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The influence of company size, audit opinion, audit delay, and management changes on auditor switching

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Abstract

This research aims to determine the influence of company size, audit opinion, audit delay, and management change on auditor switching. The population and sample chosen are infrastructure, property and real estate sector companies listed on the Indonesia Stock Exchange for the 2020-2022. The sampling technique used in this research is purposive sampling, and 100 companies meet the criteria as samples. The data analysis method used in the study is logistic regression analysis with a quantitative approach. Research data processing uses the Statistical Product and Service Solutions (SPSS) application software version 25. The results of this study show that management changes have an effect on auditor switching, while company size, audit opinion, and audit delay have no effect on auditor switching.

Keywords: Auditor Switching, Company Size, Audit Opinion, Audit Delay, Management Change

INTRODUCTION

A company's annual report is the final result of the recording process of an entity's financial transactions which describes the company's financial condition and performance, complete with an independent auditor's report. Issuing an annual report before it is published to external parties must go through an audit process by an independent auditor to ensure whether the financial statements prepared by the company are fairly presented, free from material misstatement and comply with the Indonesian generally accepted accounting standards.

Companies may choose a public accounting firm approved by OJK, however, to avoid special relationships which are subjective in nature, switching auditors are required through an engagement time limit. Limiting the audit engagement period is one way to prevent auditors from interacting too long with their clients. The relationship can decrease auditor independence. The regulations that regulate the audit engagement period are contained in POJK Number 13/POJK.03/2017 concerning the use of a public accounting firm in financial services activities. This regulation stipulates that parties carrying out financial services are required to limit only three years period of audit service of annual historical financial statements from the same public accountant firm (OJK, 2017).

Even though the OJK has established an audit service engagement in financial activities, the phenomenon of auditor switching can arise from the relationship that existed in the previous period between the company and a public accounting firm. The relationship created a sense of comfort and security in realizing cooperation for a longer period of time. Both parties both benefit, on the company side the audit results are in accordance with what was desired, namely an unqualified opinion (unqualified opinion), while on the public accounting firm side the audit fees received from the company are more than their satisfaction. As a result the public accounting firm is reluctant to let go of the opportunity. Based on these advantages it has created an opportunity to commit fraud by violating the established audit engagement period regulations.

The issue of auditor switching can be seen in the case found in the summons of public accounting firm through the Financial Professional Development Center (P2PK) which audited the financial reports of PT Tiga Pilar Sejahtera Food, (TPS) Tbk. The summons began with a request to PT Ernst & Young Indonesia (EY) to conduct an investigation into the financial report for the 2017 financial year. The results carried out by EY found allegations of an overstatement of IDR 4 trillion in accounts receivables, inventories and fixed assets. TPS Food Group and amounted to IDR 662 billion in sales and IDR 329 billion in EBITDA. There is an alleged flow of funds amounting to IDR 1.78 trillion using various schemes to parties suspected of being affiliated with the old management, such as disbursement of loans, TPS Food Group time deposits and financing expenses of affiliated parties. TPS Food Group financial report for the 2017 financial year was audited by KAP Amir Abadi Jusuf Aryanto, Mawar & Rekan which is affiliated with the audit, tax and consulting firm RSM International (quoted from cnbcindonesia.com).

Apart from TPS Food Group, another case of fraud occurred at PT Garuda Indonesia, Tbk (GIAA), when it received sanctions for the 2018 financial report. Quoted from kompas.com, Garuda Indonesia's annual financial report being declared flawed. Garuda recognized income related to cooperation carried out with PT Mahata Aero Teknologi soon after signing the agreement not after services provided. Therefore, Garuda's profit and loss report for the 2018 was misleading and this is categorized as a fraud. Due to the fraud, the Ministry of Finance through P2PK carried out an examination of the Public Accountant Kasner Sirumapea and Public Accountant Tanubrata, Sutanto, Fahmi, Bambang & Partners as auditors who audited the financial statements of PT Garuda Indonesia Tbk for the year 2018.

