

# The effect of professionalism and locus of control on the auditor's job performance with working motivation as intervening variable

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## ABSTRACT

This research aims to analyze the effect of professionalism and locus of control on the auditor's job performance using work motivation as intervening variable. This study uses primary data obtained by distributing questionnaires to auditors who work at Audit Firms in Surabaya area listed on the Audit Firms (KAP) Directory issued by the Institute of Indonesia Chartered Accountants (IAPI) in 2010. The sampling is using convenience-sampling method, while the data analysis method is using path analysis. The result of path analysis test shows that (1) professionalism has an effect on the value of job performance (2) professionalism has no significant effect on the value of job performance with work motivation as an intervening variable (3) locus of control has no significant effect on the auditor's job performance (4) locus of control has significant effect on the auditor's job performance with work motivation as an intervening variable.

## ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh profesionalisme dan locus of control terhadap kinerja pekerjaan auditor dengan motivasi kerja sebagai variabel intervening. Penelitian ini menggunakan data primer yang diperoleh dengan menyebarkan kuesioner kepada auditor yang bekerja di Perusahaan Audit di daerah Surabaya, yang terdaftar di Direktori Kantor Audit Publik (KAP) dikeluarkan oleh Institute of Indonesia Chartered Accountants (IAPI) pada 2010. Pengambilan sampel menggunakan metode convenience sampling, sedangkan metode analisis data menggunakan analisis jalur. Hasil analisis jalur tes menunjukkan bahwa (1) profesionalisme memiliki efek pada nilai prestasi kerja (2) profesionalisme tidak berpengaruh signifikan terhadap nilai prestasi kerja dengan motivasi kerja sebagai variabel intervening (3) locus of control tidak berpengaruh secara signifikan terhadap prestasi kerja auditor (4) locus of control berpengaruh secara signifikan terhadap prestasi kerja auditor dengan motivasi kerja sebagai variabel intervening.

## 1. INTRODUCTION

Public accountant is a profession that emphasizes on intricate mindset and knowledge and individuals who have specific educational background and abilities can only do this. One of the public accountant's duties is to provide useful information to the public for economic decision-making. Setiawan and Ghozali in Gratia and Septiani (2014) stated that, in general, professionals such as lawyers and doctor, as the first party, they work for the interests of their clients, and as the second party, they are the service applicants. In relation to the profession as a public ac-

countant, as the first party, they also work for the interests of the clients, while as the second party; this profession is also required to prioritize responsibilities to the public, as the third party. Therefore, a public accountant expected to be able to carry out the responsibilities in his profession well.

Public accountant must be independent and explicitly commit to serving the public interest. The demand for various accounting services such as audit, tax and management by various organizations, local or multinational, is the main responsibility of a professional accountant (Setiawan and Ghozali in

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Gratia and Septiani 2014).

In relation to job performance, it is important for Audit Firms, auditors and those who use the services of auditors (public) to pay attention to the consequences of personal character and the working condition where the auditors work. Personal character and working conditions can produce the different level of job performance and psychological circumstances. Fisher in Utami and Nahartyo (2013) stated that Audit Firm could improve the job performance of its auditors by reducing the pressure in their working environment. It is not only the personal character that can influence one's actions, but also the external environment that determines one's freedom.

In addition to being a professional with an attitude of professionalism, Falikhatun in Ayudiati (2010) mentioned that the improved performance, which results in a good job performance, is affected by certain conditions. They are the conditions that come from within the individual, or called individual factors, that include gender, health, experience and psychological characteristics consisting of motivation and locus of control. Regarding the individual factors, locus of control determines the degree to which the individual believes that his behavior affects what happens to himself. Some people feel confident that they govern themselves fully so that they are determinants of their own destiny and have a personal responsibility for what happens to them. When they work well, they are sure that it is because of their own efforts. Such condition is classified as internal locus of control. While others see themselves helplessly governed by fate and controlled by external forces. When they work well, they are sure that it is because of the fate. Such condition is classified as external locus of control. Previous research that supports the current research related to the locus of control is a research conducted by Agustia (2011) that found that locus of control has a strong and significant influence on the job performance of an auditor, so it can be concluded that the auditor who has a tendency of internal locus of control will be having a high job performance.

