The Effect of Professionalism, Independence, And Professional Ethics on Auditor Performance at Public Accounting Firms (PAFS) In Medan, North Sumatra

Desi Maya Isnaini[1], Ribka Yolanda Septialita Naibaho[2], Afrizar Pane[3], Muhammad Fahmi[4]

[1,2,3,] PUI Finance, Prima Indonesia University, Medan, Indonesia
[4] Muhammadiyah University of North Sumatra, Indonesia

This study aims to examine and analyze the influence of professionalism, independence, and professional ethics on auditor performance at public accounting firms (PAFs) in Medan, North Sumatra. This study employs a quantitative method with a causal-comparative approach to identify the cause-and-effect relationship between independent and dependent variables. The data used in this study are primary data obtained through the distribution of questionnaires to permanent auditors at Public Accounting Firms in Medan. The population in this study consists of all permanent auditors working at Public Accounting Firms in Medan, with a sample size at 40 respondents determined using a saturation sampling technique. This study indicates that Professionalism, Independence, and Professional Ethics simultaneously have a significant effect on Auditor Performance. Partially, Professionalism, Independence, and Professional Ethics have a significant effect on Auditor Performance.

Keywords: Professionalism, Independence, Professional Ethics, Auditor Performance

Corresponding Author:
Desi Maya Isnaini
Accounting, Economics and Business, Prima Indonesia University
Jln.Mesjid Gg.Amal No. 340, Paya Geli
desimayaisnaini.123@gmail.com

1. Introduction

Although there are strict standard frameworks and codes of ethics in place, reality shows that violations still occur. One such case involved the misuse of audit results at PT Garuda Indonesia, leading the Minister of Finance to impose a sanction in the form of a 12-month license revocation on the Kasner Simmapea Public Accounting Firm, effective as of July 21, 2019 (ecoinomy.okiezone.ciom, 2004).

Therefore, an auditor must comply with applicable Auditing Standards (AS) in order to produce high-quality, objective, and independent audits. Good audit performance and high quality are essential to the successful execution of an auditor's duties and functions. Auditors are employed by Public Accounting Firms (PAFs), which are business entities licensed by the Ministry of Finance and serve as the professional setting where auditors provide their services, specifically auditing a company's financial statements. Public Accounting Firms (PAFs) use Financial Accounting Standards as a reference to ensure that a company's financial statements result in an unqualified opinion and are understandable to those who need them, such as Investors, Creditors, the Government, etc.

There are also several factors that can influence auditor performance, such as professionalism, experience, independence, time and budget pressures, and professional ethics. Of these factors that influence auditor

performance, the researcher examined only there professionalism, independence, and professional ethics. These three factors have a significant influence on auditor performance.

The following are the objectives of this study:

a. To examine and analyze the effect of Professionalism on Auditor Performance at Public Accounting Firms (PAFs) in Medan, North Sumatra.

b. To examine and analyze the effect of Independence on Auditor Performance at Public Accounting Firms (PAFs) in Medan, North Sumatra.

c. To examine and analyze the influence of Professional Ethics on Auditor Performance at Public Accounting Firms (PAFs) in Medan, North Sumatra.

d. To examine and analyze the influence of Professionalism, Independence, and Professional Ethics on Auditor Performance at Public Accounting Firms (PAFs) in Medan, North Sumatra.

2. Literature Review

Professionalism

Auditors must demonstrate professionalism, as this attitude or spirit is essential for upholding the profession, maintaining it's public reputation, and deepening their knowledge and understanding of the work in that field (Jauhamsyah & Widiyati, 2022).

Independence

Auditors must also remain unaffected by either management or the company. This ensures that their opinions are truly objective and reliable. As a result, auditors can maintain their independence by remaining neutral and unbiased. An auditor must possess this attitude in order to audit financial statements and provide opinions that are fair and honest (Galih Chandra Kirana et al., 2023).

