

Can the Auditor's Professional Skills Improve the Quality of the Result of Inspection? Empirical from the Local Government of North Sulawesi, Indonesia

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Abstract

The purpose of this study was to describe the influence of education background, professional skills, continuing education, to the quality of the result of inspection the internal auditor (Inspektorat) governmental of Sulawesi Utara. Independent variables in this study were education background, professional skills, and continuing education. Dependent variable of this study was the quality of the result of inspection. The data in this study was the primary data that has obtained from the spreading questioner directly to all of Aparat Pengawasan Intern Pemerintah (APIP) staff of the Inspectorate. Data analysis conducted with multiple regression models. The hypotheses tested are revealed as that education background, professional efficiency, and continuing education to the quality of the result of inspection as well as partially and simultaneously. The result of this study has shown that the education background, professional skills, and continuing education, were simultaneously affected significantly to the quality of the result of inspection at Inspectorate. In this study education background and professional efficiency that not affected significantly to the quality of the result of inspection at North Sulawesi Inspectorate. Furthermore the continuing education affected significantly to the quality of the result of inspection.

Keywords: Education background, professional Skills, continuing education, and quality of the result of inspection

1. Introduction

Supervision is the last function of the management of the local government. Supervision is done by the Internal Supervisory Unit of local government (APIP) under the head area and expected, independent of the influence of regional work units (SKPD). Supervision over the local government, conducted in phases begin at the district / city, provincial and departmental level. Inspectorate inspects and special surveillance on SKPD that exist in every county, city and province.

Corruption Perception Index by 15 December 2014, Indonesia ranks 107th out of 175 countries with a score of 34. CPI scores of Indonesia for two years measured by effectiveness of prevention and eradication of corruption in Indonesia. On the other hand public optimism and success of KPK in law enforcement efforts, giving other shades. Law enforcement efforts in the field of corruption in politics and corruption in strategic sectors, precisely to expose such stagnation. ([Http://www.transparency.org/cpi2014/result](http://www.transparency.org/cpi2014/result)).

Indonesian Supreme Audit Institution (BPK RI) revealed the inspection result of the first half of 2014, there were as many as 14,854 cases of the findings. Consisting of 8,323 cases of non-compliance to the legislation worth Rp30,87 trillion and 6531 cases of weakness of internal control systems. These findings are very large in the implementation of the budget in one semester, therefore how important the internal control in government institutions. ([Http://infopublik.kominfo.go.id/](http://infopublik.kominfo.go.id/))

Each execution of duties and responsibilities in a professional manner required qualifications Inspectorate competence ranks as Internal Supervisory Unit of government (APIP) to carry out supervisory duties in accordance with the regulations and provisions. DeAngelo (1981) state audit quality is the probability that the auditor will find and report violations to the client's accounting system (in Deis and Gary, 1992). The probability of finding a violation depending on the technical capabilities of auditors, and the probability of reporting a violation depending on auditor independence (Deis and Gary, 1992). The quality of inspection result in this study variables influenced the educational background, professional skills, continuing education. Based on the background of the problem, the research question is How does educational background, professional skills, continuing education, influence the quality of the results of inspection in the province of North Sulawesi?

2 Related Literature

2.1 (Goal setting theory)

(Goal setting theory) is a cognitive process to create goals and is a determinant of behavior. Objectives are realized will result in a higher level of achievement if one accepts these goals (Locke, 1975 in Gibson et al., 1985). The nature of cognitive (mental processes) by (Locke, 1975 in Pinder, 1984) includes four (4) of the following:

1) The goal of detail, the specific objectives with regard to the level of precision of the quantitative goal (goal specificity).

- 2) The difficulty of interest, the level of expertise required (goal difficulty).
- 3) The intensity of interest, the process of determining achievement of goals (goal intensity).
- 4) Levels of effort to achieve the goal (goal commitment).

