


IDENTIFICATION OF THE ABILITY OF EXTERNAL AUDITORS TO DETECT AUDIT FRAUD

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 17 March 2023</p> <p>Accepted 13 June 2023</p>	<p>Purpose: To find out the determinants of Detect Audit Fraud.</p>
<p>Keywords:</p> <p>Professional Skepticism; Ability Auditors; Auditor's Ability to Detect Fraud.</p> <div data-bbox="172 958 475 1200" data-label="Image">  </div>	<p>Theoretical framework: Professional skepticism, auditors' ability and detect fraud. This topic was adopted from several theoretical studies and previous research which was incorporated into a single factor influencing external auditors to detect to audit fraud.</p> <p>Design/methodology/approach: This study used a quantitative approach with an explanatory design using a survey method. The sample in this study were auditors who were members of KAP with a total sample of 61 samples. This study uses a 5-point Likert scale to collect research data.</p> <p>Findings: The results of the study show that 1) The independent variables Professional skepticism and auditors' abilities have a positive and significant effect on external auditors detecting to audit fraud with a large effect of 71.6%, while the remaining 29.4% are other factors not included in this model; 2) Professional skepticism and auditors' abilities have a positive and significant effect on external auditors detecting to audit fraud; 3) The auditors' ability variable has no effect on external auditors detecting to audit fraud.</p> <p>Research, Practical & Social Implications: We recommend a future research agenda related to external auditor detect to audit fraud as a result of analytical skills and audit delay to become an integral role model.</p> <p>Originality/value: Most of the previous studies only used variables partially and no one has broken down KAPs by region. However, a thorough and complete description of these factors along with the specifications of an auditor who has specific experience is the target of the importance of our research.</p> <p>Doi: https://doi.org/10.26668/businessreview/2023.v8i6.2252</p>

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IDENTIFICAÇÃO DA CAPACIDADE DOS AUDITORES EXTERNOS PARA DETECTAR FRAUDES DE AUDITORIA

RESUMO

Objetivo: Descobrir os determinantes da detecção de fraudes de auditoria.

Referencial Teórico: Ceticismo profissional, habilidade dos auditores e detecção de fraudes Este tema foi adotado de vários estudos teóricos e pesquisas anteriores que foram incorporados em um único fator que influencia os auditores externos a detectar para auditar fraudes

Desenho/metodologia/abordagem: Este estudo utilizou uma abordagem quantitativa com um desenho explicativo usando um método de pesquisa. A amostra deste estudo foram auditores membros do CAP com uma amostra total de 61 amostras. Este estudo usa uma escala Likert de 5 pontos para coletar dados de pesquisa.

Resultados: Os resultados do estudo mostram que 1) As variáveis independentes O ceticismo profissional e as habilidades dos auditores têm um efeito positivo e significativo sobre os auditores externos detectando fraudes de auditoria com um grande efeito de 71,6%, enquanto os 29,4% restantes são outros fatores não incluídos neste modelo; 2) O ceticismo profissional e as habilidades dos auditores têm um efeito positivo e significativo na detecção de fraudes por parte dos auditores externos; 3) A variável de habilidade dos auditores não tem efeito sobre os auditores externos detectarem fraudes de auditoria

Implicações de pesquisa, práticas e sociais: Recomendamos uma futura agenda de pesquisa relacionada à detecção de auditores externos para auditar fraudes como resultado de habilidades analíticas e atraso de auditoria para se tornar um modelo integral.

Originalidade/valor: A maioria dos estudos anteriores usou variáveis apenas parcialmente e ninguém dividiu os KAPs por região. No entanto, uma descrição minuciosa e completa desses fatores juntamente com as especificações de um auditor que possui experiência específica é alvo da importância de nossa pesquisa.

Palavras-chave: Ceticismo Profissional, Auditores de Capacidade, Capacidade do Auditor para Detectar Fraudes.

IDENTIFICACIÓN DE LA CAPACIDAD DE LOS AUDITORES EXTERNOS PARA DETECTAR EL FRAUDE DE AUDITORÍA

RESUMEN

Propósito: Conocer los determinantes de Detect Audit Fraud.