Professional Ethics

In addition to professionalism and independence, auditors must also demonstrate professional ethics. In general, professional ethics refers to a set of principles or moral values that serve to maintain order and ensure smooth interactions within society. In the workplace, every profession that serves the public must have a code of ethics to guide professional conduct. The key characteristic that distinguishes one profession from another lies in the professional ethical standards embraced by its members. This ethics is particularly crucial for professions that rely on public trust, such as the auditing profession (Prambowo & Riharjo, 2020).

Auditor Performance

Auditor performance is used to enhance auditors' ability to perform their duties effectively and make the most of their existing knowledge (Yusuf, 2025).

Therefore, this study poses the following research questions:

a. How does professionalism affect the performance of auditors at Public Accounting Firms (PAFs) in Medan, North Sumatra?

b. How does independence affect the performance of auditors at Public Accounting Firms (PAFs) in Medan, Sumatra?

c. How does professional ethics influence the performance of auditors from Public Accounting Firms (PAFs) in Medan, North Sumatra?

d. How do professionalism, independence, and professional ethics influence the performance of auditors from Public Accounting Firms (PAFs) in Medan North Sumatra?

3. Method

This study employs a quantitative research method using a comparative causal approach. The comparative causal approach is used to determine whether there is a cause-and-effect relationship among these variables. The questionnaire was used as primary data obtained directly from the auditor respondents, as it served as the main source of research data. Before distributing the questionnaire, the researcher first conducted observations and interviews.

The researchers identified permanent auditors at a Public Accounting Firm (PAFs) in Medan, North Sumatra, as the target population, based on demographic characteristics such as length of service at the firm. A total of 40 permanent auditors were selected for a saturated sample, the reason for using a saturated sample was that the number of auditors was small, so all of them were included in the sample.

This study used a questionnaire distributed to all permanent auditors at Public Accounting Firms (PAFs) in Medan, North Sumatra, as its data collection method. After all questionnaires were returned, the data were analyzed using SPSS with multiple regression to determine the effect of the independent variables (Professionalism, Independence, and Professional Ethics) on the dependent variable (Auditor Performance).

The following is the conceptual framework for this study:

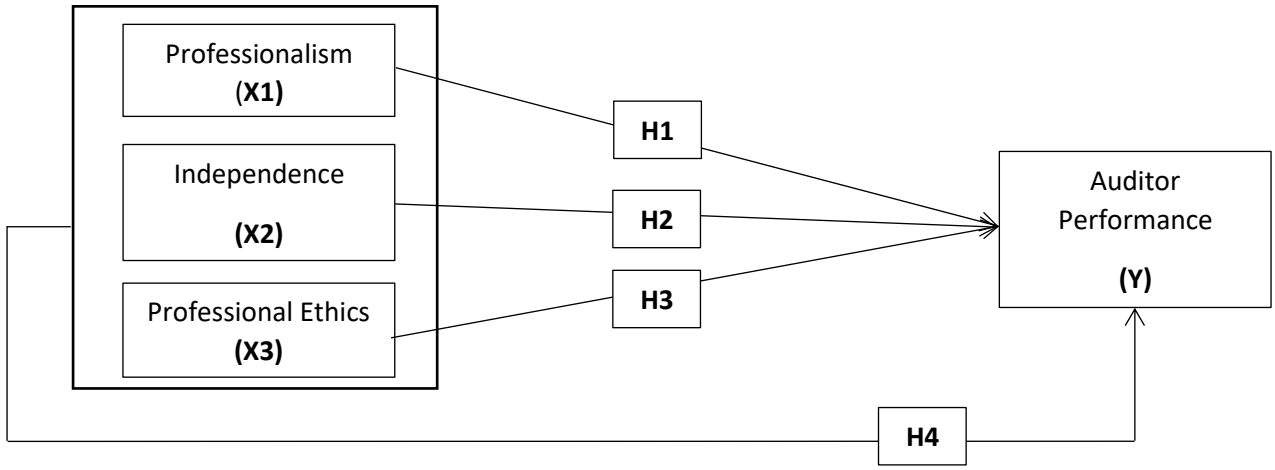

Figure 1. Conceptual Framework

The following is the research hypothesis:

a. H1: Professionalism influences auditor performance at Public Accounting Firms (PAFs) in Medan, North Sumatra.
b. H2: Independence influences auditor performance at Public Accounting Firms (PAFs) in Medan, North Sumatra.
c. H3: Professional Ethics influences Auditor Performance at Public Accounting Firms (PAFs) in Medan, North Sumatra.

d. H4: Professionalism, Independence, and Professional Ethics simultaneously influence Auditor Performance at Public Accounting Firms (PAFs) in Medan, North Sumatra.