In addition, other factor that must be considered is the auditor's work motivation. Motivation is the willingness to give more effort to achieve organizational goals caused by the willingness to satisfy individual needs. Koesmono (2007) explained that motivation is a drive that leads someone to do something to meet his needs and desires. One of the auditor's motivations to work at Audit Firm is the compensation or fee on the audit work that he has done. An auditor who is motivated and collects fee will

perform an audit in accordance with the standards set. The auditor who collects fee will be satisfied because his expectation is fulfilled. It is stated that the achievement and job satisfaction will be high, if one's desires and needs, that become the work motivation, are met. Badjuri (2009) in his previous study concluded that work motivation, as an intervening variable, has significant influence on auditor's job performance.

In relation to the positive factors related to the auditor's job performance, professionalism is the attitude and behavior of an auditor in carrying out his profession with seriousness and responsibility in order to achieve good task performance. It is attitude and behavior that can be seen as the driving motivation of a person to work, and they are inextricably linked. Locus of control is also a form of consistency of a person's attachment to something such as the importance of personal responsibility, the relevant information in the face of an uncertain environment situation and professional commitment. The higher professionalism and locus of control possessed by an auditor, the higher motivation is. Thus, it has a positive effect on the performance. In other words, it can lead to a good job performance.

It is based on the above phenomenon and the problems associated with the high demand for audit services, this research is done. It is also based the demand for examining the financial statements of companies that start to grow rapidly in many urban areas, especially in Surabaya, the researchers are motivated to examine the attitude of professionalism, locus of control and auditor's work motivation as well as how they influence the auditor's job performance.

## **THEORETICAL FRAMEWORK AND HYPOTHESES**

### **Professionalism**

In general sense, a person is said to be professional if he meets three criteria; having the expertise to carry out duties in accordance with his field, performing a duty or profession by setting the standards in the profession field concerned, and performing his professional duty in compliance with professional ethics which have been set (Rusyanti 2010). Profession and professionalism can be distinguished conceptually. Profession is the kind of work that meets some criteria, while professionalism is an important individual attributes without seeing whether the job is a profession or not (Lekatompesy in Herawati and Susanto 2009).

Mulyadi in Noveria (2006) stated that the achievement of professional competence would re-

quire a high standard of general education followed by specific education, training, professional trials in relevant subjects (tasks) and work experience. Therefore, to realize the professionalism of an auditor, several ways should be conducted, such as controlling the quality of auditor, review by peers, continuous professional education, improving compliance with applicable laws, and adhering to a code of professional conduct. IAI has authority to set standards (which constitute the guidelines) and rules that must be obeyed by all members, including any other Audit Firms, which operate as independent auditors.

### **Working Motivation**

Motivation is a condition or energy that drives employees directionally to achieve the company's organizational goals (Robbins in Brahmasari, and Suprayetno 2008). The pro and positive mental attitude of employees on the employment situation can strengthen their work motivation to achieve maximum performance. Larkin in Trisnarningsih (2007) stated that one of the dimensions of personality in measuring the performance of an auditor is motivation. The motivation of an auditor will encourage the individual wishes of the auditor to perform certain activities to achieve a goal. Based on the above understanding, motivation is the employee's response to a number of statements regarding the overall businesses arising from within the employee himself in order to grow the drive to work and the employee's purposes can be reached.

Broadly speaking, the theory of motivation is classified into three groups: the theory of motivation with the approach of contents/satisfaction (content theory), theory of motivation with the approach of process (process theory) and the theory of motivation with the approach of reinforcement (reinforcement theory).

Models of measurement of work motivation have been developed, as in Mangkunegara (2005: 68) it is stated that there are six (6) characteristics of the people who have high achievement motivation: (1) Having a high level of personal responsibility, (2) Daring to take and bear the risk, (3) Having a realistic goal, (4) Having a comprehensive work plan and striving to realize the goals, (5) Utilizing concrete feedbacks in all activities undertaken, and (6) searching for the opportunity to realize the plans that have been programmed.

### **Locus of Control**

Robbins in Dali et al. (2013) defined locus of control as one's perspective to his fate source. Someone who

has a belief that fate or event in his life is under his control is said to have an internal locus of control. While someone, who has a belief that it is the environment that has a control over the fate or event in his life is said to have an external locus of control.

