,368	10	219,332,882,946
2	2018	6	86,930,870,032	8	8,734,181,827,050
3	2019	7	5,686,422,044	8	288,557,152,362
4	2020	5	23,190,504,652	7	273,051,470,550
5	2021	2	7,926,177,184	4	198,658,554,630

Source: Inspectorate of Medan City, 2022

Table 1 shows that the Government Internal Supervisory Apparatus (APIP) Medan City Inspectorate has not yet produced good audit quality. It can be seen from the differences in the findings of deviations according to compliance and according to the SPI. For example, in 2017, there were eight findings of irregularities according to compliance, but according to SPI, there were ten irregularities. The same deviation occurred throughout 2018-2021. It happens mainly because of the lack of competence, independence, planning, audit supervision, or weak auditor reporting transparency.

The leading solution to this problem is to increase auditor competence because motivation can encourage the Inspectorate apparatus to carry out audits that follow standards and have high initiative and enthusiasm. With the increasing motivation, it is expected to moderate the effect of competence, independence, audit supervision, audit planning, and auditor reporting on audit quality.

The following is a research gap this research. Dewi (2016) shows that work experience, competence, and independence affect the quality of the audit. Halim et al. (2014) revealed that auditor competence and independence positively affect audit quality. Karnisa and Chariri (2015) show that competency affects audit quality. At the same time, independence has a significant effect on audit quality. Audit motivation and ethics also do not moderate the relationship between competency and audit quality and the relationship between independence and audit quality.

Layli and Arifin (2020) show that competencies positively affect audit quality. At the same time, independence does not affect the audit quality. Tina (2023) shows that competence does not affect audit quality. Independence affects the quality of the audit. Nasriana et al. (2015) revealed that competencies, independence, objectivity, professional accuracy, and audit experience significantly affect the quality of audit inspectorates in the Regency/City Inspectorate in Aceh.

Pohan (2014) revealed that partially only audit and audit supervision planning had a positive and significant effect on audit quality, while expertise and independence had a positive but not significant effect on audit quality. Motivation can moderate the relationship between expertise variables, independence, audit planning, and audit supervision with audit quality.

Rahmayani (2018) revealed that competence, independence, audit planning, audit supervision, audit results reporting, and motivation significantly affect audit quality.

Motivation as a moderating variable cannot moderate the relationship between competencies, independence, audit planning, audit supervision, and reporting audit results with audit quality.

Hasanah (2012) showed that audit planning and technical training significantly affected the quality of the examination results.

Hambali (2017) shows that the pressure of the time budget has a negative effect on audit quality. Technical training and supervision significantly positively affect the quality of BPK audits. Jumri et al. (2017) show that competencies, ethics, and audit supervision positively and significantly affect the quality of audit results. At the same time, work experience has a positive but insignificant effect on the quality of the audit results. Sormin and Rahayu (2020) show that motivational variables, supervision, and auditor ethics affect audit quality. Partial motivation does not have a significant effect on audit quality. The auditor's supervision and ethics partially significantly affect audit quality.

Laksita (2018) shows that independence, accountability, and objectivity positively affect audit quality. Zulkarnain et al. (2023) show that an auditor's objectivity partially positively and significantly influences audit quality, while partial experience does not.

Starting from the research phenomenon, researchers were interested in conducting an "Analysis of the Effect of Competency, Independence, Audit Supervision, Audit Planning, and Auditor Reporting Accuracy on Audit Quality Quality moderated by Audit Motivation at the Medan Inspectorate Office."

LITERATURE REVIEW

Audit Quality

The Indonesian Accountant Association (IAI) states that the auditor's audit is considered quality if it meets auditing and quality control standards. The steps that can be taken to improve audit quality are (Rahmayani, 2018):

1. Improve professional education,

2. Maintain independence in mental attitude,
3. In carrying out audit work, use his professional skills carefully and thoroughly,
4. Conduct a good audit work plan,
5. Understand the client's internal control structure,
6. Obtain adequate and competent audit evidence,
7. Make an audit report per the client's condition or findings.

According to Ramayani (2018), Audit quality indicators consist of:

1. Accuracy of Audit Findings
2. Professional skepticism
3. Determination of Audit Priorities
4. Conformity of recommendations
5. Clear LHP
6. Follow-up Audit Results

Auditor Motivation

Rivai (2018) says that motivation is a series of attitudes and values that influence individuals to achieve specific things per individual goals. These attitudes and values are invisible, giving the strength to encourage individuals to behave in achieving goals.

