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THE INFLUENCE OF PROFESSIONALISM, COMPETENCE, AND INDEPENDENCE ON THE PERFORMANCE OF INTERNAL AUDITORS WITH AWARD AS A MODERATING VARIABLE AT BANK X

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Abstract.

This study aims to examine the influence of professionalism, competence, and independence on auditor performance, moderated by awards. The approach used in this research is a quantitative approach with a total of 66 respondents, all of whom are internal auditors at Bank X. The research data is primary data obtained from the distribution of questionnaires. The data was analyzed using multiple linear regression analysis techniques with the help of the SPSS program. The analysis results of this study show that professionalism, competence, and independence positively contribute to auditor performance. The higher the professionalism, competence, and independence of the auditor, the higher the auditor's performance. The analysis results also indicate that awards strengthen the influence of professionalism on performance, weaken the influence of competence on auditor performance, but do not moderate the influence of independence on auditor performance.

Keywords: professionalism, competence, independence, awards, auditor performance

1. Introduction

Internal audit is an activity that provides independent and objective assurance and consultation with the objective of increasing value and improving bank operations. Through the evaluation of risk management, controls, and governance, internal audit helps banks manage risk and protect their assets. Based on the regulations of Indonesia's Financial Services Authority (OJK), the implementation of an effective internal audit function is essential in the face of increasing risks and dynamics in the banking sector. This function is carried out by the Internal Audit Unit (SKAI), which is tasked with being independent, professional, and objective, and is regulated in the bank's Internal Audit Charter, such as in Bank X.

Independence, objectivity, and professionalism are key components that internal auditors must maintain. Auditor independence ensures they can provide objective views and thoughts without external influence. Auditors must be honest and impartial, conducting audits in the public interest. In addition, objectivity requires auditors not to be influenced by conflicts of interest, maintaining fair and unbiased judgment. Professionalism, which goes beyond legal compliance, is demonstrated through integrity, competence, and effective communication skills in performing audit duties with care.

International Standards on Auditing (ISAs) provide guidelines for auditors to maintain audit quality, consistency, and credibility. According to ISA 200, the auditor's primary

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objective is to provide reasonable assurance that the financial statements are free from material misstatement, whether due to fraud or error. The independence of internal auditors in Bank X includes the freedom to determine the method, scope, and technique of the audit, as well as ensuring there is no conflict of interest. In terms of objectivity, auditors must be intellectually honest and free from external influences that could affect their professional judgment.

This research focuses on Bank X's internal auditors and their role in achieving good corporate governance. Referring to OJK's plan to strengthen the internal audit function in the banking sector, it is important to understand the difference between internal and external auditors and the role of SKAI. OJK has issued regulations requiring the establishment of SKAI in banks, demonstrating the importance of auditor professionalism, competence, and independence as the third line of defense in maintaining governance in the financial services industry.

Previous research shows that professionalism, competence, independence, and objectivity affect the quality of auditor work. However, there has been no specific research conducted on Bank X's internal auditors with the variable reward as a moderating variable. Clear and fair awards to auditors have the potential to improve internal auditor performance. This study aims to examine the effect of professionalism, competence, and independence on the performance of internal auditors at Bank X, with reward as a moderating variable, given the significant role of auditors in maintaining good bank governance.

Auditor professionalism is one of the crucial factors that has a positive and significant effect on auditor performance. Professionalism refers to the auditor's ability to act ethically, consistently, and in accordance with applicable standards in carrying out their duties. A professional auditor tends to have high integrity, discipline, and the ability to remain objective in their judgment, which in turn can increase the trust of various stakeholders, including clients, management, and regulatory agencies. Professionalism is not only related to technical knowledge, but also to attitudes and behaviors that reflect a commitment to quality work. Therefore, the higher the level of professionalism of auditors, the better their performance in identifying, analyzing, and providing recommendations related to internal control and corporate governance. Based on previous research, auditor professionalism has been shown to improve the accuracy and relevance of audit reports, which in turn supports more informed and effective management decisions.

H1: Professionalism (X1) has a positive effect on auditor performance (Y)

Professionalism is the auditor's attitude in taking responsibility for the results of their work, where the more professional an auditor is, the better the audit report they can produce. Professionalism in a job is very important because professionalism is related to management's trust in the audit report presented. Besides that, professionalism also involves integrity, objectivity, and competence in applying high auditing standards, and auditor experience also plays an important role.

H2: Competence (X2) has a positive effect on auditor performance (Y)

Competence is a key factor that significantly affects auditor performance. Competence includes the knowledge, skills, and abilities that auditors have to carry out audit tasks effectively and efficiently. A competent auditor is able to understand and apply accounting and auditing principles and can navigate the complexities and business dynamics faced by the organization. Competence also includes the ability to use the latest tools and technology that can improve the efficiency of the audit process. With sufficient competence, auditors can produce high-quality

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audit reports, provide in-depth analysis, and recommendations that are relevant to management. Previous research shows that auditor competence not only improves the quality of audit results but also adds value to organizations by helping them proactively recognize and mitigate risks. Therefore, strong competence among auditors is directly correlated with improved audit performance.

The relationship between competence and auditor performance is found in the Human Capital theory, that auditor competence, acquired through education, training, and work experience, increases the auditor's capacity to perform audit work more effectively. In this context, higher competence is expected to improve audit quality and auditor performance. The results of this study are in line with this theory.

H3: Independence (X3) has a positive effect on auditor performance (Y)

Auditor independence is a fundamental element that positively affects auditor performance. Independence allows auditors to perform their duties with objectivity that is not compromised by influence or pressure from external parties, including from the management of the company being audited. When auditors are able to maintain independence, they are more likely to provide honest and unbiased assessments of financial statements and internal controls. Independence also encourages auditors to stick to the facts and data at hand and to dare to report audit findings that may be unpleasant for some parties. Research has shown that auditor independence contributes to increased credibility and public trust in audit reports, which is one of the key indicators of effective auditor performance. Thus, strong independence allows auditors to perform their role optimally, which in turn improves the overall quality of the audit process.

The relationship between independence and auditor performance is found in Agency theory, that independent auditors will be better able to fulfill their duties objectively and not be influenced by the interests of other parties. Independence here is seen as a mechanism to reduce conflicts of interest between auditors and clients, thereby improving the quality of the resulting audit. The results of this study are in line with this theory. In addition, Sociological theory highlights the importance of auditor independence in maintaining professional integrity and healthy relationships with related parties, including clients and the public. Independence is seen as the foundation for building trust and a positive reputation in audit practice, which further strengthens that independence is indeed closely related to auditor performance. Increasing independence will have a positive impact on improving auditor performance.

H4: Award (Z) moderates the effect of professionalism on auditor performance.

Reward acts as a moderating variable that can strengthen the effect of professionalism on auditor performance. When auditors feel that their professionalism is valued and recognized by the organization, they tend to be motivated to improve the quality of their work. awards can be in the form of financial compensation, public recognition, or career development opportunities, all of which can encourage auditors to adhere to higher standards of ethics and professionalism. With a fair and transparent reward system in place, auditors feel valued and are more committed to delivering their best performance. Previous research has shown that awards not only increase job satisfaction but also encourage proactive and innovative behavior among professionals, including auditors. Therefore, appropriate awards can moderate and strengthen the relationship between professionalism and auditor performance, resulting in significant improvements in the quality of audits performed.

