



# The Influence of Audit Fees, Leadership Style, and Professionalism on Auditor Performance Through Auditor Experience as an Intervening Variable

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## Abstract

This research aims to find out whether the audit fee variables, leadership style and professionalism have a direct influence on auditor performance or are assisted by the intervening variable, namely experience. This research is quantitative. The research location was carried out at the Makassar City Public Accounting Office, South Sulawesi. The data source taken is the Primary data source. The data collection technique used by researchers is distributing questionnaires. Meanwhile, in analyzing the data, researchers used software, namely Smart PLS. The results of this research show that leadership style and professionalism have a positive and significant influence on auditor performance, audit fees have a positive but not significant influence on auditor performance. Audit fees have a positive and significant effect on experience, but leadership style and professionalism have a positive but not significant effect on experience. Experience has a negative and insignificant influence on auditor performance. Audit fees, leadership style and professionalism have a positive and significant influence on auditor performance through the experience variable as an intervening variable.

## 1. Introduction

In the era of globalization, many cases of accounting fraud have emerged. The profession of auditors has been under public scrutiny in recent years (Abu, 2013). Auditors are expected to perform their duties in accordance with ethical standards outlined in the Code of Ethics for Accountants. The public is able to assess whether auditors adhere to these ethical standards as dictated by the profession (Riris & Lenny, 2016).

Professional ethics have become a crucial topic of discussion in today's society. Ethics are essential for all professions to avoid unlawful actions. All professions are required to act ethically, in line with the morals and values that govern them. The auditor profession, in particular, is built on trust. The public expects auditors to carry out their tasks with high levels of independence, integrity, honesty, and objectivity. Therefore, auditors are expected to uphold the internal moral values of their profession (Cahyani et al., 2015).

In addition to professional ethics, one factor that affects an auditor's performance is audit fees. Audit fees can motivate auditors to

perform their tasks, aligning with the study by Chuntao Lie in Harish et al. (2017), which found that larger audit firms with higher fees tend to provide higher-quality audit services. Jong-Hag et al., as cited by Pratistha & Widhiyani (2014), also noted that larger audit fees may put pressure on auditors to meet client demands, potentially impacting the quality of the audit.

An auditor's performance is a measure of their success. Better auditor performance typically indicates higher-quality audit services. Therefore, it is important to understand the factors influencing auditor performance. Good performance is crucial as auditors play an essential role in providing reliable financial information, especially for companies. A relevant case involving PT Kereta Api Indonesia (PT. KAI) illustrates this. In this case, the role of each supervisory body in ensuring the accurate presentation of financial statements was highlighted. Discrepancies arose between management and the chairman of the audit committee, who refused to sign off on financial statements audited by an external auditor. The commissioner requested a re-audit to ensure



the financial statements were presented transparently and accurately.

One of the internal issues involved was the limited role of internal auditors in the audit appointment process, as only external auditors were actively involved. Additionally, the audit committee did not participate in the auditor appointment process, raising concerns about the integrity of accounting records. Management, including internal auditors, failed to report to the audit committee, leading to uncertainty about the reliability of the financial statements.

Research conducted by Ahmad (2020) on the influence of audit fees and auditor competency on auditor performance concluded that audit fees have a positive and significant effect on auditor motivation. This finding suggests that the higher the fees received by auditors, the more motivated they are to perform their tasks. The positive influence indicates that higher audit fees directly impact auditor motivation, while lower fees result in reduced motivation. The significant influence of audit fees highlights their important role in increasing auditor motivation. In contrast, Serelia's (2019) study found that audit fees have a significant negative effect on auditor performance, while leadership style has a significant positive effect. This indicates that higher audit fees may reduce auditor performance, but good leadership styles in public accounting firms can enhance auditor performance.

Based on the theoretical and previous research findings, this study aims to empirically test whether audit fees, leadership style, and professionalism influence auditor performance, with experience as an intervening variable. Intervening variables are theoretical constructs that mediate the relationship between independent and dependent variables, either directly or indirectly.

## 2. Literature Review

### 2.1 Theory Attribution

Fritz Heider stated that a person's behavior is determined by both internal and

external judgments. Internal forces refer to behaviors that originate within an individual, while external forces are factors outside the individual that can influence their actions. As a result, auditors are influenced by both internal and external behaviors when considering and formulating decisions during the audit process. Attribution is fundamentally based on objective information, although it sometimes requires careful consideration of sufficient data. Based on this information, auditors make normative assessments, which are inevitably influenced by subjective norms they believe to be present. In this context, individual differences significantly affect the variability of the attributions made.

According to Rahman (2014), attribution is made when individuals seek to understand the cause of behavior. Attribution theory was developed to explain the differences in how people assess others, depending on the meanings they assign to specific behaviors. This research links attribution theory to the auditor's performance evaluation process, which is influenced by internal forces such as professionalism and motivation, as well as external factors like leadership style, audit fees, and the auditor's experience in reviewing financial statements.