Robbins in Purnomo and Lestari (2010) said that the results achieved by internal locus of control are considered being derived from his own activity. Yet, on individual with the external locus of control assumes that the success achieved is controlled by the surrounding circumstances. Zimbardo in Kustono (2011) stated that the dimensions of internal-external locus of control of Rotter focus on the strategies to achieve the objectives regardless of the origin of these objectives.

The individual who has an internal locus of control will look at the world as something that can be predicted and the individual behavior plays a role in it. The individual who has an external locus of control will look at the world as something that cannot be predicted, and neither can those who try to achieve the goal. Thus, the individual behavior does not play a role in it. Individual who has an external locus of control is identified, and they rely on their hopes more on others, searching for and selecting a more favorable situation, Zimbardo in Sastrodimejo (2008). Meanwhile, individual who has an internal locus of control is identified relying his hopes more on himself and also preferring skills to just a favorable situation.

Locus of control is beneficial for accounting, particularly with regard to profession as an auditor. As noted in Patten (2005), the company's internal audit department, by reflecting on the world trend of public accountants, reviews the way how the internal auditor provides audit services to the company. The benefit obtained by observing the potential role of the audit structure and locus of control in the internal audit department is that it can enrich the knowledge and insight, especially for the audit department to raise the performance of the accounting staff.

In implementing the internal locus of control and external locus of control, individuals need to understand what events faced, whether positive (success) or negative (failure). If positive, it is better to apply the internal locus of control. Meanwhile, if negative, it is better to apply external locus of control (Brahmasari and Suprayetno 2010)

### **Job Performance**

The quality and quantity of work can be used as a standard of performance. Nadirsyah and Indriani in Khotimah (2010) defined performance as a person's

level to meet the expectations related to the function or description of the reaction of his job. Performance is any expectations about what should be done by someone with his role in an organization. Besides, performance is something done or the service product generated or provided by a person or group of people. According to Ikbal in Khotimah (2010), individual performance in the organization means that the organization can achieve its objectives through the individual who has the desire and potential to work, so that the efforts that the organization should do are to create conducive atmosphere for achievement.

### **The Effect of Professionalism on the Auditor's Job Performance**

According to Wahyudi and Mardiyah (2006), an auditor can be said professional if he has met and adhered to ethical standards set by IAI. Professionalism is the ideal standard, minimum standards of ethical behavior, interpretation of behavior and ethics statutes. Professionalism is an element of motivation that contributes to a manager in order to have a high performance. Research conducted by Lavin in Alim et al. (2007), shows that there is a significant relationship between professionalism, represented by the auditor's independence, and audit quality. It is very important for an auditor to remember that the auditor's professionalism level is really needed to do a job. It, therefore, requires a strong attitude and principle to maintain the professional attitude in order to obtain the expected performance. Proficiency will greatly affect the accuracy of an auditor in giving an opinion. Thus, it can be said that the higher the level of professionalism of an auditor to conduct an audit is expected to affect the accuracy of an auditor in giving an opinion and the auditor's job performance level is higher.

Hypothesis 1: Professionalism affects the auditor's job performance

### **The Effect of Professionalism on the Auditor's Job Performance through Working Motivation**

Working motivation is an employee response to a number of statements regarding the overall business arising from within the employee in order to grow the drive to work so that the objectives desired by the employee can be reached. Someone who joins an organization (company) surely brings the desires, needs and past experiences that shape his work expectations, and together with his organization trying to achieve a common goal. To be able to work together and perform the work properly, the employee must have a professional attitude in running his

profession. The professionalism owned will be a motivation for the employee to improve the job performance.

Hypothesis 2: Professionalism affects the auditor's job performance with work motivation as an intervening variable

### **The Effect of Locus Of Control on the Auditor's Job Performance**

Locus of Control is expected to affect the auditor's job performance, especially for internal auditors in addition to the external audit group. As noted in Patten (2005), the company's internal audit department, by reflecting on the world trend of public accountants, reviews the way how the internal auditor provides audit services for the company, so that by observing the potential role of the audit structure and Locus of Control in the internal audit department, it will be able to enrich the knowledge and insights for audit departments to improve the performance of staff.