According to Pohan (2014), indicators of the work motivation of an auditor include:

1. Appreciation for work results
2. Awareness of quality audits
3. Career Improvement
4. Professional Recognition

Competence

According to Wibiwo (2018), competence is the ability to carry out tasks or skills and knowledge-based tasks that support the work styles needed to work. Competence in audit planning means that every internal auditor must carry out their professional services carefully, competent, and with perseverance, and have an obligation to maintain professional knowledge and skills at the level needed to ensure that clients or employers benefit from competent professional services based on

Developments in the most recent practices, legislation, and techniques. According to (Agung, 2010), Internal Auditor Competency Indicators include:

1. Good personal quality
In carrying out their duties, an internal auditor must have a good personal quality, such as:
 - a. Have a great curiosity, broad-mindedness, and ability to handle uncertainty.
 - b. Accept that there is no easy solution and realize that findings can be subjective.
 - c. Able to work with the team.
In addition, internal auditors must also have high intergroup and are required to have good communication skills.
2. Adequate knowledge
An internal auditor must have general knowledge to understand the audited entity and help the audit. This basic knowledge includes:
 - a. Ability to do analytical reviews.
 - b. Know organizational theory to understand the organization where internal auditors work.
 - c. Know auditing.
 - d. Knowledge about accounting that can help in processing numbers and data.
3. Special expertise in their fields.
Special expertise that internal auditors must possess, among others:
 - a. Have expertise in conducting interviews and fast reading skills.
 - b. Have statistics and experts in using computers, and at least be able to operate Word Processing and Spread Sheet.
 - c. Ability to write and present reports well.

Auditor Independence

Halim et al. (2014) state that independence is the neutral attitude of the auditor to favor the audit. Suppose the auditor's position as the examiner, maker, and user of the

financial statements is not independent. In that case, the auditor's work results are not meaningful at all, the same thing expressed by (Suhayati & Rahayu, 2010) that independence in the audit means a neutral perspective in the implementation of the testing, evaluation examination results, and the preparation of audit reports.

According to Halim et al. (2014), Indicators of independence of an auditor consist of 3 aspects, including:

1. Independence in Facts (Independence in Fact): Each audit process has a high honesty attitude.
2. Independence in Appearance (Independent in Appearance) The views of other parties towards the auditor relating to the audit implementation, and the auditor must maintain its position so that other parties will trust their independence.
3. Independent from the perspective of expertise (independent in competence) related to completing an auditor's duties following his expertise.
4. Free intervention means conducting audits independently without invalid interference.
5. Free conflict of interest means the absence of financial relations or other interests that can result in conflicts between the auditor and the audited party.

Audit Planning

Audit planning can be interpreted as an examination and assessment activity in a company, which aims to help all levels of management carry out their responsibilities effectively. Audit planning includes the development of a comprehensive implementation strategy and the scope of the expected audit. The nature, scope, and when planning varies with the size and complexity of the entity, experience about the entity, and knowledge of the entity's business.

According to (Pohan, 2014), audit planning indicators include:

1. **Audit Targets and Scope:** Audit Targets are the objectives to be achieved by conducting audits, while the audit scope includes the area or elements to be audited. Targets are usually related to assessing a particular system or process's compliance, effectiveness, efficiency, or accuracy. The scope of the audit determines the limits and scope of the audit work.
2. **Audit Methodology:** Audit methodology includes a systematic approach and audit procedures. It includes audit planning, evidence collection, risk evaluation, audit implementation, and report preparation. Audit methodology can be adjusted to the type of audit and the specific needs of the organization or entity being audited.
3. **Audit Supervision System Assessment:** Audit supervision is essential to ensure the audit team carries out their duties precisely, efficiently, and following applicable audit standards. The assessment of the audit supervision system includes an evaluation of supervisor roles and responsibilities, supervision and guidance processes, and mechanisms to ensure the quality of audit results.
4. **Appointment of appropriate team members:** The key to the audit's success is selecting the right team members. This includes considering team members' skills, experiences, knowledge, and personality. The appointment of appropriate team members must also pay attention to the audit's specific needs, such as technical expertise, industrial understanding, and communication skills.
5. **Creating an Audit Work Program (PKA):** The audit work program is an operational plan that details the activities and steps that will be carried out during the audit. It includes the

audit schedule, the tasks that will be carried out by each team member, the required resources, the examination list, and the method of collecting evidence. PKA can also include risk mitigation strategies and quality control steps.

