CHAPTER V
CONCLUSION

5.1 Conclusion

Professional competence and auditor-auditee relationship are the two most important variables that positively affect both independence and objectivity of the internal auditor in general. They both affect independence and objectivity in general. However, in the test that conducted in Ministry of Religious Affairs, professional competence does not affect internal auditor independence, and auditor-auditee relationship does not affect internal auditor objectivity.

Professional identification does not have significant effect towards either independence or objectivity. It means that auditors do not have to be associated to their profession to understand and implement the main values of auditors, which are independence and objectivity.

Top management support has a positive effect towards the objectivity of internal auditors in general. It also applies to the test conducted in Ministry of Religious Affairs, that top management support affects objectivity. However, in the test generated in Ministry of Finance, top management support affects independence rather than objectivity.

The different results in both ministries is affected by the dummy variable institution. The institution of the internal auditors affects the test result in both ministries. Culture difference, background difference, and human resource difference could affect internal auditors understanding about independence and objectivity.
5.2 Limitation

The author finds several limitations in conducting this research:

1. The author could not control the respondents because of time and distance limitation. There is a possibility of bias due to this condition that can be caused by misunderstanding of the questions in the questionnaire.

2. There are a few responses that do not correspond to the context that the author has to eliminate the responses. It is possible that the factors behind this case is because not all respondents understand the meaning of the questions. The questions in the questionnaire are adopted from international journal, that possibly have different circumstances from Indonesia, it can increase the risk of misunderstanding and bias.

5.3 Recommendation and Implication

5.3.1 Recommendation

Recommendation is to be made for fellow researchers to do the next researches regarding the same topic. The recommendation from this research are:

1. Researchers can conduct their research in broader area as the research subject, for example all ministries and government institution in Indonesia, or all provinces in Indonesia.

2. Researchers can spare more time to distribute questionnaires and collecting responses, or conduct research in a not-so-busy period of time. Middle year and end of the year is the busiest seasons for auditors, especially for external auditors. However, internal auditors are busy all year long. Accordingly, researchers need to find out when the right time is right for conducting research.

3. The item questions to be distributed to respondents must be assured understandable and not ambiguous.
5.3.2 Implication

1. Professional competence is one of the most important things to increase the quality of internal auditors. It is also important for the management to pay more attention to the effort of increasing the competence of internal auditors through education, training, or certification.

2. Relationship between internal auditor and the auditee is also important in increasing the level of independence and objectivity of internal auditor. The quality of the relationship between internal auditor and auditee can be maintained by supervising the team whether they have personal relationship with the auditee or not.

3. In some cases, top management support affects positively towards the independence and objectivity of internal auditor. Therefore, support from the management is essential to be maintained, or even better, increased. It can be done by allocating more budget for internal audit activity, being involved directly in auditing activity, or providing sufficient facilities for internal auditors.
BIBLIOGRAPHY