To improve their performance and deliver reliable audit products to those who need them, auditors must demonstrate specific characteristics, such as professionalism, when conducting financial report audits. On the external side, leadership plays a vital role in managing an organization. Leaders are needed to set certain boundaries and guide their subordinates toward achieving organizational goals.

### 2.2 Audit Fees

The determination of service fees for auditors should reflect appropriate compensation for their members and staff, taking into account their qualifications and experience. The compensation should be in line with the dignity of the public accounting profession and internal standards, and the amount should be set according to the demands



of applicable public accountant professional standards (Rizky, 2021).

### 2.3 Leadership Style

Something one of the organizations in the future determine success from A organization the is leader organization. For increase performance A organization a leader must can give future influence will become guidelines in embed discipline Work all over member (Adelia, 2016)

### 2.4 Professionalism

Professionalism is necessary knowledge handled, ie freedom and not There is connection hierarchy. There must be freedom For determine attitudes and actions profession with follow code ethics Justice . Professionalism is bunch required attributes For support task in frame in accordance standard required work (Wuladari & Prasetya, 2020).

### 2.5 Auditor Performance

Performance effectiveness refers to how well a specific task is accomplished in relation to established criteria. For auditors, work quality is assessed by the accuracy of their responses to audit tasks. There are three main variables that can influence performance: personal variables, task variables, and environmental variables. Personal variables include attributes an individual possesses before performing a task, such as content knowledge, organizational knowledge, ability, self-confidence, cognitive style, intrinsic motivation, and cultural values.

Task variables involve factors both within and outside the task, such as complexity, presentation format, processing requirements, and response mode. Environmental variables encompass all conditions, circumstances, and external influences affecting the individual performing the task, such as time pressure, accountability, predefined goals, and feedback (Usmany, 2013). The quality of an auditor's work is reflected in the soundness of their judgments and decisions.

### 2.6 Experience

Experience is an effective method of learning for internal auditors, enabling them to master a variety of audit techniques. The longer an auditor's experience, the more capable and proficient they become in handling their tasks and understanding the activities being audited. Experienced auditors are found to have a better understanding and are more capable of providing valuable insights into errors in financial reports. They can also classify mistakes based on audit objectives and the structure of the underlying accounting system (Muslim, 2018).

## 3. Research Methods

The method applied in this study follows a quantitative approach. Quantitative research is defined as structured research with the objective of measuring and quantifying data to enable generalization (Kurnawan & Puspitaningtyas, 2016). The population in this study consists of Public Accounting Firms (KAP) in Makassar City. The sampling method used is convenience sampling, which provides the researcher with the freedom to select samples quickly from the population whose data is readily available. Respondents in this method include partners, managers, senior auditors, supervisors, and junior auditors working at Public Accounting Firms in Makassar City.

The types of data used in this study are primary data, which are directly obtained from original sources, without intermediaries, in the form of self-report data (opinions and characteristics of the respondents). The data collection method employed in this study is the use of questionnaires, where structured questions are distributed to respondents for them to answer based on their personal experiences. The data analysis technique applied in this research uses the partial least squares (PLS) method. PLS is a structural equation model (SEM) based on components or variables.

According to Ghozali (2016), PLS is an alternative method that has shifted from covariance-based SEM methods to variance-

based methods. Covariance-based SEM typically tests causality or theory, while PLS is more focused on predictive models. PLS is considered a robust analysis method because it involves fewer assumptions, such as the need for normally distributed data or a large sample size. In addition to theory confirmation, PLS can explain the connections between latent variables. Ghozali (2016) explains that the goal of PLS is to assist researchers in making predictions by defining a latent variable model as a linear set of indicators.

Through the determination of internal models (structural models connecting latent variables) and external models (measurement models connecting indicators and constructs), weight estimations are obtained to generate component scores for latent variables, which in turn yield the dependent variable results. The estimated parameters obtained through PLS can be divided into three categories: first, the estimated weights used to generate latent variable scores; second, the estimation of paths connecting latent variables and their indicators (loadings); and third, the mean and location parameters (regression constant values) of indicators and latent variables. To achieve these estimates, PLS uses a three-level iterative process, where each stage produces different estimations. The first stage generates weight estimates, the second stage estimates the internal and external models, and the third stage estimates the mean and location (Ghozali, 2016).

