



The Influence of Auditor Competence, Auditor Independence, and Auditor Objectivity on Internal Audit Effectiveness with Top Management Support As a Moderating Variable (Studies at Legal Entity State Universities in Indonesia)

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ABSTRACT: The effectiveness of internal audits in state universities with legal entities in Indonesia is still not optimal, as evidenced by the increasing number of corruption cases in recent years. This research aims to analyze the impact of Auditor Competence, Auditor Independence, Auditor Objectivity, and Top Management Support as moderating variables on internal audit effectiveness. This research uses quantitative descriptive methods. The research sample comprised 80 SPI auditors at Legal Entity State Universities (PTN BH) in Indonesia. Data collection was carried out through distributing questionnaires. Data analysis was carried out using the SmartPLS application. Research findings show that Auditor Competency, Auditor Independence, and Auditor Objectivity positively affect internal audit effectiveness. In addition, Top Management Support cannot moderate the influence of Auditor Competency, Auditor Independence, and Auditor Objectivity on internal audit effectiveness.

KEYWORDS: Auditor Competency, Auditor Independence, Auditor Objectivity, Internal Audit Effectiveness, Top Management Support

INTRODUCTION

According to ICW in 2016, there were at least 37 corruption cases involving universities in Indonesia. Furthermore, ICW added that the mode of corruption that often occurs in higher education institutions in Indonesia involves the procurement of goods and services, research funds, tuition fees, gratuities, and scholarship funds. ICW explained that among the various modes of corruption, procurement of goods and services is the pattern of corruption that is most often carried out in the state higher education environment.

As an illustration, in 2014, the Corruption Eradication Commission (KPK) announced findings of alleged corrupt practices involving a project to acquire laboratory equipment for the disciplines of Mathematics, Natural Sciences, and Applied Natural Sciences (MIPA) at one of the state universities in the East Java region. Through a more in-depth investigation carried out by the KPK, it was revealed that there were corrupt practices related to the process of procuring goods and services at five state universities located in Java and Sumatra (Detiknews, 2014).

Based on a 2017 *Republika* report, Indonesia is faced with a situation where at least 18 higher education institutions are suspected of being involved in criminal acts of corruption, with estimated losses averaging billions of rupiah. For example, of this number, there were three cases of corruption at State Universities (PTN) which caused significant losses for the state. The case involves Jakarta State University (UNJ) with an estimated state loss of IDR 5.175 billion, Malang State University (UM) which is suspected of causing state financial losses of around IDR 14.9 billion, and Sultan Ageng Tirtayasa University with losses reaching IDR 54 billion. The existence of these three corruption cases at PTNs shows that there is a similar pattern, especially related to the provision of laboratories within higher education institutions (*Republika*, 2017).

This situation shows that the implementation of internal control and supervision in the Higher Education sector in Indonesia has still not reached optimal levels. The internal control and supervision system within State Universities (PTN) is monitored by the Internal Supervisory Unit (SPI), as regulated in Government Regulation No. 60 of 2008. Under this provision, all government institutions are required to establish and activate SPI functions. Along with this basic principle, the Committee of Sponsoring Organizations of the Treadway Commission (COSO) also explains that internal supervision within State Universities (PTN) and the Ministry can be defined as "a process carried out by the board of directors, management, and other personnel, which is designed to



provide reasonable confidence regarding the achievement of objectives related to operations, reporting and compliance" (Djasuliet al, 2022).

Referring to the quote, internal control practices generally have four main objectives, namely: 1) ensuring the reliability of the accounting data presented, 2) maintaining asset security, 3) carrying out organizational operations effectively and efficiently, and 4) ensuring compliance with all provisions, regulations, and policies that have been previously established (Bayangkara, 2017). In connection with the explanation regarding supervision and internal control carried out by the Internal Audit Unit (SPI) at each State University (PTN), Zaman (2018) explained that Prof. Dr. H. Jamal Wiwoho, SH. MHum., as Inspector General of the Ministry of Research, Technology and Higher Education, stated that SPI's scope of work is involved in implementing holistic internal supervision, involving several aspects including planning and budgeting, budget implementation, preparation of financial reporting, implementation of the duties of treasury officials, and implementation of gratification control programs.

To mitigate corrupt practices in an institution, Oussii and Taktak (2018) explain that the effectiveness of internal supervision in an institution can be explained through agency theory. Agency theory is a theoretical framework that explains the employment contract relationship between owners and managers (Oussii & Taktak, 2018). Other than that, Attribution Theory (Agustina, 2021) and Expectancy Theory (Muttijaya & Ariyanto, 2019) can explain the effectiveness of internal supervision in an institution. These theories can explain the relationship between internal audit effectiveness and the factors that influence it.