There are several theories that support that awards can strengthen the effect of professionalism on auditor performance. One of them is Reinforcement Theory in organizational psychology. This theory suggests that behavior followed by positive reinforcement tends to be reinforced and repeated. In the context of giving awards to auditors who have shown a high level of professionalism in the auditor's audit practice, the award functions as a form of positive reinforcement. Auditors who receive awards feel appreciation for the auditor's dedication to ethical standards, quality of work, and consistency in performing audit tasks. This reinforces the auditor's belief that professional auditor practice is not only valued but also plays an important role in the success of the auditor organization. Thus, reinforcement theory provides a strong conceptual foundation to explain how awards can directly strengthen the effect of professionalism on auditor performance, by encouraging auditors to maintain and improve best practices in auditor audits.

H5: Award (Z) moderates the effect of competence on auditor performance

Awards also play an important role as a moderating variable that can strengthen the effect of competence on auditor performance. When competent auditors are rewarded for their expertise and knowledge, they feel valued and recognized, which can increase motivation and commitment to providing quality work. Awards can be in the form of promotions, bonuses, or additional certifications that recognize the auditor's specific expertise. With awards, auditors are encouraged to continuously improve their competencies through training and professional development, which in turn improves the quality and effectiveness of the audits performed. Research shows that appropriate awards can increase internal motivation, making auditors more eager to apply their skills effectively. Therefore, awards play an important role in strengthening the effect of competence on auditor performance, making them a key element in efforts to improve audit quality.

H6: Reward (Z) moderates the effect of independence on auditor performance

Reward as a moderating variable can positively strengthen the effect of independence on auditor performance. When auditors feel support and appreciation from the organization for their independent attitude, they are more likely to continue to maintain integrity and objectivity in carrying out their duties. Awards in the form of recognition for their independent attitude or additional compensation for the difficult decisions they make can provide additional motivation for auditors to maintain ethical and professional standards. Research shows that awards for independence can help reduce the external pressures auditors may face, allowing them to focus on the audit task without fear of negative consequences. Thus, appropriate awards not only support auditors' independence but also facilitate their improved performance in producing credible and high-quality audits.

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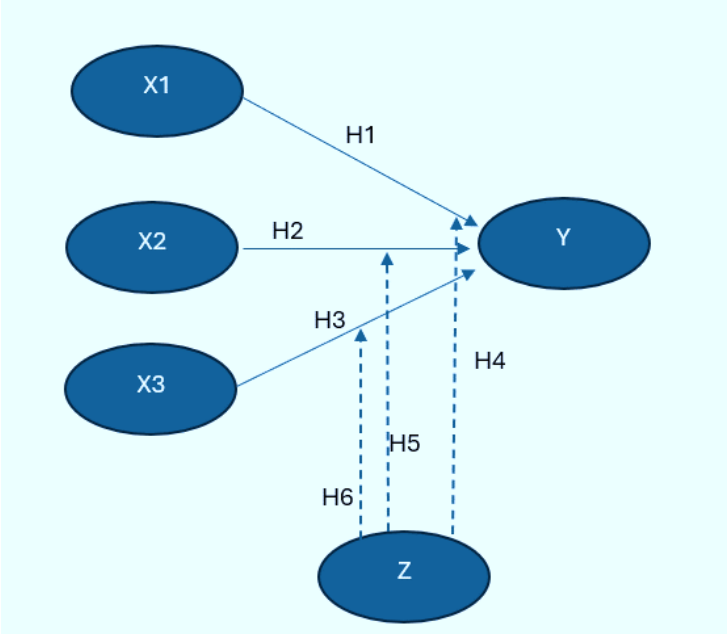

Figure 1. Research Conceptual Framework
[X1: Professionalism; X2: Competence; X3: Independence; Y: Auditor Performance; Z: Award]

2. Methods

2.1 Research Design

This study uses a quantitative approach that aims to analyze the effect of professionalism, competence, and independence on internal auditor performance, with awards as a moderating variable. The quantitative approach was chosen because it allows researchers to measure the variables studied numerically and analyze the relationship and influence between these variables statistically. In this study, data will be collected through a survey using a questionnaire designed to obtain the perceptions of internal auditors at Bank X regarding the level of professionalism, competence, independence, the awards they receive, and the impact on their performance. The main objective of this study was to test hypotheses regarding the direct effect of professionalism, competence, and independence on auditor performance, as well as how awards moderate the relationship, in order to provide deeper insight into the factors that influence the effectiveness of the internal audit function in the banking sector. By conducting regression analysis and moderation tests, this study is expected to contribute to the academic literature and professional practice regarding more effective and strategic internal audit management.

2.2 Population and Sample

The population of this study was all internal auditors within Bank X, totaling 66 auditors. Because the sampling technique used is a saturated sample technique, all auditors are involved as respondents in this study.

2.3 Instrument Design

The instrument used in this study is a questionnaire consisting of two parts, namely the first part of the questionnaire which contains questions about the respondent's personal data containing name, age, education and length of service while the second part of the questionnaire is further divided into 5 sections, namely the professionalism section (X1) contains 10 questions, the competency section (X2) contains 10 questions, the independence section (X3)

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contains 9 questions, the auditor performance section (Y) contains 9 questions and the award section (Z) 10 questions. The total number of questions is 48.

Questions related to professionalism variables use 4 indicators, namely devotion to the profession, independence, confidence in the profession, and relationships with colleagues. Questions related to competency variables use 3 indicators, namely personal quality, general knowledge, and special skills. Questions related to independence variables use 3 indicators, namely the relationship with the auditee, independence of work implementation, and independence of reports. Questions related to auditor performance use indicators of quality, quantity, and timeliness. Meanwhile, questions for the reward variable use indicators such as job satisfaction, self-esteem, creative development, coworkers, and appreciation from superiors. The choice of answers is done with a Likert scale.

2.4 Validitas dan reliabilitas instrument

Before the questionnaire was distributed to all respondents, the questionnaire was first tested on 30 respondents. The data from filling out the questionnaire by 30 respondents was then tested using validity and reliability tests to ensure that the questionnaire questionnaire to be used as a research instrument was valid and reliable in measuring the research variables.

Table 1. Validity and Reliability of Instruments

Variables	Item	Sig	r Count	r Table	Description
Profesionalism	PRF1	0,000	0,925	0,361	Valid
	PRF2	0,000	0,762	0,361	Valid
	PRF3	0,000	0,883	0,361	Valid
	PRF4	0,000	0,929	0,361	Valid
	PRF5	0,000	0,943	0,361	Valid
	PRF6	0,000	0,922	0,361	Valid
	PRF7	0,000	0,932	0,361	Valid
	PRF8	0,000	0,757	0,361	Valid
	PRF9	0,000	0,841	0,361	Valid
	PRF10	0,000	0,867	0,361	Valid
Competence	KOM1	0,000	0,826	0,361	Valid
	KOM2	0,000	0,886	0,361	Valid
	KOM3	0,000	0,891	0,361	Valid
	KOM4	0,000	0,89	0,361	Valid
	KOM5	0,000	0,907	0,361	Valid
	KOM6	0,000	0,899	0,361	Valid
	KOM7	0,000	0,902	0,361	Valid
	KOM8	0,000	0,826	0,361	Valid
	KOM9	0,000	0,886	0,361	Valid
	KOM10	0,000	0,891	0,361	Valid
Independence	IDP1	0,000	0,924	0,361	Valid
	IDP2	0,000	0,76	0,361	Valid
	IDP3	0,000	0,881	0,361	Valid
	IDP4	0,000	0,928	0,361	Valid