Hypothesis 3: Locus of control affects the auditor's job performance

### **The Effect of Locus of Control on the Auditor's Job Performance through Work Motivation**

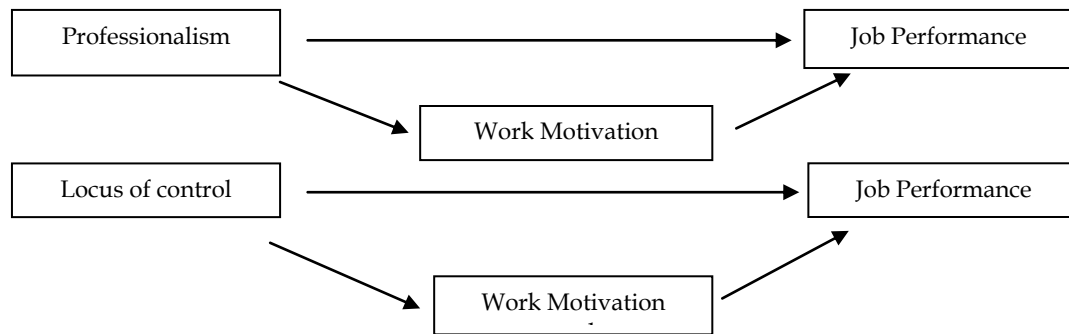
Engko and Gudono (2007) described that locus of control is one's perspective to an event, whether he can or cannot control the event happening to him. Man, in carrying out various activities in his life always tries to give a response to internal and external factors that exist in himself and the environment (Kelley 2006, in Agustia 2011). The individual activities as the response to internal and external factors are controlled by locus of control factor. An auditor will have work motivation if the auditor can display behavior that is appropriate to the type of work performed because of the influence in him (internal) as well as the environment outside him (external). If an auditor is likely to have an internal locus of control, he is confident with his ability to solve a problem. Then it will lead to the motivation to work and it is expected to improve the auditor's job performance. Hypothesis 4: Locus of control affects the auditor's job performance with work motivation as an intervening variable.

The framework underlying this study can be described as shown in Figure 1.

## **3. RESEARCH METHOD**

### **Research Design**

The population consists of the auditors who work at Audit Firms in Surabaya, registered in the Institute of Indonesia Chartered Accountants (IAPI) in which



**Figure 1**  
**Research Framework**

there are 46 Audit Firms. The respondents used in this research were 5 respondents, namely senior auditor, manager, supervisor, junior auditor and partners working in Audit Firms in Surabaya. The sampling in this study is by providing questionnaires with the techniques of probability using convenience-sampling method. Convenience sampling method is used due to the limited number of auditors who were willing to serve as respondents

### **Operational Definition and Variable Measurement**

The operational definitions in this study are as follows:

1. Independent Variables
  - a. Professionalism is an attitude and behavior of an auditor in carrying out his profession with seriousness and responsibility in order to achieve the performance of his duties as set forth by the profession organization, including dedication to profession, social obligations, self-reliance, profession confidence and relationships with colleagues in the same profession.
  - b. Locus of control is the degree to which a person accepts personal responsibility for what happens to him. Internal control refers to the perceptions of both positive and negative events because of his actions. External control refers to the belief that an event does not have a direct relationship with his actions and it is beyond his control.
2. Dependent Variable
  - a. Job performance is a person's success in executing a job and the result to be achieved by the person under the applicable size for the job in question and is affected by two factors namely individual factor and situational factor.
3. Intervening Variable
  - a. Work motivation is defined as an encourage-

ment and a strong willingness to produce good job satisfaction and job performance, so it will be a good contribution to an organization's effectiveness.

### **Research Instrument**

This study used questionnaires or the list of questions addressed to the senior auditor, supervisor, manager of Audit Firm, junior auditor and partner who works in the Audit Firm in Surabaya. Each variable is measured using a Likert scale of 1-4 using a questionnaire. Every statement is using the scale depiction ranging from strongly disagree to strongly agree. Value of 1 is for strongly disagree, value of 2 is for disagree, value of 3 is for agree, and value of 4 is for strongly agree. The questionnaire is prepared based on indicators of the variables studied.