For example, according to research by Hadisantoso & Riharjo, et al (2022); Syafik (2019); and Rejeki (2021) stated that the level of competence and Top Management Support of an Internal Auditor within the Internal Supervisory Unit (SPI) has significant potential to strengthen the effectiveness of the results of the SPI audit. Auditor independence can also increase the effectiveness of internal audits Astakoni, et al, (2021); Hadisantoso & Riharjo, et al (2022); Haryanto & Susilawati (2018); and Santoso & Riharjo (2020). These researches indicate that the level of independence of an auditor can have a significant influence on the level of internal audit effectiveness. Furthermore, the objective nature of an internal auditor can also increase the effectiveness of an entity's internal audit. This is explained by Sunnari (2021); Agoes (2017); and Widyastuti & Jualianto (2021). These researches prove that a high level of objectivity in an auditor contributes positively to effective internal audit results. This concept reflects the auditor's integrity and impartiality in carrying out his responsibilities, which in turn can strengthen the trust of related parties in the resulting audit results.

Based on the explanation and findings of this research, an urgent need arises as to why this research is relevant. This research aims to evaluate the impact of Auditor Competency, Auditor Independence, and Auditor Objectivity on Internal Audit Effectiveness, with Top Management Support as a factor that can strengthen or weaken the relationship between these variables. Furthermore, the object and location of this research is Legal Entity State Universities in Indonesia (PTN-BH). The basis for this selection is the higher level of autonomy of PTN-BH compared to Public Service Agency State Universities (PTN-BLU) and Work Unit State Universities (PTN Satker).

This causes the level of vulnerability to acts of corruption within PTN-BH to be higher when compared to other types of PTN. This vulnerability can cause higher losses for the state when compared to other types of PTN. This is reinforced by the fact that one of PTN-BH's main funding comes from the State Revenue and Expenditure Budget (APBN) (jdih.kemenkeu.go.id, 2023). Inappropriate management can trigger potential acts of corruption, which in turn can be detrimental to the country. Efforts to strengthen internal supervision at PTNs are crucial to reducing the possibility of acts of corruption, as highlighted by Nurhasanah (2016).

THEORETICAL FOUNDATION

AGENCY THEORY

This study will apply agency theory to explain the association between the variables of Auditor Competence, Auditor Independence, and Auditor Objectivity with Internal Audit Effectiveness. Agency theory details the dynamics of the principal's working relationship with the agent. Agency Theory can be interpreted as a theoretical framework that describes the employment contract relationship between parties Principal with Agent to do work on their behalf. In this context, task delegation also includes the delegation of several authorities in decision-making (Jensen and Meckling, 2019).



ATTRIBUTION THEORY

This study will apply the Attribution Theory to explain the association between Top Management Support and Internal Audit Effectiveness. Attribution theory is a theory that explains someone's behavior. Attribution theory studies the process of how someone interprets an event and studies how someone interprets the reasons or causes of their behavior (Hermawan, et al., 2021). This theory argues that a person's behavior is determined by a combination of internal forces, namely factors that come from within a person, for example, ability, knowledge, or effort, while external forces are factors that come from outside, for example, luck, opportunity and the environment (Saputra & Kawisana, 2021). Based on this, a person will be motivated to understand their environment and the causes of certain events (Wahidahwati & Asyik, 2022).

EXPECTANCY THEORY

This study will apply the Expectancy Theory to explain the association between Auditor Competence and Auditor Independence with Internal Audit Effectiveness. Hope theory was first put forward by Victor H. Vroom in 1964 who said that a person's motivation leads to an action that depends on the strength of hope. These actions will be followed by certain results and depend on the results for that person (Choi & Kim, 2020). Expectancy theory argues that auditors determine in advance what behavior to carry out and the value obtained from that behavior (Yanas, 2020). The same research adds that this theory also explains that someone will be motivated to do something to achieve a goal if they believe that their behavior leads to achieving that goal. According to Almagrashi, et al., (2023), three aspects influence motivation, namely expectancy, instrument, and valence.

INTERNAL AUDIT EFFECTIVENESS

An audit is a process that is carried out carefully and critically by an independent party with a systematic approach. The main objective of this audit process is to evaluate the financial reports that have been prepared by management, which includes not only the financial reports themselves but also all bookkeeping records and all related supporting evidence. This critical and systematic audit approach provides a strong basis for formulating opinions regarding the level of fairness of the financial statements in question (Agoes, 2017).