Audit Supervision

Rapina and Friska (2011) revealed that supervision is an activity that coordinates the implementation of tasks through effective and efficient direction and feedback. Arens et al. (2014) said supervision is an essential element in the audit because some parts of the work are carried out by inexperienced staff.

Some essential indicators of audit supervision that each auditor must have are:

1. Giving instructions to staff,
2. Providing the latest information about the significant problems faced,
3. Implementation of the review of the work carried out, and
4. Provision of practical field training (on-the-job training),
5. Control of the ability to work in the field of auditing.

Auditor Reporting

Internal auditors use the audit report to communicate audit results to the parties concerned and provide management with information related to audit findings, conclusions, and recommendations for audit assignments (Rustendi, 2017).

According to (Rustendi, 2017), several indicators of the audit report are as follows:

1. Consistency of audit results with the scope and purpose of the audit assignment.
2. Quality of conclusions in answering problems with significant risk links and strategic priorities.
3. The suitability of implementing the assignment with the applicable audit standards, including the auditor's

- compliance with the professional code of ethics.
4. Conformity of opinion with the conclusions of the audit results and findings supported by convincing audit evidence.
5. Responses of auditee management (if any) about audit findings and conclusions.
6. Proportionality of the information presented in the audit results report relating to positive and negative audit findings in the form of exceptions and deficiencies, as well as objectivity in presenting conclusions and opinions.

- H9. Motivation can moderate the effect of audit supervision on audit quality.
- H10. Motivation can moderate the effect of audit reporting on audit quality.

MATERIALS & METHODS

The type of research used is quantitative research, namely "Research aimed at testing certain theories by examining the relationship between variables" (Sugiyono, 2020). This research tests the effect of competence, independence audits, planning audits, supervision audits, and auditor reporting accuracy on audit quality in Medan City Inspectorate Motivation as variables.

In this study, the research population was all auditor employees at the Medan City Inspectorate, totaling 118 people. The method used in selecting samples is taking a total sampling, drawing the entire number of members of the research sample researcher. There are 118 research samples. This study's internal data analysis technique is the validity, reliability, and linear regression analysis of the program using the Smart PLS program.

Framework

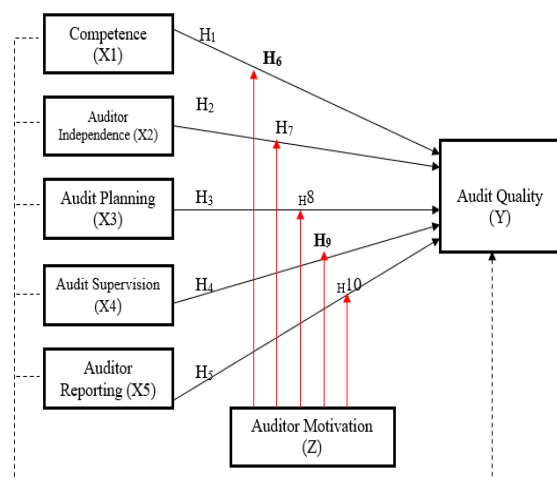


Figure 1. Conceptual Framework

- H1: Competency has a positive and significant effect on audit quality.
 H2: Independence has a positive and significant effect on audit quality.
 H3: Audit regulation has a positive and significant effect on audit quality.
 H4: Audit supervision has a positive and significant effect on audit quality.
 H5: Auditor reporting has a positive and significant effect on audit quality.
 H6: Motivation moderates the effect of competence on audit quality.
 H7: Motivation can moderate the effect of independence on audit quality.
 H8: Motivation can moderate the effect of audit planning on audit quality.

RESULT

Data Analysis Results

A. Model Design Measurement (Outer Model)

The design model (outer model) aims to test the feasibility of the research model by analyzing the relationship of each indicator with its latent variable measured through validity and reliability. Model Design Measurement (Outer Model) consists of:

1. Convergent validity test
2. Discriminate Validity Test
3. Discriminant validity test based on AVE (Average Variance Extraction)
4. Reliability Test.

