

The Effect of Competencies and Independence Internal Auditors on Internal Audit Quality: The Theoretical Review Approach

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Received : August 26, 2021

Accepted : January 15, 2022

Published : January 31, 2022

Citation: Aidi, A., Sayuthi, Susanto, I., Junaidi, A., Abdurohim. (2022). The Effect of Competencies and Independence Internal Auditors on Internal Audit Quality: The Theoretical Review Approach. *Ilomata International Journal of Tax and Accounting*, 3(1), 103-116.

<https://doi.org/10.52728/ijtc.v4i1.434>

ABSTRACT: This research was conducted at the Indonesian Financial and Development Supervisory Agency (BPKP) at Jalan Pemuda No 33 Jakarta. The time of the study starts in January 2018 until September 2018. This study aims to determine the influence of the competence and independence of the auditor internal on the quality of internal audit and its impact on the effectiveness of internal control. The study sample consisted of 63 people from auditors at the Indonesian BPKP. Primary data is obtained through observation, interviews, and questionnaires whose validity and reliability have been tested first. The object in this study is the influence of competence and independence of internal auditors, as well as the quality of internal audit, while those who are the subject of this research are BPKP RI auditors. The conclusions obtained are there is a significant influence of the competence and independence of internal auditors on the quality of internal audit together.

Keywords: Competencies, Independence, and Quality of Internal Audit.



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INTRODUCTION

The quality of internal audits carried out by government agencies including BPK RI auditors is still low and from the five levels in the IACM (Internal Audit Capability Model) approach, 93.96 percent of supervisors are at level one and only 5.74 percent at level II while only one APIP at level III. Based on the results of the assessment of the level of capability of RI BPKP auditors in 474 APIP Ministries, Institutions, and Regional Governments as of December 31, 2014, a total of 404 APIPs or 85.23% were at Level-1, 69 APIP or 14.56% Level-2, and new 1 APIP or 0.21% which is at Level-3.

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No	Level of APIP Capability	Percentage
1	supervisor is at level one (404 APIP)	85,23%
2	supervisors are at level two (69 APIP)	14.56%
3	supervisors are at level three (1 APIP)	0.21%
4	supervisors are at level four (none)	0%
5	supervisors are at level five (none)	0%

(BPKP RI, 2016).

The Institute of Internal Auditors (IIA) has developed a Model Capability Model (IA-CM) Internal Audit Capability, namely a framework that identifies fundamental aspects needed for effective internal supervision in the public sector ([Christ et al., 2015](#)). In the IA-CM model, APIP is divided into five levels of capability, namely Level 1 (Initial), Level 2 (Infrastructure), Level 3 (Integrated), Level 4 (Managed), and Level 5 (Optimizing).

The BPKP's oversight role is not yet optimal due to constraints such as the lack of optimal development of auditor competency and independence, inadequate composition and distribution of human resources, unplanned planning with a central monitoring program, lack of coordination among local / central unit deputies, and lack of socialization of guidelines clear supervision. External constraints are the lack of optimal coordination with APIP (Government Internal Supervisory Apparatus), Ministry / Institution / Regional Government ([Setyawati & Bernawati, 2020](#)).

In addition to these constraints, the number of assignments at the request of the institution / other APIP affects the resources that can be used to carry out the BPKP's mandate and obscures the focus of supervision. internal audit quality. The absence of these competencies can make the internal auditors as a whole unable to carry out their role in carrying out supervision effectively so that their contributions are not optimal in ensuring that comprehensive and fundamental internal audit quality practices cannot be realized ([Yurniwati & Rizaldi, 2015](#)).

To be able to function properly and be able to maintain its independence, the internal auditor must focus its activities on strategic activities and avoid execution of daily activities. Internal auditor independence is manifested in the form of not having personal interests or interrelationships which can cause conflicts of interest with the institution, not people in the Public Accountant Office, Legal Consultant Offices, or other parties that provide audit services, non-audit services or other consulting services, not people who have the authority and responsibility to plan, lead or control institutions and most importantly have independent behavior and thinking. Inspection activities must include planning checks, testing and evaluating information, notifying results and following up ([Munteanu & Zaharia, 2014](#)).