Referring to the explanation regarding internal audit by The Institute of Internal Auditors through the International Standards for Professional Practice of Internal Audit (2017), it can be concluded that internal audit is "Internal auditing is a unique and impartial undertaking that encompasses both assurance and advisory functions, all geared towards improving an organization's operations. The primary goal is to augment the value and facilitate the accomplishment of an organization's objectives. This is achieved through the application of a systematic and disciplined approach, which involves assessing and refining the effectiveness of risk management, control, and governance processes."

This standard also explains that generally, several parties play an important role, namely: 1) individuals or groups who are directly involved in operations, functions, processes, or systems in an institution, 2) individuals or groups who carry out assessments, and 3) individuals or groups who use the results of assessments that have been carried out. In this situation, the explanation from Agoes (2017) details that internal supervision refers to the inspection process carried out by a company's internal audit division. This examination focuses on evaluating financial reports, accounting records, and the extent to which the company complies with the policies set by top management. Apart from that, the internal audit process also involves assessing the level of compliance with government regulations and norms that apply to professional associations.

Based on several definitions described previously, it can be concluded that an internal audit is a process carried out in a structured manner to obtain and evaluate evidence or information to assess the performance of an organization. The main objective of an internal audit is to ensure the achievement of the company's operational goals and objectives, as well as to report the level of compliance with predetermined criteria to interested parties.

AUDITOR COMPETENCY

Competency includes the knowledge and skills of an internal auditor in carrying out his responsibilities. In expectation theory, Muttiwijaya & Ariyanto's (2019) research shows that increasing an auditor's competency tends to increase expectations for optimal work results, which in turn improves the quality of the employee's work results. The same study concluded that increasing auditor competency can contribute to increasing the effectiveness of audit results. In agency theory, auditors who have good skills and knowledge can help reduce risks in contracts between agents and principals (Jensen and Meckling, 2019).



Muttijaya & Ariyanto's (2019) study found that the effectiveness of internal audits is influenced by auditor independence. Furiady and Kurnia (2015) confirmed that broader audit knowledge improves audit quality, but Renaldi & Mawardi's (2021) study found that the auditor's competency level does not affect the effectiveness of internal audits. Zahmatkesh and Rezazadeh (2017) concluded that internal audit effectiveness increases with the level of auditor competency. This research can formulate a hypothesis to prove these initial findings:

H1: Auditor Competence has a positive effect on Internal Audit Effectiveness

AUDITOR INDEPENDENCE

Independence, which can be conceptualized as the state of being free from conditions that could threaten an auditor's ability to carry out his or her responsibilities without external preferences or influences, plays a critical and irreplaceable role in the audit oversight framework. From the perspective of expectancy theory, research conducted by Robbins & Judge (2018) revealed that an auditor's performance improvement is more likely to be realized when the individual feels recognized for his achievements under predetermined criteria, which include the Code of Ethics and other regulations. This increase in individual performance can then be linked to an increase in the effectiveness of the audit results produced by the auditor.

Furthermore, related to agency theory, the role of an independent internal auditor is becoming increasingly important. In the view of Jensen and Meckling (2019), the independence of an internal auditor can help reduce agency costs that arise due to agent behavior that tends to be self-interested. In other words, independence is a key element in mitigating conflicts of interest that may arise, ensuring that auditors can carry out their supervisory functions without interference or influence that could harm audit integrity and objectivity.

In the previous explanation, Muttijaya & Ariyanto (2019) concluded that the level of independence of an auditor does not have a significant impact on the effectiveness of internal audit. From this conclusion, it can be understood that the existence or absence of bias in an auditor cannot be considered a sufficient guarantee for achieving an optimal level of audit effectiveness. However, different research findings emerged from the study conducted by Astakoni, et al (2021) and Haryanto & Susilawati (2018), which indicate that the level of independence of an auditor can have a significant influence on the level of effectiveness of an internal audit.

Within the framework of this understanding, the differences in research results between Muttijaya & Ariyanto (2019) and the findings expressed by Astakoni, et al (2021) and Haryanto & Susilawati (2018) highlight the complexity and variation involving factors that can influence the effectiveness of the internal audit. Therefore, it is deemed necessary to deepen the discussion surrounding the relationship between auditor independence and internal audit effectiveness, considering the significant consequences that may arise and their impact on audit practice and the development of ethical standards in the auditor profession.

