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Role of Organizational Commitment, Professional Ethics, Machiavellian Character, and Money Ethic in Moderating the Effect of Professionalism and Auditor Experiences on Materiality Level Consideration

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Abstract: Effect of professionalism and auditor experience on materiality level consideration is not linear because of their contingency factors, among others are affected by organizational commitment, professional ethics, Machiavellian character, and money ethic. The specific objective of this study is to determine the contingency factors ability to moderate effect of professionalism and auditor experience on materiality level consideration. The research results are follows. First, professionalism and auditor experience have positive and significant effect on materiality level consideration. Second, organizational commitment increases the effect of professionalism and auditor experience on ethical level consideration. Third, profession ethic increases the effect of professionalism and auditor experience on materiality level consideration. Forth, Machiavellian character cannot moderate the effect of professionalism and auditor experience on ethical level consideration, 5) Money ethic cannot moderate the effect of professionalism and auditor experience on ethical level consideration.

Keywords: Organizational commitment, professional ethics, Machiavellian character, money ethic, professionalism, auditor experience, materiality level consideration.

INTRODUCTION

Auditors cannot provide a guarantee for clients or users of financial statements that audited financial statements are accurate, because he did not check every year transaction and cannot determine whether all occurred transactions have been recorded, summarized, classified, and compiled in financial statements (Mulyadi, 2014). Materiality level consideration about adequacy (quantity) of competent audit evidence plays an important role because it had strong implications to quality of auditor's opinion on fairness of audited financial statements (IAPI, 2015).

In fact, quality of materiality level consideration of auditors is questionable. Various unhealthy accounting practices cases were occurred in companies audited by public accountant and even getting unqualified opinions. Such conditions would have large risk for public accounting profession whose existence is determined by audit opinion on audited financial statements.

Searching for various contributing factors to quality of materiality level consideration has been done by some researchers, two factors among which are the professionalism and auditor experience. Herawaty and Susanto (2009), Novanda (2012), Lestari and Utama (2013), Yunitasari, et al (2014) found that professionalism has positive effect on level of consideration of materiality, but not so with results Utami (2014). Research conducted by Novanda (2012) and Yunitasari et al. (2014) found that auditor's experience a positive effect on materiality level consideration, but not so with research Lestari and Utama (2013) and study Utami (2014) who found that auditor's experience no effect on materiality level consideration.

Related to this research topic, several previous studies that examined the factors affecting materiality level consideration. Utami (2014) said that auditor's professional judgment has no effect on materiality level, professional ethics and auditor's experience had no effect on materiality level consideration.

Some results of these studies show the controversy results the effect of professionalism and auditor experience on materiality level consideration, so alleged the role of contingency factors in it. Taylor (1992) has studied the ethical and moral accounting of free market and concluded that modern accounting that emphasizes the role of free market has a tendency to loss of internal goodness in terms of honesty, trust and magnanimity to make a healthy practice. Lehman (2004) examines the relationship between accountability and role of religion in modern world, the result shows religion provides a strong theoretical basis in ethics and morals in accounting. Based on studies of Taylor (1992) and Lehman (2004), it is interesting to note the ability of contingency factors, such as: organizational commitment, professional ethics, Machiavellian character, and money ethic to moderate the effect of professionalism and auditor experience on materiality level consideration.

Employee commitment to organization improves productivity, assure quality in final product or service, and ensure the development of adaptive innovation. Luthans (2008) defines organizational commitment as an attitude to reflect the employee's loyalty to organization. In addition, organizational commitment is also interpreted as a continuous process to involve members of organization in order to give attention to organization to achieve prosperity and success.

An auditor is required to adhere to professional ethics. The decision to uphold professional ethics can make auditor to become independent and objective (Herawaty and Susanto, 2009). Meyer and Allen (1997) and Permana (2012) state that attachment experience to organization reflects that the person has strong relation in workplace and committed to his profession.

Hunt and Chonko (1984) states that Machiavellian character has a negative tendency, at least show an unethical way to manipulate others to achieve one's goals. Machiavellian personality has a tendency to manipulate others and very low esteem in others. Ghosh and Crain (1996) suggest that individuals with high Machiavellian character tend to take advantage of situation for personal gain and more willing to disobey the rules.