Marco teórico: Escepticismo profesional, capacidad de los auditores y detección del fraude Este tema fue adoptado de varios estudios teóricos e investigaciones previas que se incorporaron en un solo factor que influye en los auditores externos para detectar el fraude de auditoría.

Diseño/metodología/enfoque: Este estudio utilizó un enfoque cuantitativo con un diseño explicativo utilizando un método de encuesta. La muestra en este estudio fueron auditores que eran miembros de KAP con una muestra total de 61 muestras. Este estudio utiliza una escala Likert de 5 puntos para recopilar datos de investigación.

Hallazgos: Los resultados del estudio muestran que 1) Las variables independientes Escepticismo profesional y habilidades de los auditores tienen un efecto positivo y significativo en la detección de fraude de auditoría por parte de los auditores externos con un gran efecto del 71.6%, mientras que el 29.4% restante son otros factores no incluido en este modelo; 2) El escepticismo profesional y las habilidades de los auditores tienen un efecto positivo y significativo en la detección de fraude de auditoría por parte de los auditores externos; 3) La variable de habilidad de los auditores no tiene efecto en los auditores externos que detectan el fraude de auditoría

Implicaciones de investigación, prácticas y sociales: Recomendamos una futura agenda de investigación relacionada con la detección del auditor externo para auditar el fraude como resultado de las habilidades analíticas y el retraso de la auditoría para que se convierta en un modelo a seguir integral.

Originalidad/valor: la mayoría de los estudios anteriores solo utilizaron variables parcialmente y nadie ha desagregado los CAP por región. Sin embargo, una descripción minuciosa y completa de estos factores junto con las especificaciones de un auditor que tenga experiencia específica es el objetivo de la importancia de nuestra investigación.

Palabras clave: Escepticismo Profesional, Auditores de Capacidad, Capacidad del Auditor para Detectar Fraudes.

INTRODUCTION

Auditors in Indonesia occupy a strategic position in the world of work. This is in accordance with the existence of Indonesia which is still a developing country. Indonesia as a developing country is currently reforming its financial management system and government finances (Yen, 2023). The Public Accountant profession is a public trusted profession that expects a free and impartial assessment of the information presented by company management in financial reports. The profession of a Public Accountant as an agent is expected to be able to reveal fraud that might be committed by management and is responsible for increasing the level of reliability of company financial reports, so that the public obtains reliable financial information as a basis for decision making (Wulandari, 2019). Auditing standards imply that skeptical processing at this stage includes openness and receptivity to management bias, the possibility of fraud, and any other risk cues or situations that warrant further investigation. Auditors' receptivity to information about risk can be measured by the number of seeded risk cues or other red flags identified in case materials or recalled afterward in free recall tests (eg, see Carpenter, 2007; Joe & Vandervelde, 2007; Chen, Trotman, & Zhou, 2015).

Auditors who have a high level of professional skepticism will make these auditors always look for more and more significant information than auditors who have a low level of professional skepticism, and this results in auditors who have a high level of professional skepticism will be more able to detect fraud because of the additional information they have (Astuti, 2017). According to Hartan (2016) professional skepticism is the attitude of an auditor by always questioning and evaluating critically on existing audit evidence. An auditor who has a professional skepticism will not simply put trust in the client's explanation relating to audit evidence.

Ability auditors in detect fraud very influenced by the experience of an auditor. Experienced auditors will show a higher level of selective attention to relevant information. In general, the objective of fraud detection is to maximize correct predictions and maintain incorrect predictions at an acceptable level. Therefore, auditors who have higher experience, the ability to detect fraud will be higher. That the more experience the auditor has, the more likely he is to produce various kinds of conjectures in explaining audit findings (Arsendy, 2017). In this case, work experience is one of the important factors for auditors in making decisions when carrying out their duties. According to Kusharyanti (2003), an experienced auditor is expected to have a better understanding of financial statements so as to be able to provide a reasonable explanation for errors in financial statements.