Based on the previous variables, initial conclusions can be drawn regarding the impact of an auditor's level of independence on the effectiveness of the internal audit it produces. Findings in Astakoni research, et al (2021) and Haryanto & Susilawati (2018) show that the level of independence of an auditor can influence the effectiveness of internal supervision. This concept is supported by Santoso & Riharjo (2020), who emphasize that a high level of independence in an auditor has the potential to increase the effectiveness of audit results. As a step to test and validate this initial conclusion, this research can formulate a hypothesis:

H2: Auditor independence has a positive effect on Internal Audit Effectiveness

AUDITOR OBJECTIVITY

In the audit context, Agoes (2017) details that objectivity can be conceptualized as achieving goals that are in line with targets, without any preferences or views that tend to take sides and are always based on supporting facts or concrete evidence. This principle emphasizes the essence of disclosing all information with the truth, without evading the facts and being honest and fair in every aspect of the examination. In line with this explanation, research by Sunnari (2021) confirms that the higher the level of objectivity of an auditor, the more optimal the effectiveness resulting in the implementation of internal audits.

Thus, there is consistency between the concept of objectivity explained by Agoes (2017) and the findings of Sunnari (2021), which confirms that a high level of objectivity in an auditor contributes positively to effective internal audit results. This concept reflects the auditor's integrity and impartiality in carrying out his responsibilities, which in turn can strengthen the trust of related parties in the resulting audit results.



Sunnari (2021) also added that financial interests can influence an auditor because they have an interest in the published audit report. In this regard, Jensen and Meckling (2019) explain that auditors who carry out their duties objectively can reduce the opportunity for an agent to prioritize personal interests, which may not be in line with the interests of the principal. From this point of view, objectivity, according to Gamayuni (2016), is a determining factor that enables an Internal Auditor to carry out his duties efficiently. Although considered a crucial element, objectivity in itself is considered insufficient to have a significant impact on the effectiveness of the internal audit function. Gamayuni believes that the objectivity of an internal auditor must be balanced by a high level of competence to be able to create a truly effective internal audit function. Similar findings were found in research by Widyastuti & Jualianto (2021), which stated that the level of objectivity of an auditor can make a positive contribution to the effectiveness of audit results. With this understanding, it can be hypothesized that:

H3: Auditor objectivity has a positive effect on Internal Audit Effectiveness

TOP MANAGEMENT SUPPORT

In this research, management support can be conceptualized as a form of support provided by the Rectorate, the Board of Trustees, and the Audit Committee. The relationship between Top Management Support, Auditor Competence, and Internal Audit Effectiveness can be explained through Attribution Theory. This theory explains that a person's behavior is determined by a combination of internal and external forces. Top Management Support or upper management support is a form of external factor that can influence the quality of an employee's work (Saputra & Kawisana, 2021). The same research explains that when management provides optimal support for an employee, the employee's skill level will also further influence the quality of the employee's work (Saputra & Kawisana, 2021).

Although the freedom of internal supervisors from management influence, especially from the Rectorate, the Board of Trustees, and the Audit Committee, can be a subject of debate, at lower hierarchical levels, internal supervisors have a very high degree of freedom, perhaps even reaching the level of complete freedom (Sirajuddin & Ravember, 2020). This finding is in line with the results of research conducted by Pratama & Sabrina (2019), which states that the level of competency plays an important role in influencing the effectiveness of internal audits. Apart from that, management support is also considered to have a moderating effect, as revealed in research findings by Indriyani (2021).

Also, In this regard, the relationship between Top Management Support, Auditor Independence, and Internal Audit Effectiveness can be explained by Attribution Theory. The theory explains that Top Management Support can increase the influence of an auditor's independence in increasing the effectiveness of Internal Audit in an entity Saputra & Kawisana, 2021). Other than that, in explaining the Relationship between Internal Audit Effectiveness, Auditor Objectivity, and Top Management Support, according to attribution theory, an auditor's attitude of objectivity can influence the effectiveness of an internal audit, which Top Management Support is an external factor from an auditor, can strengthen this influence (Hermawan, et al., 2021).

In other words, the concept of freedom and management support in the context of internal control becomes dynamic and complex. Although there are constraints on the freedom of the main director, the level of freedom of internal supervisors at lower hierarchical levels provides significant space for them. This provides a basis for assuming that management support and high competency can be mutually reinforcing, creating a framework that supports internal audit effectiveness. The findings from Sirajuddin & Ravember (2020), Pratama & Sabrina (2019), and Indriyani (2021) provide a strong theoretical basis for this research.

In the Auditor Independence sense, according to Mahmudah and Riyanto (2016), there is evidence to show that the level of support provided by top management has a significant impact on the effectiveness of the internal audit process. In this context, it can be interpreted that the level of support originating from the highest level of management has the potential to strengthen the relationship that exists between the independence of an auditor and the results of the internal audit process produced by that auditor. This finding is strengthened by the results of research from Anto, et al. (2016), Mahmudah & Riyanto (2016), Gamayuni (2016), and Dellai & Omri (2016). These four studies consistently show that support from top management can increase the level of independence of an auditor, which in turn has a positive impact on increasing the effectiveness of audit results.