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Variables	Item	Sig	r Count	r Table	Description
	IDP5	0,000	0,949	0,361	Valid
	IDP6	0,000	0,924	0,361	Valid
	IDP7	0,000	0,935	0,361	Valid
	IDP8	0,000	0,754	0,361	Valid
	IDP9	0,000	0,827	0,361	Valid
Auditor Performance	KIN1	0,000	0,923	0,361	Valid
	KIN2	0,000	0,819	0,361	Valid
	KIN3	0,000	0,894	0,361	Valid
	KIN4	0,000	0,947	0,361	Valid
	KIN5	0,000	0,95	0,361	Valid
	KIN6	0,000	0,91	0,361	Valid
	KIN7	0,000	0,923	0,361	Valid
	KIN8	0,000	0,819	0,361	Valid
	KIN9	0,000	0,894	0,361	Valid
Reward	PEG1	0,000	0,928	0,361	Valid
	PEG2	0,000	0,749	0,361	Valid
	PEG3	0,000	0,877	0,361	Valid
	PEG4	0,000	0,924	0,361	Valid
	PEG5	0,000	0,941	0,361	Valid
	PEG6	0,000	0,913	0,361	Valid
	PEG7	0,000	0,932	0,361	Valid
	PEG8	0,000	0,762	0,361	Valid
	PEG9	0,000	0,866	0,361	Valid
	PEG10	0,000	0,866	0,361	Valid

Source: data processed (2024)

Table 2. Instrument Reliability

Variables	Number of Valid Items	Cronbachs Alpha	Cut Value	Reliability
Profesionalism	10	0,973	0,7	Reliable
Competence	10	0,975	0,7	Reliable
Independence	9	0,970	0,7	Reliable
Auditor Performance	9	0,976	0,7	Reliable
Reward	10	0,973	0,7	Reliable

Source: data processed (2024)

The validity and reliability test results in Tables 1 and 2 show the results that all question items in the questionnaire are valid and all instruments are reliable so that they can be used as research data collection instruments.

2.5 Data Analysis Technique

This study uses data analysis techniques with a quantitative approach which includes three main stages: descriptive analysis of respondent characteristics, descriptive analysis of research variables, and moderation regression analysis using SPSS. Descriptive analysis of

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respondent characteristics is carried out to describe the demographic profile of respondents, such as gender, age, education level, and work experience, which are presented in the form of frequency and percentage tables. Descriptive analysis of research variables aims to describe the data distribution of the variables studied (professionalism, competence, independence, reward, and auditor performance) using descriptive statistics such as mean and standard deviation. Moderation regression analysis was conducted to test the effect of professionalism, competence, and independence on auditor performance and to see the role of reward as a moderating variable. Using SPSS, an interaction regression model was applied to identify the moderating effect of awards and test the significance of the influence of these variables on auditor performance. The results of this analysis will determine how strongly these variables affect auditor performance at Bank X.

3. Results and discussion

3.1 Respondent Profile

The results of descriptive analysis of respondents' characteristics in Table 3 show that the majority of respondents are male (81.8%) who have more than 10 years of work experience (59.1%), which indicates that this study is dominated by experienced auditors. In terms of age, most respondents are in the range of 36 to 55 years (51.5%), indicating maturity and experience in their fields. The majority of respondents have a bachelor's degree (86.4%), which indicates that most auditors have an adequate educational background to carry out their professional duties. In terms of job title, Junior Auditor (51.5%) is the most common position held by respondents, indicating that they are the main actors in audit activities in the company. This combination of characteristics suggests that this study is dominated by professionally mature individuals, who could potentially have a significant influence on auditor performance at Bank X.

Table 3. Respondent Characteristics

Characteristics	Category	Frequency	Todal
Gender	Male	54	81,8%
	Female	12	18,2%
Usia	< 25 years	0	0,0%
	26 - 35 years	31	47,0%
	36 - 55 years	34	51,5%
	> 55 years	1	1,5%
Education	Bachelor	57	86,4%
	Master	9	13,6%
	Doctoral	0	0,0%
Position	Junior Auditor	34	51,5%
	Auditor	21	31,8%
	Senior Auditor	9	13,6%
	Assistant Vice President	1	1,5%
	Vice President	1	1,5%
Length of Service	1 - 5 years	11	16,7%

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Characteristics	Category	Frequency	Todal
	5 - 10 years	16	24,2%
	> 10 years	39	59,1%

Source: data processed (2024)

3.2 Variable Description

A descriptive analysis of research variables in this study was used to provide a description of research variables according to respondents' perceptions. Because this research uses a 1-5 Likert scale, the perception of respondents' answers can be determined by looking at the mean score of respondents' answers to each question item. Umar (2012) categorized the mean score of respondents' answers on a Likert scale of 1-5 with the following criteria: a mean value between 1.00 – 2.33 indicates a tendency for low perception among respondents; while the mean value between 2.33 – 3.67 indicates a medium perception and the mean value between 3.67 – 5.00 indicates a high perception tendency.

Table 4. Respondents' perception of the five research variables

Indicator	Question	Mean
Profesionalism		4,31
PRF1	Auditors use all their knowledge, skills, and experiences in carrying out the audit process.	4,76
PRF2	Auditors are willing to go above and beyond to help the company I work for succeed.	3,71
PRF3	The internal auditor profession is a profession that creates transparency within the company.	4,44
PRF4	Auditors plan and decide on audit results based on factors encountered in the audit process.	4,68
PRF5	Internal auditors must report results based on evidence and audit findings when carrying out audit assignments.	4,79
PRF6	Auditors must comply with regulations, auditing standards, professional ethics, and quality control.	4,65
PRF7	Auditors are a profession to be proud of.	4,18
PRF8	Auditor performance should be assessed by peers rather than management, who are not in the same profession.	3,68
PRF9	Auditors often discuss or exchange ideas with their professional colleagues from other companies.	3,98
PRF10	Always support improvement decisions from professional organizations or auditor colleague groups.	4,26
Competence	4,46	
KOM1	Auditors must be able to work together in a team	4,85
KOM2	Auditors must be curious, broad-minded, and able to predict uncertainty.	4,71
KOM3	Have a competency certification from professional organizations, other institutions, or the government as a professional internal auditor.	4,65
KOM4	Auditors must understand the Bank's Internal Audit Function Implementation Standards and the Bank's Internal Audit Charter	4,70
KOM5	To conduct a good audit, I need knowledge obtained from a formal education.	3,97
KOM6	To conduct a good audit, I need to understand the type of industry or the condition of the client company.	4,50
KOM7	In addition to formal education, to conduct a good audit, I also need knowledge gained from the courses and training, especially in the field of auditing.	4,59
KOM8	Auditors must understand statistics and have computer skills.	4,26

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Indicator	Question	Mean
KOM9	Specialized expertise in Information Technology (Big Data, AI, IOT, data analytics, etc.) that I have can support my audit process.	4,30
KOM10	Auditors who have certificates from courses in accounting and taxation will produce good audit results.	4,06
Independence	4,60	
IDP1	Auditors strive to remain objective in conducting audits of auditees.	4,71
IDP2	Auditors act independently despite intimidation or influence from other parties and have high honesty.	4,73
IDP3	The preparation of the audit program must be free from interference by the Charimen to determine, eliminate, or modify the specific areas to be examined.	4,26
IDP4	Auditors must not be controlled or influenced by the auditee in activities that are still being performed.	4,74
IDP5	The implementation of the inspection that I carried out must cooperate with the manager during the inspection process.	4,21
IDP6	The examination that I conduct must be fee from the personal interest and other parties to limit all examination activities.	4,77
IDP7	My reporting must be free from interference from other parties to influence the fact reported.	4,76
IDP8	My reporting of audit results must be free of language or terms that caused multiple interpretations.	4,52
IDP9	My reporting must be free from attempts by any party to influence the examiner's judgement on the content of the examination report.	4,67
Auditor Performance	4,39	
KIN1	An auditor must be able to complete work well according to ability	4,50
KIN2	An auditor must be able to work with colleagues and clients.	4,61
KIN3	Auditors must be able to compete with their abilities.	4,48
KIN4	The number of examinations carried out will increase the productivity of an auditor.	4,00
KIN5	Auditors must be able to complete work in accordance with standards and quality	4,52
KIN6	Auditors who have long enough experience in their field, their performance is getting better and more professional.	3,95
KIN7	Auditors must be able to complete work in a timely manner.	4,48
KIN8	Auditors must complete work effectively and efficiently.	4,58
KIN9	With time efficiency, auditors are able to speed up the completion of work.	4,39
Reward	4,13	
PEG1	The salary received is in accordance with the work and performance performed.	3,85
PEG2	Aa an employee of Bank X, the level of welfare is always considered.	4,03
PEG3	For good work results, auditors are given opportunities for career development.	4,09
PEG4	An auditor needs to be given training or seminars,	4,67
PEG5	Your get promoted when you achieve your goals.	3,53
PEG6	You are provided with health insurance,	4,44
PEG7	The community and co-workers respect you as a Bank X employee.	4,06
PEG8	Awards (e.g. incentives) that are given will increase your motivation and encourage your performance.	4,36

