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Research Paper

The Effect of Audit Opinion, Audit Tenure, Financial Distress, and Company Size on Audit Switching with Management Changes as Moderating Variables in Manufacturing Companies in the Consumer Goods Industry Sector Listed on the IDX in 2009-2019

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ABSTRACT

This study aims to determine the effect of the audit opinion, audit tenure, financial distress and company size on audit switching. In addition, this study also tries to prove whether management change can be used as a moderator in the research model.

The type of research used is descriptive quantitative research. This research was conducted on the Consumer Goods Industry Sector Companies listed on the Indonesia Stock Exchange for 2009-2019. The sample selection using the purposive sampling technique shows that the research sample is 22 companies with 11 years of research. The number of observations in this study is 242 data. The data analysis method used in this research is logistic regression analysis which is carried out with the help of SPSS 25.

The results show that audit opinion and audit tenure positively and significantly affect audit switching in the Consumer Goods Industry sector companies listed on the Indonesia Stock Exchange in 2009-2019. Meanwhile, financial distress and company size do not affect audit switching. The moderating variable, namely change in management, can be used as a moderator because it is proven to strengthen or weaken the independent variables used in this study.

Keywords: *Audit opinion, audit tenure, financial distress, company size, audit switching*

INTRODUCTION

The number of public accounting services needed by a company will increase competition among Public Accounting Firms (PAF) in retaining their clients by providing the best possible audit services. The level of service provided by the auditor will determine the length of the work engagement, where a good level of service will make clients tend to use the services of the PAF for a long time.

This long working engagement will cause an excessive risk of intimacy between the client and the PAF to affect the auditor's objectivity and independence in conducting the audit. In this case, it is necessary to change the auditor or what is called audit switching. Audit switching is a change in the company's Public Accountant Agency due to provisions from the government. The switching audit must be carried out along with the procedures that take place within the company. This change of agency was able to avoid excessive engagement, which resulted in auditors losing their independence. It can be caused by several factors originating from client factors and auditor factors (Budisantoso et al., 2017).

The following is a phenomenon of companies that have one and two years of engagement with their auditors.

Table 1: Companies in the Consumer Goods Sector Have 1 and 2 Years of Engagement with Public Accounting Firms

Company	Attachment Period
PT Budi Starch & Sweetener Tbk, PT Langgeng Makmur Industri Tbk	In 2012 the Company changed its auditor, and in 2013 the Company also changed its auditor. Only one year of engagement with the auditor
PT Delta Djakarta Tbk, PT Ultra Jaya Milk Industry & Trading Company Tbk	In 2012 the Company changed its auditors, and in 2014 the Company also changed its auditors. Only two years of engagement with the auditor.

Source: Financial Statements accessed through the Indonesia Stock Exchange

Table 1 shows one and two-year engagement with the Public Accounting Firm (PAF). These companies have only one year of engagement with PAF and have changed their auditors. Indofarma Tbk and PT Merch Tbk also changed their auditors for only two years. It can be concluded that dissatisfaction with the auditor's opinion causes tension in the relationship between management and PAF so that the company will replace PDF (Djamalilleil, 2015). Companies that change PAFs reduce the likelihood of getting unwanted audit opinions than companies that do not change PAFs. Clients tend to change the firm after receiving a qualified audit opinion. In Indonesia, auditor switching has been carried out by many companies. However, this switching audit has implications for the credibility of the value of financial statements and the cost of monitoring management activities (Sinarwati, 2013).

The phenomenon of PT. Kimia Farma Tbk in 2011 did not get the trust of its shareholders due to overstated sales presentations which PAF Hans Tuankotta and Mustofa (Bapepam.go.id) could not detect. Three public accountants audited PT Sunprima Nusantara Pemfundan (SNP Finance) by Marlinna, Merliyana Syamsul, and Satrio. They deemed not to have provided an opinion following the actual conditions in the audited annual financial report. Furthermore, from 2004-2017 for 14 years, PT Tiga Pilar Sejahtera Food Tbk were audited by PAF Amir Abadi Jusuf, Aryanto & Partners.