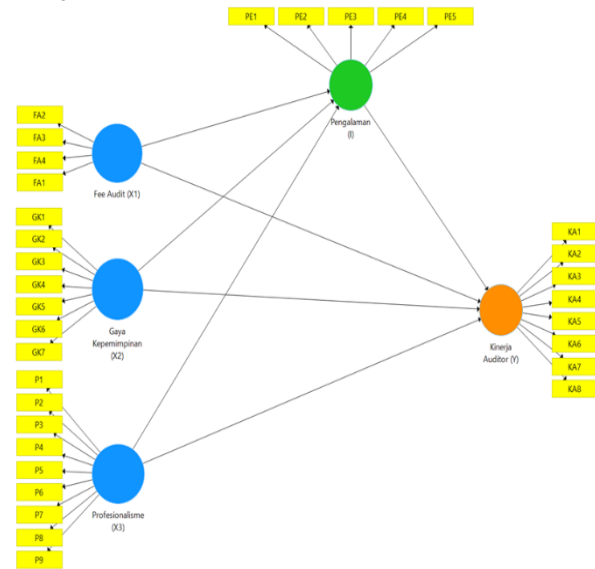
## 4 Results and Discussion

### 4.1 Research Results

#### a. First Order Confirmatory Factor Analysis

First order construction Where the test will through One level, analysis done from latent construct to the indicators. By more clear path diagram depicted research with Smart PLS 3 software you can shown in the picture following:

Figure 1 . First Order Confirmatory Factor Analysis



From the picture 1 can seen that the first order Audit Fee construct is measured with with indicators FA1–FA4. First order Leadership Style construct be measured with with indicators GK1–GK74. First order construction Professionalism be measured with with indicators P1–P9. First order construct Auditor Performance is measured with with indicators KA1–KA8. And First order construction Experience be measured with with indicators PE1 – PE5.

#### b. Test Outer Model

##### 1) Convergent Validity

Table 2 . Outer loading validity test

	(X1)	(X2)	(Y)	(I)	(X3)
FA1	0.787				
FA2	0.932				
FA3	0.943				
FA4	0.901				
GK1		0.788			
GK2		0.815			
GK3		0.828			



GK4	0.911	
GK5	0.859	
GK6	0.775	
GK7	0.754	
KA1	0.825	
KA2	0.769	
KA3	0.945	
KA4	0.862	
KA5	0.752	
KA6	0.812	
KA7	0.745	
KA8	0.758	
P1		0.870
P2		0.935
P3		0.915
P4		0.767
P5		0.867
P6		0.924
P7		0.748
P8		0.706
P9		0.732
PE1	0.735	
PE2	0.742	
PE3	0.847	
PE4	0.736	
PE5	0.774	

Source : PLS Output, 202 4

Based on Table show results estimation outer loading test calculation with use PLS for indicator variables of this research . Table the show that all construct that is variable audit fees, leadership style, professionalism, auditor performance and auditor experience which are

indicator reflective , has a factor loading > 0.70 which is significant that all indicator construct is valid. Concluded that all valid indicator for measure construct variable audit fees , leadership style, professionalism, auditor performance and auditor experience.

## 2) Discriminant Validity Test

**Table 3 . Cross Loading Test**

	(X1)	(X2)	(Y)	(I)	(X3)
FA1	0.787	-0.054	0.046	0.406	0.164
FA2	0.932	-0.026	0.043	0.422	0.259
FA3	0.943	0.072	0.066	0.491	0.168
FA4	0.901	-0.098	0.023	0.538	0.275
GK1	0.101	0.788	0.431	0.190	0.070
GK2	0.014	0.815	0.286	0.158	-0.047
GK3	0.048	0.828	0.272	0.138	0.106
GK4	-0.145	0.911	0.310	0.075	0.052
GK5	-0.102	0.859	0.312	0.209	-0.132
GK6	-0.115	0.775	0.328	0.157	0.005



GK7	0.003	0.754	0.123	0.167	-0.099
KA1	0.223	0.270	0.825	-0.072	0.264
KA2	0.262	0.281	0.769	-0.002	0.155
KA3	0.058	0.401	0.945	0.040	0.475
KA4	0.051	0.351	0.862	-0.059	0.232
KA5	-0.017	0.364	0.752	0.078	0.304
KA6	0,000	0.358	0.812	-0.038	0.310
KA7	-0.144	0.221	0.745	-0.103	0.364
KA8	-0.106	0.189	0.758	-0.092	0.280
P1	0.056	0.145	0.320	0.183	0.870
P2	0.342	0.098	0.392	0.322	0.935
P3	0.222	-0.056	0.426	0.081	0.915
P4	0.153	-0.230	0.320	-0.139	0.767
P5	0.236	0.064	0.290	0.198	0.867
P6	0.178	-0.030	0.354	0.074	0.924
P7	0.019	0.117	0.296	0.086	0.748
P8	0.156	-0.019	0.132	0.216	0.706
P9	0.353	-0.182	0.242	0.394	0.732
PE1	0.404	0.097	0.054	0.735	0.054
PE2	0.301	0.058	-0.138	0.742	0.213
PE3	0.460	0.066	0.048	0.847	0.353
PE4	0.149	0.222	-0.041	0.736	0.015
PE5	0.521	0.283	-0.071	0.774	0.115

Source : PLS Output, 202 4

Based on Table on showing that cross loading value for indicator audit fees, leadership style, professionalism, auditor performance and experience the auditor has loading factors to each construct each variable more tall instead of

with another construct then said own good discriminant validity value (Valid) (Ghozali, 2014).