4. Results And Discussion

Descriptive Statistics

The following are the results of the descriptive statistical analysis:

Table 1. Descriptive Statical Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean	Standard Deviation
TOTAL_X1	40	16	28	21.48	3,258
TOTAL_X2	40	13	28	21.42	3,601
TOTAL_X3	40	15	30	22.28	3,658
TOTAL_Y	40	16	29	21.75	3,160
Valid N (listwise)	40				

Based on the results of the descriptive statistical analysis, the Professionalism variable (X1) has a score range of 16 to 28, with a mean of 21.48 and a std. deviation of 3.258. The Independence variable (X2) has a mean of 21.42, with a score range of 13 to 28 and a std. deviation of 3.601. The Professional Ethics variable (X3) has the highest mean among all variables at 22.28, with a minimum value of 15, a maximum value of 30, and a std. deviation of 3.658. Finally, Auditor Performance (Y) has a mean of 21.75 with a score range between 16 and 29, and the lowest std. deviation.

Validity Test and Reliability Test

Validity Test

Table 2. Validity Test

VARIABLES	QUESTION	Rhitung	Rtable	Information
X1	P1	0.684	0.312	VALID
	P2	0.764	0.312	VALID
	P3	0.788	0.312	VALID
	P4	0.763	0.312	VALID
	P5	0.750	0.312	VALID
	P6	0.755	0.312	VALID
X2	P1	0.773	0.312	VALID
	P2	0.744	0.312	VALID
	P3	0.761	0.312	VALID
	P4	0.845	0.312	VALID
	P5	0.798	0.312	VALID
	P6	0.863	0.312	VALID
X3	P1	0.858	0.312	VALID
	P2	0.740	0.312	VALID
	P3	0.875	0.312	VALID
	P4	0.835	0.312	VALID
	P5	0.828	0.312	VALID
	P6	0.789	0.312	VALID

This validity test uses Pearson's product-moment correlation, so each question is deemed valid if Rcalculated > Rtable. As shown in the r-statistic table at a 5% significance level (0.05), if:

a. N = 40, then df = 40 – 2 = 38.
b. The Rtable value for df = 38 in a two-tailed test is exactly 0.312. This figure is a threshold value with a significance level of 0.05 and a sample size (N) of approximately 40 respondents.

Reliability Test

Table 3. Reliability Test

Reliability Statistics

Cronbach's Alpha	N of Items
,701	18

If the reliability test yields a Cronbach's alpha > 0.07, the instrument is considered Reliable. Based on the table of reliability test results, this instrument obtained a Cronbach's alpha of 0.701, which is greater than 0.07. This indicates that the instrument's internal consistency is in the “fairly good” category, meaning that each item in the questionnaire consistently measures the same construct.

Classical Assumption Test

Normality Test

Data that is normally distributed can be identified by analyzing graphs and statistical tests.

