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The Effect of Financial Audit Guidelines and Fraud Detection Awareness on Quality Audit Results During the COVID-19 Pandemic

Sonly Nendiarie[1], Siti Musyarofah[2], Tarjo[3]

Faculty of Economics and Business, University of Trunojoyo Madura, East Java, Indonesia[1,2,3]

sonlynendiarie@gmail.com[1], sitimusyarofah@trunojoyo.ac.id[2], tarjo@trunojoyo.ac.id[3]

ABSTRACT

Many elements of society have experience disadvantages as a result of an array of problems in financial reporting. Given the preceding situation, a financial statement audit conducted by the auditor as an independent party is expected to achieve reliable audit quality. However, under the current situation of the pandemic, the auditor faced numerous challenges that have never been encountered before in carrying out audits. An Auditor must be more creative in conducting audits and comply with audit standards. The possibility of fraud risk in financial audits is also greater during the pandemic. This study aims to explain the role of financial audit guidelines and fraud detection awareness in providing quality audit results during the COVID-19 pandemic. This research was conducted upon auditors of BPK Representative of East Java province who were involved in financial audits. There were 91 respondents involved in this study. The research method applied multiple regression data analysis with the Partial Least Squares (PLS) approach through the help of the SmartPLS 3.0 program. The study would produce financial audit guidance variables and fraud detection awareness that will significantly positively affect quality audit results.

KEYWORDS:
Pandemic; audit; fraud; financial statements, COVID-19

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INTRODUCTION

The COVID-19 pandemic has presented unexpected and extreme challenges for organizations of all sizes and sectors worldwide. It has rapidly changed how entities operate and individuals live and work (BPK RI, 2020a). During the pandemic, the Audit Board of the Republic of Indonesia (BPK RI) carries out financial audits by implementing strict health protocols and maximizing alternative audit procedures, including using information technology in audit activities.

Summarized from BPK's Summary of Semester Audit Results I Year 2021 (Ikhtisar Hasil Pemeriksaan Semester, IHPS I Tahun 2021), the results of BPK's audit upon 541 LKPD (Laporan Keuangan Pemerintah Daerah/ Local Government Financial Statement) in 2020 revealed 6,295 non-compliance issues. These problems include 4,048 problems comprising non-compliance issues that may lead to losses, potential losses, and lack of revenue (financial impact), amounting to Rp2,07 trillion, and administrative irregularities (no financial impact) not less than 2,247 problems. Non-compliance issues include the financial impact of non-compliance issues which can result in a loss amounting to 2,645 problems, totaling Rp1.19 trillion, potential loss accounting for 549 issues, totaling Rp260,36 billion, and the lack of acceptance account for 854 issues, totaling Rp623,87 billion (BPK RI, 2021). With the many audit findings, increased effort is required from the auditors to provide an overview and assessment of the audited entity's financial condition. The audit of financial statements performed by the auditor as an independent party is expected to achieve reliable audit quality. In public sector audits, the Government Accountability Office (GAO) emphasizes the main point of a quality audit and adherence to standards during auditing (Lowensohn, Johnson, & Elder, 2005).

Throughout the pandemic, there were several challenges in conducting audits that auditors had never faced before. Auditors must be more creative in conducting audits and comply with auditing standards. Some problems that arise during the audit during the pandemic are physical observation, access to the entity's accounting systems and records, confirmation of accounts, and subsequent events (AICPA, 2020). Auditors must adjust how they obtain appropriate audit evidence to form an audit opinion. Subsequently, auditors revise the identification and assessment of specific risks of material misstatement and perform alternative audit procedures. Auditors must also adapt to environmental changes, such as quality control policies and procedures (IAASB, 2020). The COVID-19 crisis also means that there may be situations where there is a greater risk of fraud. The auditors may consider the need for additional procedures to address these risks (FRC, 2020).

Publications by IAPI provide a minimum guideline and several significant areas in the design and implementation of audit procedures to obtain sufficient and appropriate audit evidence in response to disruptions caused by the COVID-19 pandemic. The IAPI Publication Overview explains how essential things are to support audit performance and quality during the Covid-19 pandemic, including obtaining sufficient and appropriate audit evidence, events after the reporting date, business continuity, reporting and communication, and professional skepticism (IAPI, 2020).