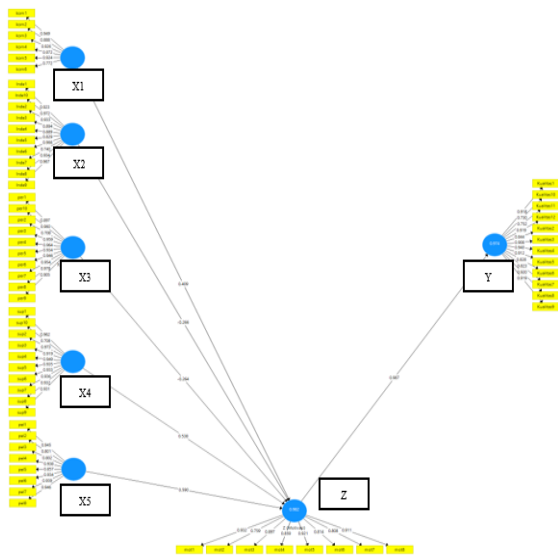


Figure 2. Structural Model Diagram
Source: Processed Data with Smart-PLS

A. Convergent validity test

Convergent validity aims to analyze the loading factor value between the latent variable and its indicators. Figure 2 above shows that all indicators have a value of R-calculation validity greater than the outer loading value (0.7), so it can be concluded that all construct indicators of the research variable (X, Y, and Z) are valid.

B. Discriminant Validity Test

The discriminant validity test aims to determine whether the construct or latent variable has an adequate discriminant by comparing the loading value on the destination construct to be greater than the loading value with other constructs.

Table 2. Discriminant Validity Test Results

	X1	X2	X3	X4	X5	Y	Z
X1	0.907						
X2	0.981	0.907					
X3	0.982	0.979	0.924				
X4	0.986	0.985	0.982	0.921			
X5	0.952	0.964	0.954	0.93	0.897		
Y	0.984	0.974	0.972	0.961	0.984	0.87	
Z	0.982	0.976	0.97	0.97	0.972	0.987	0.865

Source: Processed Data with Smart-PLS

Table 2 shows that all correlation values between latent variables (exogenous and endogenous) are greater than the cross-loading value (0.7), so it can be concluded that the validity of the discretion between

variables is sufficient.

C. Average Variance Extract

Discriminant validity test results based on the Cross Loading AVE (Average Variance Extracted) value of the six research variables are as follows;

Table 3. Discriminant Validity Test Results

Latent Variable	AVE -count	AVE-table	Conclusion
X1	0.823	0.5	Adequate
X2	0.823	0.5	Adequate
X3	0.853	0.5	Adequate
X4	0.848	0.5	Adequate
X5	0.805	0.5	Adequate
Y	0.758	0.5	Adequate
Z	0.748	0.5	Adequate

Source: Processed Data with Smart-PLS

Table 3 shows that the seven latent variables respectively are all greater than Ave-Table (0.5), so it can be concluded that the seven latent variables (exogenous and endogenous) have an adequate discriminant validity value.

D. Reliability Test

The reliability test was carried out to measure internal consistency, accuracy, and accuracy of measuring devices based on composite reliability (> 0.6) and reinforced with the value of Cronbach Alpha (> 0.6) with the following results:

Table 4. Reliability Test Results

Latent Variable	Cronbach's Alpha (0.6)	Composite Reliability (0.6)	Reliability	Conclusion
X1	0.956	0.965	0.6	High
X2	0.975	0.979	0.6	High
X3	0.981	0.983	0.6	High
X4	0.979	0.982	0.6	High
X5	0.965	0.971	0.6	High
Y	0.970	0.974	0.6	High
Z	0.951	0.959	0.6	High

Source: Processed Data with Smart-PLS

Table 5 shows that the seven latent variables in a row have all Cronbach's Alpha values greater than 0.6. The seven latent variables have a total composite reliability value of 0.7, so it can be concluded that all latent research variables have high reliability. In other words, the research model is

considered feasible.