Many studies show that the specific goals and intensity of interest becomes an important consideration. Objectives detailed / specific leads to better results than the purpose of a general purpose, for that purpose provides clarity for individuals related to what should be done. Setting goals that are specific will boost achievement. Similarly, the difficulty level of interest, the more difficult the goal, the higher the level of achievement. However, it happens when the destination is accepted or agreed (goal acceptance). This research using goal-setting theory as a basis for explaining the variation of individual behavior, in this case the Internal Supervisory Unit of government (APIP) of setting a goal to achieve the quality of inspection result of APIP.

2.2 Educational Background

Expertise which enables an increased high quality can only be obtained through education and enough practice. To compensate and to face the challenges from the outside, then the quality of the inspectors should be higher than the executive itself in terms of assessing how far the implementation of the tasks that have been made and followed by an assessment of the systems and procedures that work. Regulation of the Minister of State Apparatus Empowerment No. Per / 05 / M.PAN / 03/2008 dated March 31, 2008 on auditing standards for Internal Supervisory Unit of Government (APIP) must have a minimum level of formal education degree (S-1), or equivalent. Educational background and good certification training certification auditors, inspectors, education and advanced training examiner or the handling of cases is very useful to help the task of inspectors, (Batubara, 2008, and Adriyani, et al (2013) stated that the level of education is able to improve audit quality. In that study indicators on educational background variables only limited formal education that level of education and study programs, to the researchers conducted various studies and observations of the APIP to reconstruct indicators in educational background variables into accounting and non-accounting.

2.3 Professional Skills of Inspector

Inspection is a technique that surveillance activities to assess whether the results of the actual implementation has been as it should be and to identify irregularities or obstacles were found. Auditors have a responsibility to carry out professional services as well as possible according to his ability, in the interests of service users and consistent with professional responsibility to the public (Mulyadi, 2002). Precautionary professional auditors are required to plan and supervise carefully. The use of professional proficiency carefully and thoroughly requires the auditor to carry out professional skepticism, the attitude that involves the mind that is always questioning and evaluating audit evidence critically.

In Indonesian Supreme Audit Institution Number 01, 2007 on Standard Auditing stated in the inspection and preparation of the results of the examination, the examiner shall use the professional skills careful and thorough, Hayes-Roth (1975), Hutchinson (1983), Murphy and Wright (1984) in Setyoningrum (2012) provides empirical evidence that someone experienced in the field of substantive, then the person has more items stored in its memory. So it will be easier for him to distinguish the items into categories. Weber and Crocker (1983) in Tubbs (1992) showed the more experience a person, then the work of the more accurate and more memory loaded on a complex category structure.

Other studies provide evidence that the auditor's experience had a significant impact on performance, although the relationship is not direct. The relationship between the auditor's experience with performance through variable "intervening" effect of knowledge about the job (job Knowledge) (Bonner and Lewis, 1990 and Schmidt et al., 1986), especially knowledge about the duties specified (Bonner, 1990) Research conducted Choo and Trotman (1991) showed that the more experienced auditor locate items that are not common (atypical) than less experienced auditors, but did not find items that are common, but there is no difference between an experienced auditor with less experience. The results of this research was supported by the opinion of Tubbs (1992) that conduct testing on the effects of experience on the successful conduct of the audit.

The Contemporary Dictionary (1989) defines skill as special skills possessed an expert. Auditors provide opinion based on an investigation. In giving his opinion, the auditor is inevitable to make a subjective opinion. In order for the auditor's opinion is correct, then the process of investigations carried out must be in accordance with procedures, and inputs (in the form of data and knowledge) should also be adequate (Hogart, 1991). This indicates that the opinion of a good auditor will depend on the audit procedures performed and auditor expertise.

Results of research conducted by Murtanto (1998) Barry (2003) showed that the components of the competence for auditors in Indonesia consists of:

1. Competence of knowledge, which is an important component in a competency. This component includes knowledge of the facts, procedures and experience. Kanfer and Ackerman (1989) also says that the experience will give results in collecting and providing for the advancement of knowledge.