Audit switching has implications for the credibility of financial reporting and costs for monitoring management activities. The change of auditors resulted in the resignation and removal of the auditors from the client company. Companies that perform switching audits must be prepared to incur higher costs when engaging with new auditors. The new auditor most likely does not know the characteristics of the company in detail. Therefore, the auditor must familiarize himself with the new client. Usually, the fee that the client must pay is getting bigger. The company feels the impact, but the old auditor is also affected. Namely, the auditor will lose clients and revenue because the engagement period has ended (Nazril et al., 2012).

This study uses manufacturing companies in the consumer goods industry sector because companies in the consumer goods sector conduct switching audits for only one to two years, with opinions other than unqualified. The government has regulated the obligation of auditor rotation with the Decree of the Minister of Finance of the Republic of Indonesia Number 13/ POJK.03/2017 concerning public accounting services regarding the limitation of providing audit services by PAF for a maximum of 6 (six) consecutive years and auditors for a maximum of 3 (three) consecutive years.

Audit switching can be divided into two they are audit switching that occurs mandatory (occurs due to binding government regulations) and audit switching that occurs voluntary (occurs for reasons other than regulations) (Sinarwati, 2012). If the auditor change is mandatory, this relates to the regulations requiring it (Paramitadewi, 2014). Meanwhile, auditor turnover is voluntary; caused by factors from clients such as audit opinion, management change, audit tenure, company financial difficulties, Initial Public Offering (IPO), etc. Companies will look for auditors who view reporting and accounting as more appropriate than the current auditors (Astrini, 2013). The following is a phenomenon of voluntary auditor changes for Manufacturing Companies in the Consumer Goods Industry sector.

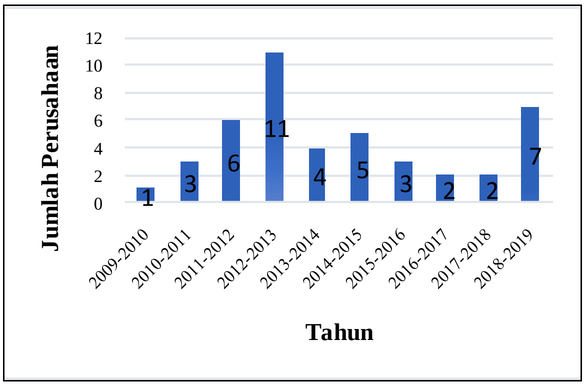

Figure 1: Substitution Graph

Auditor Voluntary

Figure 1 shows the voluntary change of auditors in the last few years. Which is 2009-2010 there were 1 (one) company, in 2010-2011 there were three companies, in 2011-2012 there were six companies, in 2012-2013 there were 11 companies, in 2013-2014 as four companies, in 2014-2015 as five companies, in 2015-2016 as three companies, in 2016-2017 as many, in 2017-2018 as two companies, and 2018-2019 as many as seven companies. The case of voluntary auditor change occurred at PT Sekawan Intipratama Tbk, which in the period of 6 years changed PAF 2 times, namely, in 2010-2013 using PAF Drs Basri Hardjosumarto, M.Si, Ak, CA & Partners. In 2014, using PAFs affiliated with foreign PAFs, namely PAF Hertanto, Sidik & Partners. Then in 2015, it changed to PAF Junaedi, Chairul, & Subyakto.

Clients who change their auditors when there are no rules requiring changes to be made may face two problems: the auditor resigns, or the client fires the auditor. If the change is disagreement over certain accounting practices, it is expected that the client will move to an auditor who can agree with the client. (Wijayanti, 2013). The voluntary change of auditors often raises many questions for several parties related to the company's reasons for changing auditors before the due date of audit rotation. Audit switching is necessary because a long audit engagement period with a client will decrease the auditor's independent attitude and be emotionally attached and cause problems regarding commitment to bad decisions from an auditor. Without auditor independence, the quality and competence of auditors in carrying out audit tasks will be neglected so that auditor independence is essential for auditors to maintain in the task of auditing clients (Febriansyah, 2013).

So, in this case, audit switching is interesting to study to determine what factors can affect audit switching. In this study, tests were conducted on the factors that affect audit switchings, such as audit opinion, management turnover, audit tenure, financial distress, and company size.