Internal audit planning must be documented and include matters such as setting the purpose of inspection and scope of work, obtaining basic information about the activities to be examined, determining the various forces needed to carry out the inspection, notifying the parties deemed necessary, carrying out the survey appropriately, writing an inspection program and determining how, when and to whom the results of the examination will be submitted and obtaining approval for the inspection work plan ([Dalkin et al., 2021](#)).

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Proxy of quality and effective internal audit quality, according to the provisions of the decision of the Secretary of the BUMN Minister SK-16 / S.MBU / 2012 number has at least three parameters, namely the first company has an Internal Oversight Charter set by the Board of Directors, both Internal audits are equipped with supporting factors for success in carrying out their duties. and the third internal audit carries out internal supervision to provide added value and improve company operations ([Sudharmono & Tunjungsari, 2021](#)).

It is expected that the internal auditors in carrying out their functions and duties have competence so that they will produce good and reliable audit quality. The synthesis of competencies is an ability that must be possessed regarding an adequate understanding of accounting, auditing and systems that apply in the company. Competence indicates the achievement and maintenance of a level of understanding and knowledge that allows an audit committee member to carry out the task properly ([Seckler et al., 2017](#)).

The synthesis of the dimensions or characteristics of competencies includes knowledge, skills, behaviors and personal characteristics that comprise traits and motives. Personal characteristics are difficult to develop and more cost effective for choosing people who have the desired personality traits. Knowledge and skills are easy to develop so training is cost effective. It is expected that the internal auditors in carrying out their functions and duties in addition to having competencies must also have independence so that they will produce good and reliable audit quality ([Salterio et al., 2021](#)).

The synthesis of the independence of internal auditors is a freedom from conditions that threaten objectivity both individually and the ability of internal audit activities in carrying out their responsibilities in unusual ways, as well as in formulating and expressing opinions. The synthesis of the dimensions or characteristics of the independence of internal auditors includes independence in the audit program, independence in verification / investigation, independence in reporting ([Rapley et al., 2021](#)).

Based on the description above, it appears that the scope of the internal audit work is very broad and comprehensive in order to guarantee the achievement of organizational goals. If the internal audit institution in Indonesia which is incorporated in the APIP container is given clear and broad authority, roles and functions as mentioned above, the results of APIP's work will be very beneficial not only for the government, but also beneficial for the legislature, external auditor, and other interested parties ([Iswara, 2014](#)).

However, to ensure the quality of the results of the APIP work involving a large number of human resources with various types of educational and experience backgrounds, a professional and sustainable education and training program is needed. In addition, to improve coordination in planning, implementing and evaluating activities among the APIP ranks, the development of synergy for APIP supervision is needed ([Setyawati & Bernawati, 2020](#)).

The definition of competency is the knowledge and skills necessary to accomplish tasks that define an individual's job. Competence is the knowledge and skills needed to complete tasks that define individual work ([Arens & Loebbecke, 2015](#)). The other definition states competence means the ability and ability to carry out a job or profession. Competent people means people who can carry out their work with good quality results. On the other words, competence means employees have the knowledge and expertise to carry out their duties ([Susanto, 2017](#)).

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A competency represents the knowledge, skills, and abilities needed to perform a desirable behavior, which can be said that human resource competencies are related to the knowledge, skills and abilities needed to recruit, hire, train and compensate employees ([Sanjuan & Froese, 2013](#)). Competence is a characteristic of people who have the skill, knowledge and ability to perform tasks which can be said that competence is a characteristic that includes skills, knowledge and ability to perform tasks ([DiNapoli, 2017](#)).

Competency is an underlying skill, potential characteristics, or demonstrating various observable behaviors that contribute to outstanding performance in a job. Competence is an underlying skill, potential characteristic, or motive showing a variety of observable behaviors that contribute to outstanding performance in the work ([Grau, 2013](#)).