2. The characteristics of psychology, such as communication skills, creativity, ability to cooperate with others. Gibbin's and Larocque's (1990) also show that trust, communication, and the ability to cooperate is an essential ingredient for audit competence.

In the Professional Standards Internal Audit (1200; 9) states the internal auditor should have the knowledge, skills and competency needed to carry out the responsibilities of individuals. The internal audit function collectively must possess or obtain the knowledge, skills, and competencies required to carry out its responsibilities.

Watts and Zimmerman (1986) stated that the quality of audit services is determined from at least two main things. First, the auditor chance to find irregularities, and second, the willingness of auditors to express them. In line with this, Adityasih (2010) states that audit quality is more likely to be determined by the capability of the auditor (also related to the use of audit technology) and the independence of auditors. Secondly it is this fact which is regarded as an auditor in the public eye refers to both these opinions, we can conclude that the quality of an auditor or Public Accountant is determined by two (2) fundamental, namely the expertise / competence and its independence.

2.4 Continuing Education

Examiner conducting the examination, according to inspection standards should maintain professional competence through continuing education. Regulation of Indonesian Supreme Audit Institution No. 01, 2007 on State Supreme Audit Standards states, each examiner is conducting examinations in accordance with auditing standards, every two years must complete at least 80 hours of education that directly improve the professional skills inspectors to carry out checks. At least 24 hours of the 80 hours of such education should be in matters relating directly to the audit of management and financial responsibilities of the state in the public or the special and unique environment in which the audited entity operates. At least 20 hours of the 80 hours must be completed within one year of the second period of 2 years.

Accounting Development Center (PPAK) & State Accounting College (PPAK STAN) provides recognition for the provision of the certificate of Professional Internal Auditor (PIA) of the participants Education and Training (training) internal auditors who have completed five stages of education and training internal auditors namely Training Basics Audit , Training and Operational Audit, Training Psychology and Communication Audit, Fraud Audit Training, Management Training tasks Audit. In addition to the training participants who have attended the fifth stage of the training, a certificate of Professional Internal Auditor is also given to the Head of Internal Control and the Head of the Supervisory Board who have attended the Regional Special Training organized by PPAK STAN.

In the Internal Audit Profession Standard (1230; 11) state internal auditor should improve the knowledge, skills and competence through continuing professional development. Continuing professional education that includes such: Recent developments in methodology and inspection standards, accounting principles, accounting valuation, assessment of internal control, the principle of management or supervision, examination of information systems, sampling inspection, financial statement analysis, financial management, statistical design evaluation, and data analysis. This study also covers the topic of the inspection work in the field, such as state administration, structure and government policies, industrial engineering, finance, economics, social sciences, and information technology.

2.5 Quality of Inspection Results

The quality of the inspection results is reporting about the weakness of internal control and compliance with the provision, the response of the officials responsible, conceal prohibited disclosure, distribution of inspection reports and follow-up on the recommendation of auditors in accordance with the legislation. Which is an indicator of the quality checks that internal control weaknesses, deviations from the legislation, the distribution of inspection report, the confidentiality of information, and follow-up of the recommendations. The quality of the inspection results are influenced by educational background, professional skills, continuing education.

These variables are part of the quality of the inspection results. Inspection report has been prepared is the result of the inspection conducted by the auditor. Appropriate educational background will produce inspection reports in accordance with auditing standards. Professional skills in conducting the inspection to be conducted, the quality of the inspection report will be very good because at the time of the inspection has been carried out in accordance with the applicable standards. Continuing education which has been followed by the auditor will produce regulations, new methods in conducting the inspection.

Austin and Langston (1981) wanted to explore the impact of peer review of the auditor's quality control and performance accountant. Quality control and performance factors studied are quality control, self regulation, and effectiveness of boarding. Research samples are 133 accountants and 63 non-accountants. The results showed 75% of respondents agreed that the study of the accountant auditor colleagues is a media data to improve quality control auditor firm.