An audit opinion is a statement of an assertion issued by the auditor on the fairness of the client's financial statements, whether they are following Auditing Standards and the auditor's findings. In general, the opinion expected by management is unqualified. Other opinions are usually not expected by management (Salim & Rahayu, 2013). The audit opinion is made in an auditor's report. The standard form of the auditor's report contains a statement that the financial statements are presented fairly in all material respects, the financial position of an entity, results of operations, and cash flows following financial accounting standards established in Indonesia.

The audit function is to express an opinion on the fairness, in all material respects, of the financial position following Indonesian Financial Accounting Standards. When management and auditors cannot reach an agreement, conflict may occur. Auditors who are afraid to take risks choose to withdraw from the audit rather than comply with management's requests. On the other hand, management who thinks about the impact of an auditor who submits an opinion that is not under his wishes chooses to replace the auditor with an auditor from another PAF who better understands the company's condition. Chadegani et al. (2011) state that the company will dismiss its auditor if it gets a qualified opinion. A modified audit opinion can indicate a problem in the financial statements so that it is seen as a negative signal by investors or creditors (Sumadi, 2011).

The results of research by Alisa et al. (2019) found a positive influence between audit opinion on audit switching. This statement is supported by Sutanto (2018), Luthfiyati (2016). Meanwhile, Rohmawati (2018), Fakhri et al. (2018), Putra & Suryanawa (2016) and Khasharmeh (2015), and Wahyuningsih & Suryawa (2010), found a negative effect between audit opinion and audit switching. However, Yani et al. (2016) did not influence audit opinion on audit switching.

Audit tenure is the length of the auditor's tenure in a company. It relates to mandatory and voluntary auditor changes, both of which can be distinguished based on which party focuses on attention. When a client changes auditors when no rules require a change, one of two things happens: the auditor resigns, or the client fires the auditor. Audit tenure is the length of the relationship between the auditor and the client as measured by the number of years. An auditor with an extended assignment with a client company will encourage business knowledge to enable the auditor to design an effective audit program and high quality audited financial reports (Geiger & Rughunandan, 2002). Changes in auditors can occur for several reasons; if the reason for the change is due to disagreements over certain accounting practices, it is assumed that the client will move to the auditor by agreement. Thus, the focus of the researcher's attention is on the client. On the other hand, when auditor turnover occurs due to regulations that limit tenure, the immediate attention turns to the auditor, no longer to the client. In contrast to voluntary changes that can occur due to conflicts between clients and auditors, mandatory changes that occur are forced separations by regulations such as Regulation of the Minister of Finance Number 17/PMK.01/2008 article 3 concerning Public Accountant Services.

The quality of financial reports will be lower in the short tenure of PAF than in the medium tenure of PAF. However, the audit process requires a close working relationship with the company's management Sumarwoto (2014). This close relationship can cause shareholders to question the independence of the auditor and demand tighter control. Financial statement failure is more likely to occur in the short tenure of PAFs when compared to the medium tenures of PAFs. Large audit firms such as BigFour will have a more extended audit engagement period than small audit firms such as non-BigFour (Carcello & Nagy, 2004). The difference in the length of tenure between the two types of audit firms can impact independence. In the long term, small audit firms will find it challenging to maintain their existence in an increasingly competitive and disproportionate size (Sihombing, 2012).

The results of research by Abidilla & Sabeni (2013) stated that audit tenure has a positive effect on audit switching. This statement is supported by Suyono et al. (2013), Nasser et al. (2006), and Luthfiyati (2016). Meanwhile, Aminah et al. (2017) found a negative effect between audit opinion and audit switching.

Another factor that is considered to be able to influence audit switching is financial distress. Financial distress can be interpreted as the company's inability to pay financial obligations that have matured (Beaver et al., 2011). Financial difficulties begin when the company cannot meet the payment schedule or when cash flow projections indicate that the company will soon be unable to meet its obligations (Gilrita et al., 2015). Financial distress (level of financial difficulty) can also be interpreted as the emergence of signals or early symptoms of bankruptcy against a decline in financial conditions experienced by a company or conditions that occurred before bankruptcy or liquidation (Pramudita, 2012).