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Indicator	Question	Mean
PEG9	After being rewarded as an outstanding employee, you feel appreciated by your leadership.	4,08
PEG10	Even a small compliment from your boss can boost your morale at work.	4,24

Source: data processed (2024)

The results of the analysis in Table 4 show that in the professionalism variable, the lowest average score is in PRF2 (3.71), PRF8 (3.68), PRF9 (3.98) and PRF10 (4.26), this means that overall professionalism is good, but in terms of the auditor's willingness to work above normal limits to help the company where I work to be successful, auditors' achievements should be assessed by colleagues in the profession rather than management who are not in the profession, often discuss or exchange ideas with colleagues from other companies and support decisions about improvements from professional organizations or groups of auditor colleagues still need to be improved Furthermore, on the competency variable, The lowest average score is on KOM5 (3.97), KOM8 (4.26), KOM9 (4.30) and KOM10 (4.06), this means that overall competence is good, but in terms of conducting a good audit I need knowledge obtained from a formal level of education, understand statistical science and have expertise using computers, special expertise in the field of Information Technology (Big Data, AI, IOT, data analytics, etc.) that I have can support the audit process carried out and auditors who have certificates from courses in accounting and taxation will produce good audit results still need to be improved.

Furthermore, on the independence variable, the lowest average score is in IDP3 (4.26), IDP5 (4.21) and IDP8 (4.52), this means that overall independence is good, but in terms of preparing the audit program must be free from interference from the leadership to determine, eliminate or modify certain parts that are examined, the inspection carried out must cooperate with managerial during the inspection process and the reporting of the audit results that I report must be free of language or terms that cause multiple interpretations still need to be improved. Furthermore, on the auditor performance variable, the lowest average score is KIN4 (4.00) and KIN6 (3.95), this means that overall the auditor's performance is good, but in terms of the number of examinations carried out, it will increase the productivity of an auditor and long enough experience in his field, his performance is getting better and professional still needs to be improved. While on the award variable, the lowest average score is on PEG1 (3.85), PEG2 (4.03), PEG3 (4.09), PEG5 (3.53), PEG7 (4.06) and PEG9 (4.08), this shows that the overall award is good, but in terms of receiving salaries in accordance with the work and performance carried out, Bank X employees, the level of welfare is always considered. good work results, auditors are given the opportunity to work with the company, and auditors are given the opportunity to work with the company, good work results, auditors are given opportunities for career development, get promoted when you achieve goals, the community and coworkers respect you as a Bank X employee and get awards as an outstanding employee, you feel appreciated by the leadership still needs to be improved.

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3.3 Multiple Linear Regression Analysis

Multiple linear regression analysis in this study was conducted to examine the effect of professionalism, competence, independence on auditor performance moderated by appreciation. The multiple linear regression analysis stage consists of two stages, namely the classical assumption test stage and the regression model test stage.

3.4 Classical Assumption Test

The classic assumption test in regression analysis aims to ensure that the regression model built has met several important assumptions that must be met so that the results of the regression analysis can be considered valid. Some classical assumptions in regression analysis are assumptions of normality, multicollinearity, and heteroscedasticity.

1) Normality Test

The Normality Test is carried out to determine the residual distribution of the regression model. If the residuals are normally distributed, then the model can be analyzed by regression analysis; however, if the residuals are not normally distributed, then the model cannot be analyzed by regression analysis. Normality test can be done statistically using the Kolmogorov-Smirnov normality test; in this test, the residuals of the regression results are declared normally distributed if the significance value of the test results exceeds 0.05. The following are the results of the Kolmogorov-Smirnov normality test with the help of the SPSS program:

Table 5. Normality Test Results

Normality Test	n	Results	Terms	Conclusion
Saphiro Wilk	66	Sig. = 0,170	Normal if Sig. >0,05	Residuals are normally distributed

Source: data processed (2024)

The analysis results in Table 5 show that the significance value of the normality test is 0.170, because the significance value obtained is> 0.05, it is concluded that the regression residuals are normally distributed. The results of this analysis are reinforced by the results of the normality test graphically through the PP Plot curve, which shows the distribution of data following a straight line.

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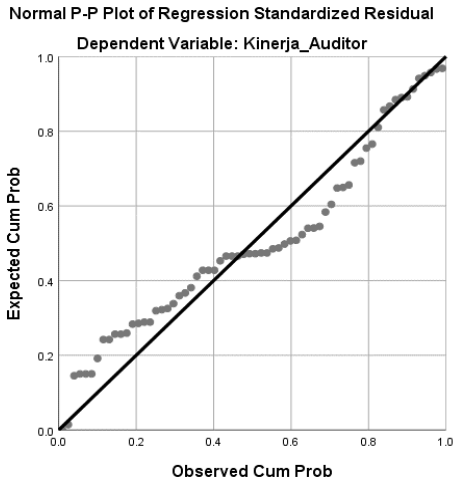

Figure 2. PP Plot Graph
Source: data processed (2024)

2) Multicollinearity Test

The multicollinearity test in regression analysis aims to evaluate how strong the linear relationship is between the independent variables in the model. Multicollinearity occurs when there is a high correlation between two or more independent variables, which can affect the validity and interpretation of regression results. One of the main impacts of multicollinearity is uncertainty in coefficient estimation, where coefficients can be unstable or difficult to interpret because highly correlated variables make it difficult to distinguish their separate effects on the dependent variable. In addition, multicollinearity can also increase the variance of the coefficient estimates, reducing the overall accuracy of the regression analysis.

Table 6. Multicollinearity Test Results

Variables	Tolerance	VIF	Terms	Conclusion
Professionalism	0,282	3,541	VIF<10 Tolerance >0,1	No multicollienearity
Competence	0,188	5,326		No multicollinearity
Independence	0,296	3,383		No multicollinearity
Reward	0,221	4,520		No multicollinearity
Mod Professionalism	0,421	2,374		No multicollinearity
Mod Competence	0,192	5,201		No multicollinearity
Mod Independence	0,597	1,676		No multicollinearity

Source: data processed (2024)

The multicollinearity test results in Table 6 show that the VIF value of all independent variables is <10 and the tolerance value of all independent variables is 0.1. This indicates that the regression model has met the multicollinearity assumption.

3) Heteroscedasticity Test

Heteroscedasticity is a phenomenon in regression analysis that occurs when the variance of the residuals (errors) is not constant or homogeneous throughout the range of values of the

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independent variables. In simpler terms, it means that the dispersion of the errors is not fixed and may change depending on the values of the independent variables in the regression model. Testing for heteroscedasticity can be done statistically or graphically. The Gletsjer test is one of the statistical heteroscedasticity tests, while a graphical heteroscedasticity test can be done by looking at the shape of the regression scatter plot curve.