The ability to detect fraud is something that must be owned by an auditor because it shows the extent to which the quality of the audit is carried out. However, auditors are often unable to detect fraud. Kartikarini and Sugiarto (2016) stated that fraud is easier to prevent than to detect. In auditing practice, errors and fraud are often difficult to distinguish. Special audit techniques are needed to ensure that material misstatements that occur are really the result of fraud and are not errors. The qualifications needed by auditors to conduct audits are education, knowledge, expertise and skills, experience, and other competencies needed to carry out their responsibilities, such as collective in nature which refers to the professional abilities needed by auditors to effectively carry out their professional responsibilities (AAIPI, 2013).

Fraud is an act of violation of law and ethics in doing business. Fraud is the most violent form of violation of ethics, contracts, and regulations, and there is an element of malicious intent, intentionality, and fraud in it (Rahardjo, 2018). One of the *fraud-related cases* was PT Sunprima Nusantara Pemfundan (SNP Finance) which involved three public accountants including Public Accountant Marlinna, Public Accountant Merliyana Syamsul, and Public Accounting Firm Satrio Bing Eny and Partners. KAP Satrio Bing Eny or KAP SBE is one of Deloitte Indonesia's entities. According to Munanjar (2020), SNP Finance had faked documents by adding, duplicating and using a list of (fictitious) receivables to apply for working capital credit facilities to a number of banks to capitalize on their business activities. SNP Finance received working capital credit facilities from 14 banks. One of the biggest ones came from PT Bank Mandiri (Persero) Tbk, which stated that SNP Finance had been a customer for 20 years.

However, in the last few months, his loans have started to fail and at that time reached Rp 1.2 trillion. Secretary 5 of the SNP Finance Company stated that the total loan value reached Rp. 4.07 trillion from the 14 banks listed in the Postponement of Debt Payment Obligations (PKPU) on May 4 2018. In the SNP Finance case, these three public accountants were sanctioned for not giving an unbiased opinion. In accordance with the actual conditions in the audited financial statements for the 2012-2016 financial year belonging to SNP Finance. This violates POJK No 13/POJK.03/2017 concerning the use of AP & KAP services. The violations committed by the auditors were to help manipulate and falsify data relating to the services provided. State financial obligations not only abroad but also within the country (Al-Obaidi, 2022).

In this case, there is also a lack of skepticism of the auditor, an understanding of the recording system used by the testing company conducted by the public accountant does not

reach the basic documents and inadequate implementation of procedures related to the fraud risk detection process, as well as the response to fraud risk. Based on the background above, the researcher is interested in conducting this research in more depth.

LITERATURE REVIEW

Arsendy (2017) defines skepticism professional is attitude (*attitude*) auditors in do audit assignments where this attitude includes a questioning mind and critical evaluation of audit evidence. Professional skepticism is claimed as a key of a successful audit (Bagshaw, 2018) and one of the determinant factors of the quality of fraud risk-related judgment (Carpenter & Reimers, 2013). According to the State Financial Audit Standards (SPKN) No. 1 of 2017 professional skepticism means that the examiner does not consider that the responsible party is dishonest, but also does not consider that the honesty of the responsible party is beyond question. Auditor professionalism is the attitude and behavior of the auditors in carrying out their profession with seriousness and responsibility in order to achieve task performance as regulated in a professional organization, covering dedication to profession, social obligation, independence, professional belief, and relationship with colleagues (Herawaty & Susanto, 2009).

According to Taufiq (2018) shows that someone with more experience in a substantive field has more things stored in his memory and can develop a good understanding of the relative frequency of events. Mokoagouw et al. (2018) auditor experience is an auditor who has a better understanding. They Also more capable give explanation Which enter sense on errors in financial statements and may classify errors based on audit objectives and the structure of the underlying accounting system. Icuk and Elisha (2010) said that the experienced auditor is assumed to be able to provide a better audit quality than the inexperienced auditors. This is because the experience will shape the individual's expertise both technically and psychologically.

Arsendy (2017) explains that the auditor's ability to detect fraud is the quality of an auditor in explaining the inappropriateness of the financial reports presented by the company by identifying and proving the fraud. The attitude of competence is necessary for the auditor in order to be able to detect, quickly and accurately, the presence or absence of fraud and tricks of manipulation committed with the purpose of cheating, because the expertise possessed by the auditor can make him more sensitive to fraud (Widiyastuti & Pamudji, 2009). This is reinforced by the opinion of Widiyastuti and Pamudji (2009) which states that the auditor's

ability to detect fraud is the auditor's ability and willingness to detect the presence or absence of fraud in an entity that is examined.