There is an emphasis on auditors to comply with the required standard during the pandemic. Research by Carcello, Vanstraelen, and Willenborg (2009) explains that with the implementation of audit standards, there is a decrease in errors made by auditors, so it has a beneficial effect on the output side. Suyanto (2009) explains that several fraud risk fac-

tors in financial statements can be identified by developing a standard framework or audit guideline. Therefore, it can be concluded that audit standards have another role in the audit process, particularly in mitigating the risk of fraud if appropriately applied. Research conducted by Harahap, Suciati, Puspitasari, and Rachmianty (2017), Ningsih and Nadirsyah (2017), also Kadhafi (2013) suggested that the implementation of audit standards had a significant effect on audit quality resulting from a structured audit process. Those become a concern because audit standards are guidelines for auditors to comply with to produce good audit quality. The implementation of audit standards in this study takes the form of financial audit guidelines prepared by BPK. The auditor must consider various financial audit principles and other important matters during the audit. Audit guidelines are expected to provide quality audit results, particularly under the current pandemic conditions.

A study reveals that the role of auditors that is most often questioned and the possibility of audit firms being prosecuted touches upon failures related to fraud detection (Bollen, Mertens, Meuwissen, van Raak, & Schelleman, 2005). However, in a financial audit, the auditor's goal is to obtain reasonable assurance that the financial statements are free of serious misstatement, whether due to fraud or error. Limitations such as time, staff, costs, and factors beyond the auditor's or client's control, such as the auditor's inability to do a physical examination due to a difficult-to-reach location, would undoubtedly be of particular importance to the auditor in a financial audit. Even if the audit is designed and carried out following industry norms, there is always the possibility that some significant errors in the financial statements will go undetected (IAPI, 2013). This also shows that the public has unfulfilled expectations regarding the role of auditors in fraud cases (Hassink, Meuwissen, & Bollen, 2010). For example, fraud cases are still prevalent as it involves state administrators or regional heads in regional governments whose financial statements received an unqualified audit opinion. On the other hand, we understand that such an opinion could not guarantee the absence of fraud in the entity. The auditors need to give more attention to meeting expectations and narrow the gap, which can be reflected in the form of awareness to detect fraud when conducting financial audits.

During the pandemic, auditors may need to adjust audit procedures as necessary to help detect potential fraud risks (AICPA, 2020). Furthermore, the auditors must also demonstrate a serious concern for the possibility of fraud and errors such as fraudulent financial reporting while maintaining an attitude of professional skepticism in carrying out audit procedures (IAASB, 2020). Furthermore, the auditors must have a sense of responsibility in identifying the risk of fraud by designing an adequate audit and disclosing actions indicating fraud that occurred in the audit report (BPK RI, 2017). The risk of misstatement, non-compliance, fraud, and impropriety will undoubtedly be an inherent part of audit activities. Therefore, fraud detection awareness of the auditors is expected to play a role during the audit process to produce a quality audit report.

Based on the previous explanation, this study uses financial audit guidelines and fraud detection awareness as variables to determine the quality of audit results, in particular during the COVID-19 pandemic. This research is quite important as it uses variables that are still rarely studied. In addition, it is expected to provide new empirical evidence for the development of auditing science.

LITERATURE REVIEW

Albrecht, Albrecht, Albrecht, and Zimbelman (2009) define fraud as a variety of ways a person can use to gain an advantage over others through improper actions. The Association of Certified Fraud Examiners (ACFE) classifies fraud into three levels: the Fraud Tree. The fraud tree comprises asset misappropriation, which is the misuse or theft of assets or assets used for personal gain. Such misuse is related to cash, inventory, and other assets. Second, financial statement fraud is a deliberate misstatement of a company's financial condition that is achieved through misstatements in financial statements to deceive users of financial statements. This includes net worth overstatements and net worth understatements. Third, corruption is an action that is usually committed by one or more people who are mutually beneficial. This includes conflicts of interest, bribery, illegal gratuities, and economic extortion (ACFE, 2017). Financial audits are not specifically designed to find specific types of fraud. However, of course, the auditor will respond to indications of fraud that can be identified during the audit process.