There are two terms that emerge from two different schools of thought about the concept of conformity in work, the term is competency, namely a description of behavior and competence (skill) which is a job description or work result ([Ingason, 2015](#)). Competence is a person or group of people who perform the function functions as follows: (1) Having integrity, means having an honest, objective spirit; (2) Understanding the ins and outs of business and company finance; (3) Able to read financial statements; (4) Having sensitivity to environmental development that can affect the company's business; and (5) Commitment means having a consistent nature with applicable regulations ([Gibson et al., 2014](#)).

Integrity, meaning having the spirit of honesty, and objective, internal auditors must have words, and actions in their work can be trusted both for themselves and others and the internal auditor must have an unbiased attitude, and avoid conflicts of interest with full confidence. With individual objectivity it is intended that internal auditors carry out assignments with honest beliefs and do not make compromises in terms of significant quality. Internal auditors should not be placed in situations that can interfere with their ability to make judgments in an objective professional manner ([Bellamkonda et al., 2020](#)).

The objectivity of internal auditors is not negatively affected when the auditor recommends control standards for a particular system or reviews certain procedures before they are implemented. The auditor's objectivity is considered to be disturbed if the auditor designs, implements, draws procedures, or operates the system. Occasional assignments outside the audit by internal auditors, if full disclosures are made in reporting the tasks, do not necessarily interfere with objectivity. However, this requires careful consideration, both by management and internal auditors to avoid negative impacts on the objectivity of internal auditors ([Felício et al., 2021](#)).

Based on the description above, it can be concluded that competency is a capability that must be possessed regarding an adequate understanding of accounting, auditing and systems that apply in the company. Competence indicates the achievement and maintenance of a level of understanding and knowledge that allows an audit committee member to carry out the task properly. Internal Auditor must be able and understand and analyze financial statements ([Tugiman, 2016](#)).

Based on understanding Competencies of Internal Auditors is A competency is the capability of an individual which is related to superior performance in a role or job. It may be knowledge, skill, intellectual, strategy or a cluster of all that may or may not work units. Competence is the

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ability of an individual to be associated with superior performance in a role or job ([Ruiz-Barbadillo & Martínez-Ferrero, 2020](#)).

Based on how many meanings have been explained above, it can be concluded that competence is a person's ability that can be observed including the knowledge, skills, and abilities in completing a job or task in accordance with established performance standards

Characteristics of internal auditor Competencies Models

Characteristics of level 1 (Initial) include (1) Ad hoc or unstructured; (2) Only conduct audits, or review documents and transactions for accuracy and compliance; (3) Results depend on the skills of certain people; (4) There is no professional practice carried out; (5) Approval of the budget by management as needed; (6) Absence of infrastructure; (7) The existence of an internal audit unit is not taken into account; and (8) Institutional capabilities are not developed .

Characteristics of level 2 (Infrastructure) include: (1) The basic question or challenge is how to build and maintain processes repeatedly; (2) There are written rules regarding reporting of internal audit activities, infrastructure management and administration and professional practices and processes that are being built; (3) Audit planning is determined based on management priorities; (4) Still depends on the skills and competencies of certain people; (5) Compliance with the implementation of internal audit standards is still partial.

Characteristics of level 3 (Integrated) include: (1) Internal audit policies, processes and procedures have been established documented and integrated with each other and are organizational infrastructure; (2) Management and professional practice of the internal audit unit has been established and uniformly applied in all internal audit activities; (3) The internal audit unit begins to align with the governance and risks faced by the organization; (4) The internal audit unit evolved from only conducting activities traditionally to integrating itself as a unitary organization and providing advice on performance and risk management; (5) Focus on building teams and internal audit capacity, independence and objectivity; and (6) Implementation of activities in general is in accordance with audit standards.