The research hypothesis proposed as a temporary answer to the research problem formulation is as follows:

H1). Professional Skepticism influences the External Auditor's Ability to Detect Fraud.

H2). Auditor experience affects the ability of the external auditor to detect Fraud.

METHODOLOGY

The research strategy used in this study is causal associative (Sugiyono, 2010). The method used in this study is a survey method using a descriptive and verification approach.

Table 1. Research Instruments Grid

No.	Variable	Indicator	Items	Scale
1.	Auditor's Ability to Detect Fraud (Y) (Hartan, 2016)	Knowledge about Fraud	1, 2, 3	Ordinal
		Ability in the detection stage	4, 5, 6, 7, 8	
		Questioning Mind	1, 2	
2.	Professional Skepticism (X1) (Octavia, 2014)	Suspension of Judgment	3, 4	Ordinal
		Search for Knowledge	5, 6	
		Interpersonal understanding	7, 8	
		Self Confidence	9, 10	
3.	Auditor Experience (X2) (Putra, 2012)	Self Determination	11, 12	Ordinal
		Working Time	1, 2, 3	
		Number of Examination Tasks	4, 5, 6, 7	

Source: Self-processed data (2022)

The research method used to measure the variables above uses a Likert scale in the range 1-5, by looking at the statements in the form of questionnaires or numbers that are asked by respondents. The population in this study are all auditors registered at the Public Accounting Firm in the city of Bandung with a total of 159 auditors from 22 KAPs, the amount of data is taken from www.ojk.go.id/id/Default.aspx in 2022. The sample of this research is the auditors who work in the Public Accounting Firm (KAP) in the city of Bandung. The *sampling* technique taken in this study, namely the *simple random sampling technique*, is sampling from a population that is carried out randomly without regard to the strata in that population (Sugiyono, 2017). To find out the number of samples in this study was carried out using the slovin formula, the calculation is as follows:

$$n = \frac{N}{1 + Ne^2} = \frac{159}{1 + 159(0,1^2)} = \frac{159}{2,59} = 61.39$$

Based on the calculation above, it is known that the number of samples is $61.39 = 61$. There are two types of research data, namely primary sources and secondary sources. The primary data comes from the results of data collection in the form of questionnaires with Auditor respondents registered at the Public Accountant Office in Bandung City which have been determined by researchers as research objects. The type of questionnaire that researchers used was a closed questionnaire.

Respondent data collected by researchers from this study were 61 respondents. Based on data from the Financial Services Authority (OJK) for 2022, there are 22 registered KAPs. Of the 22 KAPs, according to information, there are a number of KAPs that are no longer active, namely as many as 5 KAPs. Researchers distributed questionnaires to all auditors who were used as research samples. The general description of the respondent provides information regarding name, gender, age and last education. Each respondent's characteristics can be described as follows:

Table 2 . Respondent Criteria

No	Criteria	Amount	Percentage (%)
Gender			
1.	Man	40	65,57
2.	Woman	21	34,43
Respondent Age			
1.	20-30 Years	30	49,18
2.	31-40 Years	19	31,14
3.	>40 Years	12	19.67
Last education			
1.	Diploma	8	13,11
2.	S1	50	81.96
3.	S2	3	4.91
4.	S3	0	0
Amount		61	100

Source: Self-processed data (2022)

Based on the gender of the respondents, it can be seen that there were 40 male respondents or 65.57% and the remaining 21 female respondents or 34.43%. So the most respondents based on gender are men. Based on the age of the respondents, it can be seen that out of the 65 respondents studied, 30 people (49.18%) were young aged between 20-30 years, while at least 12 people (19.67%) were over 40 Years. Based on the last educational data of the respondents, it can be seen that as many as 50 people (81.96%) have an educational background of Strata 1 (S1), while at least 3 people (4.91%) have an educational background of Strata 2 (S2). This indicates that most of the respondents have a bachelor's degree in education where the respondent is considered to have sufficient skills and knowledge to become an auditor.

