Determining Factors of Auditor Switches among Manufacturing Companies Listed on the Indonesia Stock Exchange

Miftahul Rohmah1, Rony Wardhana1, Rudi Harianto1, Ibnu Fajarudin1, Frenky Yusuf1, Nurul Aini1, Joko Suyono1, Abdul Talib Bin Bon2

1Faculty Economy and Business, Narotama University
Surabaya, Indonesia

2Fakulti Pengurusan Teknologi dan Perniagaan,
Universiti Tun Hussein On Malaysia (UTHM)
rony.wardhana@narotama.ac.id

Abstract

This research was conducted to analyze the influence of the factors that influence Auditor Switching as the dependent variable. The independent variables in this study are financial distress, management change, audit opinion and company size. In this study using a sample of manufacturing companies listed in Indonesia. The data used are secondary data obtained through the official website of the Indonesia Stock Exchange (IDX), namely www.idx.com. Taking this sample using purposive sampling with certain criteria and obtained as many as 27 companies with observations for 5 years, so that a total of 135 observations. Testing the hypothesis in this study using logistic regression analysis (regression logistic) with SPSS applications. Based on the test results show that the financial distress variable, audit opinion, and company size affect the auditor switching variable. Whereas the change of management has no effect on the auditor switching variable. From the results of this study the researchers suggested that in subsequent studies could increase the number of variables and also the study period.

Keywords: Auditor Switching, Financial Distress, Management Change, Audit Opinion, and Company Size.

Miftahul Rohmah is an student of Faculty of Economic and Business, Universitas Narotama, Departement of Accounting, Surabaya Indonesia.

Rony Wardhana is a Lecturer in Faculty of Economics and Business Universitas Narotama. He got a Bachelor degree of Accounting from Universitas 17 Agustus 1945 and Master of Accounting from Universitas Airlangga. He is Now pursing her Doctoral Degree in Universitas Airlangga focusing on Accounting. Her research interests are in the field of accounting, auditing, forensic accounting, and Tax

Rudi Harianto is a Lecturer in Faculty of Economics and Business Universitas Narotama. He got a Bachelor degree of Accounting from STIESIA an Master of Accounting from Universitas Airlangga. Her research interests are in the field of accounting, and Tax.
Ibnu Fajarudin is a Lecturer in Faculty of Economics and Business Universitas Narotama. He got a Bachelor degree of Accounting from Universitas Gajayana Malang and Master of Accounting from UPN Surabaya. Her research interests are in the field of Accounting, Syariah and Tax.

Frenky Yusuf is a Lecturer in Faculty of Economics and Business Universitas Narotama. He got a Bachelor degree of Accounting from STIESIA and Master of Accounting from Universitas Airlangga. Her research interests are in the field of accounting, Management Accounting and Tax.

Nurul Aini is a Lecturer in Faculty of Economics and Business Universitas Narotama. He got a Bachelor degree of Accounting from Universitas Brawijaya and Master of Accounting from Universitas Wijaya Kusuma and Doctoral of Accounting from Universitas Airlangga. Her research interests are in the field of accounting, CSR, Finance and Tax.

Joko Suyono is a Lecturer in Faculty of Economics and Business Universitas Narotama. He got a Bachelor degree of Accounting from STIESIA and Master of Accounting from Universitas Airlangga. Her research interests are in the field of accounting, and Tax.