The Influence of Audit Knowledge and Experience on the Detection of Regional Loss Findings

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Abstract : This study aims to obtain information and analyze the effect of audit knowledge and experience on the detection of regional loss findings. This research was conducted at the Regional Inspectorate of Sijunjung Regency. The sampling method used the *personally administered questionnaires technique*. The test used is multiple regression. The results of the study show that audit knowledge and experience have an effect on the detection of regional loss findings. Based on the results of multiple linear regression tests, it was found that the most dominant variable was audit knowledge.

Keyword: Audit Knowledge, Audit Experience, Regional Loss Findings.

INTRODUCTION

A government internal auditor in carrying out his duties must be guided by the auditing standards set by the Minister of Administrative Reform (Menpan) Number PER/M.PAN/03/2008 concerning Audit standards for Government Internal Supervisory Apparatuses. In general standards it is stated that the auditor must have the knowledge, skills and other competencies needed to carry out his responsibilities. An auditor is required to have high professional skills, namely being able to combine knowledge and experience as well as technical/analytical skills that are good enough to understand and find solutions to problems that arise during an audit. The ability of the internal examiner's audit work affects the quality of the results of the inspections that have been carried out, in this case, the ability to detect findings.

The ability to detect regional losses is greatly influenced by the knowledge and experience of the auditor in carrying out audits to produce certainty on the findings that occur, so that a professional auditor will produce value/quality findings on the implementation of the audit. An examiner must be alert to the possibility of situations and events which are indications of fraud and impropriety that occur in financial management by each regional government apparatus. If an indication of fraud is found, it must be continuously traced to the root cause of the fraud in question.

The level of audit knowledge is seen as a very important factor in influencing the ability to detect various problems/findings. Audit knowledge is needed for an auditor to

support performance, especially related to the ability to detect regional losses. Auditing knowledge can be obtained through formal education that has been taken such as preschool, elementary school, high school then college, university and apprenticeship. Knowledge is also obtained through training that has been attended, and seminars or workshops. Audit work requires the auditor to have the professional ability to carry out the assigned audit tasks, therefore an auditor must have extensive knowledge both in terms of auditing science and other technical knowledge he must also master.

In addition to the audit knowledge possessed, another factor that is considered very important and influential in the ability to detect various problems/findings is the auditor's work experience. Many people believe that the more experience a person has in his work, the better his work results will be. Kushasyandita (2012: 3) states that audit experience is indicated by the auditor's flying hours in carrying out audit procedures related to giving an opinion on the audit report. Thus, experience is an important professional element to build auditor's knowledge and expertise and with the assumption that knowledge as an element of expertise and research is still limited to experience from length of service.

At present the losses that occur to regions or countries are one aspect that has received considerable attention from various circles, both academics and practitioners. This is because the losses incurred can affect public trust in the government in terms of governance. Detection of regional losses is a goal to be achieved related to government duties by combining various assumptions related to existing data to obtain all forms of evidence regarding the occurrence of irregularities that cause losses for the region.

The results of research conducted by Mulyono (2009) which tested the effect of the educational background of the examiner in Deli Serdang Regency showed that the educational background of the examiner had a significant effect on the quality of the auditor's work. Research conducted by Mayangsari (2003: 22) examines auditors from various levels, namely from partners to staff with two tests whose results show that differences in auditor knowledge affect error effects at various levels of experience, cannot be explained by length of experience in auditing certain industries and the number of clients they audit. In addition, the knowledge of auditors who have the same experience regarding cause and effect shows a big difference. In short, auditors who have the same level of experience, do not necessarily have the same knowledge. So the measure of expertise is not enough just experience but other considerations are needed in making a good decision because basically humans have other elements besides experience, for example knowledge.

This research is a replication of previous research conducted by (Masrizal, 2010) and is a development of research conducted by (Noviyanti, 2008). However, there are differences that lie in the time of research, the object of research. Previous research was conducted in 2008 and 2010, while the author's research was conducted in 2016. If in previous research the object studied was the Inspectorate of the Provincial Government of Nangroe Aceh Darussalam and the Public Accountant Office in Jakarta, the object of the author's research this time is the Regional Inspectorate of Sijunjung Regency.