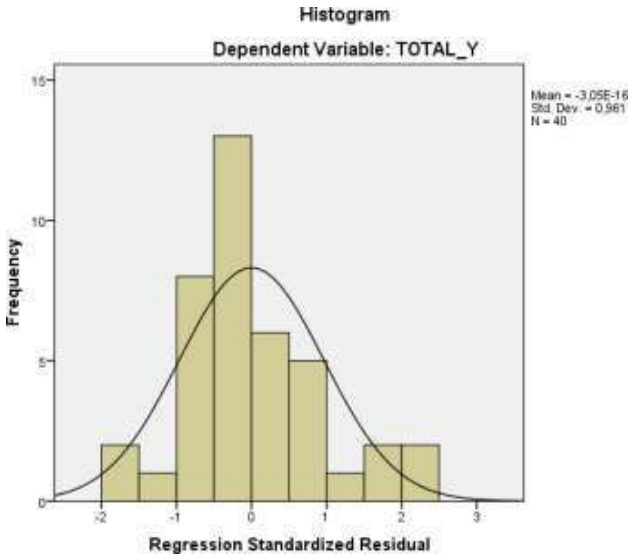

Figure 2. Histogram Chart

Based on the histogram above, it can be seen that the distribution of the residual data forms a symmetrical (bell-shaped) pattern and follows the diagonal line of the normal curve. This indicates that the data is normally distributed.

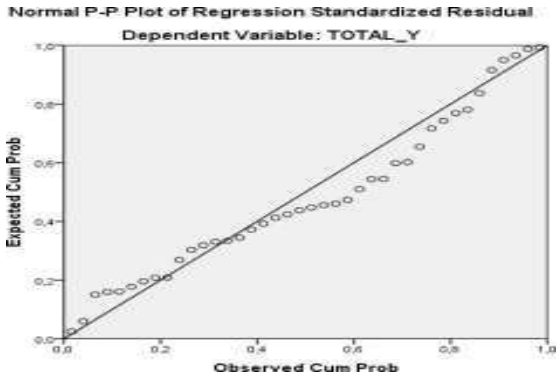

Figure 3. Normal Probality Plot

Based on the standard PP plot, it can be seen that the data points are scattered around the diagonal line and follow its direction. This suggests that the residual distribution approximates a normal distribution; the closer the data points are to the diagonal line, the better the normality of the data. This indicates that the residual data are normally distributed.

Table 4. One - Sample Komogorov - Smirnov Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		40
Normal Parametersa,b	Mean	0E-7
	Standard Deviation	2,20352595
Most Extreme Differences	Absolute	,129
	Positive	,129
	Negative	-,091
Kolmogorov-Smirnov Z		,813
Asymp. Sig. (2-tailed)		,523

a. Test distrmotherionis Nnormal.

b. CalculaTed frommdataa.

The one-sample Kolmogorov-Smirnov test yielded an Asymp.Sig. (2-tailed) value of 0.523 > 0.05. This result indicates that the residual data are normally distributed.

Multicollinearity Test

The results of the multicollinearity test can be seen in the table below.

Table 5. Multicollinearity Test (Results Of Data Analysis)

VARIABLES	TOLERANCE	VIF
X1	0.972	1,028
X2	0.973	1,027
X3	0.947	1,056

The multicollinearity test yielded a tolerance value > 0.10 and a VIF value < 10. This indicates that there is no multicollinearity among the independent variables in the regression model. Thus, it can be concluded that the regression model in this study does not exhibit multicollinearity and is suitable for further analysis.

Heteroscedasticity Test

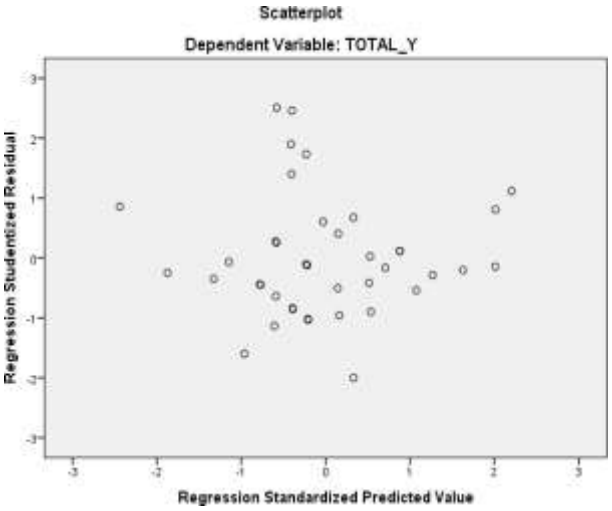

Figure 4. Scatter plot

Based on the scatterplot, it can be seen that the data points are randomly distributed and scattered above and below the 0 mark on the Y-axis without forming any specific pattern. This indicates that there is no heteroscedasticity in the regression model, meaning the model satisfies the assumption of homoscedasticity.