From all cases above, it can be concluded that a good level of expertise and independence of auditors is very necessary in carrying out audits of their clients' financial reports. Fraud found in financial reports can destroy public trust especially shareholders. Apart from that, changing auditors is one solution to avoid a special relationship between company and public accounting firm. Auditor switching can help companies maintain the quality of company performance reports. This research will search factors affecting auditor switching by using independent variables selected as company size, audit opinion, audit delay and management change.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Literature Review

Previous researchers have conducted on testing the factors that influence auditor switching from various sectors of companies listed on the IDX. Followings are some of them:

Mardasari & Triyanto (2020) conducted research to find out whether the size of the client company influences the company taking auditor action switching with the research period of 2015 and 2016. Results of the research shows the size of the client company as measured using the logarithm of total assets has a significant effect on auditor switching. Influence this company size is in line with the results of previous research conducted by Aini & Yahya (2019), Herawaty & Ovami (2021) and Faradhillah & Abbas (2022). In contrast, in other studies it was found that the outcome measures the company has no significant effect on auditor switching according to Sa'adah & Kartika (2018), Permatasari & Ruswandi (2019), Naili & Primasari (2020), Sinaga et al. (2021), Fahmi et al. (2021) and Anggadi & Triyanto (2022).

Inconsistency based on research results of the company size variable can be interpreted as large, medium, or small in terms of company size does not guarantee the occurrence of a tendency to carry out auditor switching. Aini & Yahya's (2019) research is purposed to determine the influence of audit opinions towards auditor switching with the research period from 2010 to 2015. The results found that the audit opinion variable had an effect on auditor switching. This research is in line with the results of previous research conducted by Naili & Primasari (2020), Tjahjono & Khairunissa (2021), Sinaga et al. (2021), Holdi & Tarmizi (2022), and Faradhillah & Abbas (2022). However, results were found differences in audit opinion do not have a significant effect on the auditor switching according to Karliana et al. (2017), Fahmi et al. (2021) and Herawaty & Ovami (2021). The differences in the research results found can be concluded that the audit opinion variables received by the company are not sufficient determine to carry out auditor switching.

The influence of the audit delay variable on auditor switching has been carried out in research by Fahmi et al. (2021) who found audit delay results has a positive effect on auditor turnover. Same research too found by Anggadi & Triyanto (2022) if the company experiences a process audits that are long then have a greater tendency to carry out audits switching to the next period so that the financial statements do not suffer publication delays. On the other hand, in research according to Rohmah et al. (2018), Hidayati (2018), Zikra & Syofyan (2019), Permatasari & Ruswandi (2019), Mardasari & Triyanto (2020), and Naili & Primasari (2020) found audit results delay does not have a significant effect on auditor switching. Research conducted by Herawaty & Ovami (2021) on companies manufacturers listed on the IDX concluded that management changes influence on auditor switching. This research is in line with that found by Sa'adah & Kartika (2018), Hidayati (2018) and Aini & Yahya (2019). However, the results of other research by Tjahjono & Khairunissa (2021) and Fahmi et al. (2021) shows that management changes have no effect on auditor switching. Differences in this research shows that the management change variable does not necessarily cause auditor switching.

Hypothesis Development

1. The influence of company size on auditor switching

Company size is a scale that classifies large or the size of an entity can be assessed from total assets, total sales and total equity. According to Aini & Yahya (2019) the size of the client company must be in accordance with the size of the KAP, because any discrepancies that occur can occur causing the end of audit involvement, namely auditor switching. As long as the size of the company grows, it will become increasingly difficult for principals in monitoring the likely actions of agents maximize one's own profits rather than the principal's profits. The results of research conducted by Aini & Yahya (2019) show the size of the client company is measured using the total logarithm assets have a significant effect on auditor switching. Effect of size this company is in line with the results of previous research conducted byMardasari & Triyanto (2020), Herawaty & Ovami (2021) and Faradhillah &Abbas (2022). The hypotheses that will be tested in this research are:

H1: Company size influences auditor switching

2. The influence of audit opinion on auditor switching

As an independent party in examining financial statements of a company, the auditor must provide an opinion on the financial statements audited. If the auditor cannot provide a qualified opinion without exceptions, companies tend to move to KAP which is possible can provide opinions according to what the company wants. So that the opinion issued by the auditor greatly influences decisions company to change public accounting services (auditor switching). In Naili & Primasari's (2020) research, it shows that opinion the audit received by the company is quite decisive to carry out switching auditors. These findings are the same as those obtained by Aini & Yahya (2019), Naili & Primasari (2020), Tjahjono & Khairunissa (2021), Sinaga et al. (2021), Holdi & Tarmizi (2022), and Faradhillah & Abbas (2022) who shows that the results of the audit opinion have a significant effect on the auditor switching. So the hypotheses that will be tested in this research are:

H2: Audit opinion influences auditor switching

3. The effect of audit delay on auditor switching

Audit delay is defined as the period of time required by the auditor to prepare audit reports based on the company's financial performance closing date of the financial statements (December 31) to the date of the audit opinion in the independent auditor's report submitted and signed (Zikra Syofyan, 2019). If the auditor takes too long to complete the audit process while carrying out their duties, then the company will consider the decision to switch to perform auditor switching the following year in order to avoid delays in publication of the report finances and restore investor confidence. The influence of the audit delay variable has been carried out in research by Fahmi et al. (2021) who found that audit delay results had a positive effect regarding the change of auditor. The same research was also discovered by Anggadi & Triyanto (2022) if the company experiences a long audit process, then have a greater tendency to perform auditor switching in the period. Furthermore, so that financial reports do not experience delays in publication. So the hypotheses that will be tested in this research are:

H3: Audit delay has an effect on auditor switching

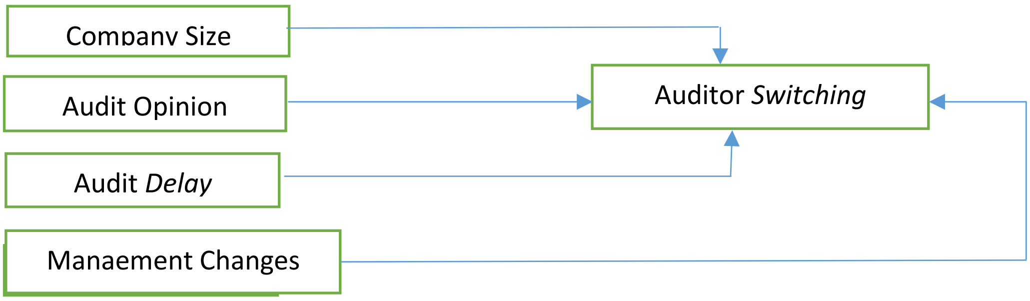
4. The influence of management changes on auditor switching

According to Article 108 Paragraph 1, changing management is an action taken by a limited liability company to replace one or more members directors whose term of office has ended or resigned before his term of office ends (Indonesia, 2007). Research conducted by Herawaty & Ovami (2021) concluded that management changes had an effect on auditors switching. This research is in line with what was found by Sa'adah & Kartika (2018), Hidayati (2018) and Aini & Yahya (2019). More often, if there is a change in management, the company is likely to change making the decision to carry out auditor switching is getting bigger. So the hypotheses that will be tested in this research are:

H4: Management changes have an effect on auditor switching

Conceptual Framework

The research conceptual framework is formulated as follows:



Picture 1. Conceptual Framework

METHOD

This research aims to determine whether company size, audit opinion, audit delay, and management change influence auditor switching. The study was conducted using a quantitative approach based on data collection. The data was processed to test and analyze the influence between one variable and other variables. The data type used is secondary data on infrastructure, property, and real estate sector companies listed on the Indonesia Stock Exchange for 2020-2022. Data was obtained from the Indonesian Stock Exchange website (https://www.idx.co.id/) and the company website. Data processing uses logistic regression analysis with the help of the Statistical Product and Service Solutions (SPSS) 25 application software. The sampling technique uses a purposive sampling approach by determining the sample based on certain considerations to obtain representative sample results.

Table 1. Research Sample Criteria

NO	Sample Criteria	TOTAL
1	Number of infrastructure, property & real estate sector companies listed on the Indonesia Stock Exchange (BEI) in 2020-2022	151
2	Infrastructure, property & real estate sector companies that IPO before 2020 and are delisted on the IDX in 2020-2022	33
3	Companies in the infrastructure, property & real estate sectors did not publish annual reports, financial reports and independent auditor reports on the IDX or company websites for 2020-2022.	14
4	Infrastructure, property & real estate sector companies present financial reports not in Rupiah (Rp)	4
Number of companies in the research sample		100
Research Period 2020 - 2022		3
Total total research sample		**300**

Source: processed data, 2023

Research and Measurement Variables

Dependent Variable

Switching Auditors

Auditor switching is an action taken by a company to change auditors in order to avoid subjective special relationships and maintain public trust, especially shareholders. The auditor switching variable uses dummy variable measurement indicators; companies that carry out auditor switching are given a value of one (1), while non-auditor switching companies are given a value of zero (0).

