

THE EFFECT OF AUDITOR COMPETENCE, AUDITOR EXPERIENCE, AND AUDIT COMPLEXITY ON AUDIT QUALITY WITH AUDITOR ETHICS AS A MODERATION

Tatang Satria Wijanarko¹, Grahita Chandrarin², Diana Zuhroh³

¹⁻³) Master of Accounting Study Program, Faculty of Economics and Business, University of
Merdeka Malang

E-mail: tatangsatriawijanarko@gmail.com

Submitted: 12 Aug 2026	Revised: 19 Sept 2026	Accepted: 08 Oct 2026
---------------------------	--------------------------	--------------------------

Abstract

Audit quality is a fundamental aspect that determines the credibility of financial statements and public trust in the public accounting profession. Various factors are believed to influence audit quality, including auditor competence, auditor experience, and audit complexity, whose roles are presumed to be strengthened or weakened by auditor ethics. This study aims to analyze the effect of auditor competence, audit experience, and audit complexity on audit quality, and to examine the role of auditor ethics as a moderating variable in these relationships. This study employs a quantitative approach using primary data obtained through the distribution of questionnaires to auditors working at Public Accounting Firms in the Province of East Java. The sampling technique used non-probability sampling with a purposive sampling method, involving a total of 137 auditor respondents. Data analysis was conducted using Moderated Regression Analysis (MRA) with the assistance of IBM SPSS Statistics software. The results show that auditor competence and audit experience have a positive and significant effect on audit quality, while audit complexity has a negative and significant effect on audit quality. Furthermore, auditor ethics is proven to moderate the effect of audit experience and audit complexity on audit quality, but does not moderate the effect of auditor competence on audit quality. This study is expected to contribute to the development of audit quality, particularly in strengthening the competence, experience, and enforcement of professional ethics of auditors at Public Accounting Firms.

Keywords: Auditor Competence, Experience, Audit Complexity, Auditor Ethics, Audit Quality

1. INTRODUCTION

Audit quality is a fundamental aspect that determines the credibility of financial statements and serves as a benchmark for public trust in the public accounting profession. Audited financial statements form the basis for various stakeholders such as investors, creditors, regulators, and management in making economic decisions. Amid the rapid development of the digital era, audit quality in Indonesia has undergone significant changes due to technological advances, in which the use of big data analytics, artificial intelligence (AI), and blockchain has improved the efficiency and accuracy of audit implementation. With these technologies, auditors are able to analyze large volumes of data more quickly and identify anomalies more accurately (Fitriandini et al., 2025).

Audit quality is influenced by auditor competence, particularly in facing the demands of the digital era that require technological mastery. Unfortunately, in Indonesia many auditors still lack adequate competence in adopting modern accounting technology, often due to insufficient training, limited access to the latest technology, and a mindset that still relies on conventional audit methods (Nahak et al., 2025). Companies require auditors to examine their financial statements and demonstrate their reliability, while the public accounting profession acts as an objective third party in detecting deficiencies or negligence in the presentation of financial statements to mitigate the risk of fraud in company operations. Auditors who fail to deliver quality audits may cause material misstatements to go undetected, thereby harming the users of financial statements (Rizky & Astuti, 2023).

The public accounting profession in Indonesia still faces numerous problems related to ethical violations and declining audit quality standards. Several large Public Accounting Firms have been entangled in cases involving their own audit reports that failed to identify significant risks, which were eventually exposed and caused public concern. One example is the case of KAP Satrio, Bing, Eny and Partners, which was sanctioned in connection with the audit it conducted. Such cases show that failure to maintain audit quality can lead to administrative and legal sanctions and reduce public trust in the profession (Hidayatullah, 2024).

A similar phenomenon occurred in the case of KAP Kosasih, Nurdiyaman, Mulyadi, Tjahjo and Partners, affiliated with Crowe Horwath International, in February 2023. The case was related to the default of PT Asuransi Jiwa Adisarana Wanaartha (Wanaartha Life). In addition, the case of KAP Tanubrata, Sutanto, Fahmi, Bambang and Partners, which audited PT Garuda Indonesia (Persero) Tbk, also drew attention because the audit report was considered inconsistent with reality, thus creating controversy. This series of cases confirms that the issue of audit quality in Indonesia is not merely a technical matter, but concerns the integrity and public trust in the public accounting profession as a whole (Hidayatullah, 2024).