Coefficient Of Determination (R^2)

The results of the coefficient of determination test are shown in the table below.

Table 6. Test of the Coefficient of Determination (r^2)

Model Summary

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	,717a	,514	,473	2,294

a. Predictors:(Constant),TOTAL_X3, TOTAL_X2, TOTAL_X1

b. Dependent Miscellanyble:TOTAL_Y

Based on the results of the coefficient of determination test, an R value of 0.717 was obtained, indicating a relationship between the independent variable and the dependent variable. The adjusted R-squared value of 0.473 indicates that 47.3% of the variation in the dependent variable (Auditor Performance) can be explained by the independent variables (Professionalism, Independence, and Professional Ethics), while the remaining 52.7% is influenced by other variables.

T-Test

The results of the partial hypothesis testing can be seen in the table below.

Table 7. T-test (partial)

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-5,630	4,469		-1,260	,216		
	TOTAL_X1	,423	,114	,436	3,699	,001	,972	1,028
	TOTAL_X2	,416	,103	,474	4,021	,000	,973	1,027
	TOTAL_X3	,422	,103	,488	4,089	,000	,947	1,056

a. Dependent Variable: TOTAL_Y

Based on the table above, it can be concluded that:

a. Hypothesis 1: Shows that variable X1 has a significance level of 0.001 < 0.005, meaning that Professionalism (X1) has a partial and significant effect on Auditor Performance (Y). This indicates that Professionalism can improve Auditor Performance.

b. Hypothesis 2: Shows that variable X2 has a significant value of 0.000 < 0.005, meaning that Independence (X2) has a partial and significant effect on Auditor Performance (Y). This indicates that Independence can improve Auditor Performance.

c. Hypothesis 3: Shows that variable X3 has a significant value of 0.000 < 0.005, meaning that Professional Ethics (X3) has a partial and significant effect on Auditor Performance (Y). This indicates that Professional Ethics can improve Auditor Performance.

F Test

The results of the simultaneous testing can be seen in the table below.

Table 8. f-Test (Simultaneous)

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	200,134	3	66,711	12,682	,000b
	Residual	189,366	36	5,260		
	Total	389,500	39			

a. Dependent Variable: TOTAL_Y

b. Predictors: (Constant), TOTAL_X3, TOTAL_X2, TOTAL_X1

Based on the table above, it can be seen that the p-value is 0.000 < 0.05. This demonstrates that the variables Professionalism (X1), Independence (X2), and Professional Ethics (X3) collectively have a significant effect on Auditor Performance (Y).

5. Conclusion

It can be concluded that:

a. The Professionalism variable (X1) has a significant effect on Auditor Performance (Y). The higher the level of professionalism, the greater the public's trust in the quality of performance delivered by auditors. This is proven by a significance value of 0.001.

b. The Independence variable (X2) has an effect on Auditor Performance (Y). This indicates that the higher the level of independence an auditor possesses, the better the performance produced by that auditor. This is proven by a significance value of 0.000.

c. The Professional Ethics variable (X3) has a significant influence on Auditor Performance (Y). Adherence to professional ethics can foster optimal performance, benefiting both the auditor's personal satisfaction and the client's interests. This is proven by a significance value of 0.000.

d. The variables Professionalism (X1), Independence (X2), and Professional Ethics (X3) collectively have a significant influence on Auditor Performance (Y). This is proven by a significance value of 0.000.

The results of the study indicate that the coefficient of determination (R^2) is 0.47,3, meaning that the independent variables account for 47.3% of the total variation in the dependent variable. Furthermore, the remaining 52.7% is influenced by other external variables; Therefore, future researchers are advised to consider additional variables, such as work experience, work motivation, and work environment.