Table 7: Gletsjer Test Results

Independent Variable	Sig.	Terms	Conclusion
Professionalism	0,831	Sig. >0,05	Not heteroscedasticity
Competence	0,607	Sig. >0,05	Not heteroscedasticity
Independence	0,429	Sig. >0,05	Not heteroscedasticity
Reward	0,391	Sig. >0,05	Not heteroscedasticity
Mod Professionalism	0,334	Sig. >0,05	Not heteroscedasticity
Mod Competence	0,529	Sig. >0,05	Not heteroscedasticity
Mod Independence	0,891	Sig. >0,05	Not heteroscedasticity

Source: data processed (2024)

The results of the Gletsjer test in Table 7 show that there is no sufficient evidence to state the existence of heteroscedasticity in the regression model, indicated by the significance value of all independent variables in the Gletsjer test> 0.05. This means that the assumption of no heteroscedasticity in the regression model is met. The results of this statistical heteroscedasticity test are supported by the results of the heteroscedasticity test graphically through the scatter plot curve, where the data distribution spreads without forming a pattern above and below the Y = 0 line.

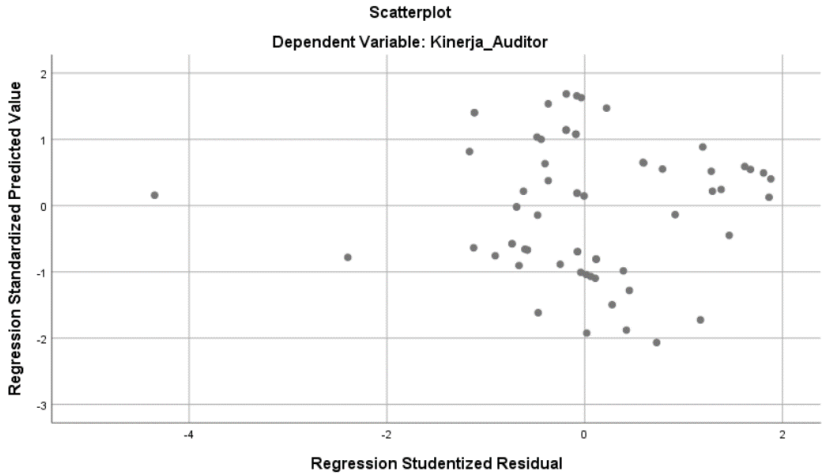

Figure 3. Heteroskedasticity Test Results graphically
Source: data processed (2024)

Based on the overall results of the classical assumption test, it is concluded that all classical assumptions are met in this regression model, so that regression analysis can be carried out to examine the effect of professionalism, competence, and independence on auditor performance moderated by appreciation.

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Regression Model Test

The results of multiple linear regression analysis include the results of the partial effect test (t test), model accuracy test, and coefficient of determination (R square). Partial test results (t-test) can be used to test the research hypothesis.

1) Partial Test (t Test)

In multiple linear regression analysis, the partial test (t-test) is used to test the partial effect of each independent variable on the dependent variable. The test hypothesis used in this test is as follows:

Ho: The independent variable has no effect on the dependent variable

Ha: The independent variable partially affects the dependent variable

With a confidence level of 95%, Ho will be rejected if the significance value <0.05, and Ho will be accepted if the significance value> 0.05.

Table 8. Partial Test Results (t-test)

Independent Variable	Coefficient	t count	t table	Sig.	Conclusion
Professionalism	0,279	2,222	2,018	0,030	Positive Significant
Competence	0,341	2,147	2,018	0,036	Positive Significant
Independence	0,387	2,571	2,018	0,013	Positive Significant
Reward	-0,036	0,248	2,018	0,805	Not Significant
Mod Professionalism	0,374	2,738	2,018	0,008	Positive Significant
Mod Competence	-0,509	-2,579	2,018	0,012	Negative Significant
Mod Independence	-0,024	-0,155	2,018	0,878	Not Significant
Regression Constant = -1,400 ; Y = Auditor Performance					

Source: data processed (2024)

Based on the regression analysis results in the table above, the following results are obtained:

1. The positive contribution of professionalism to auditor performance is evident with a p value of 0.030 and a positive regression coefficient of 0.279, this means that professionalism has a positive and significant effect on auditor performance, the higher the professionalism of the auditors, the higher the performance of the auditors, otherwise auditors with high professionalism tend to have less good performance.
2. The contribution of competence to auditor performance in this study is proven, indicated by a p value of 0.036 and a positive regression coefficient of 0.341, this means that there is a positive and significant effect of auditor competence on auditor performance, auditors with high competence tend to have high performance, while auditors with low competence tend to have less good performance.
3. The positive contribution of independence to auditor performance is proven in this study with a significance value of 0.013, sig value. <0.05 and a positive regression coefficient of 0.387, this shows that there is a significant contribution of independence to auditor performance, namely that high auditor independence will support the formation of high auditor performance, otherwise auditors who do not have high independence tend to have poor performance.

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4. The significance value of the moderating effect of professionalism on auditor performance is 0.008, because the sig value. <0.05, it is concluded that appreciation can moderate the effect of professionalism on auditor performance, a positive regression coefficient of 0.374 indicates a strengthening moderation property, meaning that appreciation can strengthen the effect of professionalism on auditor performance.
5. The significance value of the moderating role of appreciation on the effect of competence on auditor performance is 0.012, because the sig value. <0.05, it is concluded that the award can moderate the effect of competence on auditor performance, the negative regression coefficient of -0.509 indicates that this moderating effect is weakening, meaning that the award can actually weaken the effect of appreciation on auditor performance.
6. The significance value of the moderating effect of appreciation on the effect of independence on auditor performance is 0.878, because the sig. > 0.05 and a negative regression coefficient of -0.024, it is concluded that appreciation cannot moderate the effect of independence on auditor performance.

2) Regression Equation

The regression analysis results in Table 8 show a regression constant value of -1.400 with a professionalism regression coefficient of 0.279, a competency regression coefficient of 0.341, an independence regression coefficient of 0.387, an award regression coefficient of -0.036, a professionalism moderation regression coefficient of 0.374, a competency moderation regression coefficient of -0.509 and an independence moderation regression coefficient of -0.024. Based on these values, the regression equation that can be used to predict auditor performance based on professionalism, competence, independence, appreciation, moderation of professionalism, moderation of competence and moderation of independence is as follows:

Y = -1.400 + 0.279 (X1) + 0.341 (X2) + 0.387 (X3) - 0.036 (Z) +0.374 (Mod X1) - 0.509 (Mod X2) - 0.024 (Mod X3)

With:

Y = Auditor Performance
X1 = Professionalism
X2 = Competence
X3 = Independence
Z = Award
Mod X1 = Moderation of Professionalism
Mod X2 = Competence Moderation
Mod X3 = Independence Moderation

3) Model Accuracy Test

The model accuracy test in regression analysis is a statistical tool used to test the significance of all independent variables on the dependent variable in a regression model. The aim is to test the hypothesis that at least one of the independent variables has a significant effect on the dependent variable together. In this test, the simultaneous effect is declared significant if the significance of the model accuracy test is obtained <0.05.

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Table 9. Model Accuracy Test Results

Variabel Independen	F hitung	F tabel	Sig.	Conclusion
Professionalis, competence and independence, mod professionalism, mod independence, mod competence	21,944	2,840	0,000	Significant simultaneous effect

Source: Data processed (2024)

The results of the model accuracy test show a significance of 0.000, because the significance value obtained is <0.05, it is concluded that this research model is feasible.