Tang (1992) reported that money ethic or love to money has a significant and direct effect on unethical behavior. This means that people with high money ethical (love money) which puts a great interest on

money and will be less ethical and sensitive than those with low money ethics. Subsequently, Tang and Chiu (2003) found that love money is the root of all evil.

Based on above description related to factors contingencies (organizational commitment, professional ethics, Machiavellian character, and money ethic), it can be said that auditor with high organizational commitment to accounting company and hold professional ethics in their profession will be more easy to encourage them to improve materiality level consideration. On other hand, an auditor with strong Machiavellian character and money ethic will more difficult to stimulate them to improve materiality level consideration.

This study is different and extension of previous research of Adi (2012), Permana (2012), Herawaty and Susanto (2009), Novanda (2012), Lestari and Utama (2013), Yunitasari et al (2014), and Utami (2014). It test the interaction of two independent variables (two-way interaction test) to determine the ability of contingency factors of organizational commitment and professional ethics and contingency factors of Machiavellian character and money ethics on auditor's materiality level consideration.

This study purposes are to determine: 1) the effect of professionalism and auditor experience on materiality level consideration; 2) ability of organizational commitment, professional ethics, Machiavellian character, and money ethic to moderate the effect of professionalism on materiality level consideration; 3) the ability of organizational commitment, professional ethics, Machiavellian character, and money ethic to moderate the effect of auditor experience on materiality level consideration;

THEORETICAL STUDY AND HYPOTHESES

Professionalism means auditor shall perform his duties with seriousness and rigor. As a professional, auditor should avoid negligence and dishonesty. Arens *et al.* (2003) defines professionalism as the responsibility of individuals to behave better than just complying with laws and regulations within society.

As professionals auditors acknowledges their responsibility towards society, clients, and peers, including to behave in a respectable manner, though this is a personal sacrifice. A professional auditor can met the standards and comply with code of conduct established by IAI (Institute of Accountants Indonesia), among others are (Wahyudi and Aida, 2006:28):

- 1) IAI the principles namely ideal standards of ethical conduct that has been established by IAI as in philosophy terms.
- 2) must obey rules of conduct as minimum standards of ethical behavior designated as a special regulation.
- 3) Interpretation the rules of conduct are not a necessity, but practitioners should understand.
- 4) ethics firmness as a public accountant shall to uphold the principles of freedom in carrying out audit process, although auditors are paid by their clients.

Above explanations show that auditor professionalism is the attitude and behavior of auditors in carrying out their profession with seriousness and responsibility in order to achieve the high performance of the duties as stipulated in professional organizations, including dedication, social obligations, independence, profession confidence and relationships with colleagues. An auditor with a high professional level consideration would improve the quality of audit materiality. Therefore, based on empirical studies and logical thinking framework above, it can be developed the research hypothesis as follows:

Ha.1: Professionalism has positive effect on materiality level consideration.

According to Public Accountants Professional Standards (PAPS) SA Section 312, materiality is the magnitude of accounting information in event of omission or misstatement, seen from the surrounding circumstances, it may alter or affect the people consideration that trust to such information. Framework for Preparation and Presentation of Financial Statements paragraph 30 considers the threshold of materiality or separation point rather than fundamental qualitative characteristics of information that considered useful. Information is considered material if the negligence to include or record this information can affect the decisions taken by users of financial statements.

Financial Accounting Standards Board (FASB) explain the concept of materiality as an omission or misstatement of an item in financial statements that material if, in certain situation, the magnitude of these item may lead to reasonable consideration based on the financial statements will change or be affected by their inclusion or the negation of accounting information.

Experience is an important attribute for auditors, as evidenced by level of auditor mistakes, auditor with special experience will more able to remember the mistakes or errors that uncommon / fair and more selective to information that relevant in comparison with less experience auditors (Meidawati, 2001). As mentioned in Public Accountants Professional Standards (PAPS) that requirements demanded to independent auditor is a person who has sufficient education and experience obtained from practices in auditing as an independent auditor.

Auditor experience is experience in auditing financial statements in terms of the length of time, number of assignments as well as the types of companies ever dealt (Asih, 2006:26). The most common reason in diagnosing problem is inability to produce precise allegations. Libby and Frederick (1990) found that more experience Auditor can produce various kinds of allegations in explaining the audit findings.