Auditor competence is important and encompasses adequate knowledge, skills, and experience to conduct audits effectively. While auditor competence was once focused solely on bookkeeping, it now spans various multidisciplinary fields (Zainudin et al., 2021). Modern auditors are required not only to understand audit procedures, but also to continuously develop their professional expertise through training and practical experience (Aswar et al., 2021).

Theoretically, the relationship between these factors and audit quality can be explained through several perspectives. Attribution theory explains that an auditor's behavior and decisions are influenced by a combination of internal and external factors (Safia & Jayanto, 2015). Competence and experience are internal factors inherent in the auditor, whereas audit complexity is an external factor that can constrain the auditor's ability to process information. In addition, the Theory of Planned Behavior, Ajzen (1991) views individual

behavior as the result of intention influenced by attitude, subjective norms, and perceived behavioral control. In this context, auditor ethics serves as an element of attitude and behavioral control that determines how auditors respond to assignment pressures, particularly those arising from audit complexity.

Although many previous studies have examined the determinants of audit quality, the results remain inconsistent. Meidawati & Assidiqi (2019), Nguyen et al. (2024), and Rengganis et al. (2024) state that auditors must possess general standards of knowledge and skills in accounting, so that the higher an auditor's level of education, the broader their knowledge. However, these findings contradict Fau & Siagian (2021) and Rahmi et al. (2021), who argue that competence cannot be measured solely by the level of education or knowledge, but is also determined by the auditor's experience and mental attitude, because auditors who rely only on theory will struggle to resolve practical audit problems.

Inconsistency is also found in the experience factor. Accumulated auditor experience is regarded as an investment in the auditor that enhances knowledge, skills, and technical capabilities (Nguyen et al., 2024; Lannai et al., 2025). However, Agus & Lastanti (2025) argue that auditor experience does not always correlate with improved output quality, because auditors who have worked for too long tend to experience boredom and merely carry out audit procedures routinely without deepening their analysis.

This inconsistency regarding auditor experience indicates the presence of audit complexity as an external factor that also determines the direction of audit quality. From the perspective of attribution theory, complexity arising from massive transaction volumes and intricate organizational structures can become a burden that reduces audit quality (Khulsum et al., 2025). Conversely, Gloria & Hermi (2023) and Sabrina et al., (2022) found that complexity has a positive and significant effect on audit quality, because in complex situations auditors tend to perceive a higher risk of material misstatement, prompting them to allocate greater resources, expand the scope of testing, and apply more in-depth analytical procedures.

The most prominent inconsistency lies in the role of auditor ethics as a moderating variable. Prasanti et al. (2019) state that auditor ethics, when properly applied, will strengthen the effect of competence on audit quality. However, Rengganis et al. (2024) found that auditor ethics cannot moderate the effect of competence on audit quality. On the other hand, Abrar et al. (2023) assert that ethics acts as a positive moderating variable, because without strong ethics an auditor's experience is at risk of being misused. Meanwhile, Agus & Lastanti (2025) view ethics as a basic prerequisite already embedded in the minimum competence criteria of every auditor, so that it no longer functions as a reinforcing factor. This difference in views is reinforced by Bangun et al. (2023) and Gloria & Hermi (2023), who show that the role of ethics as a moderator depends heavily on how auditors perceive the external obstacles they face.

The research gap in this study lies in the lack of agreement regarding the effect of competence, experience, and complexity on audit quality, as well as the inconsistent role of auditor ethics as a moderating variable. Most previous studies have examined these factors partially, and few have integrated all three within a single model using auditor ethics as a moderator. In addition, research specifically taking the context of auditors at Public Accounting Firms in the East Java region remains limited. This constitutes the gap and, at the same time, the urgency of this study. B

ased on this phenomenon and research gap, this study aims to analyze the effect of auditor competence, auditor experience, and audit complexity on audit quality, and to examine the role of auditor ethics as a moderating variable in these three relationships. This study is expected to provide a theoretical contribution by strengthening the understanding of the role of auditor ethics as a moderating variable within the framework of attribution theory and the Theory of Planned Behavior, while also enriching the literature on the determinants of audit quality, which to date have shown inconsistent results.