In public sector audits, the GAO emphasizes that the main point of a quality audit is to standards during an auditing (Lowensohn et al., 2005). Until now, there is no clear definition of adherence to what and how good audit quality is until now. It is not easy to objectively describe and measure audit quality with several indicators. This is because audit quality is a complex and challenging concept to understand, so there are often errors in determining its nature and quality (Efendy, 2010).

In the context of state financial audits in Indonesia, BPK establishes and implements a quality control system that forms audit performance elements to ensure the quality of state financial audits. Audit performance is a critical element in order to increase stakeholder trust. Quality control over audit performance includes audit planning, implementation, supervision, and review of audit results reporting, monitoring follow-up audit results, and audit evaluation (BPK RI, 2009).

In the current global era, the development needs and demands for the presentation of quality audit reports are increasing. Hence the need for audit standards becomes increasingly important. The International Standard on Auditing (ISA), which is applied at the international level, also emphasizes the importance of auditors having an inherent responsibility in detecting fraud. It is expected that the audit report can provide adequate information on the condition of the auditee. This responsibility carries high urgency as auditors can face a litigation process (Zulhaimi, Apandi, & Sofia, 2016).

In Indonesia, the audit of the management and accountability of Indonesian state finances is carried out to create a clean government free from corruption, collusion, and nepotism. The audit needs to be carried out based on the State Finance Auditing Standard (Standar Pemeriksaan Keuangan Negara, SPKN) to ensure the quality of the audit of state finances. SPKN is a benchmark for conducting state financial management and accountability audits (BPK RI, 2017). During an emergency, whether it is an emergency due to the COVID-19 pandemic or other emergencies with similar characteristics, BPK refers to auditors developing different audit strategies by compiling guidelines for financial audits during an emergency so that audits are carried out by adhering to standards (BPK RI, 2020b).

Indeed, the auditor must practice Fraud detection Awareness. In the context of auditor fraud awareness, the auditor must quickly realize the possibility of fraud by relying on

fraud signals. Auditors need to understand essential signals to identify fraud (Suprajadi, 2009). Discussing the importance of auditor awareness of the existence of fraud is not only at that point, but we must understand thoroughly how the auditor responds after a fraud occurs, whether to respond to detect and report fraud or not dutifully. The auditor's responsibilities regarding considerations of non-compliance, fraud, and impropriety are regulated in the SPKN. The auditor must have a sense of responsibility in identifying the risk of fraud by designing an adequate audit and disclosing actions indicating fraud that occurred in the audit report (BPK RI, 2017). Conceptually, fraud detection awareness is a form of auditor awareness regarding the existence of fraud, which then responds by detecting and reporting it. Based on such understanding, it can be inferred that fraud detection awareness is a feature that auditors must have when conducting an audit task. The following question that should be addressed is how to apply these provisions. Deis and Giroux (1992) describe that finding a violation depends on the technical ability of the auditor, while reporting a violation depends on the auditor's independence.

Many believe the COVID-19 outbreak has not yet become a financial crisis. On the other hand, the effects of the COVID-19 pandemic will be the most formidable challenge for auditors and their clients since the 2007–2008 global financial crisis. Theoretically, it is concluded that the COVID-19 pandemic can primarily affect audit fees, business continuity assessments, human resources, audit procedures, and auditor salaries, which is suspected to affect the quality of the audit process (Albitar, Gerged, Kikhia, & Hussainey, 2020). Akrimi and Borders (2021) also support those findings, which show a high degree of conformity to the impact of COVID-19 on the five aspects. As a result, the pandemic has considerably impacted the quality of audits. Research conducted by Saleem (2021) in Jordan explains the uncertainty arising from the pandemic. There are challenges in providing an independent view of the company's financial position. This can increase the likelihood of forming an incorrect opinion about the audit. In addition, auditors face difficulties obtaining appropriate audit evidence from their clients due to movement restrictions, affecting audit quality. However, Hay, Shires, and Van Dyk (2021) research stated that initially, the COVID-19 pandemic in New Zealand was expected to impact audit results, such as audit opinions, significantly, but the findings concluded that the effects had been much smaller. Nevertheless, it is still hoped that audit reforms will take place, one of which is placing more responsibility on auditors to detect fraud by establishing changes to audit standards.