### **Validity Test**

The validity test results are the correlation between each question and the total score of the constructs of each variable shows significant results. These results can be seen that  $r$  count is greater than  $r$  table. Thus, it can be concluded that all question items are valid.

### **Reliability Test**

A variable is said to be reliable if its Cronbach Alpha value is at least 0.7 or 70%. SPSS calculation results show that Cronbach's Alpha value for the variable X1 (professionalism) is 0.833. Variable X2 (locus of control) is 0.753. Variable X3 (work motivation) is 0.763 and the dependent variable (job performance) is 0.738. Each variable has a value greater than 0.7. Therefore, it can conclude all the variables are reliable.

### **Normality Test**

Normality test aims to test whether the residual variable has a normal distribution in the regression model. As it is known that the test of  $t$  and  $F$  assumes that, the value of residual is distributed nor-

**Table 1**  
**Mean Category of Interval Score**

Interval	Category
$1.00 < a < 1.75$	Strongly Disagree
$1.75 < a < 2.50$	Disagree
$2.50 < a < 3.25$	Agree
$3.25 < a < 4.00$	Strongly Agree

**Table 2**  
**Descriptive Analysis Test**

Variable	N	Total Average of All Questionnaire	Number of Questionnaire	Mean Value of each Variable
Professionalism	44	47.57	15	3.17
Locus of control	44	26.96	10	2.70
Work Motivation	44	30.58	10	3.06
Job Performance	44	31.48	10	3.15

Source: Data Processed.

mally. If this assumption is violated, the statistical test is not valid for small sample quantities (Ghozali 2011).

From the result of normality test, the Kolmogorov-Smirnov value in model 1 is 0.868, with the significance probability of 0.438 which is greater than  $\alpha = 0.05$ . So, it can be concluded that  $H_0$  is accepted or residual data is distributed normally. The Kolmogorov-Smirnov value in model 2 is 0.861, with significance probability of 0.449. So, it can be concluded that  $H_0$  is accepted and the residual data is distributed normally.

#### 4. DATA ANALYSIS AND DISCUSSION

##### Descriptive Test

Descriptive analysis is used to illustrate the mean value of each variable in this study, namely the variable of professionalism, locus of control, work motivation and job performance.

The measurement of variables is using measurement scale from 1 to 4. The determination of class interval is using the formula of the highest value (4) minus the lowest value (1) divided by the number of classes (4), obtained the class interval value of 0.75. Then, it can be drawn up the limitation of each class value as shown in Table 1.

The descriptive test results are shown in Table 2. In Table 2, it can be seen that the sample consists of 44 respondents. Their responses regarding professionalism are very high. The mean score for the whole questions of each variable related to the professionalism is 3.17. The mean score of the whole questions can be said "agree" which means that professionalism possessed by an auditor is necessary so that the auditor can dedicate his profession, social responsibility and confidence in his own regulations

in accordance with the professional standards of public accountants.

The mean value of the whole questions of each variable relating to locus of control is 2.70. The mean score of all questions can be said "agree", which means that the locus of control attitude possessed by an auditor is necessary so that the auditor can demonstrate his ability to work and work action related to the success at the time of carrying out his profession. The mean score of all questions of each variable associated with work motivation is 3.06. The mean score of the all questions can be said "agree", which means that the motivation attitude owned by an auditor is necessary so that the auditor can run a process that explains the intensity, direction and persistence of effort to achieve a goal in achieving good job results and in accordance with the target planned.

The mean value of the whole questions of each variable relating to job performance is 3.15. The mean value of the whole questions can be said "agree", which means that the job performance attitude is necessary so that the organization can achieve its objectives through individuals who have the desire and potential to work, so the efforts that should be done by an auditor is to create a job performance.

