

# The Influence of Employee Individual Performance and Staff Turnover Intentions on Dysfunctional Audit Behavior

<sup>[1]</sup> Yuliana Gunawan, <sup>[2]</sup>Santy Setiawan, <sup>[3]</sup>Calvin Hermanto

<sup>[1][2]</sup>Lecture Bachelor Program in Accounting, Maranatha Christian University, Bandung

<sup>[3]</sup>Student Undergraduate Program in Accounting, Maranatha Christian University, Bandung

---

**Abstract:** - The Purpose of this research is to analyze and examine the Influence of Employee Individual Performance and Staff Turnover Intentions on Dysfunctional Audit Behavior among auditors working for one to five years at Public Accountant Firm in Jakarta and Bandung. The sample of this study is auditor who working for one to five years at Public Accountant Firm in Jakarta and Bandung by using purposive sampling. Data collecting was carried out by questionnaire were submitted directly. This study performed in 79 auditors who works for one to five years at Public Accountant Firm in Jakarta and Bandung. The research method is explanatory descriptive. This study also apply multiple regression analysis. Based on data analysis result, it can be concluded that Employee Individual Performance and Staff Turnover Intentions both simultaneously and partially give impacts to Dysfunctional Audit Behavior among auditors working for one until five years at public accountant firm in Jakarta and Bandung.

**Key words:** Employee Individual Performance, Staff Turnover Intentions, Dysfunctional Audit Behavior

---

## 1. INTRODUCTION

A public accountant is demanded to maintain the profile of accountant profession which has become the duty of all public accountants. However, it could be deteriorate when dysfunctional audit behavior occurred. According to Diaz Priantara [1] the existence of public accountants is highly dependent on public trust in the professional of public accountants. According to Farhan [2], many financial statements received unqualified opinion from public accountants. However, after the opinion was released, the company went bankrupt. This indicates that there was an irregularity in the process of auditing the financial statements. In fact, there are many dysfunctional in audit behavior carried out by public accountants both on a national and international scope since twenty years ago until now, including international scandals such as the Enron, Worldcom scandals, and national scandals such as, Global Bank, Kimia Farma, SNP Finance .

Those crime lead to the loss of trust to the profession of public accountant and the less positive response to the audit opinion for it is assumed that all auditors may misappropriately perform their audit [3].

One example of manipulation presented in Enron's financial statements left by its public accountant [4]. The main concern is to bring back the trust to the public accountant profession. The dysfunctional audit behavior cases stated above show the personal characteristics of an auditor contributes to the dysfunctionally performed audit

[5].

This study analyzes the employee individual performance and staff turn over intentions influence toward the dysfunctional audit behavior. Both issues engage to the reduction quality of an audit. It is the low individual performance of an auditor heads to the dysfunctional audit behavior even though it may conduct to the risk of his dismissal.

Based on the above reasons, this study is still relevant if the author is interested in conducting study on the influence of employee individual performance and staff turn over intentions on dysfunctional audit behavior among auditors working for one to five years in public accountant firm located in Bandung and Jakarta.

## II. LITERATURE REVIEWS

### Employee Performance

According to Marwansyah [6], performance is a person achievement as the result from the tasks given to him. Achievement can also be seen as the combination of the work result, which someone has to achieve, and the competence, which means the way how to achieve. According to Donnelly, David P.Jeffrey J Quirin and David O'Bryan[3], performance is defined as the level of success someone got by doing the tasks and as the ability to reach the goals/aims given before. Performance can be regarded as successful and good if the desired goals/aims are achieved well.

According to those definitions, an employee's

performance means the result of a work achieved in doing the tasks and responsibilities based on the desired goals. For example: an auditor's performance means the work's result of an auditor in doing his/her tasks and responsibilities given in order to achieve the standard of a qualified audit.

According to Mangkunegara [7] the characteristics of a person who owns a high working performance are having a high personal responsibility, dare to take and bear the future risks, having realistic goal(s), having a comprehensive work plans and strive to manage and accomplish the goals, making advantage of the actual feedbacks in any working activities, find opportunities to bring about the arranged plans.