Level 4 (managed) characteristics include: (1) The alignment of expectations of the internal audit unit with the main stakeholders; (2) There is a performance matrix to measure and monitor internal audit processes and results; (3) The internal audit unit is recognized as making a significant contribution to the organization; (4) The internal audit function is part of the integration of governance and organizational risk management; (5) The internal audit unit is a well-managed unit; (6) Risk is measured and managed quantitatively; and (7) There are skills and competency requirements with the capacity to update and share knowledge in the internal audit unit and throughout the organization.

Level 5 characteristics (Optimizing) include: (1) Internal audit unit is a learning organization with a continuous process of improvement and innovation; (2) Internal audit units use information from inside and outside the organization to contribute to achieving organizational goals; (3) World-class performance recommended, best practice; (4) The internal audit unit is an important part of the organizational governance structure; (5) Top Level that is professional and has specialized skills; (6) Measures of individual, unit and organizational performance are fully integrated to encourage improved performance.

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Competencies exist at different levels of personality. The various levels are: (1) Knowledge: Information that an individual has in a particular area; (2) Skills: An individual's ability to do something well; (3) Behavior: An action in a given situation; (4) Personal Characteristics, consist of: (a) Traits: A typical way of behaving such as taking initiatives; (b) Motives: A fundamental and often unconscious driver of thoughts and behavior for example concern for excellence. Personal characteristics are hard to develop and it is more cost effective to select people having the desired personality traits. Knowledge and skills are easy to develop so training is cost effective ([Iswara, 2014](#)).

Competency characteristics consist of: knowledge, skills, behaviors and personal characteristics that comprise traits and motives. Personal characteristics are difficult to develop and more cost effective for choosing people who have the desired personality traits. Knowledge and skills are easy to develop so training is cost effective ([Weisner & Sutton, 2015](#)).

The dimensions of competency are: Knowledge, Skill, Capability, Work Management, Character and Commitment . Whereas according to McLeod (2007), the dimensions of competence can be seen from education criteria, Education Criteria are Knowledge and Skills Needed for Career in Information Service. Knowledge Criteria consist of: Computer literacy, Information Literacy, Business Fundamentals, System Theory, System Development, System Modeling and Skill Requirements consist of: Communication, Analytical Ability, Creativity, and Leadership ([Paananen et al., 2021](#)).

Competence can also be seen from Individual effectiveness, Individual effectiveness emphasizes the task of performance of specific employees or members of the Organization. Manager routinely assesses individual effectiveness through performance evaluation processes. Individual effectiveness causes six factors are: Ability, Skill, Knowledge, Attitude, Motivations and Stress ([Gibson et al., 2014](#)).

From several competency characteristics mentioned above, it can be concluded that the competency characteristics consist of knowledge and skills. Both of these characteristics are easy to recognize. These two competencies are also relatively easier to form and develop through learning and training processes ([Singh et al., 2021](#)).

The definition of internal auditor independence is independence is the freedom from conditions that threaten the ability of the internal audit activity to carry out internal audit responsibilities in an unbiased manner. Threats to independence must be managed at the individual auditor, engagement, functional and organizational levels ([Elsayed & Elshandidy, 2021](#)).

The definition of internal auditor independence as independence is the freedom from conditions that threaten the ability of the internal audit activity or the chief audit executive to carry out internal audit responsibilities in an unbiased manner ([Mironeasa & Codină, 2013](#)).

Furthermore, according to Hiro Tugiman (2006: 13), the definition of internal auditor independence is "Independence of internal auditors is a condition free from situations that threaten their objectivity both individually and in carrying out their duties. Internal auditors must

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have an impartial mental attitude, and believe honestly without compromise in quality and to maintain their objectivity, it is forbidden to delegate their decisions to others ".

In the government sector, in Government Auditing Standards (GAO), paragraph 3.02, defining independence is Independence is all matters related to the audit work, the audit organization and the individual auditor, whether government or public, must be independent ([Dalkin et al., 2021](#)).