##### Analysis Results and Discussion

Based on the analysis that has been done on the model 1, the R Square value is 38%, which means that the independent variable can affect the job performance or 38%, and the remaining of 62% is influenced by other variables or other models outside the independent variables studied. The value of adjusted  $R^2$  is 35%. This means that 35% variation of

**Table 3**  
**The Results of Multiple Linear Regression Analysis of Model 1**

Variable	Regression Coefficient	Error Standard	t-computed	t-table	Sig.
Constant	10.232	4.276	2.393	1.6811	0.021
Professionalism	0.263	0.117	2.256	1.6811	0.029
Work Motivation	0.285	0.158	1.802	1.6811	0.079
R2					0.380
Adjusted R2					0.350
F- computed					34.569
Sig. F					0.000

**Table 4**  
**The Results of Multiple Linear Regression Analysis of Model 2**

Variable	Regression Coefficient	Error Standard	t count	t table	Sig.
Constant	14.051	4.222	3.328	1.6811	0.002
Locus of control	0.097	0.132	0.737	1.6811	0.465
Work Motivation	0.474	0.412	3.339	1.6811	0.002
R2					0.313
Adjusted R2					0.279
F count					13.442
Sig. F					0.001

job performance can be explained by the independent variables of professionalism and work motivation. Standard Error of Estimate (SEE) is 2.316. The smaller the value of SEE, the more precise the regression model in predicting the dependent variable, namely the auditor's job performance. From the ANOVA test or F test, it can be calculated that the value of F count is 34.569 with significance value of 0.000. Since the significance value is smaller than 0.05, it can be concluded that  $H_0$  is accepted, in which the regression model fits to the data. Table 3 shows that the independent variable of professionalism is significant at sig. <0.05. In the regression coefficient (unstandardized beta coefficient) indicates that the variable of professionalism has significant positive effect, while the independent variable of working motivation does not have any effect.

The value of R Square is 31.3%, which means that the independent variable can affect the auditor's job performance, or 31.3%, and the remaining of 68.7% is influenced by other variables or other models outside the independent variables studied. Table 4 shows that the value of adjusted R2 is 27.9%. This means that 27.9% of the variation of auditor's job performance can be explained by the independent variable of locus of control and work motivation. The remaining of 72.1% is explained by other causes outside the model. From ANOVA test or F test, it can be seen that the value of F-computed is 13.442 with a significance value of 0.001. Since the signific-

ance value is smaller than 0.05, it can be concluded that  $H_0$  is accepted, in which the regression model fits to the data. Table 4 shows that the independent variable of locus of control has sig. value of 0.465 which is greater than the probability value of 0.05, and the variable of locus of control indirectly affects working motivation which has sig. value of 0.001. On the variable of work motivation, there is a sig. value of 0.002. The sig value is smaller than the probability value of 0.05.

### **The Effect of Professionalism on the Auditor's Job Performance**

Professionalism is one's attitude and behavior in carrying out his profession in order to achieve the task performance as set by his profession organization. Job performance is a success in carrying out the work and the result to be achieved according to the measure applied for the job. The higher or the lower the level of an auditor's professionalism at the time of auditing will affect the accuracy of the auditor in giving the opinion so that it affects the auditor's job performance level.

Based on the results of hypothesis test ( $H_1$ ), it can be concluded that the variable of professionalism affects the variable of job performance. Table 4 shows that from the hypothesis test is obtained t-computed value of 2.256, with a significance value of 0.029. The result of this research is also supported by previous research in which Retno Indah Herawati

(2009) showed that auditors have dedication, autonomy, confidence and awareness of their social responsibility, which can encourage the auditors to achieve good job performance. This proves that the auditors have the ability to improve their standard, to provide constructive advice, to complete the task within a certain period, to get honor (attitude of respect) from coworkers and to get a good assessment from their employers. It can be concluded that professionalism has positive significant effect on the auditor's job performance, and it is supported by the previous research conducted by Retno Indah Herawati (2009).