### **Turnover Intentions**

According to Sopiah and Sangaji [8] "Turnover Intentions basically has the same principle with the intention of an employee to move from one working place to another. The intention has not reached the realization phase but it is a form of employee's intention to move to another company. According to Henry Simamora's [9] definition, it is a movement crossing the line of membership from an organization.

Harnoto[10] said: "turnover intentions is a level or intensity from an intention to get out of the company, there are many reasons that cause the emergence of turnover intentions and between them is the intention to get a better job.

According to Harnoto [10]: "Turnover intentions are marked by various things related to the employee's behavior, for example:

1. Increasing absent
2. Lack of Motivation at Work
3. Frequently Violate the Rules in the Workplace
4. Frequent Protests Against Their Leaders
5. Unusually Positive Behaviors

### **Dysfunctional in Audit Behaviors**

According to Mulyadi [11], a dysfunctional in productivity resulting in failure in achieving target needs to be analyzed thoroughly, in order to find the real cause of the dysfunctional. And also, a proper action to handle the dysfunctional needs to be taken immediately. Destructive dysfunctional are signals for danger, thus we need further investigations to identify the real source of the problem. According to Donnelly, David P. Jeffrey J Quirin and David O'Bryan [3], dysfunctional behaviors done by an auditor are behaviors which allow dysfunctional to happen in an auditing process. The dysfunctional allowed are dysfunctional which decrease the quality of an audit report both directly and indirectly, and also dysfunctional which could cause trust issue between the user and the report itself. According to Arens et al [12],

dysfunctional behaviors are every action done by an auditor in auditing process which reduce or degrade the quality of the audit both directly and indirectly. Some study show that dysfunctional in an audit such as changing basic procedures on the field, filing a shorter than the reality duration of an auditing process, insufficient proof collection and hasty auditing process that fails to complete all of the procedures provided. The final steps of performance assessment are deciding actions to encourage the wanted behaviors and prevent the unwanted behaviors from happening again.

### **METHODOLOGY**

This study aimed to examine and analyze how significant the influence of Employee Individual Performance and Staff Turnover Intentions on Dysfunctional Audit Behavior among auditors working for one to five years at Public Accountant Firm in Jakarta and Bandung. Based on the research objectives, this type of study was explanatory descriptive. Data collecting was carried out by questionnaire were submitted directly. Sugiyono [13] said that the questionnaire is a data collection technique that is done by giving a set of questions or written statements to respondents to be answered. Data analysis carried out in this study were validity, reliability, classical assumption, and Pearson correlation test.

### **RESULT ANALYSIS AND DISCUSSIONS**

The objective of this study was to test and find out how significant the influence Employee Individual Performance and Staff Turnover Intentions on Dysfunctional Audit Behavior This study performed in 79 auditors who works for one to five years at Public Accountant Firm in Jakarta and Bandung. The results of the validity test of all dimensions of the Employee Individual Performance variables , Staff Turnover Intentions variables and Dysfunctional Audit Behavior variables in this study were declared valid because the grain value was greater than 0.3. The reliability test results of the Employee Individual Performance variables , Staff Turnover Intentions variables and Dysfunctional Audit Behavior variables in this study showed a Cronbach Alpha value of > 0.7 so that the data used in this study were reliable.

The hypothesis in this study were:

H1: There is a significant influence of employee individual performance on dysfunctional audit behavior.

H2: There is a significant influence of staff turnover intentions on dysfunctional audit behavior.

In this study the F test shows that employee individual performance and staff turnover intentions significantly influence to dysfunctional audit behavior ( results sig 0,000 <5%).

In this study, the partial significance test (t test) shows that:

1. employee individual performance has a significant influence on dysfunctional audit behavior ( sig 0,000 <5%)

2. Staff Turnover Intentions has a significant influence on dysfunctional audit behavior ( sig 0,000 <5)

Employee individual performance and turnover intentions simultaneously or partially have a significant effect on dysfunctional audit behavior thus hypotheses H1 and H2 are accepted.