The Regional Inspectorate of Sijunjung Regency is a regional government that has the duty to carry out general supervision activities on the administration of regional government and other tasks assigned by the regional head, so that we can conclude that the regional government inspectorate has the same duties as internal auditors. Internal audit is an inspection unit that is part of the supervised organization (Mardiasmo, 2011: 179).

Problems that are often found in the field are budget deviations and accountability deviations in several SKPDs within the Regency. The findings obtained based on the audit process that has been carried out by the Regional Inspectorate of Sijunjung Regency are the results of the duties and roles of the examining team who have been able to detect regional financial losses. In order to have the ability to detect regional losses to the maximum, the auditors who work for these agencies should have adequate knowledge and experience.

Based on the background above, the researcher is interested in conducting research with the title " The Influence of Audit Knowledge and Experience on the Detection of Regional Loss Findings (Study on the Regional Inspectorate of Sijunjung Regency).

METHOD

The research method describes the form and *design* of the research to be carried out. Discussion in research methods regarding population and sampling techniques, methods of data collection, types and sources of data, as well as methods of data analysis.

This study uses a quantitative approach to observe, collect information, and present an analysis of research results. Because in this study the authors used knowledge or theories that had been studied by other researchers so that they had many references in the literature, known variables and available theories. Facts or reality, objective and single separate from the researcher. According to Sugiyono (2013: 3), a quantitative approach is an objective approach, includes data collection and analysis of quantitative data and uses statistical testing methods.

In analyzing the data, the authors use data analysis in the research method by answering the problem formulation using descriptive data analysis. According to Sugiyono (2013) descriptive research is research that is used to analyze data by describing or describing the data that has been collected as it is without intending to make general conclusions or generalizations. In other words, the objective of this research is to systematically, factually and accurately describe the facts and characteristics of a particular area.

Guidelines for this type of descriptive research, where data is collected using interview and documentary techniques, then the next process is simplification through several processes, both recording, typing, editing so that it is easy to read and understand and efforts to find answers to the formulated problems. After collecting data obtained using qualitative techniques using available data.

The analysis of the data points to clues to the meaning, description and placement of data in their respective contexts and often describes words in a simple form.

The analytical method in this study is intended to answer the questions as well as the hypotheses put forward in the study. For statistical analysis using multiple regression analysis, namely the regression equation that measures the strength of the relationship between two or more variables (Ghozali, 2012: 45).

RESULTS AND DISCUSSION
Results
Coefficient of Determination (R^2)

The coefficient of determination is used to determine how much influence the independent variables have on the dependent variable. The value of the coefficient of determination is determined by the value of *the adjusted R square.*

Table 1. Multiple Correlation Test Results

Model	R	R Square	Adjusted R Square	std. Error of the Estimates
1	0.751a	0.564	0.536	3.055

a. Predictors: (Constant), Experience, Knowledge

Source: Processed Primary Data, 2016

Based on table 1, it can be seen that the value of the coefficient of determination from the value of R^2 (R Square) is 0.564. This means that X_1 (Auditor Knowledge) and X_2 (Auditor Experience) have an effect on the detection of local loss findings (Y) of 56.4% while the remaining 43.6% is influenced by other variables not examined in this study.

Test Results together or simultaneously (Test F)

In this study the hypothesis testing was intended to measure the influence of X_1 (Auditor Knowledge) and X_2 (Auditor Experience) on the detection of local loss findings (Y) together, the F test was used based on the results of hypothesis testing Anova test or F test shown in table 1.

Table 2. Joint Test Results (F)

Model	Sum of Squares	Df	Means Square	F	Sig.
Regression	374,891	2	187,446	20,083	0.000
residual	289,344	31	9,334		
Total	664,235	33			

Source: Processed Primary Data, 2016

The results of statistical calculations show a significance value of 0.000 < 0.05. Because the significance level below 0.05 indicates that together X_1 (Auditor Knowledge) and X_2 (Auditor Experience) have a positive and significant influence on Detecting Findings Regional Losses (Y). With the following hypothesis:

H0 : The independent variables are X_1 (Knowledge of the Auditor) and X_2 (Auditor's experience) does not jointly affect the Detection of Regional Loss Findings (Y).