Bankrupt companies are more likely to change auditors (PAF) than companies that are not bankrupt. Changes in PAF or auditors can also be caused because the company no longer can meet the audit fee obligations imposed by the PAF due to a decrease in the company's financial capacity. The financial condition of companies that are threatened with bankruptcy tends to increase the evaluation of auditors' subjectivity and caution so that in times like this, the company will tend to do audit switching. There is a decline in the company's financial condition that causes audit switching because the company cannot pay the PAF's audit fee.

The results of Kusuma & Farida's research (2019) state that there is a positive relationship between financial distress and audit switching. This statement is supported by Rohmawati (2018), Aroh, et al, (2017), Alazhar (2015), and Suyono, et al, (2013). Meanwhile, Manto & Manda (2018) found a negative effect of financial distress on audit switching. However, Khasharmeh (2015) did not find any significant effect between financial distress on audit switching.

The last factor that influences audit switching is company size. Company size reflects the total assets owned by a company (Pratama & Wiksuana, 2016). Companies are categorized into three types, namely: small-scale companies, medium-scale companies and large-scale companies. The size of a company can be based on the total value of total assets, sales, market capitalization, number of employees, etc. The bigger the company's assets, the greater the capital to invest. The greater the company's total sales, the higher the turnover and the more significant the market capitalization, the better known to the public. Large companies will find it easier to obtain capital in the capital market than small companies. Because of the ease of access, large companies have greater flexibility (Sartono, 2010). Increasing the company's size will cause increased difficulty for owners in monitoring to increase agency costs, allowing companies to replace new, higher-quality auditors to provide better monitoring. Therefore, the company's size must match the size of the PAF because this discrepancy will lead to audit switching (Hudaib & Cookgje, 2005).

The research results by Winata & Anisyurlillah (2017) prove that there is a positive influence between company size and audit switching. This statement is supported by Alisa et al. (2019), Andreas & Safitri (2019), Juliantari and Rasmini (2013), Luthfiyati (2016). While Khasharmeh (2015), Dwiyanti & Sabeni (2014) and Andreas & Savitri (2019) prove that company size has a negative effect on audit switching. However, Rohmawati (2018) did not find any effect of company size on audit switching.

Change of management is a change in the company's directors, which can be caused by the general meeting of shareholders or directors to stop of their own accord (Luthfiyati, 2016). If the company changes management, it will cause changes in company policies in various fields, one of which can rotate its auditors due to all the thoughts of the new directors (Andra, 2012). It will result in audit switching within the company. In this study, management change will be used as a moderating variable. The results of Kusuma & Farida's research (2019) revealed a positive effect between management change and audit switching, while Luthfiyati (2016) stated that management change had a negative effect on audit switching. However, Susanto (2018) found no effect between management change and audit switching.

The object studied in this study focuses on manufacturing companies in the Consumer Goods Industry Sector. This sector was chosen because it has significant market potential. After all, an unlimited number of large consumers supports it. Consumer Goods Industry companies that are oriented to the consumption needs of the community must, of course, publish their financial situation so that the company gains the trust of the public (Prameswari, 2012).

The description of the background and phenomena shows the importance of audit switching to prevent excessive engagement between the auditor and the company. The inconsistent results from previous research became the reason to research "The Effect of Audit Opinion, Audit Tenure, Financial Distress and Company Size on Audit Switching with Management Changes as Moderating Variables in Manufacturing Companies in the Consumer Goods Industry Sector Listed on the Indonesia Stock Exchange in 2009-2019".

Framework

Following the description of the background of the problem, literature review and previous research, a conceptual research framework is prepared as follows:

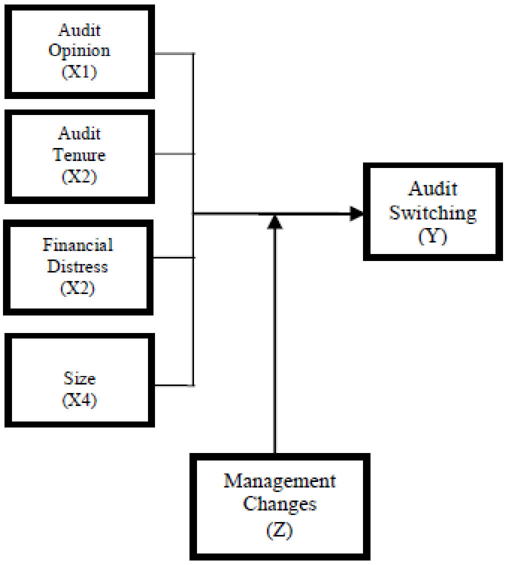

Figure 2: Conceptual Framework

H1: Audit opinion has a negative and significant effect on audit switching.
H2: Audit tenure has a positive and significant effect on audit switching.
H3: Financial distress has a positive and significant effect on audit switching.
H4: Company size has a positive and significant effect on audit switching.
H5: Management change can moderate the effect of audit opinion on audit switching.
H6: Management change can moderate the effect of audit tenure on audit switching.
H7: Management change can moderate the effect of financial distress on audit switching.
H8: Management change can moderate the effect of company size on audit switching.

RESEARCH METHODS

This type of research is causal associative research to determine the effect of Audit Opinion, Audit Tenure, Financial Distress, and Company Size as independent variables on Audit Switching as the dependent variable with Management Change as the moderating variable. The causal associative study analyses the relationship between one variable and another to know how one variable affects other variables (Sugiyono, 2012). The data analysis method used in this study is a statistical analysis method using SPSS application 25. Data analysis performs by testing standard assumptions and testing hypotheses.

The method of determining the sample uses purposive sampling so that a sample of 22 companies is multiplied by 11 years of research to obtain 242 observations.

RESULT AND DISCUSSION

Descriptive Statistical Analysis

Table 2: Distribution of Frequency and Percentage of Switching Audits (Y)

		Frequency	%	Valid (%)	Cumulative (%)
Valid	0	198	81.8	81.8	81.8
	1	44	18.2	18.2	100.0
	Total	**242**	**100.0**	**100.0**	

Source: Results of data processing with SPSS 25

Based on Table 2 from 2009-2019, there were 198 (81.7%) companies that did not make audit switching changes, while there were 44 (18.2%) companies that did audit switching changes. In audit switching, the highest Consumer Goods Industry Manufacturing Companies were Budi Starch & Sweetener Tbk in 2015, Akasha Wira International Tbk in 2014 and Wilmar Cahaya Indonesia in 2013. While the lowest was Langgeng Makmur Industry Tbk in

2018, Kedaung Indah Can in 2017 and Unilever Indonesia Tbk in 2016.

Table 3: Distribution of Management Change Frequency and Percentage (Z)

		Frequency	%	Valid (%)	Cumulative (%)
Valid	0	189	78.1	78.1	78.1
	1	53	21.9	21.9	100.0
	Total	**242**	**100.0**	**100.0**	

Source: Results of data processing with SPSS 25

Based on Table 3 from 2009-2019, there were 189 (78.1%) companies that did not change management. Meanwhile, 53 (21.9%) companies have changed management in Manufacturing Companies in the Consumer Goods Industry listed on the IDX. The highest companies that changed management were Akasha Wira International Tbk in 2009, Budi Starch & Sweetener Tbk in 2014, and Wilmar Cahaya Indonesia Tbk in 2012, while the lowest were Langgeng Makmur Industri Tbk in 2018, Kedaung Indah Can Tbk in 2018, and Kedaung Indah Can Tbk in 2015.

Table 4: Distribution of Frequency and Percentage of Audit Opinions (X1)

		Frequency	%	Valid (%)	Cumulative (%)
Valid	0	53	21.8	21.9	21.9
	1	189	78.2	78.1	100.0
	Total	**242**	**100.0**	**100.0**	

Source: Results of data processing with SPSS 25

Based on Table 4 from 2009-2019, there were 53 (21.8%) companies that received opinions other than unqualified. Meanwhile, 189 (78.2%) companies received an unqualified opinion on Manufacturing Companies in the Consumer Goods Industry sector listed on the IDX for the 2009-2019 period. The highest company that received an unmodified audit opinion was Akasha Wira International Tbk in 2018, Budi Starch & Sweetener Tbk in 2018, and Wilmar Cahaya Indonesia Tbk in 2018, while the lowest was Langgeng Makmur Industri Tbk in 2015, Kedaung Indah Can Tbk in 2015, and Mandom Indonesia Tbk in 2015.