4) Coefficient of Determination

The coefficient of determination in regression analysis is a statistical measure that explains how well the regression model fits the observed data. This coefficient of determination provides an overview of the proportion of variability in the dependent variable that can be explained by the independent variables in the model. The coefficient of determination is often used as a tool to evaluate the fit of the regression model to the data, although it should not be used as the only measure to assess the quality of prediction or the validity of the regression model. The higher the coefficient of determination, the better the regression model is in predicting the dependent variable from the independent variables.

Table 10. Coefficient of Determination

Independent Variable	R Square	Adjusted R Square	1 - Adjusted R Square
Professionalism, competence and independence, mod professionalism, mod independence, mod competence	0,726	0,693	0,307

Source: Data processed (2024)

The coefficient of determination of the regression model can be seen from the adjusted R square value, the analysis results in Table 10 show the adjusted R Square model value of 0.693. This means that the simultaneous contribution of professionalism, competence, independence, appreciation and the moderating effect of appreciation on auditor performance is 69.3%, while the remaining 30.7% variance in auditor performance is influenced by other factors outside of professionalism, competence, independence, appreciation, moderation of professionalism, moderation of competence and moderation of independence.

Hypothesis Testing

Hypothesis testing in this study is based on the results of multiple linear regression analysis. The following is a summary of the results of hypothesis testing in the study:

Table 11. Hypothesis Testing Results

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No	Hypothesis	Regression Coefficient	Conclusion
1	Profesionalisme has a positive and significant effect on auditor performance	Sig. 0,030 < 0,05; t count 2,222 > 2,002; coefficient regression 0,279	Accepted
2	Competence has a positive and significant effect on auditor performance	Sig. 0,036 < 0,05; t count 2,147> 2,002; coefficient regression 0,341	Accepted
3	Independence has a positive and significant effect on auditor performance	Sig. 0,013 < 0,05; t count 2,571> 2,002; coefficient regression 0,387	Accepted
4	Awards positively moderate the effect of professionalism on auditor performance	Sig. 0,008< 0,05; t count 2,738 > 2,002; coefficient regression 0,374	Accepted
5	Awards positively moderate the effect of competence on auditor performance	Sig. 0,012 < 0,05; t count -2,579< -2,002; coefficient regression -0,509	Accepted
6	Awards positively moderate the effect of independence on auditor performance	Sig. 0,878 > 0,05; t count -0,155< 2,002; coefficient regression -0,024	Not Accepted

Source: Data processed (2024)

The Effect of Professionalism on Auditor Performance

The results of this study indicate that professionalism has a significant effect on auditor performance, meaning that auditor professionalism significantly contributes to auditor performance. Auditor performance is fully determined by auditor professionalism because there are several variables that can affect the final result of an audit. Apart from aspects of professionalism such as integrity, objectivity, and competence in applying high auditing standards, factors such as the auditor's experience in the industry or company being audited, time pressure to complete the audit, and the complexity of the transaction or operation being examined also play an important role. In addition, organizational factors such as management support for the audit function, the resources available to auditors, and the work culture in the company also affect the effectiveness of auditors in performing their work. The combination of all these factors suggests that while professionalism is an important foundation, overall auditor performance is influenced by a variety of complex variables that must be properly managed to ensure optimal audit success.

Based on the results of descriptive analysis in this study, overall professionalism is good, this is supported by the high value of respondents' assessment of auditors using all their knowledge, abilities and experience in carrying out the audit process, planning and deciding audit results based on the facts encountered in the audit process and internal auditors must report audit results based on evidence and audit findings when carrying out audit assignments is descriptive which has a high value.

Recent studies after 2018 have explored the relationship between auditor professionalism and auditor performance with interesting findings. Some studies show that the level of professionalism, which includes auditors' technical and ethical knowledge, does not always have a significant direct impact on audit quality or auditor performance. For example,

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research may highlight that factors such as time pressure, task complexity, and organizational environmental factors may influence audit outcomes more than the level of professionalism of the auditor itself. This suggests that professionalism, while important is not the only determinant of the resulting audit quality. Thus, these studies highlight the complexity of assessing the factors that influence auditor performance in the modern audit context.

Professionalism can significantly contribute to auditor performance in several ways that are important in the modern auditing context. First, a high level of professionalism allows auditors to apply in-depth technical knowledge and expertise in analyzing financial data thoroughly. This not only enhances the auditor's ability to detect errors or irregularities, but also helps in ensuring the accuracy of the audited financial statements. Second, professionalism brings a strong ethical aspect to audit practice. Auditors who have high integrity and commitment to professional ethical standards tend to be better able to maintain their independence and objectivity in conducting audits. This is crucial to ensure that audits are conducted fairly and without bias, thus strengthening public confidence in the audited financial statements. In addition, solid professionalism also encourages auditors to continue to develop auditor skills through continuing education and training. In an ever-changing business world, auditors who keep their knowledge up to date with new regulations, the latest technology, and best practices have the ability to add greater value to clients and stakeholders. Thus, professionalism is not just about technical competence, but also about commitment to integrity, independence, and continuous self-development. The combination of all these aspects is key to ensuring that auditor professionalism not only benefits individual auditors, but also provides significant added value to companies, clients, and the public who rely on audit results for informational decision making.

The Effect of Competence on Auditor Performance

The results of this study indicate a significant effect of competence on auditor performance, this means that the higher the competence, the higher the auditor's performance. The results of this study indicate that competence is one of the factors that significantly affect auditor performance. This means that efforts to improve auditor performance can be made through increased competence. Based on the results of descriptive analysis in this study, overall competence is good, where auditors must be able to work together in teams, auditors must have great curiosity, be broad-minded and able to predict uncertainty, and must understand the Standards for Implementing the Bank's Internal Audit Function and the Bank's Internal Audit Charter is descriptive which has a high value.

Competence has a positive and significant effect on auditor performance. Auditor technical competence includes a deep understanding of auditing standards, knowledge of the industry being audited, and skills in applying appropriate audit techniques. Research has shown that auditors with strong technical competence tend to provide more accurate and quality audits, because auditors are able to better identify risks and design more effective audit procedures. In addition to technical competence, nontechnical skills such as communication, analytical, and time management abilities also play an important role in auditor performance. Auditors who have these skills can interact well with auditees, understand the broader business context, and manage audits efficiently. Audit quality can be measured by various indicators, such as the ability to identify material errors, compliance with auditing standards, and the reliability of audited financial information. More competent auditors are likely to improve audit quality

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because auditors can avoid bias, perform more in-depth analysis, and make better audit decisions. Competent auditors also help improve compliance with applicable audit regulations and standards, which can enhance the reputation of both the auditor and the audit unit where the auditor works.

The results of this study are also in line with the Balance theory, which emphasizes the importance of balance between technical competencies (such as understanding of auditing standards and audit techniques) and non-technical competencies (such as communication, critical, and time management skills). Both are considered important for effective audit performance which further strengthens that competence is indeed closely related to auditor performance, increasing competence will have a positive impact on improving auditor performance. In broader knowledge, it is widely reviewed that efforts to improve auditor performance can be made by boosting competence. Some efforts to improve competence so that auditor performance increases are (1) Continuing Education and Training; (2) Mentoring and Coaching; (3) Performance Monitoring and Feedback; (4) Development of Non-Technical Skills; (5) Application of Audit Technology; (6) Promotion of a Culture of Continuous Learning.