According to Elim (2006), the principle of planning the audit are:

1. Understand and maximize the role and responsibilities of the unit
1. Internal control
2. The assessment of the risks and using priorities
3. Criteria for risk assessment on the audit universe
4. The existence of the inherent risks and limitations of the system and method of prioritizing audit that requires the monitoring unit periodically assess all risk factors and assessment

In Indonesian Supreme Audit Institution stated definition of the quality of the inspection results are, report the results of which contain their weaknesses in internal control, fraud, deviations from the provisions of the legislation, and impropriety, should include feedback from the leadership or the responsible officials in the audited entity findings and recommendations as well as corrective actions planned. The most effective way to ensure that an inspection report has been made fair, complete, and objective is to get reviews and feedback from the responsible officials in the audited entity. Response or opinion of the officials responsible not only include weaknesses in internal control, fraud, deviation from the provisions of legislation, or misbehavior reported by the inspector, but also the corrective actions planned.

3. Research Method

This research is a causal and tried to provide empirical evidence and analyze the educational background, professional skills, continuing education, and independence of the inspectors on the quality of the inspection results at the Inspectorate District / City of North Sulawesi. The population is the entire staff of the Inspectorate at 15 district and city government in northern Sulawesi and the sample is 4 districts of the city to the discretion of researchers will be the ease of obtaining the data and the scope of the area represented by four counties and the city that is Local Government of Talud District, Local Government of Manado City, Local Government of Southeast Minahasa District and Local Government of East Bolmong District. The type of data in this study are primary data, form the answers to questions posed to respondents. Sources of data in this study came from the respondents that the Inspectorate Internal Supervisory Unit (APIP) staff of District / City of North Sulawesi.

3.1 Research Instruments

Instruments in this study was a questionnaire adapted from research Widyarani (2015), Batubara (2008), this questionnaire refers to the variables and indicators of the study and of the book State Supreme Audit Standard (SPKN), Law and Government Regulation relating to the variable research and indicators.

The independent variables in this study are:

1. The educational background of this research is educational background variable is a dummy variable with a nominal scale (categorical). Nominal scale of 0 (zero) for APIP that have non accounting educational background and 1 (one) for APIP that have educational background in accounting.
2. Professional Skills in this study are North Sulawesi Inspectorate staff who have the training of accounting, auditing training and experience in conducting the inspection. For the assessment is as follows:

Very often	= Score 1
Often	= Score 2
Never	= Score 3
Almost never	= Score 4
Never completely	= Score 5

3. Continuing education in this study are North Sulawesi Inspectorate staff who have attended a shorttraining program for domestic and foreign, who followed the training materials must keep abreast of the latest technology, the type of training followed by the inspector staff should relate to the object of inspection, and frequency of training an inspector every two years a minimum of 80 hours of training. For the assessment is as follows:

Strongly agree	= Score 1
Agree	= Score 2
Neutral	= Score 3
Do not agree	= Score 4
Strongly disagree	= Score 5

3.2 Dependent variables

In this study, the dependent variable is the quality of the inspection. According Kuncoro (2001), the dependent variable is a variable that is a major concern in an observation. The quality of the inspection results is reporting about the weakness of internal control and compliance with provision, the response of the officials responsible, conceal prohibited disclosure, distribution of inspection reports and follow-up on the recommendation of

auditors in accordance with the legislation. Which is an indicator of the quality checks that internal control weaknesses, deviations from the legislation, the confidentiality of information, the distribution of the results of the examination report, and follow-up of the recommendations. The measurement using a Likert scale.