Lastly, According to the results of research conducted by Endaya and Hanefa (2016) and Novranggi and Sunardi (2019), it was found that the management support variable has a significant role as a moderating variable in the influence of auditor objectivity on the effectiveness of the internal audit process. Novranggi and Sunardi (2019) explain that internal auditors need to have competencies that are in line with the needs of the audit process to obtain essential support from senior management, which ultimately has a positive impact on the effectiveness of internal audit. Meanwhile, Sirajuddin and Merlin (2019) stated that management support



has the potential to change or moderate the relationship between effectiveness and objectivity so that it can influence the overall effectiveness of internal audit.

H4: Top Management Support can strengthen the influence of auditor competency on internal audit effectiveness

H5: Top Management Support can strengthen the influence of auditor independence on internal audit effectiveness

H6: Top Management Support can strengthen the influence of auditor objectivity on internal audit effectiveness

RESEARCH METHODS

This research will be carried out at the Legal Entity State Universities in Indonesia. Based on an explanation from the Acting Director General of Higher Education, Research and Technology, Ministry of Education, Culture, Research and Technology, Nizam (2022), in 2022 there will be 125 PTNs in Indonesia. This number is divided into 84 PTNs which have the form of Public Service Bodies, 21 PTNs which have the form of Legal Entities, and the rest are PTNs of Ministry Work Units.

In the context of this research, the population studied is SPI PTN BH Auditors in Indonesia. To test research hypotheses this research will be using SmartPLS software. By following the established SmartPLS guidelines for determining the number of samples in this research. Namely 5 to 10 times the number of indicators, and considering that this research has 16 indicators, the recommended sample size is 16 x 5, which is equivalent to 80. Therefore, this research will involve 80 SPI PTN BH auditors in Indonesia as research samples. This research methodology will use a questionnaire as a data collection tool. The questionnaire that will be distributed to the research sample includes information related to demographic data and psychological factors of SPI members at a PTN in carrying out their duties. To measure these variables, researchers will use a Likert measurement scale. To test research hypotheses this research will be using SmartPLS software.

OPERATIONAL DEFINITION AND VARIABLE MEASUREMENT SCALE

This research focuses on Auditor Competence, Auditor Independence, and Auditor Objectivity as independent variables. As well as Top Management Support as a moderating and Internal Audit Effectiveness as the dependent variable. Firstly. The Effectiveness of an Internal Audit at a State University can be measured through several indicators adopted and modified by Kabuye research, et al. (2017), which consist of the Accuracy of Audit Findings, Skeptical Attitude, Recommendation Value, Report Clarity, Benefits of Auditing. To measure Auditor Competence, this research also uses several indicators, such as (Oussi dan Taktak, 2018): Understanding of Accounting and Auditing Standards, Insight into Institutions, and Skill Improvement. In the context of measuring the Independence variable, this research uses several indicators that have been modified based on Hadisantoso & Riharjo, et al (2022) research. According to this research, an auditor's independence can be measured through two aspects, namely "Personal Interference" and "External Interference". Other than that, Auditor Objectivity can be can be measured from several indicators. The indicators in question are: (Widyastuti & Julianto, 2021): Reliable and trustworthy, Have no conflict of interest with clients, and, decisions are made based on logical thinking. Lastly, Top Management Support in this research it can be measured from several indicators. The indicators in question are (Kaswa, 2017): Award, Concern, and Well-Being.

DESCRIPTIVE STATISTICS

Descriptive analysis of variables is a description of respondents' responses which is used as additional information to understand research results. Based on this, several related tables will be presented below (Sekaran and Bougie, 2018).

No	Indicators	Mean	Median	Min	Max	Standard Deviation
1	Y1.1	3.910	4.000	2.000	5.000	0.722
2	Y1.2	3.740	4.000	2.000	5.000	0.856
3	Y1.3	3.880	4.000	2.000	5.000	0.765
4	Y1.5	3.820	4.000	2.000	5.000	0.817
5	Y1.5	3.790	4.000	2.000	5.000	0.765
6	X1.1	3.820	4.000	1.000	5.000	0.841
7	X1.2	3.820	4.000	1.000	5.000	0.841
8	X1.3	3.730	4.000	2.000	5.000	0.760



9	X2.1	3.840	4.000	2.000	5.000	0.771
10	X2.2	3.940	4.000	2.000	5.000	0.746
11	X3.1	3.840	4.000	2.000	5.000	0.717
12	X3.2	3.940	4.000	2.000	5.000	0.730
13	X3.3	3.810	4.000	2.000	5.000	0.717
14	Z1.1	3.820	4.000	2.000	5.000	0.712
15	Z1.2	3.870	4.000	2.000	5.000	0.716
16	Z1.3	3.890	4.000	2.000	5.000	0.747

OUTER MODEL TESTING

Outer model evaluation refers to a series of measurement steps carried out to test the validity and reliability of the construct along with all the indicators involved. This process involves three stages of evaluation tests on the outer model, which comprehensively involves analysis and assessment of several factors and variables that are the focus of the research, such as Convergent Validity, Discriminant Validity, and Composite Reliability.