The Effect of Financial Audit Guidelines on Quality Audit Results

The research conducted by Albitar et al. (2020) explains that the effects of the COVID -19 pandemic will be the most formidable challenge for auditors and their clients. Theoretically, it is concluded that the COVID-19 pandemic can primarily affect audit procedures, which is suspected to affect the quality of the audit process. Research findings by Akrimi and Borders (2021) confirm this, which show a high degree of conformity to the impact of COVID-19 on various aspects of audit quality, one of which is audit procedures. As a result, this pandemic has considerably impacted audit quality.

During the pandemic, there are several challenges in auditing that auditors have never faced. Auditors must be more creative in conducting audits and comply with auditing standards (AICPA, 2020). The audit guidelines issued by IAPI explain the many significant factors that support audit performance

and quality during the pandemic, including obtaining sufficient and appropriate audit evidence, events after the reporting date, business continuity, reporting and communication, and professional skepticism (IAPI, 2020).

Furthermore, throughout the pandemic, many auditors rely on technology to ensure a wholesome audit quality by ensuring that financial reports to audited money are free from fraud. The results also show that information technology affects audit quality (Setiawan, Tridig, Gunawan, & Sari, 2020). Under such conditions, the possibility of error in awarding an opinion upon the audit will increase. Auditors face difficulties obtaining appropriate audit evidence from their clients because of restrictions on movement, which will affect audit quality (Saleem, 2021). Given the preceding, the auditor should consider not to grant any disclaimer or a qualifying audit opinion due to the scope limitation. Auditors must always obtain sufficient and appropriate audit evidence, even during difficult times (FRC, 2020).

Based on the research results of Harahap et al. (2017), it is concluded that the implementation of audit standards will significantly affect audit quality resulting from a structured audit process. Ningsih and Nadirsyah (2017) also Kadhafi (2013), in their research, also conclude that the application of sound audit standards will determine the quality of audit results. Auditors will overcome difficulties in making decisions during the audit process if the standard guides them. Implementing audits based on auditing standards will increase the credibility of the information to be reported through objective collection and testing.

In facing various challenges when conducting audits during the pandemic, BPK refers to auditors developing different audit strategies by compiling financial audit guidelines so that audits are carried out according to the standard, notably SPKN. The audit guidelines contain the audit's main principles such as professional skepticism, obtaining sufficient and appropriate evidence, identifying and assessing risks of material misstatement, communication with the entity's management and related parties after events, documentation, quality control, and legal aspects of the audit and other matters that must be applied in audit (BPK RI, 2020a). This critical information will support the decision-making process carried out by an auditor when performing audit duties. Audit guidelines play an essential role as they provide a reference in all elements of the audit implementation. Auditors are expected to master the applicable audit guidelines because they contain various guidelines that will help them obtain relevantly and needed data also information carefully and precisely. The more critical information obtained, the more straightforward an auditor's judgment in awarding an opinion suitable for the auditee's financial statements.
H1: Financial Audit Guidelines have a significant effect on audit quality results.

The Effect of Fraud Detection Awareness on Quality Audit Results

With the COVID-19 pandemic currently happening, there is a possibility that the risk of fraud in financial audits will appear greater (FRC, 2020). Auditors may need to make changes to audit procedures to help detect potential fraud risks that may occur (AICPA, 2020), including the presentation of fraudulent financial reporting. For the possibility of various frauds and errors, the auditor must hold a high degree of awareness while maintaining an attitude of professional skepticism in audit procedures (IAASB, 2020).

Othman, Aris, Mardziyah, Zainan, and Amin (2015) concluded that auditors or accountants with high awareness would be responsi-

ble for detecting and reporting fraud. There are also increased methods or procedures for detecting fraud at assignment time. The same situation is explained in research by Siregar and Tenoyo (2015), which explained that the level of fraud awareness of the auditors is sufficient to detect fraud that may occur. The response given as a form of auditor responsibility is carried out by implementing additional procedures following standards and assessing internal control activities during the audit process. Moreover, the research by Zulhaimi et al. (2016) explains that currently, auditors are required to maintain audit quality by applying audit standards and having fraud detection responsibilities so that audit reports can provide adequate information. Awareness of such responsibility has become a matter of high urgency because the auditor may face the litigation process if the auditor cannot maintain the audit quality.