2. RESEARCH METHOD

This study employs a quantitative approach using primary data to examine the effect of auditor competence (X_1), auditor experience (X_2), and audit complexity (X_3) on audit quality (Y), with auditor ethics (Z) as a moderating variable. The population of this study is auditors working at Public Accounting Firms (KAP) in the East Java region. The sampling technique used non-probability sampling with a purposive sampling method, based on the following criteria: active auditors at KAP in the East Java region registered with the Indonesian Institute of Certified Public Accountants (IAPI), and auditors directly involved in the field audit process. Based on these criteria, a sample of 137 respondents was obtained.

Data were collected through the distribution of questionnaires, both directly and online via Google Form. Each statement item was arranged in a favorable form and measured using a five-point Likert scale. Auditor competence was measured through indicators of educational background, understanding of standards, application of expertise, and training and certification; auditor experience through length of service, practical intuition, and field proficiency; audit complexity through task clarity, task difficulty, and task complexity; auditor ethics through integrity, objectivity, professional competence, confidentiality, and professional behavior; and audit quality through input, process, output, interaction, and contextual factors.

Data were analyzed using IBM SPSS Statistics. Prior to hypothesis testing, validity tests, reliability tests, and classical assumption tests (normality, multicollinearity, and heteroscedasticity) were conducted. Hypothesis testing used Moderated Regression Analysis (MRA), a regression analysis that involves a moderating variable to strengthen or weaken the relationship between variables (Solimun & Nurjannah, 2017). Hypothesis testing through MRA was carried out in three stages, namely the model fit test (F-test) to assess the

feasibility of the model, the coefficient of determination test (R^2) to measure the model's ability to explain the variation in the dependent variable, and the significance test (t-test) to examine the effect of each variable partially, with the criterion of significant effect if the significance value is less than 0.05.

3. RESULTS AND DISCUSSION

The study involved 137 auditor respondents, the majority of whom were male (51.82%), aged 25–35 years (65.69%), holding a Bachelor's degree (78.10%), serving as senior auditors (51.09%), and having 6–10 years of work experience (39.42%). The validity test showed that all statement items were valid, with r-count greater than r-table, and the reliability test showed that all variables were reliable, with Cronbach's Alpha values above 0.60 (ranging from 0.868 to 0.950). The classical assumption tests showed that the data were normally distributed, with a Kolmogorov-Smirnov significance value of 0.200 (greater than 0.05), free from multicollinearity (Tolerance greater than 0.10 and VIF less than 10), and free from heteroscedasticity.

Regression and Hypothesis Testing

The results of the regression analysis for the direct effects are presented in Table 1.

Table 1. Regression Test Result (Direct Effect)

Variable	Coefficient	Beta	t	Sig.	Note
(Constant)	10,763		3,514	0,001	
Auditor Competence	0,444	0,581	9,112	0,000	Sig.
Auditor Experience	0,324	0,203	2,950	0,004	Sig.
Audit Complexity	-0,258	-0,203	-3,605	0,000	Sig.

Source: Processed the researcher, 2026

Based on Table 1, auditor competence and auditor experience have a positive and significant effect on audit quality, while audit complexity has a negative and significant effect on audit quality. Thus, H1, H2, and H3 are accepted. The moderation test results are subsequently presented in Table 2.

Tabel 2. Moderated Regression Analysis (MRA) Results

Interaction	Sig.	Note
Auditor Competence x Auditor Ethics	0,096	Does Not Moderated
Auditor Experience x Auditor Ethics	0,009	Moderated
Audit Complexity x Auditor Ethics	0,024	Moderated

Source: Processed the researcher, 2026

Based on Table 2, auditor ethics does not moderate the effect of auditor competence on audit quality, but it moderates the effect of auditor experience and audit complexity on audit quality. The Adjusted R Square value of 0.911 indicates that the model is able to explain 91.1% of the variation in audit quality, while the remaining 8.9% is explained by other variables outside the model.