Assessment categories are:

- Strongly agree = Score 1
- Agree = Score 2
- Neutral = Score 3
- Do not agree = Score 4
- Strongly disagree = Score 5

3.3 Analysis method

The stages of testing done by calculating the profile of respondents, statistic descriptive, data quality test, classic assumption test. To test the hypothesis in this study used multiple regression statistical methods and multiple linear regression equation is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Where:

- Y = Quality of inspection results
- X1 = Educational background
- X2 = Professional Skills
- X3 = Continuing education
- a = Constant
- b = Regression Coefficients
- e = Error

4. Results and Discussion

4.1 Description of Respondents

The research data used in this study are primary data obtained using a questionnaire that have been distributed directly and through contact person to the Inspectorate in some District and City in North Sulawesi until the deadline for the return of which is dated 30 September 2016.

Table 4.1 Respondent Profile

Description	APIP	PRESENTATION
Gender :		
Male	22	55 %
Female	18	45 %
Age of Work :		
< 5 Years	15	37,5%
6 – 10 Years	22	55 %
> 20 Years	3	7,5 %
Educational Background :		
Accounting	14	35 %
Non Accounting	26	65%

Based on the table shows that of the 40 respondents, for male was 22 people, or 55%, while for women was 18 people, or 45%, to groups age of work, the majority of respondents experienced 6-10 years was 22 respondents, or 55%, and a minority of respondents experienced > 20 years was 3 respondents or 7.5%. For groups of educational background, the majority of respondents have the educational background non accounting was 26 respondents, or 65%, while the remaining accounting educational backgrounds was 14 respondents, or 35%.

Table 4.2 Statistic Descriptive

Variable	N	Average Score	Min	Max	Average	SD
Educational Background	40	0.4	0	1	0.35	0.483
Professional Skills	40	3.58	11	23	17.9	2.66795
Continuing Education	40	4.25	11	20	17	1.78311
Quality of Report	40	3.99	12	24	19.95	2.44897

Educational background variable is a dummy variable with a nominal scale (categorical). Nominal scale of 0 (zero) for APIP who have non accounting educational backgrounds and 1 (one) for APIP who have educational background in accounting. The average value of the educational background variables for all respondents was 0.4. This means that the majority of respondents (60 percent; 24) non accounting educational background and educational background in accounting rest (40 percent; 16).

Professional skill variable with 5 point statement shows the average frequency distribution of

respondents was 3.58. The minimum value was 11 and a maximum value was 23. The average value for all respondents was 17.9. This means that the respondents to the professional skill variable quite agree. The standard deviations for the variables professional qualifications was 2.667, which means that the data is relatively smaller variations because the standard deviation is smaller than the average value.

Continuing education variable with four point statement shows the average distribution of the respondent's answers at 4.25. The minimum value was 11 and a maximum value was 20. The average for all respondents was 17. This means that the respondents to the variable Continuing education was agrees. The standard deviation for continuous education variable is 1.783, which means that the data is relatively lower variations because the standard deviation is lower than the average value.

Quality of report variable with 5 point statement shows the average distribution of the respondent's answers was 3.99. The minimum value was 12 and a maximum value was 24. The average value for all respondents was 19.95. This means that the respondents to the quality of report variable was agreed. The standard deviation for the variable quality of the report is 2.448, which means that the data is relatively lower variations because the standard deviation is lower than the average value.

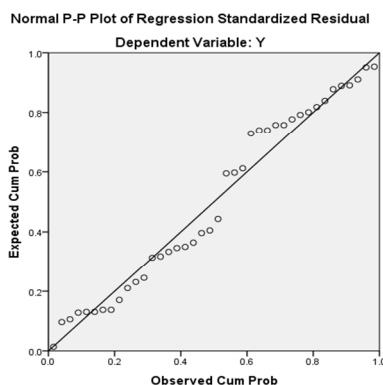
4.2 Data Quality Test

a. Validity and Reliability Test

The result of validity test for Skills Professional variables (X_2) with five questions, Continuing Education variables (X_2), with 4 of the questions, the quality of results variable of inspection with the five-point items, it evidently valid because it is above the critical value $r_{tabel} = 0,361$ so the instruments point can be used to measure the research variables. While the reliability test obtained Cronbach Alpha = 0.750 for professional skill, 0.913 and 0.643 for continuing education for quality of inspection results variable is above the critical value recommended of 0.60 (Ghozali, 2001), so that third variable was identified reliable.

b. Classic Assumption Test

Normality test by looking at the graphic of Normal P-P Plot (Ghozali 2005), Normal P-P Plot is as follows



Based on the normal plot graph, showed that the regression model used in this study proper to use for in the normal plot graph, dots spread around the diagonal line and its distribution follows the direction of the diagonal line so as to meet the assumptions of normality.