6. References

[1] Angela, B., & Budiwitjaksono, GS (2021). Analysis of the Influence of Professionalism, Independence, and Work Motivation on Auditor Performance. Acahyani, KCD, Purnamawati, IGA (nd). No Title. Auditor. Journal of Accounting, 1(1), 291–301.

[2] Aziz, A., & Maghfiroh, S. (2025). The Effect of Independence and Competence on Auditor Performance in Moderation of Auditor Ethics. Scientific Journal of Management, Business Economics, Entrepreneurship, 12(2), 989–1007.

[3] economy.okezone.com. (2004). economy.okezone.com (Issue Id 1, pp. 2011–2011).

[4] Eva Yuliana, Wulandari Retno, & Irianto Fariz Mochamad. (2021). fauzanedtr,+7.+JOURNAL+-+Yuliana+Eva+-++The Influence+of+Independence,+Organizational+Commitment,+Audit+Structure+And+Work+Motivation+On+A.+Performance+A. Journal of Accounting Student Research (Jrma), Vol 2(2), 2015–7016.

[5] Fadhila, LS (2023). The Influence of Professional Ethics, Independence, Competence, and Time Limits on Auditor Performance (Survey of Public Accounting Firms in DKI Jakarta). In Thesis.

[6] Galih Chandra Kirana, Heriston Sianturi, & Meifida Ilyas. (2023). The Influence of Independence, Professional Ethics, and Professionalism on Auditor Performance at a Public Accounting Firm in South Jakarta. Journal of Liability, 8(1), 21–31.https://doi.org/10.54964/liabilitas.v8i1.242

[7] Huraini, Shak Awaluddin, & Sulvariany Tamburaka. (2025). The Influence of Professionalism and Independence on Auditor Performance (A Case Study of a Registered Public Accounting Firm in Sulawesi). Journal of International Multidisciplinary Research, 3(7), 69– 77.https://doi.org/10.62504/jimr1323

[8] Jauhamsyah, Z., & Widiyati, D. (2022). The Influence of Professionalism, Auditor Experience, and Work from Home on Auditor Performance (Case Study of a Public Accounting Firm in South Jakarta). Indonesian Journal of Accounting and Finance, 6(1), 41–56. http://download.garuda.kemdikbud.go.id/article.php?article=3087193&val=15286&title =The Influence of Auditor Professionalism, Experience, and Work from Home on Auditor Performance: A Case Study at a Public Accounting Firm in South Jakarta

[9] Juliansari Putu Eka Niluh, Pertiwi Eka Ayu I Dewa, Miati Mita Putu Niluh, Accounting, JR, Influence, W.,

Profession, E., Work, P., Motivation, D., Towards, K., Auditor, K., Office, P., & Public, A. (2023). Denpasar City. License Warmadewa Accounting Research Journal, 4(2), 31–36.

[10] Noraffandy Yahaya & Nur Fazila i Salleh. (2020). The Influence of Professionalism, Independence, and Professional Ethics on Auditor Performance (Empirical Study at Public Accounting Firms in Semarang City). 21(1), 1–9

[11] Prambowo, & Riharjo. (2020). The Influence of Independence, Professionalism, and Professional Ethics. *Journal of Accounting Science and Research*, 9(11), 1–23.

[12] Prof. Dr. H. Imam Ghozali, M.Com, A. (2024). Multivariate analysis application with IBM SPSS 23 program (Vol. 3).

[13] Wahyudi, I., & Titik Aryati. (2022). i emphasize that hypotheses in a mathematical context can be used to prove certain theorems. In their research, the proposed hypotheses relate to mappings that meet certain conditions, which shows that the hypotheses can function. Trisakti Journal of Economics, 2(2), 803–818.

[14] Yusuf, F. (2025).https://economy.okezone.com/read/2019/06/28/320/2072154/kasus-garuda-freezing-of-financial-report-auditor-licenses-effective-27-july-2019?utm_source=chatgpt.com. Journal of Accounting and Finance, 13(1), 104–114.https://doi.org/10.29103/jak.v13i1.21233.