Variabel	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Internal Audit Effectiveness (Y)	0.903	0.912	0.929	0.724
Auditor Independence (X2)	0.744	0.749	0.886	0.796
Auditor Competency (X1)	0.897	0.903	0.937	0.832
Moderating Effect 1	1.000	1.000	1.000	1.000
Moderating Effect 2	1.000	1.000	1.000	1.000
Moderating Effect 3	1.000	1.000	1.000	1.000
Auditor Objectivity (X3)	0.907	0.907	0.942	0.845
Top Management Support (Z)	0.851	0.854	0.910	0.770

Variabel	Internal Audit Effectiveness (Y)	Auditor Independence (X2)	Auditor Competency (X1)	Moderating Effect 1	Moderating Effect 2	Moderating Effect 3	Auditor Objectivity (X3)	Top Management Support (Z)
Internal Audit Effectiveness (Y)	0.851							
Auditor Independence (X2)	0.753	0.892						
Auditor Competency (X1)	0.843	0.801	0.912					
Moderating Effect 1	-0.523	-0.512	-0.520	1.000				
Moderating Effect 2	-0.509	-0.520	-0.480	0.944	1.000			
Moderating Effect 3	-0.584	-0.566	-0.541	0.927	0.938	1.000		
Auditor Objectivity (X3)	0.802	0.873	0.722	-0.560	-0.549	-0.601	0.919	
Top Management Support (Z)	0.737	0.812	0.783	-0.618	-0.525	-0.555	0.722	0.878

According to Hair et al. (2020), all variables in this study were proven successful in testing convergent validity if the research used an AVE standard of at least 0.5. Other than that, the table above shows that the discriminant validity test requirements have been met with higher initial indicator load values. This is proven when compared with other indicator load values (Hair et al., 2020). Lastly, Reliability testing is the next step in external evaluation of the research model. Research must have a minimum composite reliability value of 0.6 for respondent data to pass the reliability test (Sugiyono, 2018). In this sense, all variables in this research pass the reliability test.

INNER MODEL TESTING

	R-Square	R-Square Adjusted
Internal Audit Effectiveness (Y)	0.814	0.800



Based on the table above, it can be seen that the value R-Square shows a value of 0.81 for the Internal Audit Effectiveness variable. Related to this, valueR-Square can be used to measure the magnitude of the influence and the relationship between research variables. Thus, valueR-Square in this research describes the magnitude of the influence of the variables Competence, Independence, Auditor Objectivity, and Top Management Support on Internal Audit Effectiveness of 81% (Sugiyono, 2018).

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STIDEV)	T Statistics (O/STIDEV)	P Values
Auditor Competency (X1) > Internal Audit Effectiveness (Y)	0.601	0.629	0.118	5.096	0.000
Auditor Objectivity (X3) > Internal Audit Effectiveness (Y)	0.508	0.512	0.126	4.032	0.000
Auditor Independence (X2) > Internal Audit Effectiveness (Y)	-0.337	-0.357	0.167	2.013	0.045
Moderating Effect 1 > Internal Audit Effectiveness (Y)	0.260	0.284	0.165	1.573	0.116
Top Management Support (Z) > Internal Audit Effectiveness (Y)	0.160	0.158	0.115	1.387	0.166
Moderating Effect 3 > Internal Audit Effectiveness (Y)	-0.212	-0.212	0.174	1.216	0.224
Moderating Effect 2 > Internal Audit Effectiveness (Y)	-0.056	-0.068	0.161	0.347	0.728

Based on the table above, it is explained that there is an influence of Auditor Competency on Internal Audit Effectiveness. This is proven by the P-value of 0.00. Furthermore, Auditor Objectivity also influences Internal Audit Effectiveness. In line with the previous relationship, this is also proven by P-Values of 0.45. Lastly, Auditor Independence has also been proven to influence Internal Audit Effectiveness. The influence of Auditor Independence on Internal Audit Effectiveness is illustrated through P-values of 0.00.