Internal auditors must carry out tasks freely and objectively. Internal auditors must be personally independent in attitude toward reality and appearance, then according to SPAI, 2004 internal auditors are not justified in carrying out checks or evaluations of activities where internal auditors play a role as executors of these activities ([DiNapoli, 2017](#)).

The independence of internal auditors in carrying out their activities includes: (1) Independence programming, here the auditor is free to define the selected areas that will be applied; (2) Reporting independence, the right to report the full fact is seen as important aspect of independence; and (3) Examining independence, external auditors should have freedom to examine all the areas that affect the financial accounts ([Dalkin et al., 2021](#)).

Furthermore, the independence of internal auditors includes: (1) Organizational Independence, the chief audit executive must report to a level within the organization that allows the internal audit activity to fulfill its responsibilities. The executive chief audit must confirm at least annually, the organizational independence of the internal audit activity; and (2) Individual Objectivity, internal auditors must be impartial, unbiased attitude and avoid any conflict of interest.

The dimensions and indicators of internal auditor independence, including: (1) Independence in the audit program, consisting of indicators: (a) Free of managerial intervention over the audit program; (b) Free from any intervention on audit procedures; (c) Free of all requirements for audit assignments other than those required for an audit process; (2) Independence in verification / investigation, consisting of indicators: (a) Free in accessing all records, checking assets, and employees that are relevant to the audit conducted; (b) Can cooperate actively with employees / client management during audit verification; (c) Free of all managerial efforts that attempt to limit the activities that are examined or limit in obtaining audit evidence; (d) Free from personal interests which hinder audit verification; (3) Independence in reporting, consisting of indicators: (a) Free from personal desires or the influence of other parties to modify evidence material during audit activities; (b) Free from the pressure of any party in reporting material findings; (c) Avoid using misleading words both intentionally and unintentionally in reporting facts, opinions and recommendations in the auditor's interpretation; (d) Free in using judgment regarding facts in audit reports ([Tong et al., 2021](#)).

In the International Standards for the Professional Practice of Internal Auditing, internal auditor independence consists of:

1) Organizational Independence

- (1.1) The chief audit executive must be at a level within the organization that allows the internal audit activity to fulfill its responsibilities.

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- (1.2) The chief audit executive must confirm the annual audit, the organizational independence of the internal audit activity.
 - (1.3) The internal audit activity must be free from interference in determining the scope of internal auditing, performing work, and communicating results.
 - (1.4) The chief audit executive must communicate and interact directly with the board.
- 2) Individual Objectivity
- (2.1) Internal auditors must be impartial, unbiased attitude and avoid any conflict of interest.
 - (2.2) Shall not participate in any activity or relationship that is not the impact of their unbiased assessment. This activity includes activities that can conflict with the interests of the organization.
 - (2.3) Do not accept anything that may be impaired to their professional judgment.
 - (2.4) Shall disclose all material facts known to them, if not disclosed, they will be the reporting of activities under review.

That the independence of internal auditors can provide impartial and unbiased judgments, this can be obtained through:

1) Organizational Status

The status of the internal audit unit organization must provide flexibility to fulfill or complete the responsibilities of the audits given

- (1.1) Internal audit must obtain support from senior management and the board, so that they will get cooperation from the parties examined and can complete the work independently of various other parties' interference.
- (1.2) The head of the internal audit must provide an annual report on various activities to senior management and the board. Reports on these various activities must present important findings in examinations and recommendations, and must also provide information on a variety of significant deviations or deviations from the schedule of audits, staffing, and approved financial budgets and reasons.
- (1.3) The head of the internal audit must communicate and have a direct relationship with the board.
- (1.4) The purpose, authority and responsibility of the internal audit section must be defined in written documents, preferably in the articles of association approved by senior management and the board ([Tugiman, 2016](#)).