Based on Table 5 PAF's engagement period with a company is at least 1-6 years in the Consumer Goods Industry Manufacturing Sector listed on the IDX for the 2009-2019 period. There are 74 (30.6%) companies that work with PAF for one year engagement period, 56 (23.1%) companies that work with PAF for a 2-year engagement period, 49 (20.2%) companies that work with PAF for a 3-year engagement period, 34 (14%) companies that cooperate with PAF, 18 (7.4%) companies that work with PAF for a 5-year engagement period, and 11 (4.5%) companies that cooperate with PAF. The highest companies that have PAF engagements with companies are Kalbe Farma Tbk in 2016, Wilmar Cahaya Indonesia Tbk in 2018, and Delta Djakarta Tbk in 2018, while the lowest are Langgeng Makmur Industri Tbk in 2017, Kedaung Indah Can Tbk in 2015, and Unilever Indonesia Tbk in 2009.

Table 5: Distribution of Tenure Audit Frequency and Percentage (X2)

		Frequency	%	Valid (%)	Cumulative (%)
Valid	1	74	30.6	30.6	30.6
	2	56	23.1	23.1	53.7
	3	49	20.2	20.2	74.0
	4	34	14.0	14.0	88.0
	5	18	7.4	7.4	95.5
	6	11	4.5	4.5	100.0
	Total	**242**	**100.0**	**100.0**	

Source: Results of data processing with SPSS 25

Table 6: Descriptive Statistical Analysis Based on Financial Distress (X3) and Company Size (X4)

Variable	Min	Max	Mean	Std. Dev. (Sd)
X3	1025	9656	3953.40	1801.558
X4	11344	18425	14810.60	1629.472

Source: Results of data processing with SPSS 25

Based on Table 6, it can be seen that companies that are in a state of financial distress do not perform switching audits in the Consumer Goods Industry Manufacturing Sector Companies listed on the IDX for the 2009-2019 period. The highest companies experiencing financial distress were Merck Tbk in 2009, Merck Tbk in 2010, and H.M. Sampoerna Tbk in 2015, while the lowest was Langgeng Makmur Industri Tbk in 2017, Prasidha Aneka Niaga Tbk in 2009, and Prasidha Aneka Niaga Tbk in 2010.

The average company size is 14810.60, with a standard deviation of

1629.472, meaning that the ratio of company size to Manufacturing Companies in the Consumer Goods Industry Sector is high. The highest company sizes in the Consumer Goods Industry Manufacturing Companies listed on the IDX in 2009-2019 were Indofood Sukses Makmur Tbk in 2018, Indofood Sukses Makmur Tbk in 2015, and Indofood Sukses Makmur Tbk in 2017, while the lowest was Kedaung Indah Can Tbk. In 2009, Kedaung Indah Can Tbk in 2010, and Kedaung Indah Can Tbk in 2011.

Logistic Regression Analysis Test

Feasibility Analysis of Regression Model

Table 7: The Goodness of Fit Test

Step	Chi-square	Df	Sig.
1	0.447	8	1.000

Source: Results of data processing with SPSS 25

The test was carried out using the Goodness of fit test, which was measured by looking at the significance of the Hosmer-Lemeshow test. It can be seen that the Chi-Square value is 0.447, and the sig value is 1000. The significance value is more significant than 0.05, which indicates that Ho is accepted. There is no difference between the predicted classification and the observed classification, so that the logistic regression model can be used for further analysis.

Assessing the Overall Model (Overall Model Fit)

Table 8: Overall Model Fit Test

-2LL Block 0	-2LL Block 1
229.483	132.711

Source: Results of data processing with SPSS 25

The model fit test results show a comparison between the value of -2LL block 0 and -2LL block 1. From the calculation results, the value of -2LL shows that the value of block 0 is 229,483, and the value of -2LL block 1 is 132,711. With these results, it can be concluded that the block one regression model is better because there is a decrease in the value of block 0 to the value of block 1.

Coefficient of Determination R Square

Table 9: Coefficient of Determination (Nagelkerke's R Square)

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	86.585[a]	.446	.728

Source: Results of data processing with SPSS 25

Based on Table 9 it can be concluded that the value of Nagelkerke R Square is 0.728 (72.8%). It means that the independent variables, namely audit opinion, audit tenure, financial distress and company size, can explain the variation of the dependent variable, namely auditor switching, by 72.8%. In comparison, the remaining 0.272 (27.2%) is explained by other variables not included in this study.