RESULTS

Test the validity of the variable Professional Skepticism, Experience of the Auditor and the Ability of the External Auditor in Detecting Fraud by seeing if the external exposure value is > 0.7 then the indicator has convergent validity in the 'good' category

Table 3 . Outer Loading and Convergent Validity

No. Question	Outer Loading	Indicators	Description
Professional Skepticism (X1)			
1.	0,736	SK1	Valid
2.	0,704	SK2	Valid
3.	0,786	SK3	Valid
4.	0,793	SK4	Valid
5.	0,751	SK5	Valid
6.	0,718	SK6	Valid
7.	0,741	SK7	Valid
8.	0,770	SK8	Valid
9.	0,788	SK9	Valid
10.	0,799	SK10	Valid
11.	0,711	SK11	Valid
12.	0,748	SK12	Valid
Pengalaman Auditor (X2)			
1.	0,741	PA1	Valid
2.	0,731	PA2	Valid
3.	0,764	PA3	Valid
4.	0,794	PA4	Valid
5.	0,742	PA5	Valid
6.	0,703	PA6	Valid
7.	0,747	PA7	Valid
External Auditor's Ability to Detect Fraud (Y)			
1	0,716	KAMK1	Valid
2	0,775	KAMK2	Valid
3	0,756	KAMK3	Valid
4	0,759	KAMK4	Valid
5	0,756	KAMK5	Valid
6	0,716	KAMK6	Valid
7	0,782	KAMK7	Valid
8	0,843	KAMK8	Valid

Source: Self-processed data (2022)

From the results of the validity test in table 3 , it can be concluded that overall all statement items used to measure Professional Skepticism are valid. referring on data Which shown on table on, looked If mark burden external for every index variable study Which Good exceed 0.7. According to Ghazali (2015:39), mark burden external between 0.5 And 0.6 considered fulfil condition validity convergence. Fact that data This telling you We is that No There is signal ask variable with mark payload outside not enough from 0.5 so that cue whatever considered valid And can worn on investigation And analysis more carry on.

Scor cross loading is used in the validity test . From yield gain can concluded If parameter Which worn on study This contain validity discriminatory Which Good on each

configuration the variables. Besides score cross loading, validity discriminatory Also can be measured with score extraction variant average (AVE).

Table 3. Discriminant Validity

No. Question	Outer Loading	Indicators	Description
Professional Skepticism (X1)			
1.	0.736	SK1	Valid
2.	0.704	SK2	Valid
3.	0,786	SK3	Valid
4.	0,793	SK4	Valid
5.	0,751	SK5	Valid
6.	0,718	SK6	Valid
7.	0,741	SK7	Valid
8.	0,770	SK8	Valid
9.	0,788	SK9	Valid
10.	0,799	SK10	Valid
11.	0,711	SK11	Valid
12.	0,748	SK12	Valid
Pengalaman Auditor (X2)			
1.	0,741	PA1	Valid
2.	0,731	PA2	Valid
3.	0,764	PA3	Valid
4.	0,794	PA4	Valid
5.	0,742	PA5	Valid
6.	0,703	PA6	Valid
7.	0.747	PA7	Valid
External Auditor's Ability to Detect Fraud (Y)			
1	0.716	KAMK1	Valid
2	0.775	KAMK2	Valid
3	0.756	KAMK3	Valid
4	0.759	KAMK4	Valid
5	0.756	KAMK5	Valid
6	0.716	KAMK6	Valid
7	0.782	KAMK7	Valid
8	0.843	KAMK8	Valid

Source: Self-processed data (2022)

Referring to the data shown in table 3 above, it can be concluded that the AVE value for the variables of professional skepticism, auditor experience, and the ability of external auditors to detect fraud > 0.5. From this we can conclude that each variable has sufficient discriminant validity. If the value of composite reliability > 0.6 then a variable can be said to meet composite reliability.