Work experience can deepen and expand work capabilities. The more often a person doing the same job, more skilled and faster he completed the job. The more work where person works can increase experience and extensive, and increased performance. Simanjuntak, (2005:27) asserted that to become a professional, an accountant should undergo sufficient training. The training may include activities such as seminars, symposia, workshops, and other activities to support skills. In addition to these activities, briefings by senior auditor to junior auditor could also be considered as a form of training activities to increase the auditor's work. Training programs and audit practices conducted by auditors also undergo a process of socialization in order to adapt to circumstances change he met. Auditor's knowledge structure relates with error detection may be grown with their training program with more experienced auditor.

Based on above explanation, can be said that an auditor with different experience will be different to look and responding to information obtained during the examination and also in providing audit conclusions for object examined for opinions provision. The more auditor experience, then the materiality level consideration in financial statements of company will be more appropriate. Moreover, higher the level of an auditor experience can improve the views and feedback on information in financial statements, because the auditor has a lot to do its job, or have a lot of financial statements of various kinds. Therefore, based on empirical studies and logical thinking framework above, it can be developed the research hypothesis as follows:

Ha.2: Auditor experience has positive effect on materiality level consideration.

Permana (2012) states that organizations commitment shows one engagement with organization where he worked. Someone who has ties to organization reflects that the person committed to his profession (Meyer and Allen, 1997). Staw (2001) argues that organizational commitment shows organizational success in treating employees with respect so that employee (auditor) willing to strive and sacrifice time and able to accept the organization values in his life. Employee commitment to organization can improve productivity, assure quality in final product or service, and ensure the development of adaptive innovation.

Luthans (2008) defines organizational commitment as an attitude to reflects the employee's loyalty to organization. In addition, organizational commitment is also interpreted as a continuous process to involves organization members in order to give attention to organization to achieve prosperity and success. Employee commitment to organization is determined by a number of variables that are personal and organizational. The personal variables are age, years of service in organization, and internal control or external attribution. The organizational variables are work includes design, value, support, and leadership style of a supervisor.

Luthans (2008:147) defines organizational commitment below.

- 1) A strong desire to remain a member of particular organization;
- 2) A willingness to exert high levels of effort on behalf of the organizations.
- 3) A definite belief in, and acceptance of, the values and goals of the organization.

Robbins (2007:123) defines a commitment to organization as a situation where an employee in favor to an organization and objectives, and intend to maintain membership in organization. Hunt et al. (1989) states that organizational commitment is generally interpreted as the employees interest in relation to an organization. Mowday *et al.* (1982) explains organizational commitment from employees who serve the organization in accordance to job and work wholeheartedly for sake of organization and they will maintain membership in organization. Furthermore, Meyer and Allen (1997) define the organization's commitment as a concept with three dimensions: affective, continuance, and normative commitment.

It can be said that high organizational commitment will increase professionalism to affect materiality level consideration. Therefore, based on empirical studies and logical thinking framework above, it can be developed the research hypothesis as follows:

Ha.3: Organizational commitment moderates the effect of professionalism on materiality level consideration.

Ha.4: Organizational commitment moderates the effect of auditor's experience on materiality level consideration.

Ethics is generally defined as the values or rules of behavior that accepted and used by a particular group or individual (Sukamto, 1991). The definition of ethics in general according to Arens & Loebecke (2003) is "a set of moral principles or values. Prinsip-prinsip etika tersebut (yang dikutip dari The Yosephine Institute for the Advancement of Ethics) adalah honesty, integrity, promise keeping, loyalty, fairness, caring for others, responsible citizenship, pursuit of excellent and accountability" (Suraida, 2005:118).

Accounting profession ethics in Indonesia are regulated in Code of Ethics of Indonesia Accountants. This code of conduct binds the members of IAI and can be used by other accountants who are not or are

not yet members of IAI. Code of Professional Ethics of Certified Public Accountants (formerly called Ethics Rules Compartment of Public Accountants) is the ethics rules that must be applied by the members of Indonesian Institute of Certified Accountants (formerly Institute of Accountants Indonesia-Compartment Public Accountant) and professional staff (both the member and non members of Indonesian Institute of Certified Accountants) that working in a public accounting firm.