DISCUSSION

The Effect of Auditor Competence on Audit Quality

Auditor competence has a positive and significant effect on audit quality, meaning that the higher the auditor's competence, the better the resulting audit quality. This result is reinforced by the distribution of respondents' answers, which fall into the high category, with the indicator of understanding audit standards and practices as the most prominent aspect. Consistent with attribution theory, competence is an internal factor that determines the auditor's effectiveness in carrying out their duties. Mastery of standards, procedures, and expertise enables auditors to produce accurate professional judgment, making them more precise in detecting and reporting irregularities in the client's accounting system. This finding is consistent with Aswar et al. (2021) and Meidawati & Assidiqi (2019), who state that professional abilities developed through training and knowledge have a positive impact on audit quality.

The Effect of Auditor Experience on Audit Quality

Auditor experience has a positive and significant effect on audit quality. The distribution of respondents' answers shows that the aspect of length of service or audit tenure is the most prominent indicator in shaping auditor experience. As an internal factor within the framework of attribution theory, experience becomes a source of learning that enriches professional judgment and the auditor's sensitivity in detecting errors. Experienced auditors have handled a variety of cases, making them better able to find solutions to the problems they encounter. This finding differs from Agus & Lastanti (2025), who highlight the potential for boredom, thus indicating that in the context of this study, experience is more dominant in enhancing auditors' professional maturity than in causing boredom.

The Effect of Audit Complexity on Audit Quality

Audit complexity has a negative and significant effect on audit quality. The distribution of respondents' answers to the complexity variable falls into the low category, which is consistent with the high audit quality produced. Based on attribution theory, complexity is an external factor that constrains the auditor's ability to process information; task intricacy, high transaction volumes, and a high level of difficulty create a cognitive burden that reduces the auditor's precision. This finding is consistent with Safia & Jayanto (2015), but differs from Gloria & Hermi (2023), who found that complexity actually triggers increased auditor

attention. This difference indicates that in the context of this study, complexity acts more dominantly as a burden that reduces audit quality.

Auditor Ethics Moderating the Effect of Auditor Competence on Audit Quality

Auditor ethics is unable to moderate the effect of competence on audit quality. Although the distribution of answers shows a high and even level of ethics, this ethics does not strengthen the effect of competence. This indicates that competence has become a factor that directly and strongly determines audit quality, so that its effect does not depend on the level of ethics. In addition, ethics acts more as a basic prerequisite that is already evenly embedded in every auditor, so that its variation is insufficient to produce a moderating effect. This finding is consistent with Rengganis et al. (2024) and Agus & Lastanti (2025), who state that auditor ethics cannot moderate the effect of auditor competence on audit quality.

Auditor Ethics Moderating the Effect of Auditor Experience on Audit Quality

Auditor ethics strengthens the effect of auditor experience on audit quality. Consistent with contingency theory, ethics acts as an internal situational factor that determines the extent to which experience is directed toward maintaining audit quality. When ethics is high, experienced auditors possess not only technical knowledge but also the moral willingness to apply it honestly and objectively; conversely, without strong ethics, experience is at risk of being misused to conceal fraud. This finding is consistent with Putri (2020) and Abrar et al. (2023), who explain that the role of auditor ethics strengthens the effect of auditor experience on audit quality.

Auditor Ethics Moderating the Effect of Auditor Complexity on Audit Quality

Auditor ethics moderates the effect of audit complexity on audit quality. Based on the Theory of Planned Behavior, ethics becomes an element of attitude and behavioral control that determines how auditors respond to the pressure of complexity. Auditors who firmly uphold ethical principles will not seek shortcuts, but will continue to allocate their best effort while maintaining integrity, objectivity, and professional prudence despite facing complex assignments. Conversely, auditors with low ethics are prone to yielding to the pressure of complexity. This finding is consistent with Gloria & Hermi (2023), thereby confirming that ethics is a determining factor in the extent to which complexity affects audit quality.