During the pandemic, there needs to be an emphasis that auditors must continue to comply with the guidelines or standards that have been required to produce quality audits and always pay attention to other important elements such as public expectations related to fraud cases. Therefore, fraud detection awareness is a part that the auditor should also focus on to support the entire audit process. The auditor must always be aware of any potential fraud and be willing to carry out the mandated responsibility in identifying fraud risk by designing an adequate audit to detect indications of fraud, then disclosing it in the audit report. Based on this elaboration, it is concluded that the fraud detection awareness of the auditor will play a significant role and support the audit process to produce a quality audit.
H2: Fraud detection awareness has a significant effect on audit quality results.

RESEARCH METHOD

This research was conducted using primary data obtained through a survey using a list of statements and/or questions (questionnaires) to all employees of the BPK Representative of East Java Province, including structural officers, functional auditors, and employees with other positions involved in financial audits. The questionnaire was measured using a 5-level Likert Scale.

The first part relates to the variables of financial audit guidelines which are measured based on the audit guidelines established by BPK, with components consisting of the principles of state financial audit that must be emphasized; professional judgment in implementing audit methods; development of alternative audit strategies and procedures; and utilization of the audit information system (BPK RI, 2020a, 2020b). The second part relates to the fraud detection awareness variable, which refers to the audit expectation gap (Porter, 1993; Hassink, Bollen, Meuwissen, & de Vries, 2009; Hassink et al., 2010). It also relates to the General Standard of SPKN related to considerations of non-compliance, fraud, and impropriety that describe the level of auditor perception of fraud detection awareness (BPK RI, 2017). The third part relates to the audit quality variable, which is measured based on the Quality Control System related to the audit performance set by BPK. The instrument describes the auditors' level of audit quality perception at the audit planning stage, implementation, and reporting (BPK RI, 2009).

This study uses multiple regression data analysis with the PLS approach. The study developed the model based on the relevant theory and analyzed it using the SmartPLS 3.0 program. PLS analysis comprises two sub-models: the measurement model, the outer model, and the structural model, or

the so-called inner model (Ghozali & Latan, 2015). The outer model test measures how valid and reliable all indicators reflect the measured construct. The indicators are evaluated for convergent validity through the loading factor and the average variance extracted (AVE) values (Hair, Hult, Ringle, & Sarstedt, 2017). The first criterion is that the loading factor value is set at least 0.60 because the research is still in the development stage of the measurement scale. The AVE value must be more than 0.50 (Ghozali & Latan, 2015).

Furthermore, the author evaluates the validity by looking at the results of the cross-loading indicator on the latent variable. It must be more significant than the other latent variables (Widarjono, 2015). Validity evaluation also uses the Heteroit-Monoroit Ratio (HTMT), with the criteria that if the HTMT value is less than 0.90, then a construct is considered to have good discriminant validity (Henseler, Ringle, & Sarstedt, 2015).

Construct reliability evaluation helps determine the accuracy, consistency, and accuracy of the research instrument measuring the construct. Reliability was evaluated by looking at the value of Cronbach's alpha, with criteria of more than 0.70. In addition, construct reliability was evaluated with composite reliability criteria with a value of more than 0.70 (Ghozali & Latan, 2015).

The next step is the evaluation of the structural equation model/inner model that explains the influence between variables or tests the research hypothesis. The test is done by looking at the t-statistical value and the path coefficient value. Whether the hypothesis is accepted or not, will be based on the comparison between the t-statistical and t-table values at a significance level of 0.05, which is 1.96. The hypothesis is accepted if the t-statistic value is more significant than 1.96. Subsequently, the test results are interpreted by looking at the path coefficient value. If the path coefficient value is positive, it indicates a positive effect or vice versa. Evaluation of the value of the coefficient of determination is done after that. The coefficient of determination helps measure how much variation in the endogenous latent variable is explained by the exogenous latent variable. The coefficient of determination is evaluated by looking at the R-square (R^2) value. The R^2 values of 0.75, 0.5, and 0.25 indicate that the model is robust, moderate, and weak (Chin, 1998 in Ghozali & Latan, 2015).