In contrast to previous test results, Top Management Support has proven unable to influence Internal Audit Effectiveness. This is proven by the P-value worth 0.166 > 0.05. In line with this explanation, this research also proves that Top Management Support cannot strengthen the influence of Auditor Competence, Independence, and Objectivity on Internal Audit Effectiveness. This is proven by the P-Value, 0.116; 0.728; and 0.224. These three values are smaller than 0.05. Thus, it can be proven that Hypotheses 4 to 6 cannot be accepted in this research.

RESEARCH DISCUSSION

AUDITOR COMPETENCE HAS A POSITIVE EFFECT ON INTERNAL AUDIT EFFECTIVENESS

This research proves that Auditor Competency has a positive effect on Internal Audit Effectiveness. This is proven by the P-value which is 0.00 < 0.05. This proves that the competency level of an internal auditor can increase the effectiveness of internal audits at an SPI PTN BH in Indonesia. This influence can also be explained through agency theory. According to Jensen and Meckling (2019), in a contractual relationship between a principal and an agent, some risks arise. This indicates that an agent tends to act to maximize his interests and utility, not the interests of the principal. Concerning Auditor Competency, an SPI auditor with a high level of competence can minimize this risk (Jensen and Meckling, 2019). Furthermore, in terms of expectation theory, Muttiwijaya & Ariyanto's (2019) research shows that increasing an auditor's competency tends to increase expectations for optimal work results, which in turn improves the quality of the employee's work results. This research is also supported by Zahmatkesh & Rezazadeh (2017). This research proves that the auditor's competency level has a positive effect on the effectiveness of internal audits. In contrast to these studies, Renaldi & Mawardi (2021) concluded that the auditor's competency level has no impact on the effectiveness of internal audit.



AUDITOR INDEPENDENCE HAS A POSITIVE EFFECT ON INTERNAL AUDIT EFFECTIVENESS

This research proves that Auditor Independence has a positive effect on Internal Audit Effectiveness. This is proven by the P-value of 0.045. This proves that the level of independence of an internal auditor can increase the effectiveness of internal audits at a PTN BH SPI in Indonesia. In this regard, the influence of Auditor Independence on Internal Audit Effectiveness can also be explained through agency theory. According to Jensen and Meckling (2019), auditors who have a high level of independence can help reduce risks in contracts between agents and principals. In other words, auditors who have a high level of independence can minimize this utility maximizer characteristic owned by agents. Another explanation, based on the perspective of expectancy theory, research conducted by Robbins & Judge (2018) revealed that an increase in an auditor's performance is more likely to be realized when the individual feels recognized for his achievements under predetermined criteria, which include the Code of Ethics and regulations. other regulations. This increase in individual performance can then be linked to an increase in the effectiveness of the audit results produced by the auditor.

In line with the results of this research, Astakoni, et al (2021) and Haryanto & Susilawati (2018), indicate that the level of independence of an auditor can have a significant influence on the level of effectiveness of internal audit. The results of this research are supported by Santoso & Riharjo (2020), who emphasized that a high level of independence in an auditor has the potential to increase the effectiveness of audit results. However, different from the results of previous research, Muttiwijaya & Ariyanto (2019) prove that the level of independence of an auditor does not have a significant impact on the effectiveness of an internal audit. This explains that the presence or absence of bias in an auditor cannot be considered a sufficient guarantee of achieving an optimal level of audit effectiveness.

AUDITOR OBJECTIVITY HAS A POSITIVE EFFECT ON INTERNAL AUDIT EFFECTIVENESS

Based on testing the hypothesis of this research, Auditor Objectivity can influence the effectiveness of internal audits. This is proven by the P-value $0.00 < 0.05$. This proves that the level of objectivity of an internal auditor can increase the effectiveness of internal audits at a PTN BH SPI in Indonesia. In this regard, the influence of Auditor Objectivity on Internal Audit Effectiveness can also be explained through agency theory. Panda & Leepsa (2017) explain that an auditor's impartiality can make a significant contribution to improving the governance of an institution, which has a direct impact on reducing work contract problems between principals and agents. Furthermore, related to this, Jensen and Meckling (2019) also explain that auditors who carry out their duties objectively can reduce the opportunity for an agent to prioritize personal interests, which may not be in line with the interests of the principal.

In line with the results of this research, Sunnari (2021) emphasized that the higher the level of objectivity of an auditor, the more optimal the effectiveness resulting in the implementation of internal audits. Supporting this, Agoes (2017) emphasized that a high level of objectivity in an auditor contributes positively to effective internal audit results. This concept reflects the auditor's integrity and impartiality in carrying out his responsibilities, which in turn can strengthen the trust of related parties in the resulting audit results. In line with the explanation of the two studies, Widyastuti & Jualianto (2021), states that the level of objectivity of an auditor can make a positive contribution to the effectiveness of audit results.