Multi Colinearity Test

Here is a table of regression model tolerance value and variance inflation factor (VIF).

Table 4.3 Calculation Result of Tolerance and VIF

Collinearity Statistics	
Tolerance	VIF
.975	1.026
.842	1.187
.834	1.199

Based on Table 4.3, the results of the calculation of the value of tolerance showed no independent variables that have a tolerance value of more than 0.10 and VIF all variable has a value of VIF <10, meaning that all the independent variables there was no correlation multicollinearity in the regression model.

Heterokedastisity Test

Heteroskedastisity test, determine whether there is heteroskedastisitas is by looking at the pattern of dots on a regression graph. Here are the results of a scatterplot graph:

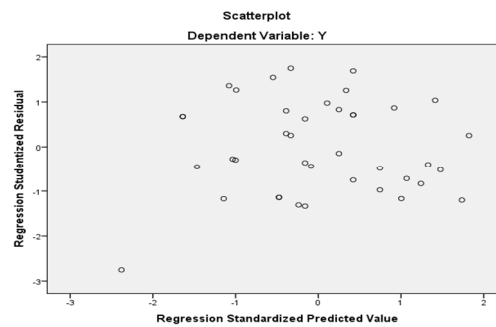


Figure 4.2 Scatterplot Graphic

Based on Figure 5.1, the graph show the points contained in the chart does not form a specific pattern clearly and the points are scattered above and below the number 0 on the Y axis (Ghozali, 2006) it can be concluded that there is no heteroskedastisity.

Autocorrelation Test

Testing method using Durbin-Watson test (DW test).

Table 4.4 Autocorrelation Test Result

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.571 ^a	.326	.270	2.09261	1.479

a. Predictors: (Constant), X3, X1, X2

b. Dependent Variable: Y

In Table 5.7, Decision-making presence or absence of autocorrelation, based on the table autocorrelation, which states that the value of Durbin Watson test = 1.985 are in the area there is no autocorrelation -2 to +2, so it can be inferred that the regression equation there is not a problem of autocorrelation.

After several classic assumption test, namely normality test, heteroscedasticity test, and autocorrelation test, evidently that the results of the regression analysis in this study has been free from interference normality, heteroscedasticity, and autocorrelation.

Multiple Linear Regression Analysis

Regression analysis was performed to determine the level of influence of independent variables on the dependent variable, either simultaneously or partially, as well as to test the research hypothesis that has been designated. In this study, the analysis conducted to determine the effect of understanding of financial management, the Regional Financial Accounting System and the Effectiveness of Internal Control of the Financial Performance of SKPD. The test results are presented in the recapitulation of the multiple regression analysis of the following:

Table 4.5 Recapitulation of Multiple Regression Analysis

Variable	Regression Coefficient (B)	T	Sig
Educational Background (X ₁)	-1,375	-1,956	0,058
Professional Skills (X ₂)	-0,121	-,882	0,384
Continuing ducation (X ₃)	0,693	3,368	0,002*
Constanta	= 10,809		
R	= 0,571		
R square	= 0,326		
Adjusted R Square	= 0,270		
F _{hitung}	= 5,805		
Signifikansi F	= 0,002		

a. Simultaneous Effect

The results of multiple regression analysis: variable education background (X₁) and Professional Skills (X₂) and Continuing education (X₃) influence the quality of inspection (Y) simultaneously / together show the results of the value of F_{test} is equal to 5.805 with Significant F for 0002 or less than 0.05 (5%), thus rejecting H0. These results suggest that simultaneous all Variables that education background (X₁) and Professional Skills (X₂) and continuing education (X₃) significantly affects the quality of inspection result (Y).