Each auditor is also expected to uphold the Professional Ethics which has been set by Indonesian Accountants Institute to avoid a situation of unfair competition. In Indonesia, ethics of accountants become an interesting issue. Without ethics, accounting profession will not exist, because accounting function is to provide information for business decision-making process. Upholding the profession ethics is expected to avoid fraud among auditors, to give an opinion that actually audited in accordance with financial statements presented by company.

In carrying out the work, auditor is required to comply with Professional Ethics established by Indonesian Accountants Institute. It is intended to prevent competition among accountants leading to cheating attitude. With implementation of professional ethics, it is expected an auditor can give an opinion in accordance with actual conditions of financial statements issued by company. Therefore, higher the professional ethics of auditor may increase the precise of materiality level consideration.

It can be said that auditors are professional and having sufficient experience to improve their materiality level consideration when they hold the profession ethics. Therefore, based on empirical studies and logical thinking framework above, it can be developed the research hypothesis as follows:

Ha.5: Profession ethics moderates the effect of professionalism on materiality level consideration.

Ha.6: Profession ethics increase the effect of auditor's experience on materiality level consideration.

Machiavellian character was introduced by an expert from Italy political philosopher named Niccolo Machiavellian (1469-1527). Machiavellian name was associated with a bad thing to justify the means to achieve goals. Machiavellian character of a belief or perception that is believed as inter-personal relationships. This perception will create personality to underlie behavior in dealing with others.

Hunt and Chonko (1984) states that Machiavellian character has a negative tendency, at least to show an unethical way to manipulate others to achieve one's goals. Machiavellian personality has a tendency to manipulate others and very low esteem in others.

Machivellian personality is described by Christie and Geis (1970) as the personalities who have less affection in personal relationships, ignoring conventional morality, and showing a low ideological commitment. Purnamasari and Advensia (2006) found that individuals with high Machiavellian character tend to lie. Machiavellian personality has a tendency to manipulate others, very low esteem in others. Machiavellian usually associated with individuals who are manipulative, using persuasive behavior to achieve personal goals and usually aggressive.

Business environment with strategic thinking and competitiveness creates a metaphor to accept victory. This mindset creates behaviors that lead to Machiavellian character. In contrast to business profession, accounting profession with Machiavellian personality becomes a threat. The accounting profession is required to have more ethical responsibility than other responsibilities.

A person who has a tendency to control and affect other person can be regarded as a Machiavellian. McLean and D.G. Jones (1992) suggests the Machiavellian stereotype as normal and acceptable in perception of business profession, but it is not the character type that suitable for an individual in organization. Richmond (2001) shows that higher Machiavellian tendency makes a person to behave unethically. Conversely, low Machiavellian tendency makes a person to behave ethically.

High Machiavellian character can make a person use manipulative behavior, persuasive, and cheat to achieve the ultimate goal (Hunt and Chonko, 1984). A person who has a tendency to control and affect the other person can be regarded as a Machiavellian. Therefore, based on empirical studies and logical thinking framework above, it can be developed the research hypothesis as follows:

Ha7: Machiavellian character moderates the effect professionalism on materiality level consideration.

Ha.8: Machiavellian character moderates the effect of auditor's experience on materiality level consideration.

Managers use the money to attract, retain and motivate employees (Milkovich and Newman, 2002). It raises behavior that counterproductive (Tang and Chiu, 2003). Tang (2002) reported that money ethic or the love money of a person has a significant and direct effect on unethical behavior. This means that people with high money ethical (love money) and puts a great interest on money will be less ethical and sensitive than those with low money ethics. Mitchell and Mickel (1999) show that money associates with individual personality and an attitude variables. Additionally, some researchers have also proposed that love money is the root of all evil (Tang & Chiu, 2003).

The relationship between behavior and perception of love money has further investigated in several countries. Elias (2010) examined the relationship love money attitude and ethical perception. The results showed a negative relationship between ethical attitude and love money of a person. This was supported by Tang and Chiu (2003) that money ethics of a person has a significant and direct effect on unethical behavior. This means that higher ethics ethic or love money will lower their ethical perception, and vice versa. This is because someone with very love money will strive to do everything to get money, but not in accordance with ethics. The results of study Lau et.al (2013) showed that money ethics negatively related to tax evasion.