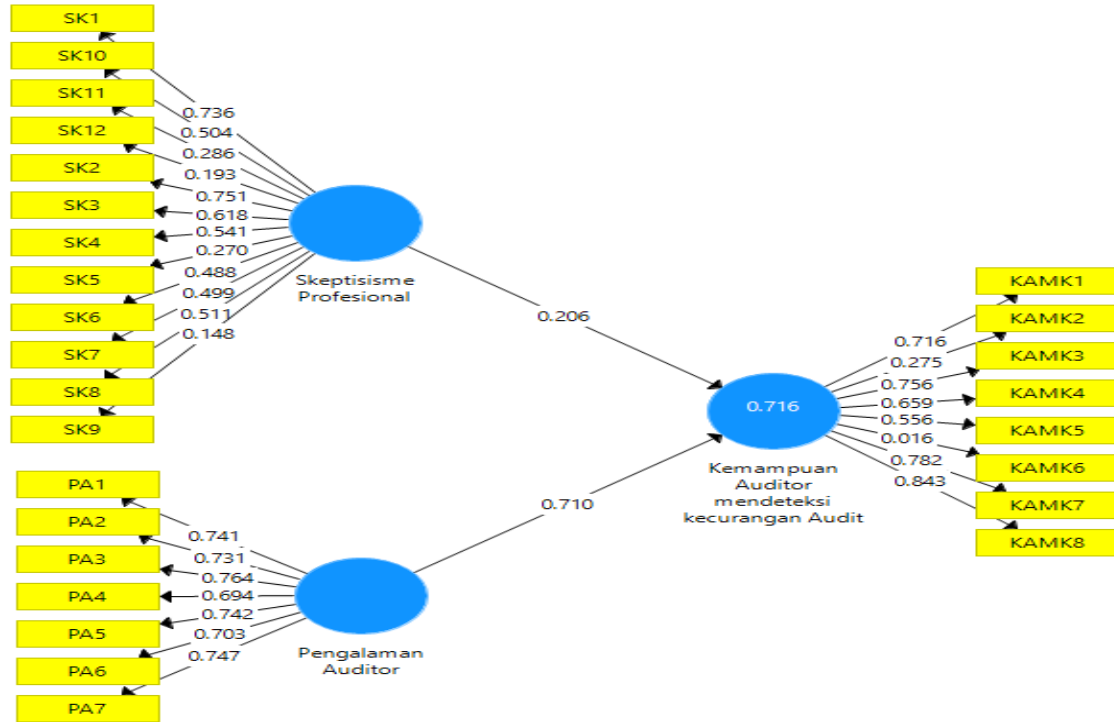
Table 4. Composite Reliability

Variables	AVE
Professional Skepticism (SP)	0.403
Auditor Experience (PA)	0.536
External Auditor Capability in Detecting Fraud (KAMK)	0.250

Source: Self-processed data (2022)

From the data presented in the table above, it can be seen that the combined reliability score for all research variables is > 0.7 . These results indicate that each variable meets the combined confidence level, and the conclusion is that all variables have a high level of confidence. Below is a schematic model of the PLS SEM program that has been tested.

Figure 1. PLS Testing Results



Source: Self-processed data with PLS (2022)

From the results of the evaluation of the feasibility variable professional skepticism, auditor experience, and external auditor's ability to detect fraud are declared eligible. The R-Square value is obtained from the results of data processing using the SEMPLS 2.0 program as follows:

Table 5. R Square variable

	R Square	Adj. R Square
External Auditor's Ability to Detect Fraud (Y)	0.716	0.706

Source: Self-processed data with PLS (2022)

Based on the information in the table above, it can be concluded that the influence of professional skepticism, auditor experience, and the ability of external auditors to detect fraud can be measured with an R^2 value of 0.716. Meaningful if these variables can affect the ability of external auditors to detect fraud by 0.716 or by 71.6%. Then 29.4 % was influenced by other factors not considered in this study.

Table 6. FSquare value

	External Auditor's Ability to Detect Fraud (Y)
Professional Skepticism (X1)	1,099
Auditor Experience (X2)	1,179
External Auditor's Ability to Detect Fraud (Y)	

Source: Self-processed data with PLS (2022)

According to the table listed above, it can be concluded that a). Impact on the External Auditor's Ability to Detect Fraud namely Professional Skepticism, with a strong F2 value of 1,099 , b). Auditor Experience has a strong F2 score of 1.179 which greatly influences the External Auditor 's Ability to Detect Fraud . T-statistics and P Values are used as a reference for testing temporary conjectures in this study. Below are the results of testing the hypothesis obtained in the internal model research.