### 3) Composite Reliability Test or Reliability Test

**Table 4 . Composite Reliability Test or Reliability Test**

	Cron Bach's Alpha	rho_A	Reliability Composite	Mean Variance Extracted (AVE)
<b>Audit Fee (X1)</b>	0.914	0.927	0.940	0.798
<b>Style Leadership (X2)</b>	0.920	0.936	0.935	0.673
<b>Performance Auditor (Y)</b>	0.925	0.940	0.939	0.658
<b>Experience (I)</b>	0.832	0.864	0.877	0.590
<b>Professionalism (X3)</b>	0.944	0.965	0.953	0.695

Source : PLS Output, 202 4

Test result based on Table showing that composite reliability results nor Cronbach alpha shows satisfactory value that is value of each variable on minimum value 0.70. AVE value generated by all construct above > 0.50. That matter showing consistency and stability instrument used tall . In other words, everything construct that is variable audit fees , leadership style, professionalism, auditor performance and

auditor experience become tool measure the fit, and all questions used For measure each construct own good reliability

#### c. Inner Model

#### 1) Coefficient Test Determination (R Square)

**Table 5 . R- quare Construct Variable**

	R Square	Adjusted R Square
<b>Auditor Performance (Y)</b>	0.336	0.238
<b>Experience (I)</b>	0.328	0.256

Source : PLS Output, 202 4

From the table above, it can be seen that the R Square values for the variables of auditor performance and experience are 0.336 and 0.328, respectively, indicating a moderate level of significance. The Adjusted R Square value for auditor performance is 0.238, or 23.8%, which shows that the variables audit fees, leadership style, professionalism, and auditor experience explain 23.8% of the variance in auditor performance, while the remaining 76.2% is explained by other variables not included in this study.

Similarly, the R Square value for fraud detection is 0.256, or 25.6%, indicating that the variable experience is explained by audit fees, leadership style, professionalism, and auditor

performance by 25.6%. The remaining 74.4% is accounted for by other variables not examined in this research.

## 2) Hypothesis Test Results

The proposed hypothesis is tested using the structural model (inner model) by examining the path coefficients, which indicate the parameter coefficients and t-values for statistical significance. The significance of the estimated parameters provides information about the relationships between the study variables. The threshold for rejecting or accepting the proposed hypothesis is a p-value < 0.05. The table below presents the estimated output for the structural model testing.

### d. Testing Direct (Direct Effect)

**Table 6 . Hypothesis testing based on Path Coefficient**

	Sampel Asli (O)	Rata-rata Sampel (M)	Standar Deviasi (STDEV)	T Statistik (  O/STDEV  )	P Values
<b>Fee Audit (X1) -&gt; Kinerja Auditor (Y)</b>	0,096	0,062	0,212	0,454	<b>0,650</b>
<b>Fee Audit (X1) -&gt; Pengalaman (I)</b>	0,510	0,489	0,156	3,281	<b>0,001</b>
<b>Gaya Kepemimpinan (X2) -&gt; Kinerja Auditor (Y)</b>	0,436	0,436	0,158	2,752	<b>0,006</b>
<b>Gaya Kepemimpinan (X2) -&gt; Pengalaman (I)</b>	0,210	0,211	0,191	1,097	<b>0,273</b>
<b>Pengalaman (I) -&gt; Kinerja Auditor (Y)</b>	-0,256	-0,218	0,201	1,270	<b>0,205</b>
<b>Profesionalisme (X3) -&gt; Kinerja Auditor (Y)</b>	0,410	0,396	0,173	2,372	<b>0,018</b>
<b>Profesionalisme (X3) -&gt; Pengalaman (I)</b>	0,088	0,070	0,227	0,389	<b>0,697</b>

Source : PLS Output, 202 4

Based on the inner weight value that consists of from Audit Fee (X<sub>1</sub>), Leadership Style (X<sub>2</sub>), Professionalism (X<sub>3</sub>) and Experience (I) can be is known in a way Partial its influence on Auditor Performance (Y).

### 1) Testing Hypothesis First (H<sub>1</sub>)

Hypothesis First state that audit fees have an influence positive and not significant to auditor performance . Table show that variable

audit fees have level significant as big as 0.650 ie more big of 0.05 and t statistic > 1.96 ( 0.454 < 1.96). Coefficient value the parameters of +0.096 shows influence exerted nature positive to variable dependent . This matter means H<sub>1</sub> is rejected so that can said that audit fees matter positive and not significant to auditor performance . The more tall an auditor's audit fee, then auditor performance will the more increase.