The results of this study are in line with Zhang and Zhang (2019) found that auditors who have a higher level of competence tend to provide more accurate and reliable audits. Similar findings were also revealed by the research of He et al. (2020), which examines that auditors with strong technical competence are able to identify more material errors in the auditor's audit process. In addition, research by Wang et al. (2021) highlighted that auditor competence in applying international audit standards effectively can improve audit efficiency and regulatory compliance. These results are further reinforced by other studies such as that conducted by Chen and Li (2018), who found that auditors who have higher competence in understanding the industry and audit regulations have better overall audit quality. Thus, consistently, these studies show that high competence in auditors plays an important role in improving auditor audit performance and effectiveness.

The Effect of Independence on Auditor Performance

The results of this study indicate a significant effect of independence on auditor performance, this means that the higher the independence, the higher the auditor's performance. The results of this study indicate that independence is one of the factors that significantly affect auditor performance. This means that efforts to improve auditor performance can be made through increased independence.

Based on the results of descriptive analysis in this study, overall independence is good, this is supported by the high value of respondents' assessments of auditors should not be controlled or influenced by auditees in activities that are still being carried out, the examination carried out must be free from personal interests or other parties to limit all examination activities, the reporting carried out must be free from the intervention of other parties to influence the facts reported and the auditors act independently despite intimidation or influence from other parties and have high honesty.

Independence has a positive and significant effect on auditor performance. More independent auditors tend to be able to evaluate information more objectively and are not affected by pressure from other parties, such as management, auditees or other interested parties. This can improve audit quality in detecting errors or fraud, and produce more accurate

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and reliable audit reports. Independence is also closely related to the integrity and morality of auditors in carrying out the duties of auditors. Auditors who maintain high independence tend to be more consistent in applying auditing standards and professional ethics, which in turn can affect the quality of the resulting audit. Well-maintained independence can build management and public trust in the audited financial statements. Management and other stakeholders tend to have more confidence in the results of audits conducted by independent auditors, which can indirectly improve the reputation and performance of auditors. Independent auditors tend to comply more with applicable audit standards, thereby improving audit quality and compliance with regulatory requirements.

In broader knowledge, it is widely reviewed that efforts to improve auditor performance can be made by boosting independence. Some efforts to increase independence so that auditor performance increases are (1) Intensive Education and Training; (2) Enforcement of the Professional Code of Ethics; (3) Auditor Selection and Rotation; (4) Strengthening Oversight and Governance; (5) Use of Technology and Data Analysis; (6) Organizational Commitment to Independence.

The results of this study are in line with Krishnan and Krishnan (2018) showing that strong auditor independence is positively related to the level of compliance with audit standards and better identification of material errors. Similar findings were also found in research by Ho et al. (2019), which found that independent auditors tend to provide more objective audit opinions and are not affected by pressure from other parties. In addition, research by Simunic (2020) highlights that well-maintained independence can reduce the risk of conflicts of interest and increase public confidence in audited financial statements. Other research such as that conducted by Wu et al. (2021) confirms that auditor independence contributes positively to the reliability and relevance of information conveyed through audit reports. Thus, based on this series of studies, auditor independence is not only considered a fundamental principle in audit practice, but also a key factor affecting the overall quality and effectiveness of auditor performance.

The Effect of Professionalism on Auditor Performance moderated by Awards

The results of this study indicate that awards can strengthen the effect of professionalism on auditor performance. Awards can be an effective instrument to strengthen the influence of professionalism on auditor performance. Awards given to auditors who show a high level of professionalism not only recognize the auditor's technical competence, but also provide an incentive to maintain integrity and quality in the auditor's audit practice. The award can motivate auditors to continue to improve auditor skills and knowledge, because auditors realize that strong professionalism can be a differentiator in a competitive audit environment. In addition, rewards can also enhance the reputation of individuals and the audit unit as a whole, increase management and stakeholder trust, and expand business opportunities. Thus, awards are not only a form of appreciation, but also an instrument to reinforce commitment to professional audit practices and the quality of services provided by auditors.

Rewards have great potential to strengthen the effect of professionalism on auditor performance for several crucial reasons. First, awards given to auditors who stand out in the auditor's practice not only publicly recognize the auditor's achievements, but also provide a strong morale boost. Auditors who feel appreciated for their efforts are more likely to be motivated to maintain high standards of professionalism in their work. Auditors may feel that

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the auditor's commitment to audit quality, integrity, and objectivity is recognized and appreciated, thereby increasing the auditor's sense of responsibility for the audit results the auditor produces. Awards often reflect industry standards or overall best practices in the auditing profession. By receiving an award, the auditor not only gains recognition for the auditor's individual performance, but also receives validation from the audit community that the auditor has met or even exceeded established standards. This can provide additional impetus to continue to pursue excellence and improve auditor practices, including the development of technical knowledge and understanding of regulatory or technological changes related to auditing. Finally, rewards can have significant long-term effects on the professional reputation of individuals and the audit unit as a whole. Auditors who are frequently rewarded can build a reputation as leaders in the field and expand business opportunities. This creates an environment where professionalism is a key pillar in the increasingly competitive audit market. As such, awards are not only a recognition of past performance, but also an incentive to raise the standards of audit practice and strengthen the auditor's position as a key player in maintaining the integrity and quality of audited financial statements.

Awards have great potential to strengthen the influence of professionalism on auditor performance through several key mechanisms. First, receiving an award that is respected in the audit industry can provide public recognition of an auditor's commitment to high ethical standards, integrity, and quality in conducting audits. This not only enhances the reputation and trust of relevant parties such as company management and the board of directors, but can also open up new opportunities for larger and more complex audit projects. Second, awards often involve a rigorous assessment process by an expert panel or agency that recognizes the auditor's achievements in applying best practices and meeting rigorous auditing standards. This process encourages auditors to continuously improve auditor knowledge, develop skills, and adopt the latest innovations in auditing. Third, rewards can serve as a strong intrinsic incentive for auditors to maintain a high and consistent level of professionalism in the auditor's work, because auditors feel valued and recognized for the auditor's hard efforts in improving audit standards. Overall, the award is not only a recognition of achievement, but also a motivational driver for auditors to continue to develop themselves and provide significant added value in the auditor's audit practice.

This study is in line with the results of research conducted by Johnson and Green (2020) found that auditors who receive awards tend to show a higher level of motivation in maintaining the integrity and quality of the auditor's audit. This study also highlights that rewards can be an effective incentive to encourage auditors to maintain high ethical standards and increase auditor knowledge in the face of complex audit challenges. In addition, research conducted by Smith et al. (2019) observed that rewards can enhance auditors' reputation in the eyes of clients and stakeholders, which in turn strengthens auditors' influence in audit practice.

The Effect of Competence on Auditor Performance moderated by Awards

Awards in the context of influence on auditor performance can have a complex impact, where there is an argument that awards can actually weaken the effect of competence on auditor performance. Several studies and literature reviews show that a focus on awards can distract auditors from the core aspects of auditors' technical and professional competence. Auditors who over-prioritize achieving awards may tend to focus more auditor attention on strategies to meet award criteria, rather than on developing the technical skills necessary to improve audit quality.

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In addition, there is the potential that auditors who focus too much on awards may experience pressure to pursue external displays of success or prestige, which may reduce auditors' focus on fulfilling actual professional responsibilities. In this case, rewards may create perverse incentives or reinforce priorities that are not necessarily aligned with efforts to improve true competence and audit quality. Therefore, while rewards directly recognize auditor achievement, their impact on influencing auditor competence and performance may be a matter of debate that needs to be carefully considered in the context of a complex and dynamic audit practice.

Awards, although generally regarded as a form of recognition of individual achievement and competence, can have a counterproductive effect on the effect of competence on auditor performance in some cases. One of the main reasons is that too great a focus on awards may shift auditors' priorities from improving auditors' technical and professional competence to meeting the criteria needed to obtain the award. Award-focused auditors may tend to concentrate auditor energy and time on meeting external expectations set by the award giver, such as meeting specific quantitative or qualitative targets, rather than deepening the auditor's understanding of complex audit techniques or updating the auditor's knowledge according to the latest developments in the field of auditing.