In contrast to this explanation, Gamayuni (2016) explains that an auditor's objectivity in itself is considered insufficient to have a significant impact on the effectiveness of the internal audit function. The same research adds that the objectivity of an internal auditor must be balanced by a high level of competence to be able to create a truly effective internal audit function.

TOP MANAGEMENT SUPPORT COULDN'T STRENGTHEN THE INFLUENCE OF AUDITOR COMPETENCY ON INTERNAL AUDIT EFFECTIVENESS

Based on the results of this study, Top Management Support cannot strengthen or weaken the influence of Auditor Competency on Internal Audit Effectiveness. This is proven by the P-value of 0.116, which is greater than 0.05. The results of this research are in line with the research of Leardo, et al. (2017). This research explains that top management support cannot strengthen or weaken the correlation between auditor competence and internal audit effectiveness. This also reflects that the relationship between competency and internal audit effectiveness cannot be influenced by management support.

Leonardo, et al. (2017) also added that although there are constraints on the freedom of the main director, the level of freedom of internal supervisors at lower hierarchical levels provides significant space for them. This provides a basis for assuming that management support and high competence can reinforce each other, creating a supportive framework. However, the results of



this research are not supported by Pratama & Sabrina (2019), Indriyani (2021), and Sirajuddin & Ravember (2020). These two studies prove that the level of competency plays an important role in influencing the effectiveness of internal audits. Apart from that, management support is also considered to have a moderating effect on these two variables.

TOP MANAGEMENT SUPPORT COULDN'T STRENGTHEN THE INFLUENCE OF AUDITOR INDEPENDENCE ON INTERNAL AUDIT EFFECTIVENESS

The effectiveness of an internal audit is determined by how well the internal audit department examines financial reports and accounting records, as well as how well the company complies with top management policies. Internal audit also assesses the company's level of compliance with government regulations and professional association regulations (Agoes, 2017). In this regard, this research proves that Top Management Support cannot strengthen or weaken the influence of Auditor Independence on Internal Audit Effectiveness. This is proven by the P-value of 0.728, which is greater than 0.05. Thus it can be stated that Top Management Support cannot moderate the influence of Auditor Independence on Internal Audit Effectiveness.

The results of this research are supported by Rahadhitya and Darsono (2015). This research explains that top management support also cannot strengthen the link between an auditor's independence and the resulting results of the internal audit process. However, the same research proves that top management can have a significant influence in increasing the effectiveness of the internal audit process. In contrast to the results of this research, Mahmudah and Riyanto (2016) prove that the level of support provided by top management has a significant impact on the effectiveness of the internal audit process. The same research also adds that the level of support originating from the highest level of management has the potential to strengthen the relationship between an auditor's independence and the results of the internal audit process produced by that auditor. This finding is strengthened by the results of research from Anto, et al. (2016), Mahmudah & Riyanto (2016), Gamayuni (2016), and Dellai & Omri (2016). These four studies consistently show that support from top management can increase the level of independence of an auditor, which in turn has a positive impact on increasing the effectiveness of audit results.

TOP MANAGEMENT SUPPORT COULDN'T STRENGTHEN THE INFLUENCE OF AUDITOR OBJECTIVITY ON INTERNAL AUDIT EFFECTIVENESS

This research proves that Top Management Support cannot strengthen or weaken the Auditor's Objectivity towards Internal Audit Effectiveness. This is proven by the P-value of 0.224. Thus, it can be stated that Top Management Support cannot moderate the influence of Auditor objectivity on Internal Audit Effectiveness. In contrast to the results of this research, Endaya and Hanefa (2016) and Novranggi and Sunardi (2019), found that the management support variable has a significant role as a moderating variable for auditor objectivity on the effectiveness of the internal audit process. In line with this, Novranggi and Sunardi (2019) explain that internal auditors need to have objectivity that is in line with the needs of the audit process to obtain essential support from senior management, which ultimately has a positive impact on the effectiveness of internal audits. Supporting this, Sirajuddin and Merlin (2019) suggest that management support has the potential to change or moderate the relationship between effectiveness and objectivity so that it can influence the overall effectiveness of internal audit.

CONCLUSION

Based on the results of the analysis carried out under the title Determinants of Internal Supervision Quality with Auditor Motivation as a Moderating Variable, the following conclusions were obtained: Auditor Competence has a positive effect on Internal Audit Effectiveness, Auditor independence has a positive effect on Internal Audit Effectiveness, and Auditor objectivity has a positive effect on Internal Audit Effectiveness. Lastly, Top Management Support cannot moderate the influence of Auditor Competency, Independence, and Objectivity on Internal Audit Effectiveness.

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