2) Objectives of internal auditors

- (2.) Internal auditors show the highest level of professional objectivity in collecting, evaluating and communicating information about activities or processes being examined.
- (2.2) Internal auditors carry out a balanced assessment of all relevant conditions and are not too influenced by their own interests or by others in forming judgments.
- (2.3) Will not participate in activities or relationships that can interfere with or be considered disturbing to contain their judgment. This participation includes activities or relationships that might conflict with the interests of the organization.
- (2.4) Will not accept anything that can interfere with or be considered to interfere with their professional judgment.
- (2.5) Must disclose all material facts that they know that, if not disclosed, can distort the reporting of activities under review.

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The APIP Audit Standard states that the assessment of the independence and objectivity of government internal auditors ([Yurniwati & Rizaldi, 2015](#)), includes the following two components:

1) APIP Independence

- (1.1) The leadership of the APIP is responsible to the highest leadership of the organization so that the responsibility for conducting the audit can be fulfilled.
- (1.2) The APIP position is placed appropriately so that it is free from intervention and obtains adequate support from the highest leadership of the organization so that it can cooperate with the auditor and carry out work freely.
- (1.3) APIP must establish good working relationships with the auditee.

2) Auditor objectivity

- (2.1) The auditor must be objective in carrying out the audit. The principle of objectivity requires that auditors carry out audits honestly and do not compromise quality.
- (2.2) Auditors must have a neutral and unbiased attitude and avoid conflicts of interest in planning, implementing and reporting on the work they do.
- (2.3) The leadership of APIP is not permitted to place the auditor in situations that make the auditor unable to make decisions based on his professional judgment.

According to the Government Auditing Standards ([Dalkin et al., 2021](#)). Independence consists of:

1) Independence of Mind

The state of mind that permits the performance of audits without allowing them to act with integrity and exercise objectivity and professional skepticism.

2) Independence in Appearance

Having knowledge of the relevant information, to be reasonably conclude that the integrity, objectivity, or professional skepticism of an audit organization or member of the audit team has been compromised.

While independence is an impartial viewpoint in the implementation of testing, evaluation of the results of examination and preparation of audit reports ([Arens & Loebbecke, 2015](#)). The independence of auditors must be at least 1 member from 3 members, whereas according to the Indonesian Audit Committee Association (IKAI), the number of audit committee members is limited to 5 members, 2 of whom are parties independent ([Khairunnisa et al., 2016](#)).

The 2001 Public Accountants Professional Standards Book section 220 PSA No.44 paragraph two, explained that Independence means that it is not easily influenced, because it carries out its work for the public interest (distinguished in terms of practicing as an internal auditor). Thus, he is not justified in favoring anyone's interests, because if it is not the case, however perfect the technical expertise he has, he will lose his impartiality which is most important to maintain his freedom of opinion. Independence is a condition free from influence which not controlled by other parties and not dependent to other people ([Deviarti et al., 2014](#)).

In SPAP the auditor is required to be independent, meaning that it is not easily influenced, because he carries out his work in the public interest (distinguished in the case he practices as an

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internal auditor). Furthermore, according to the SPKN in the Second General Standard Statement, it is stated that in all matters relating to audit work, the examining and examining organization must be free from mental attitude and appearance from personal, external, and organizational disturbances that can affect its independence ([Daryani & Amini, 2016](#)).

There are three aspects of the independence of an auditor, namely as follows, (1) Independence in fact. This means that auditors must have high honesty, a close relationship with objectivity; (2) Independence in appearance (independence in appearance). This means that the views of other parties towards the auditor are related to the conduct of the audit; and (3) Independence in competence (independence from the point of expertise). Independence from the expertise point of view is closely related to professional auditor skills ([Weisner & Sutton, 2015](#)).

The independence of internal auditors describe as to balance two considerations in deciding on any proposed move away from accountancy: (1) The need for secure functions that are commensurate with the increasingly high profile of the internal audit function; and (2) The need for secure full commitment from the Director of Finance to support the continuing presence of internal auditing functions.

From some definitions of independence above it can be concluded that the independence of internal auditors is freedom from conditions that threaten objectivity both individually and the ability of internal audit activities in carrying out their responsibilities in unusual ways, as well as in formulating and expressing opinions.