Table 7. Research hypothesis test of direct effect

Hypothesis	Path	t-statistics	p-value	Results
H1	SP → KAMK	6,723	0.000	Significant
H2	PA → KAMK	2,828	0.215	Significant

Source: Self-processed data with PLS (2022)

Testing the hypothesis on professional skepticism and auditor experience has an impact on the External Auditor's Ability to Detect Fraud. This is evaluated through the t-statistic and p-value. From table 7 it can be concluded that the three hypotheses can be accepted in this study because the effect shown is t-count > t-table. Referring to table 7, this can show the effect of Professional Skepticism on the External Auditor's Ability to Detect Fraud. Because the Significance value (0.215) < (α = 0,05) then H₀ is rejected, meaning that Professional Skepticism has a significant and positive effect on the External Auditor's Ability to Detect Fraud, so that the first hypothesis in this study can be verified. The second hypothesis is the effect of the Auditor's Experience on the External Auditor's Ability to Detect Fraud because of the significance value (α = 0.05) then H₀ is accepted, meaning that the Auditor's Experience has no significant and positive effect on the External Auditor's Ability to Detect Fraud so that the first hypothesis in this study could not be proven true.

DISCUSSION

The results of this study are consistent with research conducted by Monica Mokoagouw et al. (2018) which states that auditors' professional skepticism has a positive effect on the ability of external auditors to detect fraud. Theoretically, in Astuti (2017) states that the auditor applies an attitude of professional skepticism when asking questions and carrying out

procedures audit, with No fast satisfied with proof audits Which not enough persuasive which is based solely on the belief that management and related parties always have a critical, professional mind, are honest and have a confident attitude. By using an attitude of professional skepticism, an auditor does not have to be satisfied with persuasive evidence because management believes it is honest. The use of the auditor's professional skepticism can be used when the auditor swallows existing evidence, then detects visible or perceived signs of fraud.

The results of this study are in accordance with the theory which shows that Professional Skepticism affects the Ability of External Auditors in Detecting Fraud. This is because an auditor is obliged to continue to adhere to the principle of freedom in carrying out the audit process even though the auditor is paid by his client. As a public accountant is obliged to use and maintain professional skepticism throughout the assignment period, especially vigilance over the possibility of fraud.

Hilmi (2011) states that experience can be interpreted as the auditor's experience in auditing financial statements both in terms of the length of time and the number of assignments that have been handled. Audit experience will shape a public accountant to become familiar with the situations and circumstances in each assignment. Based on theoretical evidence, it is found that one of the determining factors is the characteristics of the auditor himself . The source of experience obtained by the auditor and the high and low experience of the auditor will make the level of accuracy different, even though the auditor has experience and follows audit procedures properly, techniques for committing fraud will always develop, so experienced auditors will not always be able to detect fraud. which exists. The results of this study are consistent with Sulistyowati and Supriyati (2014) empirical study that experience does not significantly influence the auditor's ability to detect fraud.

CONCLUSION

Based on the results of research and data analysis that has been carried out at the Public Accounting Firm, it can be concluded that professional skepticism has a significant effect on the ability of external auditors to detect fraud. This means that if professional skepticism increases, the external auditor's ability to detect fraud increases, and conversely, if professional skepticism decreases, the external auditor's ability to detect fraud decreases. Auditor's experience has no effect on the ability of external auditors to detect fraud. This means that the amount of experience the auditor has does not affect the ability of the external auditor to detect fraud. Based on the results of this study, the advice that can be given is that in order to be more

effective for further research it is advisable to focus on Public Accounting Firms in the Bandung area that are registered with BPK-RI because the coverage is not too broad, there are 10 KAPs registered with BPK-RI. It is better to add other variables that may further affect the auditor's ability to detect fraud. The goal is to get to know the characteristics of the respondents in the presence of these additional variables. This research variable is able to measure auditor fraud variables so that it is useful to know the level of fraud in order to be able to detect it. This is also able to control government and company finances by being able to minimize the amount of state debt.

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