Logistic Regression Analysis Results

Table 10: Logistics Regression Analysis

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	X1	-2.289	.800	8.196	1	.004	.101
	X2	-19.561	1431.602	.000	1	.989	.000
	X3	.000	.000	.015	1	.901	1.000
	X4	.000	.000	1.170	1	.279	1.000
	Constant	19.332	1431.604	.000	1	.989	248799509.796

Source: Results of data processing with SPSS 25

Hypothesis test

Partial Test

Table 11: T-Test (T-Test)

Model		Unstandardized Coefficients		Stand. Coeff.	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.376	.194		1.940	.054
	X1	-.174	.052	-.187	-3.363	.001
	X2	-.134	.015	-.507	-9.201	.000
	X3	7.244E-6	.000	.034	.605	.546
	X4	1.752E-5	.000	.074	1.330	.185

Dependent Variable: Audit Switching

Source: Results of data processing with SPSS 25

Moderating Test

Table 12: Moderating Test

Model		Unstand. Coeff.		Stand. Coeff.	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.395	.182		2.163	.032
	X1	-.054	.058	-.058	-.941	.348
	X2	-.100	.016	-.379	-6.280	.000
	X3	-3.418E-6	.000	-.016	-.268	.789
	X4	3.504E-6	.000	.015	.276	.783
	X1*Z	-.303	.111	-.282	-2.740	.007
	*X2*Z*	-.085	.033	-.250	-2.609	.010
	*X3*Z*	3.028E-5	.000	.143	1.114	.266
	X4*Z	3.395E-5	.000	.545	3.464	.001

Source: Results of data processing with SPSS 25

CONCLUSION

Based on the results of data analysis and research discussion, the following conclusions can be drawn:

1. Audit opinion has a positive and significant effect on audit switching in Manufacturing Companies in the Consumer Goods Industry sector listed on the IDX in 2009-2019.
2. Audit tenure has a positive and significant effect on audit switching in Manufacturing Companies in the Consumer Goods Industry sector listed on the IDX in 2009-2019.
3. Financial distress does not affect audit switching in Manufacturing Companies in the Consumer Goods Industry Sector listed on the IDX in 2009-2019.
4. The company's size does not affect audit switching in Manufacturing Companies in the Consumer Goods Industry sector listed on the IDX in 2009-2019.
5. Management changes can moderate audit opinion on audit switching in Manufacturing Companies in the Consumer Goods Industry sector listed on the IDX in 2009-2019.
6. Management changes can moderate audit tenure on audit switching in Manufacturing Companies in the Consumer Goods Industry Sector listed on the IDX in 2009-2019.
7. Management changes cannot moderate the effect of financial distress on audit switching in Manufacturing Companies in the Consumer Goods Industry sector listed on the IDX in 2009-2019.
8. Management changes can moderate the effect of company size on audit switching in Manufacturing Companies in the Consumer Goods Industry sector listed on the IDX in 2009-2019.

Limitations of the Research

The independent variables used are audit opinion, audit tenure, financial distress, and company size in Manufacturing Companies in the Consumer Goods Industry Sector, only explaining 72.8% of the influence on Audit Switching (Y). In contrast, the remaining 27.2% is explained by other variables that are not included in this research model. So there are still many other variables that can affect Audit Switchings, such as audit committee, profitability, and PAF size.

Suggestion

Based on the conclusions and limitations that have been found, the researcher provides several suggestions, including:

1. For companies, it is expected to select and sort out representative PAFs and auditors responsible if given the obligation to analyze financial statements and follow applicable regulations.
2. For investors, making investments should be careful in choosing companies. Especially companies that get a going concern audit opinion are not fair or do not even provide an opinion and recognize the condition of companies experiencing financial distress or business bankruptcy.

3. For other parties, it becomes additional knowledge in developing a theory regarding audit switching.
4. For further researchers, adding other variables that affect audit switching both internally and externally can expand the research object, not only in Manufacturing Companies in the Consumer Goods Industry Sector.

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