H : Independent variables namely X_1 (Auditor's Knowledge) and X_2 (Auditor's experience) has a joint effect on the Detection of Regional Loss Findings (Y).

Based on the results of the joint test, H0 is rejected and Ha is accepted, between the independent variables namely X_1 (Auditor's Knowledge), X_2 (Auditor's Experience), have a joint effect on the Detection of Regional Loss Findings (Y).

Test the effect individually or partially (Uji_T)

The results of testing the hypothesis for each variable using SPSS 21.00 are as follows:

Table 3. Individual Test Results (T Test)

Model	Unstandardized Coefficients		standardized Coefficients	Q	Sig.
	B	std. Error	Betas		
(Constant)	12,452	5,049		2,466	0.019
Knowledge	0.384	0.122	0.443	3,159	0.004
Experience	0.379	0.128	0.415	2,965	0.006

Source: Processed Primary Data, 2016

From the calculation results above, it can be explained as follows:

1. Test Results of the Effect of Auditor Knowledge (X_1) on Detecting Regional Loss Findings (Y).

Based on Table 3, it is known that the significance value of the variable on the results of testing the effect of the auditor's knowledge on the detection of regional loss findings obtained a significance value of 0.004, because the value of 0.004 is smaller than *the level of significance of* 0.05 (0.004 <0.05), then H0 is rejected and Ha is accepted, meaning that there is a significant effect of the auditor's knowledge on the detection of regional loss findings.

These results indicate that the auditor's knowledge has a positive and significant effect on the detection of regional loss findings. Thus the first hypothesis is accepted (H1 is accepted).

2. Test Results of the Effect of Auditor Experience (X_1) on the Detection of Regional Loss Findings (Y).

Based on Table 3, it is known that the significance value of the variable from the test results of the auditor's experience on the detection of regional loss findings obtained a

significance value of 0.006. Because the value of 0.006 is smaller than the *level of significance of* 0.05 (0.006 <0.05), then H0 is rejected and Ha is accepted, meaning that there is significant effect of the auditor's experience on the detection of regional loss findings.

These results indicate that the auditor's experience has a positive and significant influence on the detection of regional loss findings. Thus the second hypothesis is accepted (H2 accepted).

Discussion
The Effect of Auditor Knowledge on the Detection of Regional Loss Findings.

Based on the results of the statistical analysis above, the results of this study can be stated that knowledge has an influence on the detection of regional loss findings, in accordance with the results of testing the hypothesis that a significant value of 0.004 is smaller than the level of significance of 0.05 (0.004 <0.05). This means that the auditor's knowledge influences the detection of regional loss findings. An auditor who has broad insight, a high level of education, as well as the knowledge and training he has while serving as an auditor is the basis used in conducting an audit. With the knowledge possessed by an auditor, the auditor can easily detect any findings of regional losses experienced by the local government. The auditor will also be more capable and quicker in carrying out audit steps to look for any critical matters or issues that become a mode of fraud or irregularity that causes regional financial losses. An auditor will be able to complete a job effectively if it is supported by the knowledge he has.

The results of the study are also in line with the results of the descriptive statistical tests which explain that of all respondents, the majority of respondents think that the knowledge variable will affect the detection of regional loss findings. Because the knowledge possessed by an auditor will speed up the auditor in finding regional loss detection findings. The knowledge possessed by auditors can be obtained through formal education, training, taking auditor level certification exams, needing to attend various training activities, technical guidance and others. In the descriptive statistical test knowledge has a mean value of 46.94 which concludes that the auditor has very good knowledge.

This research is in line with research conducted by Masrizal (2010) which states that audit knowledge has a major influence on the detection of regional loss findings by the Inspectorate auditor because with sufficient knowledge the auditor will be more capable and faster in carrying out audit steps to look for every thing or critical problems become modes of fraud or irregularities that cause regional financial losses. An auditor will be able to complete a job effectively if it is supported by the knowledge he has.

This research also supports research conducted by Emawan (2014), where the results show that knowledge has a significant influence on the detection of regional losses. Someone who does work in accordance with the knowledge they have will give good results than those who do not have sufficient knowledge in carrying out their duties.