Higher money ethics lead individuals to behave unethically and tax cheating. Such conditions will reduce the positive effect of professionalism and auditor experience on materiality level consideration. Therefore, based on empirical studies and logical thinking framework above, it can be developed the research hypothesis as follows:

Ha.9: Money ethic moderates the positive effect of professionalism on materiality level consideration.

Ha.10: Money ethic moderate positive effect of auditor experience's on materiality level consideration.

RESEARCH METHODS

Location Research, Population and Sample

The research location is all public accounting firms in Bali Province. The study population is all auditors of Public Accounting Firm Bali Province who joined the Indonesian Institute of Certified Accountants in 2015 which amounted to 81 people. This research uses saturated samples

Types, Sources and Data Collection Methods

This research uses quantitative data. According Sugiyono (2014), quantitative data is data in form of numbers, or scoring of quantitative data. This study uses the questionnaires answers as quantitative data. This research uses primary data. It is collected directly from the source, recorded and observed for first time and the results are used directly by researcher or the institution to solve the problems (Umar, 2011) as a variables indicator in form of Likert scale.

Variables identification

Based on problem formulation and hypotheses, the variables analyzed in this study are below.

1. Dependent variable: The dependent variable is the variable that is affected or caused by independent variables (Sugiyono, 2014:59). The dependent variable in this study is the materiality level consideration (Y).
2. Independent variable: The independent variable will affect or change or cause the dependent variable (Sugiyono, 2014:59). The independent variables in this study are professionalism (X1) and auditor's experience (X2).
3. Moderation variable: Moderating variable is variable to increase or decrease the effect of independent variables on dependent variables. Moderation variables of this research are organizational commitment (X3), professional ethics (X4), Machiavellian character, and money ethic.

Solimun, (2010) classifies moderation variables into four (4) types as follow: pure moderation, pseudo moderation, homologizer moderation and predictor moderation. Every moderation can be identified with following example, if X as the predictor variable, Y as dependent variable and M as moderating variable, the regression equation can be formulated below.

$$(1) \quad v_1 = b_0 + b_1 X_1$$

$$(2) \quad v_1 = b_0 + b_1 X_1 + b_2 M_1$$

$$(3) \quad v_1 = b_0 + b_1 X_1 + b_2 M_1 + b_3 X_1 * M_1$$

Operational Definition and Variables Measurement materiality level consideration (Y)

Mulyadi (2014) states that materiality is an omitted value or misstated accounting information, as seen from the surrounding circumstances. It may changes or affects the consideration of those who put faith in such information, due to omission or misstatement. The auditor's judgment about materiality is a professional judgment and affected by auditor's perception of people needs who have sufficient knowledge and that will put the confidence in financial statements (Yendrawati, 2008). Materiality level consideration is measured with a 12 question items using a four-point Likert scale. The indicators refer to research instruments of Yanuar (2008: 30) with some adjustments, namely the public accounting words are replaced by auditor. The indicators are below.

- a) How important is the materiality level
- b) Knowledge of materiality level

- c) Audit risk
- d) The materiality level between companies
- e) The order of materiality level in audit plan

Auditor Professionalism (Pro)

Professionalism means the auditor shall perform his duties with seriousness and rigor. As a professional, auditor should avoid negligence and dishonesty. Noveria (2006: 3) defines professionalism as the individuals responsibility to behave better than simply complying with laws and regulations within society. Professionalism is also an element of motivation to contribute to a person in order to have a high job performance (Ifada and M. Jafar, 2005:13).

Auditor Professionalism is measured with 15 question items using a four-point Likert scale. The indicators refer to research instruments of Wahyudi and Aida (2006:11) with some adjustments, namely the public accounting words is replaced by auditor. The indicators are below.

- a) **Dedication:** Dedication is the professional dedication to use knowledge and skills owned and continue to perform their duties despite their lower intrinsic rewards.
- b) **Social obligations:** Social obligations is the importance of profession role and benefits obtained both by society and professionals for their work.
- c) **Autonomy:** Autonomy is a person professionals capability to make own decisions without pressure from others.
- d) **Profession belief:** Profession belief is a belief that the ultimate authority to assess the professional work is a fellow professional, not outsiders who have no competence in their science and their work.
- e) **Relationships with colleagues:** It uses professional associations as a reference, including formal organizations and informal groups of colleagues as the main source of job ideas.