4. CONCLUSION

Based on the analysis and discussion, this study concludes that auditor competence and auditor experience have a positive and significant effect on audit quality, while audit complexity has a negative and significant effect on audit quality. This indicates that the higher the competence and experience possessed by auditors, the better the resulting audit quality, whereas the higher the level of audit complexity faced, the lower the audit quality achieved. Furthermore, with respect to the moderating role, auditor ethics is proven to moderate the effect of auditor experience and audit complexity on audit quality, but it does not moderate the effect of auditor competence on audit quality. The absence of a moderating role of ethics in the competence–audit quality relationship indicates that competence has become a factor that directly determines audit quality, while ethics acts more as a basic prerequisite inherent in every auditor. Therefore, this study confirms that competence, experience, and the enforcement of professional ethics are important factors that determine the level of audit quality at Public Accounting Firms, so that strengthening these three aspects is crucial in the effort to improve audit quality sustainably.

REFERENCES

- Abrar, N. A., Tjan, S. J., & Ikhtiari, K. (2023). *Advances in Managerial Auditing Research Analyzing Audit Quality : Experience , Motivation , Audit Fees with Auditor Ethics as Moderator*. 1(2), 67–75.
- Agus, D. W., & Lastanti, H. S. (2025). *Pengaruh Independensi Auditor , Skeptisisme Profesional , Kompetensi Auditor dan Pengalaman Auditor Terhadap Kualitas Audit Dengan Etika Auditor Peran Moderasi*. 6(3), 1304–1319.
- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
- Aswar, K., Akbar, F. G., Wiguna, M., & Hariyani, E. (2021). Determinants of audit quality: Role of time budget pressure. *Problems and Perspectives in Management*, 19(2), 308–319. [https://doi.org/10.21511/ppm.19\(2\).2021.25](https://doi.org/10.21511/ppm.19(2).2021.25)
- Bangun, C. S., Suhara, T., & Husin, H. (2023). The Application of Theory of Planned Behavior and Perceived Value on Online Purchase Behavior. *Technomedia Journal*, 8(1SP), 123–134. <https://doi.org/10.33050/tmj.v8i1sp.2074>
- Fau, A. M. M., & Siagian, P. (2021). Pengaruh Etika Profesi, Kompetensi dan Integritas Auditor Terhadap Kualitas Audit (Studi Empiris Pada Kantor Akuntan Publik di Kota Medan). *Owner: Riset Dan Jurnal Akuntansi*, 5(2), 268–282.
- Fitriandini, N., Syifa, A., Alfarizi, M. I., & Mardiana, L. R. (2025). *Pengaruh Era Digital Pada Profesi Auditor*. 17(1), 92–96.
- Gloria, H. S., & Hermi. (2023). Pengaruh Independensi, Kompetensi, Kompleksitas Tugas, Tekanan Waktu, dan Skeptisme Profesional Auditor Terhadap Kualitas Audit dengan Etika Auditor Sebagai Variabel Moderasi. *Jurnal Ekonomi Trisakti*, 3(2), 3631–3642.
- Hidayatullah. (2024). Hidayat Kampai: Laporan Mulus, Skandal yang Menggerogoti Profesi Akuntan Publik. *Indonesiasatu.Co.Id*. <https://indonesiasatu.co.id/hidayat-kampai-laporan-mulus-skandal-yang-menggerogoti-profesi-akuntan-publik>
- Khulsum, U., Suryanto, T., Ali, J., & Yudha, H. (2025). Breaking Barriers in Audit Quality : The Dynamic Interactions of Competence, Time Budget Pressure, Complexity , and Motivation in Indonesia Landscape. *Social Sciences & Humanities Open*, 12(February), 101905. <https://doi.org/10.1016/j.ssaho.2025.101905>
- Lannai, D., Hajering, & Ahmad, H. (2025). Audit Quality Model Moderated by Professional Skepticism: Determinants of Professional Ethics and Auditor Experience. *Theoretical and Practical Research in Economic Fields*, XVI(1).
- Meidawati, N., & Assidiqi, A. (2019). The Influences of Audit Fees, Competence, Independence, Auditor Ethics, and Time Budget Pressure on Audit Quality. *Jurnal Akuntansi & Auditing Indonesia*, 23(2), 117–128. <https://doi.org/10.20885/jaai.vol23.iss2.art6>