RESULT AND DISCUSSION

The total number of respondents who participated in this study is 170 individuals. There were only 91 questionnaires (54%) completed, and the remaining 79 questionnaires were not filled out. Most respondents were employees with mid-level auditor positions accounting for 41 respondents (45.1%). Data related to respondents are presented in Table 1.

Table 1. Respondent Data

Position	Number of Respondent	Percentage
Junior Auditor	12	13.2%
Mid-level Auditor	41	45.1%
Senior Auditor	33	36.3%
Non Auditor	5	5.5%

The data analysis procedure in this study applies the PLS approach with the help of the SmartPLS 3.0 program. The first step is testing the outer model, including convergent and discriminant validity for evaluating the validity and composite reliability also Cronbach alpha for reliability evaluation. Convergent validity was evaluated through the loading factor value and the AVE value. Based on the results of data processing as specified in Appendix 1, it is known that

there are 5 statement items issued as they do not meet the requirements for the loading factor value, which must be above 0.60. The five statement items are X1.9, X1.11, Z1.3, Z1.5, and Y1.2. Convergent validity evaluation is carried out on the AVE value with the criteria that the AVE value must be above 0.50. The data processing results in Table 2 show that all research variables have AVE values above 0.50, so the convergent validity evaluation has met the criteria accordingly.

Table 2. AVE Value Test Results

Variable	AVE
Audit Guidelines	0.509
Fraud Detection Awareness	0.535
Audit Quality	0.560

The following evaluation of the outer model is the evaluation of discriminant validity. Based on the data in Appendix 2, the cross-loading value of the related latent variable is higher than the other latent variables. Following this, the validity evaluation uses the HTMT. Based on Table 3, it is known that all values of the variable HTMT are below 0.90. Hence it can be concluded that the evaluation of discriminant validity has met the criteria.

Table 3. HTMT Value

Variable	Audit Guidelines	Audit Quality
Audit Quality	0.815	-
Fraud Detection Awareness	0.874	0.840

The next test is the evaluation of the reliability of the construct. Reliability was evaluated by looking at the Cronbach's and composite reliability values. The data processing results show that all of Cronbach's Alpha and composite reliability values have been above 0.70. Thus it can be concluded that the construct has met the reliability requirements, according to the summary of Table 4.

The structural equation model (inner model) evaluation explains the effect of the exogenous latent variable, which is measured using the coefficient of determination value/ R^2. Based on the results of the data analysis, the R^2 is 0.606. This value indicates if the model built is in the category of strong enough. The R^2 value of 0.606 means that 60.6% of the variation in audit quality can be explained by the constructed model that has been built from the variables of financial audit guidelines and fraud detection awareness.

Table 4. Reliability Test Results

Variable	Cronbach's Alpha	Composite Reliability
Audit Guidelines	0.910	0.924
Fraud Detection Awareness	0.785	0.858
Audit Quality	0.868	0.899

Hypothesis Testing

Based on the results of the significance test presented in Table 5, the test of the influence of the financial audit guidance variable on audit quality has a significance value of 0.000, which means it is smaller than 0.05. Likewise, the t-statistic value is 4.185, which means it is more significant than 1.960 and has a favorable path coefficient value of 0.433. Hence it can be concluded that the first hypothesis is accepted. Thereby, the financial audit guidelines significantly positively affect quality audit results.

Table 5. Hypothesis Testing

Hypothesis	Path Coefficient	t-statistic	P-value
H1	0.433	4.185	0.000
H2	0.398	4.013	0.000

The better the financial audit guidelines reflected by the auditors' understanding and implementation, the better the quality of the audit produced. This aligns with establishing financial audit guidelines in dealing with various challenges during a pandemic so

that audits are carried out according to standards. In this regard, implementing good audit standards will determine the quality of the audit results (Harahap et al., 2017; Ningsih & Nadirsyah, 2017; Kadhafi, 2013). During the pandemic, auditors realize limitations due to changes in various regulations or policies. Such a situation imposes a challenge for auditors to maintain the quality of the audit results in the limitations of the current proficiency level. Investigative guidelines play a key role in keeping the audit process.