Auditor Experience (PA)

Auditor's experience is experience in auditing financial statements for length of time, number of assignments and the types of companies dealt (Asih, 2006: 26). Auditor's experience with the three items is measured by a four-point Likert scale. The indicators refer to research instruments of Asih (2006: 26) with some adjustments, namely the auditor skill enhancement are replaced with materiality level consideration. The indicators are below

- 1) Experience from a month job.
- 2) Experience from many tasks performed by auditor.
- 3) Experience from the many types of companies audited.

Organizational Commitment (KO)

Organizational commitment is a state where employees feel bound by organization and want to maintain the membership within organization and devote themselves to the organization interests (Meyer and Allen,

1997). Organizational commitment was measured with nine items of questions using a four-point Likert scale. The indicators refer to opinion of Meyer and Allen (1997) where the commitment is divided into three dimensions: affective, normative, and continue commitment. The indicators are below.

- a) Affective Commitment: It refers to emotional attachment, identification and involvement of auditors in an organization.
- b) Normative Commitment: It refers to how far a person is psychologically bound to become an employee of an organization, based on feelings of loyalty, warmth, pride, happiness, and others.
- c) Continues Commitment: It is based on a rational need, namely auditor to join organization because he needs it.

Professional Ethics (EP)

Professional ethics is a professional job and it is regulated by rules of association or organization and each member must obey (Yuwono, 2011). Professional ethics are measured with 13 questions items using with four-point Likert scale. The indicators refer to opinion of Murtanto and Marini (2003:10) with some adjustments, namely the public accounting words are replaced by auditor word. The indicators are below.

- a) Personality: Personality is the overall attitude, expression, feeling, temperament, characteristic, and also the person behavior.
- b) Professional Skills: Doing a job in accordance with code of ethics.
- c) Responsibility: It is the awareness of behavior or good deeds done intentionally or unintentionally.
- d) Code of conduct implementation: It is intention to follow everything in accordance with code of ethics.
- e) Code of ethics interpretation and refinement: An interpretation without personal desires and act in accordance with applicable regulations.

Machiavellian character (SM)

Machiavellian character is described by Christien and Geis (1980) in Richmond (2001) as the personalities who have less affection in personal relationships, ignoring conventional morality, and show a low ideological commitment. The tendency of Machiavellian character is measured by Match IV, consisting of 20 items (indicator) questions measured by seven point with Likert scale ranging from 1 (very strongly disagree) up to 7 (very strongly agree). The higher the score means higher Machiavellian character.

Money Ethic (ME)

Ethics money is one's view to money. Someone with high money ethics (love money) will put a higher importance on money ethics and less sensitive than those with low money ethics. Money ethics are measured by Money Ethic Scale (MES) developed by Tang (1992). This scale measures how someone assesses the ethical meaning of money. Respondents show their agreement or disagreement with each statement on a five-point scale, ranging from 1 (very strongly disagree) to 5 (strongly agree). A high score indicates the money importance in life.

RESEARCH RESULTS

Hipoteses Testing Result

Hipotesis testing results are summarized in Table 1 below

Table 1
MRA test result
Coefficients^a

<i>Model</i>	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>t</i>	<i>Sig.</i>
	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>		
1 (Constant)	2.262	.304		7.429	.000
PRO	.209	.062	.313	3.383	.001
PA	.226	.060	.368	3.742	.000
KO	.215	.092	.208	2.326	.023
EP	.161	.057	.149	2.808	.007
SM	-.069	.039	-.080	-1.775	.081
ME	-.072	.055	-.067	-1.297	.200
PRO.KO	.028	.037	.257	.763	.048
PRO.EP	.043	.025	.456	1.745	.026
PRO.SM	.007	.035	.061	.187	.852
PRO.ME	.048	.047	.262	1.005	.319
PA.KO	.033	.043	.263	.778	.040
PA.EP	.063	.029	.523	2.148	.036
PA.SM	.009	.040	.076	.232	.818
PA.ME	.072	.053	.396	1.368	.176

a. Dependent Variable: PTM

Ha.1: Professionalism (PRO) has positive effect on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of PRO variable is 0.209 with a p-value = 0.001 smaller than $\alpha = 0.05$. It means PRO variable has positive and significant effect on materiality level consideration (PTM). Therefore, this study cannot reject the research Ha.1 hypothesis which states that Professionalism has positive effect on materiality level consideration.