- Nahak, L. A., Yulianti, E. B., & Erawati, D. (2025). *Pengaruh Penerapan Teknologi Informasi dan Kompetensi Auditor terhadap Kualitas Audit pada Kantor Akuntan Publik di Wilayah Jakarta Selatan*. 12–22.
- Nguyen, T. T., Nguyen, H. L., Le, T. N., & Tran, N. B. H. (2024). The Influence of Auditor Ethics on Audit Quality: Analyzing Key Factors In Vietnamese Audit Firms. *International Journal of Advanced And Applied Sciences*, 11(7), 226–236. <https://doi.org/10.21833/ijaas.2024.07.025>
- Prasanti, D. H., Ramadhanti, W., & Puspasari, N. (2019). Effect of Independence, Work Experience and Competence on Audit Quality with Professional Ethics as Moderating Variable. *Jurnal Akuntansi Aktual*, 5(3), 223–233. <https://doi.org/10.17977/um004v5i32019p223>
- Putri, D. A. (2020). Pengaruh Pengalaman Auditor Dan Time Budget Pressure Terhadap Kualitas Audit Dengan Etika. *Jurnal Magister Akuntansi Trisakti*, 7(1), 85–100.
- Rahmi, N. U., Hadi, T., Susilawati, S., Widia, W., & Fredy, A. (2021). Pengaruh Kompetensi, Akuntabilitas, Penerapan Kode Etik, dan Gaya Kepemimpinan terhadap Kualitas Audit di Kap di Medan. *Owner: Riset Dan Jurnal Akuntansi*, 5(2), 607–619.
- Rengganis, R. R. M. Y. D., Devi, N. L. N. S., Pramanaswari, A. A. S. I., & Prameswari, I. A. N. (2024). Efek Moderasi Etika Auditor terhadap Hubungan Kompetensi dan Pengalaman Kerja dengan Kualitas Audit pada Kantor Akuntan Publik di Bali. *Jurnal Economina*, 3(5), 583–594.
- Rizky, M. A., & Dwi Astuti, C. (2023). Pengaruh Kompetensi Auditor, Workload, dan Time Budget Pressure, Terhadap Kualitas Audit Dengan Etika Audit Sebagai Variabel Pemoderasi. *Jurnal Ekonomi Bisnis, Manajemen Dan Akuntansi (JEBMA)*, 3(2), 514–526. <https://doi.org/10.47709/jebma.v3i2.2824>
- Sabrina, N., Rahmadani, B., Handayani, M., Welly, & Ghazali, R. (2022). Pengaruh Kompleksitas Tugas Auditor, Kompetensi, dan Pengalaman Auditor Terhadap Kualitas Audit (Studi Empiris Pada Perbankan BUMN di Kota Palembang). *E-Qien Jurnal Ekonomi Dan Bisnis*, 11(2), 283–291.
- Safia, T. A., & Jayanto, P. Y. (2015). Analisis Faktor-Faktor yang Berpengaruh Terhadap Audit Judgement. *Accounting Analysis Journal*, 4(4).
- Solimun, A. A., & Nurjannah, R. F. (2017). *Metode Statistika Multivariat Pemodelan Persamaan Struktural (SEM) Pendekatan WarpPLS*. UB Press.
- Zainudin, A. D. P. A., Aswar, K., Lastiningsih, N., Sumardjo, M., & Taufik, T. (2021). Analysis of Potential Factors Influencing Audit Quality: The Moderating Effect of Time Budget Pressure. *Problems and Perspectives in Management*, 19(4), 519–529. [https://doi.org/10.21511/ppm.19\(4\).2021.42](https://doi.org/10.21511/ppm.19(4).2021.42)