B. Structural Model Design (Inner Model)

1. Estimated parameters and model evaluation

a) Path coefficient

The results of the analysis show the results of the coefficient of structural models as follows:

Table 5. Path Coefficient Test Result

Relationship Between Variables	Path Coefficient	Coefficient Estimation
Independent Variable (X) - Audit Quality (Y)	γ_1	0.971
Independent Variable (X) - Work Motivation (Z)	γ_2	0.987
Motivation (Z) - Audit Quality (Y)	γ_3	0.984

Source: Processed Data with Smart-PLS

b) Path Equation

The equation of influence x on y

$$\gamma_1 = 0.971X + e$$

The equation of influence x on z

$$\gamma_2 = 0.987X + E$$

Equation of influence z on y

$$\gamma_3 = 0.984Z + E$$

c) Structural Model Testing

The structural model inner test was carried out to predict the causal relationship between variables or hypothesis testing based on the R-Square (coefficient of determination), Q2 (Stone Geisser test), and GOF (Goodness of Fit).

R-Square Test Results

The R Square value is the coefficient of determination in the endogenous construct with the provisions of the R-Square value of 0.67 (strong), 0.33 (moderate), and 0.19 (weak) (Chin, 2018).

R-Square test results conducted on causal relationships between latent variables (tourism development) to endogenous Y variables (audit quality) and also to the endogenous variable Z (work motivation) show the following results:

Table 6. Determination Test Results

Endogenous Variable	R-Square	Standard (0.67)	Conclusion
Audit Quality (Y)	0.974	0.67	Strong
Work Motivation (Z)	0.982	0.67	Strong

Source: Processed Data with Smart-PLS

Table 6 shows that the R-Square values in a row are 0.974 and Z = 0.982, so it can be concluded that the two endogenous variables have strong determination. The results of the determination test (R-Square) show that 99.3% of the audit quality variable can be explained by the auditor's competency variable, auditor independence, audit planning, audit supervision system, and auditor reporting, and 98.3% of Work Motivation Variables can be explained by auditor competencies, auditor independence, Audit planning, audit supervision and the use of auditor reporting. In contrast, the rest is explained by other factors that are not examined.

Q2 Test Results (Stone-Geisser Test)

Q2 (Stone-Geisser Test) in PLS is used to test the relevance of predictions (predictive relevant) in the constructive model. In other words, Q-Square measures how well the model produces the observation value and also the estimated parameter with the provisions

- Q2 = 0.02 - Small category
- Q2 = 0.15 - Medium category
- Q2 = 0.35 - Large category

Table 7. Stone Geiser Test Results

Endogenous Variable	SSO	SSE	Q2 (1-SSE/SSO)	Standar	Conclusion
X	118.000	118.000	-	-	-
Y	118.000	4.539	0.962	0.35	Large
Z	118.000	3.832	0.968	0.35	Large

Source: Processed Data with Smart-PLS

Table 7 shows that successively, Q2 (Y) = 0.962 and Q2 (Z) = 0.968, both greater than 0.35, so it can be concluded that the endogenous (Y and Z) in this study have a large Q2 value (> 0.35).

Goodness of Fit (GOF) - Total Value R2

Goodness of Fit (GOF) is a single size used

to validate the combined performance of the outer and inner models. The total value of R2 can be used to calculate the GOODNESS OF FIT (GOF) Model because PLS does not provide a special menu for calculating GOF. There are three categories of GOF values, namely:

- a) $GOF = 0.1$ Small category
- b) $GOF = 0.25$ Medium category (moderate)
- c) $GOF \geq 0.38$ Large category

Table 8. Goodness of Fit (GOF) Test Results

Regresi	R-Square	R-square
Y	0.974	0.948
Z	0.982	0.984
Total		1.913

Source: Processed Data with Smart-PLS

Based on the total R-Square value of 1,913, the goodness of fit (GOF) value used to validate the combined performance between the outer and inner models is classified as large.