Ha.2: Auditor experience (PA) has positive effect on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of auditor experience (PA) variable is 0.226 with a p-value = 0.023 smaller than $\alpha = 0.05$. It means auditor experience variable has positive and significant effect on ethical consideration level (PTM). Therefore, this study cannot reject Ha.2 research hypothesis which states that Auditor experience has positive effect on materiality level consideration.

Ha.3: Organizational commitment (KO) moderates the effect of professionalism (PRO) on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of PRO.KO variable is 0.028 with a p-value = 0.048 smaller than $\alpha = 0.05$. It means PRO variable moderates the effect KO on PTM. Therefore, this study cannot reject reject Ha.3 research hypothesis which states that Organizational commitment moderates the effect of professionalism on materiality level consideration.

Ha.4: Organizational commitment (KO) moderates the effect of auditor's experience (PA) on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of PA.KO is 0.028 with a p-value = 0.048 smaller than $\alpha = 0.05$. It means KO variables moderate the effect of PA on PTM. Therefore, this study cannot reject reject Ha.4 research hypothesis which states that Organizational commitment moderates the effect of auditor's experience on materiality level consideration.

Ha.5: Profession ethics (EP) moderates the effect of professionalism (PRO) on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of PRO.EP variable is 0.043 with a p-value = 0.026 smaller than $\alpha = 0.05$. It means EP variable moderates the effect of PRO on PTM. Therefore, this study cannot reject Ha.5 research hypothesis which states Profession ethics increase the effect of auditor's experience on materiality level consideration.

Ha.6: Profession ethics (EP) increase the effect of auditor's experience (PA) on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of PA.EP variables is 0.063 with a p-value = 0.036 smaller than $\alpha = 0.05$. It means EP variable moderates the effect of PA on PTM. Therefore, this study cannot reject the research hypothesis Ha.6 stating that Profession ethics increase the effect of auditor's experience on materiality level consideration.

Ha.7: Machiavellian character (SM) moderates the effect professionalism (PRO) on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of PRO.SM is 0.007 with a p-value = 0.852 greater than $\alpha = 0.05$. It means BC variable cannot moderate the effect of PRO on PTM. Therefore, this study reject Ha.7 research hypothesis which states Machiavellian character moderates the effect professionalism on materiality level consideration.

Ha.8: Machiavellian character (SM) moderates the effect of auditor's experience (PA) on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of PA.SM is 0.009 with a p-value = 0.818 greater than $\alpha = 0.05$. It means BC variable cannot moderate the effect of PA on PTM. Therefore, this study reject Ha.8 research hypothesis which states that Machiavellian character moderates the effect of auditor's experience on materiality level consideration.

Ha.9: Money ethic (ME) moderates the positive effect of professionalism (PRO) on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of PRO.ME is 0.048 with a p-value = 0.319 greater than $\alpha = 0.05$. It means ME variable cannot moderate the effect of PRO on PTM. Therefore, this study reject Ha.9 research hypothesis which states that Money ethic moderate the positive effect of professionalism on materiality level consideration.

Ha.10: Money ethic (ME) moderates the positive effect of auditor experience's (PA) on materiality level consideration (PTM).

Table 1 shows that the beta coefficient of PA.ME variables is 0.072 with a p-value = 0.176 smaller than $\alpha = 0.05$. It means ME variable cannot moderates the effect of PA on PTM. Therefore, this study reject Ha.10 research hypothesis which states that Money ethic moderate the positive effect of auditor experience's materiality level consideration.

DISCUSSION

Effect of professionalism and experience in Audit materiality level consideration

This study cannot reject the research Ha.1 hypothesis which states that Professionalism has positive effect on materiality level consideration. These results confirm the thesis that more professional auditor can improve their materiality level consideration. This study was consistent with Herawaty and Susanto (2009), Novanda (2012), Ayu Lestari and Karya Utama (2013), Indira Yunitasari et al (2014) who found that professionalism has positive effect on materiality level consideration, but inconsistent with Utami (2014).