The results of this study are in line with the research conducted by Batubara (2009) where the results of the research show that the knowledge of the auditors has a significant effect on the detection of irregularities. Conversely, the results of this study are not in line with research conducted by Gusheruddin (2014) that the knowledge variable has no effect on the detection of regional loss findings because efforts to detect financial loss findings are more of a moral or honest matter, while knowledge is only a tool to find out patterns or forms. fraud in preparing financial reports.

The Effect of Auditor Experience on the Detection of Regional Loss Findings

Based on the research results, the auditor's experience variable influences the detection of regional losses, according to the results of testing the hypothesis that a significant value of

0.006 is less than the level of significance of 0.05 (0.006 <0.05). This means that with experience the auditor will be better able to examine fraud or irregularities that cause regional financial losses. This ability will increase with increasing experience and the increasing number of auditors auditing similar cases. The experience possessed by the auditor/investigator of the Regional Inspectorate of Sijunjung Regency in carrying out inspection tasks will determine the ability to detect findings of regional losses that have occurred. With the length of time someone has worked as an auditor, the auditor will be more able to remember errors and mistakes that are unusual or reasonable and be more selective about relevant information to produce a quality audit. The frequency of inspections that have been carried out also affects a person's experience in carrying out inspections because the more the frequency of inspections that have been carried out, the easier it will be to find out the characteristics for detecting regional loss findings. The number of audit assignments carried out by the auditor will add insight and increase audit expertise in fraud detection.

The research results also support the results of descriptive statistics which explain that the majority of respondents think that the auditor's experience variable influences the detection of regional loss findings. Respondents argued that with experience, it would be easier for auditors to detect regional losses. Besides the length of time the auditor has worked, the number of levels of objects worked on will also add to the auditor's experience at work. In the descriptive statistical test experience has a mean value of 34.59 which concludes the auditor has a good experience.

The results of this study support previous research conducted by Masrizal (2010) and Emawan (2014) who managed to find that audit experience formed through an iterative process of carrying out financial statement audits affects the increase in the detection of regional loss findings. The effect of audit experience on the detection of regional losses where the results show that audit experience partially has a significant effect on the detection of regional losses. The research results are also in line with previous research conducted by Noviyani (2002) which revealed that if an auditor is experienced, then:
1. Auditors become aware of more errors
2. Auditors have fewer misconceptions about errors
3. The auditor becomes aware of unusual errors
4. Other matters related to the causes of departmental errors where errors and violations occurred and the purpose of internal control became relatively more prominent.

This research is also in line with the results of research conducted by Batubara (2009) who conducted research on the effect of experience and knowledge of government internal control officers on the detection of deviations with intuition as an intervening variable. The results of this study show that experience influences the detection of irregularities. This study also supports the results of research conducted by Aulia (2013) that experience influences the detection of regional losses, thus the higher the experience of an auditor, the higher the detection of fraud. This proves that long experience will increase the auditor's expertise in fraud detection. The more experience, the higher the quality of the audit results conducted by the auditor.

The auditor's knowledge variable is the most dominant variable influencing the detection of regional loss findings compared to the auditor's experience variable. This can be seen from the *coefficients table* which shows that auditor knowledge has the highest Beta (*Standardized Coefficients) value of 0.384, so that the knowledge variable has a strong relationship to the detection of regional loss findings.* So it can be concluded that the detection of regional loss findings can be explained by the auditor's knowledge.

CONCLUSION
Based on the research results and multiple linear regression calculations, the following conclusions can be drawn: 1. Audit knowledge influences the detection of regional loss

findings at the Sijunjung District Inspectorate. This means that the higher the level of knowledge possessed by the auditor, the higher the detection rate of regional loss findings at the Regional Inspectorate of Sijunjung Regency. 2. Audit experience has influenced the detection of regional loss findings at the Regional Inspectorate of Sijunjung Regency. This means that the higher the level of experience possessed by the auditor, the higher the detection rate of regional loss findings at the Regional Inspectorate of Sijunjung Regency. 3. Based on the joint test results, it can be seen that there is an influence of *the auditor's knowledge and experience* on the dependent variable, namely the detection of regional loss findings. This illustrates that *the auditor's knowledge and experience influence the* detection of regional loss findings together.

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