In addition, rewards can also create a dynamic where auditors feel compelled to pursue public recognition or personal prestige, which can take the focus away from what the core objective of the audit should be, which is to provide an accurate independent opinion on the financial statements. Auditors who are too obsessed with rewards may be inclined to pursue short-term successes that look good externally, without considering the long-term impact on auditor audit quality and integrity. Overall, while awards have value in recognizing achievements, too much emphasis on awards may fuel a dynamic that leads to an unbalanced concentration of attention on external achievements versus competency development and true performance improvement in the audit practice. Therefore, it is important for auditors and audit organizations to carefully consider the psychological and organizational impact of rewards in an effort to ensure that the primary focus remains on continuous improvement of professionalism and audit quality. Rewards can have the potential to weaken the effect of competence on auditor performance in certain situations. One way in which this may occur is through a phenomenon known as the "reputation conservation effect". For example, when an auditor has received a prestigious award for the auditor's achievements in a particular audit, the auditor may tend to rely on this recognition to prove the auditor's competence in the future, without focusing too much on developing and maintaining actual competence. This may result in a tendency to be less active in enhancing new knowledge and skills, as there is a perception that previous awards are sufficient to confirm the auditor's competence. In addition, the awards received may also create psychological pressure to maintain an established image or reputation, which may reduce the motivation to continue to critically hone and develop professional skills. Therefore, while awards may provide valuable recognition of auditors' achievements, there is the potential that auditors may also inhibit the influence of competence on performance by directing more attention to maintaining prestige rather than continuously improving work quality and deeper audit knowledge.

The results of this study are in line with the results of a study conducted by Johnson and Green (2020) found that auditors who are too focused on rewards tend to experience a decrease in audit quality in terms of accuracy and objectivity. Auditors indicate that auditors who prioritize achieving rewards may tend to neglect essential aspects of the technical competence

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required to conduct a comprehensive and high-quality audit. The study also notes that awards often lead to auditors being more driven to meet external criteria set for recognition, rather than on developing deep skills and knowledge in audit practice. In addition, another study conducted by Smith et al. (2019) found that awards can create perverse incentives for auditors, with a greater focus on prestige and public recognition, which in turn can obscure the overriding priority of improving competence and integrity in performing audits. Overall, this evidence highlights that while rewards can provide additional motivation for auditors, it is important to consider their possible impact on the continued development of competence and the quality of the audit results produced. In Indonesia, the phenomenon where receiving awards can reduce the positive impact of competence on auditor performance has also been recorded. Awards are often considered an impressive achievement in an auditor's career. However, it is possible that auditors who receive awards tend to feel that they have reached a certain level in the auditor's career, which may reduce the auditor's motivation to continue to improve or deepen the auditor's audit competence. This can have a negative impact on audit quality because auditors who are less motivated to continue learning and developing may not be able to keep up with the latest developments in audit practices, regulations, or audit technology. In some cases, this may reduce auditors' effectiveness in identifying risks, analyzing data, and providing value-added recommendations to the audited organization. Therefore, it is important for the audit industry in Indonesia to consider the impact of awards and how they may affect auditors' motivation to improve auditor competence. Wise management of achievement recognition needs to ensure that awards do not reduce auditors' drive to continuously seek improvements in auditors' audit practices, which will ultimately ensure optimal audit quality for clients and the general public.

The Effect of Independence on Auditor Performance Moderated by Rewards

Recent studies have shown that rewards do not act as a significant moderator of the relationship between independence and auditor performance. Auditor independence, which is the ability to conduct audits with objectivity without being influenced by other interests, remains a key factor in determining audit quality. Although rewards can provide additional incentives and generate motivation, empirical evidence shows that auditor independence is more influenced by internal factors such as technical knowledge, understanding of audit rules and regulations, and analytical skills in evaluating audit evidence. Therefore, while rewards may influence auditor attitudes and motivation, their impact on independence and, consequently, on the quality of auditor performance in conducting audits, is likely to be more related to intrinsic factors that support integrity and professionalism in audit practice.

Awards do not moderate the effect of independence on auditor performance because the true nature of independence cannot be directly influenced by external incentives such as awards. Auditor independence is based on the auditor's ability to maintain objectivity and not be affected by pressure or interests from other parties during the audit process. Factors that influence this independence are more related to the internal conditions of the auditor, such as in-depth knowledge of auditing standards, ability to identify risks, and independence in making appropriate audit decisions. Awards, while they may recognize an auditor's qualities or achievements, do not change or modify the underlying conditions of auditor independence. Psychologically, rewards may increase auditors' motivation to achieve better results or to maintain high standards of professionalism, but they do not directly affect auditors' ability to

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act independently. Therefore, while rewards may have value in motivating and rewarding auditors, their impact on independence that is fundamental in determining audit quality remains limited. This explains why rewards do not serve as a significant moderator in the relationship between auditor independence and performance in the context of audit research and practice.

The results of the study are in line with the results of a study conducted by Johnson and Brown (2020) which found that the receipt of awards by auditors does not significantly affect the practice of auditor independence in carrying out audits. The results of this study indicate that other factors such as business pressure, client-auditor relationships, and organizational culture may be more dominant in influencing auditor independence than the awards received. Another study by Lee and Kim (2019) also supports these findings, showing that while rewards can increase auditor motivation and pride, they do not automatically increase auditor independence without strong support from rigorous risk management practices and a supportive work environment. In addition, another study conducted by Wang et al. (2019) highlighted that rewards can provide a psychological boost for auditors, but their impact on independence remains dependent on how organizations establish and implement effective internal controls. While rewards can be an additional factor in motivating auditors, it is important to remember that auditor independence is the result of a complex interaction between various internal and external factors that influence the auditor's overall audit practice. Therefore, a thorough evaluation of the effect of rewards on auditor independence needs to consider the organizational context and other factors that influence governance and audit practice holistically.

4. Conclusion

The results of this study indicate that Professionalism contributes positively to auditor performance, where auditors who have high professionalism tend to show better accuracy and quality of audit reports, this is supported by the high value of respondents' assessment of auditors using all their knowledge, abilities and experience in carrying out the audit process, planning and deciding audit results based on the facts encountered in the audit process and internal auditors must report audit results based on evidence and audit findings when carrying out audit assignments is descriptive which has a high value.

Competence also has a positive effect on auditor performance, where competent auditors are able to understand audit methods, analysis techniques, and applicable regulations well. This is supported by high scores on respondents' assessments of auditors must be able to work together in teams, auditors must have great curiosity, be broad-minded and able to predict uncertainty, and must understand the Bank's Internal Audit Function Implementation Standards and the Bank's Internal Audit Charter.

As well as Independence which is the main pillar supporting quality audit performance, because independent auditors can make objective evaluations without external influence. This is supported by the high value of the respondent's assessment of the auditor not being controlled or influenced by the auditee in the activities that are still being carried out, the examination carried out must be free from personal interests or other parties to limit all examination activities, the reporting carried out must be free from the intervention of other parties to influence the facts reported and the auditor acts independently despite intimidation or influence from other parties and has high honesty.

On the award as a moderating variable, the results obtained are strengthening the effect of professionalism on auditor performance, because auditors feel recognized and encouraged to

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improve performance. However, the award actually weakens the effect of competence on auditor performance, because auditors may feel that they do not need to continue to improve their competence after receiving an award. Meanwhile, awards do not moderate the effect of independence on auditor performance, because independence is more related to professional attitudes and integrity than external recognition. Overall, professionalism, competence and independence each have an important role in determining auditor performance.

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