## 2) Testing Hypothesis Second (H<sub>2</sub>)

Hypothesis second state that style leadership influential positive and significant to auditor performance . Table show that variable leadership own level significant as big as 0.006 that is more small of 0.05 and t statistic > 1.96 (2.752 > 1.96). Coefficient value the parameters of +0.436 shows influence exerted nature positive to variable dependent. This matter means H<sub>2</sub> is accepted so that can said that style leadership influential positive and significant to auditor performance. The more Good style auditor leadership, then auditor performance will the more increase.

## 3) Testing Hypothesis Third (H<sub>3</sub>)

Hypothesis third state that professionalism influential positive and significant to auditor performance. Table show that variable professionalism own level significant of 0.018 ie more small of 0.05 and t statistic > 1.96 (2.372 > 1.96). Coefficient value the parameters of +0.410 shows influence exerted nature positive to variable dependent. This matter means H<sub>3</sub> is accepted so that can said that professionalism influential positive and significant to auditor performance. The more tall professionalism, then auditor performance will the more increase.

## 4) Testing Hypothesis Fourth (H<sub>4</sub>)

Hypothesis fourth state that audit fees matter positive and significant to experience . Table show that variable audit fees have level significant of 0.001 i.e more small of 0.05 and t statistic > 1.96 (3.281 > 1.96). Coefficient value the parameters of +0.510 shows influence exerted nature positive to variable dependent . This matter means H<sub>4</sub> is accepted so that can said audit fees matter positive and significant to experience . The more Good audit fee , then experience will the more increase.

## 5) Testing Hypothesis Fifth (H<sub>5</sub>)

Hypothesis fifth state that style leadership influential positive and not

significant to experience . Table show that variable style leadership own level significant of 0.273 , namely more big of 0.05 and t statistic > 1.96 (1.097 < 1.96). Coefficient value the parameters of +0.210 shows influence exerted nature positive to variable dependent . This matter means H<sub>5</sub> is rejected so that can said style leadership influential positive and not significant to experience . The more Good style leadership, then experience will the more increase.

## 6) Testing Hypothesis Sixth (H<sub>6</sub>)

The sixth hypothesis states that professionalism has a positive but non-significant influence on experience. The table shows that the significance level for the professionalism variable is 0.697, which is greater than 0.05, and the t-statistic is 0.389, which is less than 1.96. The coefficient value of the parameters is +0.088, indicating a positive influence on the dependent variable. Therefore, H<sub>6</sub> is rejected, suggesting that professionalism positively influences experience but is not statistically significant. This implies that as professionalism improves, experience may increase, but the relationship is not significant.

## 7) Testing Hypothesis Seventh (H<sub>7</sub>)

The seventh hypothesis states that experience has a negative and non-significant influence on auditor performance. The table shows that the significance level for the experience variable is 0.205, which is greater than 0.05, and the t-statistic is 1.270, which is less than 1.96. The coefficient value of the parameters is -0.258, indicating a negative influence on the dependent variable. Therefore, H<sub>7</sub> is rejected, suggesting that experience negatively influences auditor performance but is not statistically significant. This implies that a lack of sufficient experience may lead to an increase in auditor performance, although this relationship is not significant.

### e. Testing No Direct (Indirect Effect)





**Table 7 . Hypothesis testing based on Indirect Effect**

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Fee Audit (X1) -> Pengalaman (I) -> Kinerja Auditor (Y)	0.140	0.144	0.068	2.051	<b>0.041</b>
Gaya Kepemimpinan (X2) -> Pengalaman (I) -> Kinerja Auditor (Y)	0.222	0.217	0.105	2.104	<b>0.036</b>
Profesionalisme (X3) -> Pengalaman (I) -> Kinerja Auditor (Y)	0.148	0.144	0.069	2.153	<b>0.032</b>

Source : PLS Output, 2024

Based on the inner weight value that consists of from Audit Fee ( $X_1$ ), Leadership Style ( $X_2$ ), Professionalism ( $X_3$ ) and Experience (I) can be known in a way Partial its influence on Auditor Performance (Y).

### 1) Testing Hypothesis Eighth ( $H_8$ )

Hypothesis fifth state that audit fees matter positive and significant to auditor performance through auditor experience. Table show that variable audit fees have level significant of 0.041, namely more small of 0.005 and t statistic value  $> 1.96$  ( $2,051 > 1.96$ ). Coefficient value the parameters of +0.140 shows influence exerted nature positive to variable dependent. This matter means  $H_8$  is accepted so that can said that audit fees matter positive and significant to auditor performance through through auditor experience. The more tall audit fees so auditor performance will the more increase through auditor experience. This matter indicated that variable auditor experience is intermediate intervening variable audit fees to auditor performance.