Furthermore, from the multiple regression analysis obtained by the R value of 0, 571. These results show that all independent variables are education background (X₁) Professional Skills (X₂) and Continuing education (X₃) has a close relationship with the quality of inspection variable (Y) was 0.571. in this study, to

determine the contribution of independent variables on the dependent variable is using the amount of *R square*. *R square* results, obtained for 0.326. This figure shows that the contribution of all independent variables are education background (X_1), Professional Skills (X_2) and Continuing education (X_3) to variable quality of inspection (Y) was 32.6%, the rest influenced by other variables that are not discussed in this study.

b. Partial Effect

Based on the partial test through regression analysis, the results obtained free variables that influence education background (X_1), Professional Skills (X_2) and Continuing education (X_3) on the Quality of inspection (Y). Partially can be explained as follows:

1) The educational background (X_1)

Regression analysis showed regression coefficient (B) was -1.309 to the quality of inspection results, with 0.058 significance is greater than $\alpha = 0.05$. This means that the variable education background (X_1) had no significant effect on the quality of inspection (Y). Regression coefficients (B) was -1.309 states that any addition or subtraction education background (X_1) will increase or decrease the quality of the examination (Y).

2) Professional Skills (X_2)

Regression analysis showed regression coefficient (B) was -0.121 on the quality of inspection (Y), with 0.023 smaller significance of $\alpha = 0.05$. This means that the professional skills variables (X_2) significantly affect the quality of inspection (Y). Regression coefficients (B) was -0.121 states that any addition or subtraction of one percent of professional skills (X_2), will increase or decrease the quality of the examination (Y)

3) Continuing education (X_3)

Regression analysis showed regression coefficient (B) was 0.693 to the quality of inspection (Y), with significant P value = 0.002 smaller than $\alpha = 0.05$. This means that the variable Continuing education (X_3) significantly affect the quality of the inspection (Y). Regression coefficients (B) was 0.693 states that any addition or subtraction Continuing education (X_3), it will increase or decrease the quality of inspection (Y).

Based on the results of the regression coefficient (B) above, then the regression equation as follows:

$$Y = 10\,809 - 1.375X_1 - 0.121X_2 + 0.693X_3$$

Description :

(X_1) = Educational Background variable

(X_2) = Professional Skills Variable

(X_3) = Continuing education Variable

Y = Quality of Inspection Results Variable

α , β = correlation coefficient

4.3 Discussion

4.3.1 The Influence of Educational Background on the Quality of Inspection Results

The first hypothesis (H1) stated that the educational background affect the quality of inspection results. The analysis showed that the educational background had no significant effect on the quality of inspection results. The results are consistent with research Batubara (2008) and Dyah Setyaningrum (2012) who also found no significant effect. Negative coefficient indicates that the level of education has a negative effect on the quality of inspection results.

This is not consistent with predictions that assumed that education will produce quality results of the examination are getting better. The explanation for this finding is that it could be because in this study, the educational background of APIP are mostly from non-accounting. Profile of respondents indicated that most APIP that have non accounting educational backgrounds. Based on the interview show that APIP that have accounting educational backgrounds was limited, and to reduce these limitations later in the process APIP always follow Bimtek and auditor training. Besides dealing with the functional position of APIP, where class, hierarchy, and level role in the Functional Auditor (JFA), increase in each level by Point Factor System or Job Grade. Therefore it can be concluded that the level of formal education is less serve to advance the quality of examination results APIP. These results are not in line with the theory of goal setting (Locke, 1975 in Pinder, 1984), which states that to achieve a goal with certain difficulties (goal difficulty) required certain skills, these results supported the results of the analysis of Cheng et al (2009) stating that the level of formal education have a significant effect on the quality of auditors.