The auditor understands the role of financial audit guidelines that are established as a guide during the audit process during a pandemic, where many things must change and compel auditors to pay close attention to auditing principles. These auditing principles encompass professional skepticism, obtaining sufficient and appropriate evidence, identifying also assessing risks of error, material misstatements, communications with the entity's management, subsequent events, audit documentation, audit quality control, and legal aspects of the audit. All of these elements must be understood and implemented correctly in order to produce a quality audit.

BPK and auditors must develop audit strategies and alternative procedures to maintain the quality of audit results. One of the measures that can be undertaken is synergy with the Government Internal Supervisory Apparatus, commonly known as APIP (Aparat Pengawasan Intern Pemerintah/ Government Internal Supervisory Apparatus). The form of synergy can be through the audit results that APIP has carried out or direct or indirect assistance such as audit assistance. Then concerning alternative procedures, the auditor will undoubtedly encounter conditions where the auditor cannot perform audit procedures as normal conditions. This condition is generally encountered when the auditor must conduct an interview or obtain evidence of a physical check.

The utilization of audit information systems during the pandemic is also unavoidable. However, technology issues in auditing will continue to grow. For this reason, audit institutions must continue to improve and innovate in the field of information technology to support the implementation of audits to produce quality audits. In times of great uncertainty, auditors who carry out audits must use professional judgment appropriately so that the audits carry a good quality. The use of professional judgment has been applied in the initial stage, as in the time of determining the sampling, until it is used in the final stage, notably in taking opinions.

Based on the significance test results in Table 5, the test of the effect of the fraud detection awareness variable on audit quality has a significance value of 0.000, which means it is smaller than 0.05. Likewise, the t-statistic value is 4.013, which means it is more significant than 1.960 and has a favorable path coefficient value of 0.398. Therefore, it can be concluded that the second hypothesis is accepted, confirming that fraud detection awareness has a significant positive effect on quality audit results.

The auditor must have high fraud detection awareness to perform the audit task. Fraud detection awareness is crucial in audit quality, particularly in financial audits. By having a high level of fraud detection awareness, the auditor's task will be more helpful in performing audit duties, one of which is making useful findings for stakeholders. During a pandemic, auditors' fraud detection awareness becomes crucial because auditors are faced with different audit challenges, one of which is the increased risk of fraud. According to the ACFE and Grant Thornton survey related to fraud during the pandemic conducted in March and April 2021, as many as

51 percent of respondents felt that their organization discovered a great deal of fraud during the pandemic. Another 71% said the fraud level was also becoming bigger (ACFE & Thornton, 2021). The increase in the risk of fraud is also quite reasonable due to the limitations in conducting the audit. The fraud risk in several sectors, such as the procurement sector, is also increasing. Given that many budgets are managed due to budget refocusing.

Existing rules or standards governing the auditor's responsibility to detect fraud are fundamental in building awareness of fraud detection. The SPKN prepared by BPK has contained standards that regulate the considerations of non-compliance, fraud, and impropriety. Indeed, financial audits are not specifically designed to detect fraud, but auditors are responsible for identifying possible fraud.

Education/training and experience are fundamental for an auditor. These two things are related to each other in how auditors have fraud detection awareness. Auditors must start with education and training in order to gain sufficient competence and have the ability to understand the existing knowledge and problems. However, that is not enough. Auditors must apply their competence by being directly involved in the audit task so that auditors can understand real problems in the field and therefore have audit experience. With this combination of competence and experience, the auditor will have fraud detection awareness.

The next step that auditors must undertake is to pay attention to fraud detection awareness, which is related to the auditor himself. The most relevant concept to address this condition is BPK's fundamental values. Auditors must instill BPK's fundamental values of independence, integrity, and professionalism to have a strong fraud detection awareness. An auditor who is not independent will bring a significant risk of not disclosing and reporting a problem. Furthermore, if auditors have their agenda and deviate from carrying out an actual audit or fail to report it, the auditors have an issue of integrity within themselves. Likewise, auditors must maintain professionalism in performing audit tasks, such as being willing to detect, avoiding being lazy, being cautious and meticulous in work, etc. These three fundamental values are interrelated with each other. For example, if auditors are not independent, their integrity will also be disrupted. Therefore, auditors must instill this fundamental value from the beginning of work and always highlight the importance of maintaining and implementing such principles.