C. Hypothesis Testing

1. Partial Influence

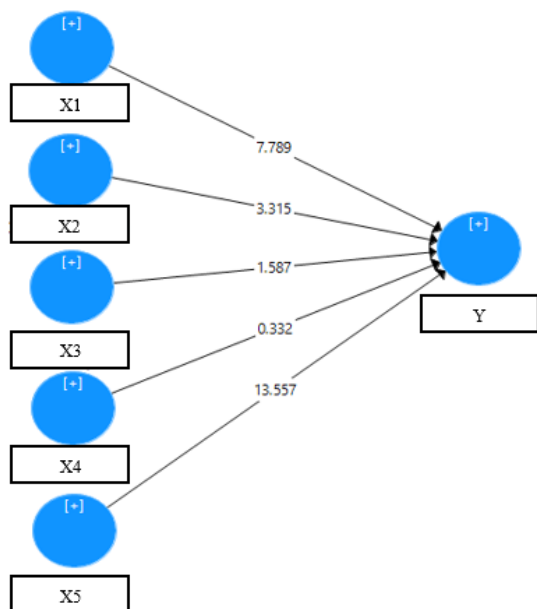


Figure 3. Diagram Of The Partial Effect Of Independent Variables On Audit Quality

Source: Processed Data with Smart-PLS

Based on the diagram above, it can be

concluded that auditor competencies, independence, and reporting significantly affect audit quality. At the same time, audit planning and supervision do not significantly affect audit quality variables.

2. Simultaneous Influences

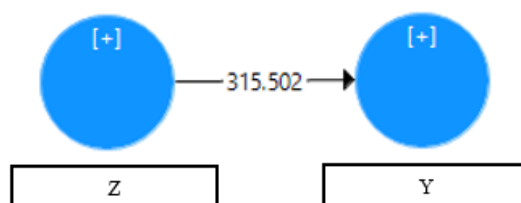


Figure 4. Diagram of Simultaneous Effects of Independent Variables on Audit Quality

Source: Processed Data with Smart-PLS

Based on the diagram above, all independent variables have a joint effect on the dependent variable.

3. The Influence of X on Y Is Moderated by Z (Work Motivation)

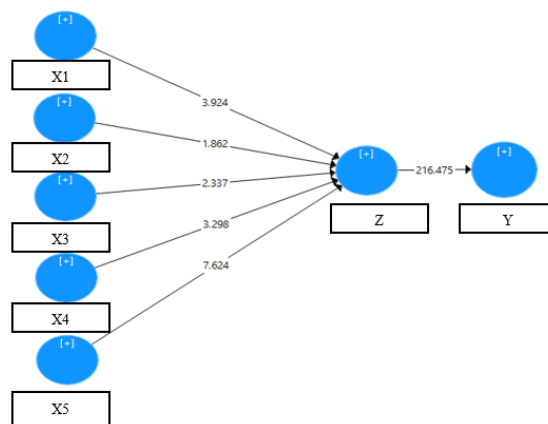


Figure 5. Diagram Of The Partial Effect Of Independent Variables On Audit Quality Moderated By Work Motivation (Z)

Source: Processed Data with Smart-PLS

Based on the diagram above, it is concluded that work motivation cannot moderate the effect of auditor competencies and reporting on variable Y (audit quality). However, work motivation can moderate the effect of independence, audit planning, and audit supervision on the audit quality variable.

4. Work Motivation Ability Modorizing the Symptoms of Indencing Simultaneous Variables on Audit Quality

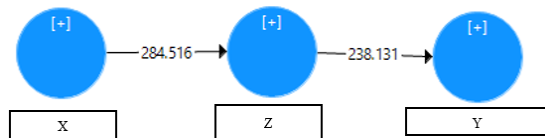


Figure 6. Diagram of Simultaneous Effects of Independent Variables on Audit Quality) Dimed by Work Motivation (Z)

Source: Processed Data with Smart-PLS

The diagram above shows that Z (work motivation) can moderate the simultaneous effect of independent variables (X) on the Y variable (audit quality).

CONCLUSION

Based on the results of research and discussion in the previous chapter, several conclusions can be drawn as follows:

1. Competence directly affects the quality of the audit in the Medan City Inspectorate.
2. Direct independence positively and significantly affects audit quality in the Medan City Inspectorate.
3. Direct audit planning does not positively and significantly affect the audit quality in the Medan City Inspectorate.
4. Audit supervision directly does not have a positive and significant effect on audit quality in the Medan City Inspectorate.
5. Audit reporting directly positively and significantly affects audit quality in the Medan City Inspectorate.
6. Motivation cannot moderate the effect of competencies on audit quality in the Medan City Inspectorate.
7. Motivation can moderate the effect of independence with audit quality on the Medan City Inspectorate.
8. Motivation can moderate the effect of audit planning on audit quality in the Medan City Inspectorate.
9. Motivation can moderate the effect of audit supervision on audit quality in the

Medan City Inspectorate.