### 2) Testing Hypothesis Ninth ( $H_9$ )

Hypothesis fifth state that style leadership influential positive and significant to auditor performance through auditor experience. Table show that variable style leadership own level significant of 0.036, namely more small of 0.005 and t statistic value  $> 1.96$  ( $2,104 > 1.96$ ). Coefficient value the parameters of +0.222 shows influence exerted nature positive to variable dependent. This matter means  $H_9$  is accepted so that can said

that style leadership influential positive and significant to auditor performance through through auditor experience. The more tall style leadership so auditor performance will the more increase through auditor experience. This matter indicated that variable auditor experience is intermediate intervening variable style leadership to auditor performance.

### 3) Testing Hypothesis Tenth ( $H_{10}$ )

The fifth hypothesis states that professionalism has a positive and significant influence on auditor performance through auditor experience. The table shows that the significance level for the professionalism variable is 0.036, which is less than 0.05, and the t-statistic value is 2.153, which is greater than 1.96. The coefficient value of the parameters is +0.148, indicating a positive influence on the dependent variable. Therefore,  $H_5$  is accepted, suggesting that professionalism positively and significantly influences auditor performance through auditor experience. This implies that as professionalism increases, auditor performance will also improve through the enhancement of auditor experience. This indicates that professionalism serves as an intervening variable in the relationship between leadership style and auditor performance.

## 4.2 Research Discussion

### a. The Effect of Audit Fees on Auditor Performance

Based on the results of this study, it is found that audit fees have a positive but non-



significant influence on auditor performance. This means that as an auditor's fees increase, their performance may also improve. However, audit fees are considered non-significant because the salary received by an auditor primarily depends on the Public Accounting Firm (KAP) where they are employed rather than the fees charged to clients. Generally, audit fees are directly related to the KAP and not to the individual auditor, which suggests that they do not influence auditor performance.

In connection with this study, attribution theory supports the notion that audit fees influence auditor performance, as this theory explains behaviors that can be determined by both internal and external factors. One of these external factors is the audit fee, which can impact an auditor's behavior. Auditors receiving higher fees are likely to conduct more extensive and thorough audits for their clients, increasing the likelihood of detecting discrepancies in clients' financial reports.

These findings are consistent with the study by Novrilia et al. (2019), which states that audit fees do not have a significant influence on audit quality, and Vieri et al. (2020), which explains that audit fees have no significant effect on auditor performance. There exists an understanding between auditors and the KAPs they work for that auditors will carry out their assignments with good performance, regardless of the fees provided by clients. Additionally, Dewi and Sudana (2018) indicate that audit quality reflects the performance of internal auditors in carrying out their tasks. Their study also suggests that if the audit quality is good, then the performance of the auditor is likely to be good as well.

#### **b. Influence of Leadership Style on Auditor Performance**

Based on the results of this study, it is found that leadership style has a positive and significant influence on auditor performance. This implies that the better the leadership style exhibited by an auditor's leader, the higher the auditor's performance will be. The success of an

organization is often determined by the effectiveness of its leadership, as leaders are ultimately responsible for the outcomes of their teams. Conversely, an individual's success can significantly influence the actions of others and the realization of a shared vision, highlighting the importance of effective coordination between leaders and their subordinates. Each leader possesses a distinct style of guiding their organization.

In connection with this study, attribution theory, as proposed by Heider (1958), suggests that an individual's behavior is influenced by a combination of internal and external factors. Leadership style is categorized as an external factor within attribution theory, potentially impacting individual behavior, particularly in organizational settings. The leadership style employed by a leader can significantly affect the performance of their subordinates.

The findings of this research align with the study by Lasefie, Panubut, and Ranti (2021), which shows that leadership style significantly and positively influences auditor performance. Effective leaders foster professional relationships with their subordinates, valuing their feedback and ensuring clear communication. Additionally, research conducted by Serilia (2019) on the influence of audit fees and leadership style on auditor performance—with motivation as a mediating variable—indicates that leadership style has a significant positive impact on auditor performance. This underscores the idea that a well-implemented leadership style in a KAP can enhance auditor performance.

#### **c. Influence Professionalism On Auditor Performance**

Based on the results of this study, it is found that professionalism has a positive and significant influence on auditor performance. This indicates that as professionalism increases, auditor performance also improves. The level of professionalism required of auditors must adhere to the auditing standards set by IAPI, which governs the conduct of practitioners (auditors) who are expected to act diligently to



meet operational requirements. If an auditor fails to fulfill these criteria, they may be considered lacking in professional attitude.