The auditor's perception of how the auditor's role is related to fraud detection in financial audits should also be a concern. A proper understanding of this is expected to maintain an auditor's fraud detection awareness. We must be aware of the limitations that auditors have in auditing financial statements related to time, cost, and resources. Likewise, the primary purpose of a financial audit is an opinion or assessing fairness. However, this does not imply that the auditor can rule out the need to detect indications of fraud and only focus on fairness assessments for these various reasons.

CONCLUSION

The study results conclude that variables such as financial audit guidelines and fraud detection awareness positively affect quality audit results significantly. The audit guidelines contain the main principles and other matters that must be applied to implement financial audits. Overall, the auditors can master the applicable audit guidelines. In addition, the audit guidelines that have been prepared can also be relied upon so that the

audit will continue to be carried out according to standards to produce good audit quality, especially under the current pandemic where audit methods have changed substantially. Continuous evaluation of the guidelines is still required by monitoring the effectiveness of their implementation.

During the pandemic, auditors' level of fraud detection awareness becomes crucial since auditors face various audit challenges, one of which is the increased risk of fraud. The increase in the risk of fraud is quite reasonable due to the limitations in conducting the audit. Therefore, auditors must maintain and increase fraud detection awareness by heightening their capacity to produce quality audits consistently.

Further research can expand the scope or increase the number of respondents from other work units so that the results can be generalized to BPK. Moreover, it can take objects in the private sector to produce comparative data between the public and private sectors. However, such can be done with adjustments to some elements such as regulations and research instruments. It is also necessary to consider external factors, notably the auditee. External factors of concern are regarding the readiness of both infrastructure and human resources associated with the auditee.

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APPENDICES

Appendix 1. Loading Factor Indicator Value

Indicators	Audit Guidelines	Fraud Detection Awareness	Audit Quality	Result
X1.01	0.616			Valid
X1.02	0.730			Valid
X1.03	0.664			Valid
X1.04	0.806			Valid
X1.05	0.672			Valid
X1.06	0.698			Valid
X1.07	0.736			Valid
X1.08	0.747			Valid
X1.09	**0.474**			**Invalid**
X1.10	0.807			Valid
X1.11	**0.539**			**Invalid**
X1.12	0.632			Valid
X1.13	0.694			Valid
X1.14	0.680			Valid
X2.1		0.745		Valid
X2.2		0.760		Valid
X2.3		**-0.046**		**Invalid**
X2.4		0.757		Valid
X2.5		**0.585**		**Invalid**
X2.6		0.671		Valid
X2.7		0.715		Valid
Y1.1			0.795	Valid
Y1.2			**0.542**	**Invalid**
Y1.3			0.764	Valid
Y1.4			0.599	Valid
Y1.5			0.746	Valid
Y1.6			0.742	Valid
Y1.7			0.773	Valid
Y1.8			0.775	Valid

Appendix 2. Cross Loading Value

Indicators	Audit Guidelines	Fraud Detection Awareness	Audit Quality
X1.01	**0.614**	0.49	0.449
X1.02	**0.739**	0.551	0.492
X1.03	**0.676**	0.415	0.430
X1.04	**0.816**	0.626	0.636
X1.05	**0.679**	0.53	0.465
X1.06	**0.702**	0.532	0.553
X1.07	**0.734**	0.548	0.543
X1.08	**0.732**	0.646	0.548
X1.10	**0.807**	0.613	0.553
X1.12	**0.630**	0.467	0.484
X1.13	**0.696**	0.535	0.525
X1.14	**0.667**	0.446	0.526
X2.1	0.645	**0.759**	0.609
X2.2	0.588	**0.765**	0.616
X2.4	0.607	**0.752**	0.494
X2.6	0.419	**0.659**	0.337
X2.7	0.46	**0.716**	0.518
Y1.1	0.632	0.563	**0.783**
Y1.3	0.525	0.562	**0.762**
Y1.4	0.424	0.388	**0.606**
Y1.5	0.464	0.453	**0.741**
Y1.6	0.553	0.529	**0.742**
Y1.7	0.614	0.597	**0.791**
Y1.8	0.591	0.656	**0.796**