### **The Effect of Professionalism on the Auditor's Job Performance with Work Motivation as the Intervening Variable**

Motivation is a boost to do something. A high motivation to become an auditor will lead to a high commitment (intensity, direction and persistence) to the auditor organization, so that the objectives of the organization can be more easily achieved (Sareta and Agustia 2009). To be able to work together and perform the work properly, an employee must have the professionalism that can be used as work motivation to improve the job performance expected. Based on the results of hypothesis test (H2), it can be concluded that the variable of professionalism has a significant effect on the variable of job performance. Professionalism has significant effect on work motivation, and work motivation has no significant effect on the auditor's job performance. Work motivation is not as an intervening variable on the second hypothesis. Someone is said professional if he also works professionally. This can be reflected into five areas: 1) dedication to profession, 2) the fulfillment of social obligations, 3) the attitude of independence, 4) the confidence in the regulation of the profession, and 5) the quality of his relationship with other people in the same profession (Wahyudi and Mardiyah 2006; Herawati and Susanto 2009). This path analysis suggests that professionalism has direct effect on the auditor's job performance without the presence of work motivation as an intervening variable. This can happen because the auditor who has a high professionalism can directly affect the auditor's job performance without being mediated by work motivation. An auditor who works according to the norms and professional code will direct himself to act in accordance with the procedure at the time of performing his duties, so that this will encourage the achievement of job performance regardless of work motivation. The results support the research conducted by Probo & Kartika (2008).

### **The Effect of Locus of Control on the Auditor's Job Performance**

Locus of control is one's perspective on an event, whether he can or cannot control the event happening to him. Locus of control can affect the auditor's job performance, for internal auditors in addition to the external audit group. As noted in Patten (2005), by reflecting on the trend of world public accountant, it requires a review on the way how the internal auditor provides audit services for the company, so that by observing the potential role of the audit structure and locus of control in the internal audit department, it can enrich the knowledge and insights for audit departments to improve the performance of staff.

The result of the third hypothesis test that examines the effect of locus of control on the auditor's job performance shows a significance value of 0.465 which is greater than constant sig. value of 0.05, or 5%. It can be concluded that the third hypothesis is rejected. The researchers still cannot prove the influence of locus of control on the auditor's job performance. An auditor will tend to work based on the norms and standards of public accounting profession and direct himself to act in accordance with the procedure at the time of performing his duties regardless of the internal and external locus of control. Thus, it can be said that locus of control is not able to guarantee the auditor's job performance. The result of this study differs from the previous study conducted by Agustia (2011) that revealed that the locus of control affects the auditor's job performance.

### **The Effect of Locus of Control on the Auditor's Job Performance with Work Motivation as the Intervening Variable**

Locus of control is one's perspective to an event, whether the auditor can or cannot control the event happening to him, and making sure to have a good work motivation to produce a performance of an auditor. Theoretically, good working motivation will have positive influence on the auditor's job performance. Based on the existing theories, the researchers are trying to test the indirect effect of locus of control on the auditor's job performance with the working motivation as an intervening variable.

Table 4 provides evidence about the effect of locus of control on the auditor's performance of 0.465, which is not significant on the constant sig. value of 0.05. The variable of locus of control on work motivation has a significant value of 0.01. The variable of work motivation on auditor's job performance has a significant value of 0.02. Therefore, the fourth hypothesis (H4) is accepted. It can be concluded that the



work motivation is as an intervening variable. If an auditor tends to have an internal locus of control and he is confident with his own ability to solve a problem, it will lead to motivation and is expected to improve the auditor's job performance. However, if an auditor has a tendency to trust the factors outside himself as a determinant of success, it can be said he has an external locus of control, and this will only decrease the work motivation and results in a decline in auditor's job performance.

Internal controls will be visible through the ability to work and work activities, which are related to the success and failure of the employee at the time of performing the job. The employee who has external control feels that there are controls outside himself that support the results of work performed (Engko and Gudono 2007).

## 5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

It can be concluded that, based on the results of the hypothesis test (H1), professionalism has an effect on the auditor's job performance, and working motivation is not as an intervening variable (H2). Based on the third hypothesis (H3), the locus of control does not have any effect on the auditor's job performance, but working motivation functions as an intervening variable.

This study has several limitations: (1) the samples in this study are only 44 respondents with 7 Audit Firms of 46 Audit Firms existing in Surabaya. The limited acquisition of respondents was due to their office policy that could not accept the questionnaires, the number of auditors assigned were out of town, and the tight portion of work, which did not allow the auditors to fill in the questionnaires. (2) The respondents' answers submitted in writing through questionnaires did not always reflect the actual situation, which are sometimes different from the data obtained through direct interviews.

The suggestions for further researches are as follows (1) it is expected to use more variables so that it can explain more on the link of the auditor's job performance; (2) it is expected to add more samples to increase the accuracy of the research results, given the sample used in this study is limited the Audit Firms in Surabaya.

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