### CONCLUSIONS

Dysfunctional in audit behavior are influenced by personal characteristics of auditors, including employee individual performance and staff turnover intentions.

Good employee individual performance will reduce dysfunctional audit behavior so that performance appraisal is needed. Employee individual performance appraisal is needed to evaluate how effectively the employee has performed his duties and responsibilities in achieving the desired organizational goals so that he can immediately take action if there are irregularities in the implementation of employee individual performance.

Turnover intentions are characterized by a variety of matters concerning employee behavior, including: increased attendance, getting lazy at work, increased violations of work order, increased protests against superiors, positive behavior that is very different from usual. These characteristics indicate that employees will carry out turnover intentions.

In this study, it is concluded that Employee's Individual Performance and Staff Turnover Intentions simultaneously and partially is positively and significantly related to Dysfunctional Audit Behavior among auditors working for one to five years at Public Accountant Firm in Jakarta and Bandung. This supports the research done by Yuke Irawati and Thio Anastasia Petronila Mukhlisin [5] which stated that there is a positive and significant relation between employee's performance and turnover intentions to dysfunctional audit behavior. The employee's Individual performance and staff turnover intentions effect in dysfunctional audit behavior by 62,5%, the rest is influenced by other factors.

For further study is expected to increase the number of personal characteristics variables and increase the number of samples

### REFERENCES

[1] Diaz Priantara,. Ketika Skandal Fraud Akuntansi Menerpa British Telecom dan PwC.. Diakses dari

<https://www.wartaekonomi.co.id/read145257/ketika-skandal-fraud-akuntansi-menerpa-british-telecom-dan-pwc.html> 22 Juni 2017.

[2] Farhan, Djuni. Etika dan Akuntabilitas Profesi Akuntan Publik. Malang: Intimedia. 2009.

[3] Donnelly, David P. Jeffrey J Quirin and David O'Bryan. (2003) Auditor Acceptance of Dysfunctional Audit Behavior An Explanatory Model Using Auditors' Personal Characteristics, Behavior Research on Accounting, Vol.15 pp..87.

[4] Dea Chadiza Syafina., Kasus SNP Finance dan Pertaruhan Rusaknya Reputasi Akuntan Publik.. Diakses dari <https://tirto.id/kasus-snp-finance-dan-pertaruhan-rusaknya-reputasi-akuntan-publik-c4RT> 8 Oktober 2018.

[5] Yuke I., Thio, A.P., Mukhlisin., "Hubungan Karakteristik Personal Auditor terhadap Tingkat Penerimaan Penyimpangan Perilaku dalam Audit", Makalah SNA VIII Solo, , pp.929-940, 15-16 September 2005.

[6] Marwansyah., Manajemen Sumber Daya Manusia. Edisi Kedua. Cetakan Ketiga. Bandung: Alfabeta. pp..228-237, 2014.

[7] Mangkunegara, Anwar Prabu, Manajemen Sumber Daya Manusia Perusahaan,. Remaja Rosdakarya.: Bandung, pp. 67-69, 2004.

[8] Sopiahan dan Sangadji, Etta Mamang.. Manajemen Sumber Daya Manusia Strategik. Yogyakarta: Andi Offset. 2018.

[9] Simamora, Henry, Akuntansi Manajemen. Jakarta: Salemba Empat, pp.3-11 1999.

[10] Harnoto., Manajemen Sumber Daya Manusia, Edisi Kedua, PT. Prehallindo, Jakarta. 2002

[11] Mulyadi. Akuntansi Manajemen: Konsep, Manfaat dan Rekayasa. Edisi Ketiga. Jakarta: Salemba Empat, pp.432-434, .2001.

[12] Arens, Alvin A et al, Auditing dan Jasa Assurance, Jakarta: Erlangga, pp. 69-71, 2008..

[13] Sugiyono. Metode Penelitian Pendidikan . Alfabeta. Pendekatan Kuantitatif, Kualitatif, dan R & D, cetakan ke-19, Bandung: Alfabeta, 2014.