Independent Variable

Company Size

Company size is a scale that classifies the size of an entity, which can be measured by the entity's ability to obtain resources (assets), share value, total sales, market capitalization, number of employees and others. The proxy for the company size variable uses the natural logarithm of total assets.

Company Size = Ln (Total *Assets*)

Audit Opinion

An audit opinion is an opinion provided by an auditor regarding the fairness client audited company's financial statements. The audit opinion variable is measured using the following assessment weights: Unqualified opinion is given a value of 4; Qualified opinion is given a value of 3; Adverse opinion is given a value of 2; Disclaimer opinion is given a value of 1

Audit Delay

Audit delay is the time span required for an auditor to audit financial reports. The occurrence of an audit delay can be determined by subtracting the difference in the time period between the issued date of the financial report and the date of the independent auditor's report.

Audit *Delay* = The Date of The Independent Auditor's Report – The Date of the Financial Report

Management Change

Change of management is an action taken by a corporation to replace one or more members of the board of directors whose their term ends or who have resigned before their ends. The proxy for management change is measured using a dummy, making a change in management is given a value of one (1) whereas if the company does not make a change in management it is given a value of zero (0).

RESULTS

Descriptive Statistical Analysis

Dependent Variable

Table 2. Descriptive Statistics of Dependent Variables

Auditor *Switching*					
		Frequency	*Percent*	Valid *Percent*	*Cumulative Percent*
Valid	Non-Auditor *Switching*	279	93,0	93,0	93,0
	Auditor *Switching*	21	7,0	7,0	100,0
	Total	300	100,0	100,0	

Source: data processed with SPSS 25, 2023

Based on table 2, we can see that the switching auditor obtained a research sample of 300 data. There is a total of 21 or 7% of companies carrying out auditor switching. In 2021 there were 10 companies and in 2022 there were 11 companies. Meanwhile, the remaining 279 or 93% were non-auditor switching companies.

Independent Variable

Table 3. Descriptive Statistics of Independent Variables

Descriptive Statistics					
	N	Minimum	Maximum	*Mean*	Std. *Deviation*
Company Size	300	23,431	33,256	28,825	1,9504
Audit Opinion	300	1	4	3,97	,269
Audit *Delay*	300	41	238	97,87	30,593
Management Change	300	0	1	,08	,272
Valid N (*listwise*)	300				

Source: data processed with SPSS 25, 2023

Table 3 shows that the company size has a total of 300 data (N) with a minimum value of 23, 431, a maximum value of 33,256, a mean of 28,825 and a standard deviation of 1,950. The audit opinion has a minimum value of 1 from a disclaimer of opinion, a maximum value of 4 from an unqualified opinion, a mean of 3.97 and a standard deviation of 0.269. Audit delay has a minimum value of 41 days, a maximum value of 238 days, a mean of 97.87 with a standard deviation of 30.593. Management change has a minimum value of 0 for those who do not change management and a maximum value of 1 for those who change direction, the mean is 0.08 with a standard deviation of 0.272.

Logistic Regression Analysis

Testing the Feasibility of the Regression Model (Goodness of Fit Test)

Table 1. Feasibility of the Regression Model (Goodness of Fit Test)

Hosmer and Lemeshow Test			
Step	*Chi-square*	df	Sig.
1	4,891	8	0,769

Source: data processed with SPSS 25, 2023

Table 4 presents that the chi-square is 4.891 with a significant value of 0.769 > 0.05. It means that the regression model used is suitable for the research data and the logistic regression model is fit for further analysis.

Assessing the Overall Model (Overall Model Fit)

Table 5. Assessing the Overall Model (Overall Model Fit)

Iteration History[a,b,c]		
Iteration	-2 *Log likelihood*	*Coefficients Constant*
Step 0	152,183	-2,587
Step 1	140,827	3,101

Source: data processed with SPSS 25, 2023

Based on table 5, the -2LL value at step 0 before entering the independent variable into the model obtained a value of 152.183 and after entering the -2LL value it became 140.827. This shows a decrease in the -2LL value where there is a better regression model, in other words the hypothesized model fits the data.