4.3.2. The Influence of Professional Skills on the Quality of Inspection Results

The second hypothesis which states that the professional skills significant positive effect on the quality of the results of the examination (H1) was rejected by the test results, professional skills has no significant effect on the quality of inspection result and have a negative correlation. The results were not significant and negative in this study could have been caused there is still interference of the leadership / inspectors to determine, eliminate or modify certain parts to be inspected and there was interference on the procedure chosen by the auditor. Sukriah, (Akram and Inapty, 2009), (Queen and rohman, 2012), (physical defect et al, 2015). Negative coefficient is also found in the study Dyah Setyaningrum (2012) and Batubara (2008), which provides an

explanation by quote Suartana (2007) that the auditor more experienced insensitive to evidence in particular, whether the evidence is positive or negative, so it is not necessarily a positive effect to audit quality.

The results of this study are not consistent with studies of Batubara (2008), Choo and Trotman (2001) and Tubbs (1992), but according to research Dyah Setyaningrum (2012) and Tarin (2011) who found that work experience does not affect the quality of the results of the inspectorate area. Saso et al., (2009) in Tarin (2011) also found that work experience does not have an influence on the professional commitment and ethical decision making.

Auditors have an obligation to carry out professional services as well as possible according to his ability, in the interests of service users and are consistent with the responsibilities of the profession to the public. (Mulyadi, 2002). Professional precautionary of auditor is required to plan and supervise carefully. The use of professional proficiency carefully and thoroughly requires the auditor to perform skepticism professional That is an attitude that includes thoughts that constantly question and evaluate critically the audit evidence, research conducted by Nandari and Latrini (2015), Attitude Skeptics had no effect on audit quality. Instead Januarti research and Faisal (2010) skepticism of professional influence on the quality of the audit results.

4.3.3 The Influence of Continuing Education on the Quality of Inspection Result

The third hypothesis states that continuing education affects the quality of the results of the examination (H3) Based on the results of this study continuing education variables influence significantly with a positive coefficient, meaning continuing education obtained a staff would improve the quality of the examination results. Continuing education should be given so that the quality is further increased, it also can reduce the negative impact of non-conformity educational background and the latest education possessed by each staff. (Batubara, 2008). In SPKN mentioned that the examiner must master the latest developments in the methodology and standardized examination to understand financial statement analysis and statistical analysis. In order to achieve this, every two years the examiner must complete at least 80 hours of education; where 24 hours of the 80 hours of such education should be in matters relating directly to the audit of management and financial responsibility of the State. In the Professional Standards of Internal Audit (1230; 11) state internal auditor should improve the knowledge, skills and competence through continuing professional development.

These results are consistent with the various theories and objectives of the training is to improve the quality of the inspection results, it is supported by the opinion of Chen et al. (2008) which means that the cost is the most effective way to improve the competence and ability of audit profession is through Continuing Professional Development (CPD) , in line with this research, Batubara (2008) found that continuous professional education affects the quality of the inspection, but not in line with the research Dwi Setyaningrum (2012) that continuing education does not affect the quality of the Internal Supervisory Unit of Indonesia.

5. Conclusions and Recommendations

5.1 Conclusions

Based on the results of the study it can be concluded,

1. The educational background had no significant effect on the quality of the inspection results of APIP in North Sulawesi.
2. Professional skills had no significant effect on the quality of inspection results and have a negative correlation.
3. Continuing education gives them significant influence with a positive coefficient, the quality of inspection results.

5.2 Limitations and Suggestions

1. The scope of this research is only done at the Inspectorate of 4 district and city in North Sulawesi so as to obtain general conclusions need to do more extensive research.
2. In the policy implications of inspectorate APIP in North Sulawesi is reproduced opportunity to improve the level of formal education and professional qualifications. in addition, it is useful to improve the quality of the Examiner also the quality of the relevant agencies.
3. Suggestions for future research are independent variables that influence variations in the variable quality of the probes that are untapped in this study such as independence, ethics, audit risk.

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