10. Motivation is not able to moderate the effect of auditor reporting on audit quality in the Medan City Inspectorate

SUGGESTIONS

Based on the results of data analysis and research findings, there are several suggestions:

1. To the Head of the Medan City Inspectorate Office, it is recommended that attention be paid to these factors so that the quality of financial statements can be further improved.
2. To the Medan City Inspectorate Office employee, it is recommended that organizational commitment be further enhanced so that auditing competencies, independence, audit planning, supervision, and reporting systems can be further improved to improve the quality of the audit that has been achieved.
3. Auditors must increase their understanding of accounting and auditing by attending training organized by the Medan City Inspectorate or outside the Inspectorate environment and better understand the government's organizational structure.
4. Auditors must adjust the audit results with the standard audit standards before making recommendations, increase their independent attitude without being influenced by the relationship between superiors and subordinates in an agency, and always read and understand the code of ethics set by the Internal Supervision Apparatus Of The Government (APIP).
5. For other researchers, it is recommended that similar research be conducted on a broader scale to obtain more reliable research results.

LIMITATIONS

Based on research findings, here are some of the weaknesses of the research:

1. Data collection instruments only use questionnaires so that research data is only in the form of perceptions about the factors that affect the quality of the audit, not describing the overall conditions of the existing audit preparation at the Medan City Inspectorate Office.
2. The scope of the research is only at the level of the agency's sub-unit, namely at the Medan City Inspectorate Office, so it cannot describe the condition of audit quality at the municipal or provincial level.

Declaration by Authors

Acknowledgement: None

Source of Funding: None

Conflict of Interest: The authors declare no conflict of interest.

REFERENCES

1. Agung, R. I. G. (2010). *Audit Kinerja Pada Sektor Publik*. Jakarta: Grafindo.
2. Arens, A. A., Elder, R. J. E., & Mark, S. B. (2014). *Auditing and Assurance Service*. Edisi Keduabelas. Jilid Satu. New York: Prentice Hall International.
3. Dewi, A. C. (2016). *Pengaruh Pengalaman Kerja, Kompetensi, Dan Independensi Terhadap Kualitas Audit Dengan Etika Auditor Sebagai Variabel Moderasi (Studi Empiris pada Auditor Internal Inspektorat Provinsi Daerah Istimewa Yogyakarta)* [Skripsi]. Universitas Negeri Yogyakarta.
4. Halim, A., Sutrisno, T., Rosidi, & Achsin, M. (2014). Effect of Competence and Auditor Independence on Audit Quality with Audit Time Budget and Professional Commitment as a Moderation Variable. *International Journal of Business and Management Invention* ISSN, 3(6), 64–74. www.ijbmi.org
5. Hambali, D. (2017). *Pengaruh Tekanan Anggaran Waktu, Pelatihan Teknis Dan Supervisi Terhadap Kualitas Audit Bpk (Studi Kasus Pada Badan Pemeriksa Keuangan Perwakilan provinsi NTB)*. *Jurnal Tambora Universitas Teknologi Sumbawa*, 2(2), 1–11.
6. Hasanah, U. (2012). *Pengaruh Perencanaan Audit dan Pelatihan teknis terhadap Kualitas Hasil Pemeriksaan (Studi pada Inspektorat Kabupaten Jepara Jawa Tengah)* [Tesis]. Universitas Brawijaya.
7. Jumri, P. T. R., Sondakh, J. J., & Warongan, J. D. L. (2017). *Pengaruh Kompetensi, Pengalaman Kerja, Etika, dan Supervisi Audit Terhadap Kualitas Hasil Audit Inspektorat Kabupaten/Kota di Provinsi Sulawesi Utara*. *JURNAL RISET AKUNTANSI DAN AUDITING "GOODWILL,"* 8(1), 1–11.
8. Karnisa, D. A., & Chariri, A. (2015). *Pengaruh Kompetensi dan Independensi Terhadap Kualitas Audit dengan Motivasi dan Etika Auditor sebagai Variabel Moderasi (Studi Empiris Pada Kantor Akuntan Publik di Jakarta)*. *DIPONEGORO JOURNAL OF ECONOMICS*, 4(2), 1–9. <http://ejournal-s1.undip.ac.id/index.php/jme>
9. Laksita, A. D. (2018). *Pengaruh Independensi, Akuntabilitas, Dan Objektivitas Terhadap Kualitas Audit (Studi Empiris pada Auditor Internal Inspektorat Provinsi Daerah Istimewa Yogyakarta)*. Universitas Negeri Yogyakarta.
10. Layli, M., & Arifin, J. (2020). *Pengaruh Kompetensi, Independensi, Dan Kemahiran Profesional Terhadap Kualitas Audit*. *Jurnal Perilaku Dan Strategi Bisnis*, 8(2), 152–158.
11. Nasriana, Basri, H., & Abdullah, S. (2015). *Pengaruh Kompetensi, Independensi, Obyektivitas, Kecermatan Profesional Dan Pengalaman Audit Terhadap Kualitas Audit (Studi pada Pemeriksa Inspektorat Kabupaten/Kota di Aceh)*. *Jurnal Magister Akuntansi Pascasarjana Universitas Syiah Kuala*, 4(1), 81–89.
12. Pohan, N. A. (2014). *Analisis Pengaruh Keahlian, Independensi, Perencanaan Audit dan Supervisi Audit Terhadap Kualitas Audit dengan Motivasi sebagai Variabel Moderating (Studi Kasus pada Inspektorat Provinsi Sumatera Utara)* [Tesis]. Universitas Sumatera Utara.
13. Rahmayani, R. (2018). *Analisis Pengaruh Kompetensi, Independensi, Perencanaan Audit, Supervisi Audit dan Pelaporan Hasil Audit Terhadap Kualitas Audit pada*