Individuals with a strong sense of professionalism are reliable and trustworthy in their work, leading to successful outcomes and desired results. Delivering high-quality audit reports is essential for instilling confidence in financial statements, and this requires an independent mindset from the auditors themselves. These research findings align with the study conducted by Dita and Nita (2022) on the influence of audit structure, independence, and professionalism on auditor performance in the Aceh Inspectorate, which indicates that professionalism positively influences auditor performance. Similarly, research by Lasefie, Panubut, and Ranti (2021) highlights that professionalism significantly and positively affects auditor performance, demonstrating that professionalism is clearly manifested through sacrifices made in the profession.

#### **d. The Effect of Audit Fees on Experience**

Based on the results of this study, it is found that audit fees have a positive and significant influence on auditor experience. This means that as audit fees increase, auditor experience also tends to improve. According to the Regulations Manager Institute of Indonesian Public Accountants (PP IAPI) No. 2 of 2016, concerning the determination of rewards for audit services, public accountants and public accounting firms (KAP) have the right to receive compensation for services that have been mutually agreed upon with their clients in the engagement letter.

Article 7 of PP IAPI No. 2 of 2016 establishes lower billing rate parameters as basic reward criteria for services, which serve as a reference for determining compensation for audit services. If the compensation for services falls below these specified indicators, there is a possibility that the remuneration will be insufficient to carry out appropriate audit procedures in accordance with the code of ethics, the Standards on Auditing (SPAP), and current regulations.

These findings align with research conducted by Rahmadini and Fauzihardani (2022), which indicates that audit fees have a positive and significant impact on auditor experience. Additionally, Susmiyanti and Rahmawati (2016) state that receiving higher audit fees can incentivize audit firms to hire more experienced auditors. This, in turn, enhances auditor experience, as they will have opportunities to work on a greater variety of clients and more complex projects.

#### **e. Influence of Leadership Style To Experience**

Based on the results of this study, it is found that leadership style has a positive but not significant influence on auditor experience. This indicates that although a better leadership style may be associated with an increase in experience, the impact is not substantial. In many public accounting firms (KAP), leaders have little to no direct interaction with internal auditors in their daily work. In such situations, the leadership style may not significantly affect an auditor's experience. Auditors may already be quite independent in their work and possess the skills necessary to overcome various audit challenges without relying heavily on their leader's style. Thus, the impact of leadership style in this context may be relatively minimal.

The progress of a company is greatly influenced by auditor performance, as every organization strives to enhance auditor experience to achieve satisfactory results. To achieve this, significant efforts must be made by both leaders, through their leadership style, and auditors, through their performance. Leadership style is a crucial factor that determines how a leader can guide their team toward maximum success. Employee performance can be influenced by the leadership style adopted and implemented by management.

These findings align with research conducted by Saputro (2023), which states that leadership style has a positive but not significant influence on employee experience. Similarly, Syarifuddin (2023) found that



leadership style positively but insignificantly affects auditor experience. Auditors with strong skills and experience may not be significantly influenced by the leadership style within the organization, as they tend to focus more on their individual tasks.

#### **f. Influence Professionalism To Auditor experience**

Based on the results of this study, it is found that leadership style has a positive but not significant influence on auditor experience. This indicates that although a better leadership style may be associated with an increase in experience, the impact is not substantial. In many public accounting firms (KAP), leaders have little to no direct interaction with internal auditors in their daily work. In such situations, the leadership style may not significantly affect an auditor's experience. Auditors may already be quite independent in their work and possess the skills necessary to overcome various audit challenges without relying heavily on their leader's style. Thus, the impact of leadership style in this context may be relatively minimal.

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organization, as they tend to focus more on their individual tasks.

#### **g. Influence Experience On Auditor Performance**

Based on the results of this study, it is found that experience has a negative and not significant influence on auditor performance. This suggests that as experience decreases, auditor performance may actually increase. Some auditors believe that merely accumulating work experience based on the quantity of tasks does not necessarily enhance their ability to complete their work effectively. A heavy workload does not always provide auditors with the opportunity to learn from their successes or failures.

Furthermore, the length of time an individual has worked as an auditor does not inherently influence performance. This is because an internal auditor's effectiveness is not solely determined by their work experience but also relies on their independence and professionalism. This finding aligns with research conducted by Yonathan (2017), which concludes that auditor experience does not significantly affect auditor performance. In other words, the length of experience does not necessarily result in improved or diminished auditor performance, as also noted by Putri (2020).