The internal auditor is someone who works as an employee in a company, they generally provide direct reports to the interests of top management in order to remain able to maintain independence of operational units ([Arens & Loebbecke, 2015](#)). Internal auditors are auditors who work in companies whose main task is to determine whether the policies and procedures set by top management have been obeyed, determine whether or not safeguards against organizational wealth, determine the efficiency and effectiveness of organizational activities procedures and determine the reliability of information produced by various parts of the organization ([Eik-Andresen et al., 2016](#)).

Indicators of internal auditor independence are stated by Mautz and Sharaf in Sawyer (2003: 39), these indicators are intended for public accountants, but the same concept can be applied to internal auditors who want to be objective, these indicators are (1) Independence programming, consist of freedom from management of any portion of the audit program, freedom from interference with or uncooperative attitude respecting the application of selected procedures, and freedom from any requirement for the review of audit works other than that which normally accompanies an audit process; (2) Examining independence, consist of direct and free are all relevant to the audit, active cooperation from management's personnel during the audit examination, freedom from managerial attempts to specify activities to be examined or establish the acceptability of evidential matter, and freedom from personal interest on auditing; (3) Reporting independence, consist of freedom from any feeling of obligation to modify to impact or significance of reported facts, freedom from press to exclude significant matters from internal

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audit reports, avoidance of intentional or unintentional uses of ambiguous language in the statements of facts, opinions, and recommendations in their interpretation, and freedom from any attempt to overrule the auditor's judgment either to facts or opinions in the internal audit report ([Ingason, 2015](#)).

The concept of internal audit quality is basically not much different from external audit . Internal audit, designed to accommodate the development of professional roles and responsibilities of Internal Auditors and how they serve at all levels of management. Internal Auditing is an independent appraisal of an established within an organization to examine and evaluate its activities as a service to the organization ([Eik-Andresen et al., 2016](#)).

Robert Moeller (2009) explains that internal audits must be able to cover audits of almost all business operations, so they must have a thorough knowledge and understanding. To be able to implement this, the internal auditor's qualifications must have the ability, consist of interview skills, analytical skills, testing and analysis skills, documentation skills, recommending results and corrective actions, communication skills, negotiating skills, and commitments to learning .

METHOD

This study uses a qualitative approach and the type of research is descriptive research ([Creswell, 2017](#)). Researchers want to know how much influence the Competencies and independence of the quality of internal audit: Theoretical Review Approach

RESULT AND DISCUSSION

The Competencies is a person's ability that can be observed including the knowledge, skills, and abilities in completing a job or task in accordance with established performance standards
The independence of internal auditors is freedom from conditions that threaten objectivity both individually and the ability of internal audit activities in carrying out their responsibilities in unusual ways, as well as in formulating and expressing opinions.

The internal auditor's qualifications must have the ability (a) interview skills; (b) analytical skills; (c) testing and analysis skills; (d) documentation skills; (e) recommending results and corrective actions; (f) communication skills; (g) negotiating skills; and (h) commitments to learning.

As a complex concept, internal audit quality is difficult to measure accurately, and several approaches can be used to measure it or indicators. One such approach can be found in the past, which states the determinants of audit quality: "Company culture, skills and personal qualities of mission partners and employees audit, the effectiveness of audit processes, reliability and usefulness of audit reports, and other factors located outside auditors , affect the audit quality ".

CONCLUSION

Based on the description above, it appears that the audit room of internal audit work is very broad and can be accessed by the credibility of the organization. Every internal audit institution in Indonesia incorporated in the APIP container is given clear and broad authority, roles and

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functions as mentioned above, the results of APIP's work will be very beneficial not only for the government, but also beneficial for the legislature, external auditor, and other interested parties. However, to ensure the quality of the results of the APIP work that involves human resources with various types of educational and experience backgrounds, a professional and managed education and training program is needed. In addition, to improve coordination in planning, implementing and evaluating activities among the APIP ranks, participation in the development of synergy for APIP supervision is needed.

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