- Inspektorat Kota Binjai dengan Motivasi Sebagai Variabel Moderating [Tesis]. Universitas Sumatera Utara.
14. Rapina, & Friska, H. (2011). Pengaruh Komitmen Organisasi dan Tindakan Supervisi Terhadap Kepuasan Kerja Auditor Junior Survei pada Kantor Akuntan Publik (KAP) di kota Bandung. *Akurat: Jurnal Ilmiah Akuntansi*, 6(2), 42–75.
 15. Rivai, V. (2018). *Manajemen Sumber Daya Manusia Untuk Perusahaan*. Jakarta: Raja Grafindo Persada.
 16. Rustendi, T. (2017). Peran Audit Internal Dalam Memerangi Korupsi (Upaya Meningkatkan Efektivitas Fungsi APIP). *Jurnal Akuntansi*, 12(2), 111–126.
 17. Sormin, P. C. D., & Rahayu, S. (2020). Pengaruh Motivasi, Supervisi, Dan Etika Auditor Terhadap Kualitas Audit. *Jae: Jurnal Akuntansi Dan Ekonomi*, 5(3), 94–103.
<https://doi.org/10.29407/jae.v5i3.14177>
 18. Sugiyono. (2020). *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. Bandung: CV Alfabeta.
 19. Suhayati, E., & Rahayu, S. K. (2010). *AUDITING, Konsep Dasar dan Pedoman Pemeriksaan Akuntan Publik*. Yogyakarta: Graha Ilmu.
 20. Tina, A. (2023). Pengaruh Kompetensi Dan Independensi Auditor Terhadap Kualitas Audit Dengan Integritas Sebagai Variabel Moderasi Pada Kantor Akuntan Publik Kota Medan. *Oikos: Jurnal Kajian Pendidikan Ekonomi Dan Ilmu Ekonomi*, 8(1), 55–64.
 21. Wibiwo. (2018). *Manajemen Kinerja Edisi Kelima*. Depok: PT. Raja Grafindo Persada.
 22. Zulkarnain, A., Hermawan, L. H., & Ferdiansyah, M. (2023). Pengaruh Objektivitas Dan Pengalaman Auditor Terhadap Kualitas Audit. *Jurnal Az Zahra: Jurnal Ekonomi Dan Bisnis Islam*, 1(1), 1–9.
<http://journal.an-nur.ac.id/index.php/azzahra>

How to cite this article: Sanni Rolina Sipayung, Abdullah Arif Nasution, Rujiman. Analysis of the effect of competency, independence, audit planning, audit supervision, and auditor reporting on audit quality in Medan inspectorate with motivation as a moderating variable. *International Journal of Research and Review*. 2024; 11(7): 50-61. DOI: <https://doi.org/10.52403/ijrr.20240706>