#### **h. The Influence of Audit Fees on Auditor Performance through Experience**

Based on the results of this study, it is found that audit fees have a positive and significant influence on auditor performance through auditor experience. This indicates that as audit fees increase, auditor performance also improves, facilitated by the auditors' experience. This finding suggests that auditor experience serves as an intervening variable between audit fees and auditor performance. These results align with research conducted by Rahmadini and Fauzihardani (2022), which states that audit fees positively and significantly influence auditor performance through experience. Similarly, Susmiyanti and



Rahmawati (2016) noted that receiving higher audit fees can incentivize audit firms to hire more experienced auditors. Auditors who receive higher fees may view this as an opportunity to develop their careers, allowing them to participate in larger and more complex audits resulting from increased fees. Over the long term, experience gained from handling more significant audits can enhance their performance and open up more career advancement opportunities.

#### **i. Influence of Leadership Style On Auditor Performance through Auditor Experience**

Based on the results of this study, it is found that leadership style positively and significantly influences auditor performance through auditor experience. This suggests that as the leadership style improves, auditor performance will increase, facilitated by the auditors' experience. This finding indicates that auditor experience acts as an intervening variable between leadership style and auditor performance.

These results align with research conducted by Saputro (2023), which states that leadership style has a positive and significant influence on employee performance through their experience. Additionally, Syarifuddin (2023) noted that leadership style significantly impacts auditor performance through auditor experience.

A supportive leadership style that provides encouragement and positive feedback can enhance auditors' motivation. Auditors who feel appreciated and receive adequate support according to their experience are likely to feel more satisfied in their work. High job satisfaction can lead to improved performance, as motivated auditors are inclined to work more effectively.

#### **j. Influence Professionalism To Auditor Performance through Auditor Experience**

Based on the results of this study, it is found that professionalism positively and significantly influences auditor performance through auditor experience. This means that as

professionalism increases, auditor performance will also improve, facilitated by their experience. This indicates that professionalism acts as an intervening variable between leadership style and auditor performance.

Arens et al. (2017) emphasize that professionalism is crucial for maintaining public trust and applies to all levels of personnel supervision, from the highest to the lowest. Auditors with a high level of professionalism tend to better understand and apply audit and ethical standards effectively. Experience gained over many years of work as an auditor helps them gain a deeper understanding of various aspects of their work, including regulations, guidelines, and best practices (Tenriwaru, T., Herawaty, R., & Susanto, E., 2022). This understanding can enhance their performance in carrying out audit assignments in accordance with applicable standards.

These findings align with research by Luqmana, D. (2023), which states that professionalism positively influences auditor performance. However, it is noted that auditors may not fully recognize the importance of professionalism in their work. They might not understand the consequences of actions or decisions that are not aligned with ethical and professional standards, leading to experiences that do not reflect the expected professionalism.

Additionally, Lasefie, Panubut, and Ranti (2021) highlighted the significant positive influence of professionalism on auditor performance, demonstrating that professionalism is manifested through the sacrifices made in their profession.

## **5. Closing**

### **5.1 Conclusion**

Study This own objective For know influence of audit fees, leadership style and professionalism on auditor performance through Experience as an Auditor Variable Intervening. Conclusion from study This is as following:

#### **1. Audit Fees:**

- Audit fees positively influence auditor performance but are not significant.



- Audit fees positively and significantly influence auditor experience.

## 2. Leadership Style:

- Leadership style positively and significantly influences auditor performance.
- Leadership style positively influences auditor experience but is not significant.
- Leadership style positively and significantly influences auditor performance through auditor experience.

## 3. Professionalism:

- Professionalism positively and significantly influences auditor performance.
- Professionalism positively influences auditor experience but is not significant.
- Professionalism positively and significantly influences auditor performance through auditor experience.

## 4. Experience:

Experience negatively influences auditor performance but is not significant.

These findings illustrate the complex relationships between audit fees, leadership style, professionalism, auditor experience, and auditor performance. Let me know if you need further elaboration or adjustments!

## 5.2 Suggestions

Result of study This expected can provide suggestions for sharia banking and sharing study next, viz as following:

### Suggestions for Future Research:

1. Variable Expansion: Future studies should consider incorporating additional variables such as independence, competence, and other relevant factors to enhance the depth and breadth of the research findings.
2. Broader Context: Researchers are encouraged to explore KAPs in other regions, such as Gowa Regency, and in institutions more sensitive to auditor performance. This

would help in producing more accurate and representative results.

3. Development of Predictive Models: The study aims to contribute to the development of more accurate regression models that can predict auditor performance by exploring other potential influencing factors.

### Implications for Practice:

1. Reference Material: This study is intended to serve as a reference for KAPs in Makassar City, providing insights into factors that influence auditor performance.
2. Effective Leadership and Professional Development: State institutions in Makassar City should prioritize effective leadership and coaching to enhance the professionalism of their auditor teams.
3. Incentive Strategies: Increasing audit fees could be a strategic approach to enhance auditor experience and performance, as higher compensation may motivate auditors to improve their skills and commitment.

These recommendations aim to guide future research efforts and provide actionable insights for improving auditor performance in various contexts. If you need any further modifications or additions, just let me know!

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