This study cannot reject Ha.2 research hypothesis which states that Auditor experience has positive effect on materiality level consideration. These results reinforce the notion that more experience auditor in auditing can improve their materiality level consideration. These findings consistent with Asih (2006), Libby and Frederick (1990) Novanda (2012) and Indira Yunitasari et al (2014) but inconsistent with Ayu Lestari and Karya Utama (2013) and studies Utami (2014) who found that auditor's experience cannot affect on materiality level consideration.

Organizational Commitment ability to moderate the effect of professionalism and audit experience on materiality level consideration

This study cannot reject reject Ha.3 research hypothesis which states that Organizational commitment moderates the effect of professionalism on materiality level consideration. These results confirm that auditors with a high commitment to organization will enhance their professional effect on materiality level consideration. This condition is certainly an important capital for firm and management of accounting profession in general.

This study cannot reject reject Ha.4 research hypothesis which states that Organizational commitment moderates the effect of auditor's experience on materiality level consideration. This means that stronger organizational commitment of auditors will increase the effect of audit experience on materiality level consideration.

Professional Ethics ability to moderate the effect of professionalism and audit experience on materiality level consideration

This study cannot reject Ha.5 research hypothesis which states Profession ethics increase the effect of auditor's experience on materiality level consideration. These results reinforce the idea that more close the

auditor to apply professional ethics in audit process will accelerate the effect of professionalism on materiality level consideration.

This study cannot reject the research hypothesis Ha.6 stating that Profession ethics increase the effect of auditor's experience on materiality level consideration. Thus it can be said that an experienced auditor can make a judgment on materiality level consideration if they adhere to professional ethics in attitudes and audit action.

This condition is a good justification that monitoring of compliance with code of ethics by auditors and accountants and KAP managers need to continue to be done systematically and effectively to make audit profession increasingly respected and taken into account.

Machiavellian character Ability to moderate the effect of professionalism and audit experience at level of ethical consideration

This study reject Ha.7 research hypothesis which states Machiavellian character moderates the effect professionalism on materiality level consideration. This means that Machiavellian character cannot moderates the effect of professionalism on materiality level consideration.

This study reject Ha.8 research hypothesis which states that Machiavellian character moderates the effect of auditor's experience on materiality level consideration This means that Machiavellian character failed to weaken the effect of auditor's experience on materiality level consideration.

Money Ethic ability to moderates the effect of professionalism and auditor's experience on materiality level consideration

This study reject Ha.9 research hypothesis which states that Money ethic moderate the positive effect of professionalism on materiality level consideration. These results indicate that money ethic cannot to reduce the effect of professionalism on ethical level consideration. It should be appreciated that auditor has professionalism ability and can control the money ethic.

This study reject Ha.10 research hypothesis which states that Money ethic moderate the positive effect of auditor experience's materiality level consideration. It means money ethic cannot reduce the effect of auditor's experience on materiality level consideration.

Thanks to god for the results of empirical research and always be maintained in anticipation indication game related to audit fee to auditor's opinion, and practice of unhealthy auditor and accounting companies.

CONCLUSIONS AND RECOMMENDATIONS

Based on above discussion, the conclusions can be summarized below.

1. Professionalism has positive and significant effect on materiality level consideration.
2. Auditor experience has positive and significant effect on materiality level consideration.
3. Organizational commitment increases the effect of professionalism on materiality level consideration.
4. Organizational commitment increases the effect of auditor's experience on materiality level consideration.

5. Profession ethics increase the effect of professionalism on materiality level consideration.
6. Profession ethic improves effect of auditor experience on materiality level consideration.
7. Machiavellian character cannot to moderate the effect of professionalism on materiality level consideration.
8. Machiavellian character cannot moderates the effect of auditor's experience on materiality level consideration.
9. Money ethic cannot moderates the effect of professionalism on materiality level consideration.
10. Money ethic was not able to moderate the effect of auditor's experience on materiality level consideration.

Some advices can be suggested below.

1. Ethics profession can increase the effect of auditor experience and professionalism of auditors so the efforts to implement an auditors code of ethics in accordance with provisions should be carried out continuously.
2. Machiavellian character and money ethic should be controlled continuously through the better implementation of Public Accountant Professional Standard .

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