Table 6. Coefficient of Determination (Nagelkerke R Square)

Model *Summary*			
Step	-2 *Log likelihood*	*Cox & Snell* R *Square*	*Nagelkerke* R *Square*
1	140,827[a]	0,037	0,093

Source: data processed with SPSS 25, 2023

Coefficient of Determination (Nagelkerke R Square)

From Table 6, we can see that the Nagelkekre R Square value is 0.093 (9.3%) meaning that the independent variable has an influence on the dependent variable of 9.3%. Meanwhile, the remaining 89.7% is explained by other variables outside the research model.

Classification Matrix Test

Table 7. Classification Matrix Test

Classification Tables					
Observed			*Predicted*		
			Auditor *Switching*		*Percentage Correct*
			0	1	
Step 1	Non-Auditor *Switching*	0	279	0	100
	Auditor *Switching*	1	21	0	0
	Overall Percentage				93

Source: data processed with SPSS 25, 2023

Based on the results of Table 7, the predictive power of the regression model is 93%, showing that the regression model used, 21 companies were predicted to have carried out auditor switching, and 279 companies were detected not to have carried out auditor switching from a total sample of 300 data.

Multicollinearity Test

Table 8. Multicollinearity Test

Correlation Matrix						
		Constant	Audit Opinion	Audit *Delay*	Company Size	Management Change
Step 1	*Constant*	1,000	-0,732	-0,488	-0,321	-0,065
	Company Size	-0,321	0,198	-0,094	1,000	0,122
	Audit Opinion	-0,732	1,000	-0,195	0,198	0,092
	Audit *Delay*	-0,488	-0,195	1,000	-0,094	-0,102
	Management Change	-0,065	0,092	-0,102	0,122	1,000

Source: data processed with SPSS 25, 2023

Based on table 8, the correlation value between independent variables for company size, audit opinion, audit delay and management change shows a result of no more than 0.9. It can be concluded that the data presented does not have multicollinearity symptoms between independent variables of the regression model.

Simultaneous Test

Table 9. Simultaneous Test

Omnibus Tests of Model Coefficients				
		Chi-square	df	Sig.
Step 1	*Step*	11,357	4	0,023
	Block	11,357	4	0,023
	Model	11,357	4	0,023

Source: data processed with SPSS 25, 2023

In Table 9, it can be seen that the results of the omnibus test of model coefficients obtained a significant value of 0.023, which is smaller than 0.05, meaning that the independent variables of company size, audit opinion, audit delay, and management change simultaneously influence the dependent variable, namely auditor switching.

Regression Model Analysis

Based on Table 10 of the logistic regression model equations, the following are obtained:

$$\mathbf{AS = 2{,}445 - 0{,}138\ FS - 0{,}317\ AO - 0{,}508\ AD + 1{,}225\ MC + e}$$

Information:

AS = Auditor *Switching*
β_0 = Constant
FS = Company Size
AO = Audit Opinion
AD = Audit *Delay*
MC = Management Change
e = *Residual Error*

Table 10. Regression Model Analysis

Variables in the Equation							
		B	S.E.	*Wald*	df	Sig.	*Exp*(B)
Step 1[a]	Company Size	-0,138	0,102	1,824	1	0,177	0,871
	Audit Opinion	-0,317	0,545	0,338	1	0,561	0,729
	Audit *Delay*	-0,508	0,634	0,641	1	0,424	0,602
	Management Change	1,225	0,508	5,817	1	0,016	3,404
	Constant	2,445	3,238	0,570	1	0,450	11,527

Source: data processed with SPSS 25, 2023

Table 10 inform us that the constant value with a positive sign is 2.445. The regression coefficient value for the company size variable is -0.138, audit opinion is -0.317, audit delay is -0.508 and management change is 1.225. These results show that if the company experiences an increase in the unit value of the independent variable, then the decision to carry out auditor switching will increase, assuming that the other independent variables are considered constant, and vice versa.

Hypothesis Testing Results

The test results were obtained by analyzing table 10 and comparing the results of the significant values tested with α=0.05. The test assumption is that if the significant value is < α=0.05 then the hypothesis is accepted, but if the significant value is > α=0.05 then the hypothesis is rejected.

The Influence Of Company Size On Auditor Switching

The results of the first hypothesis: company size has no effect on auditor switching. In table 10, the coefficient value (B) is -0.170 with a significance level of 0.156, which means it is greater

than 0.05, so the hypothesis that company size has an effect on auditor switching is rejected. The results obtained are in line with research by Sa'adah & Kartika (2018), Permatasari & Ruswandi (2019), Naili & Primasari (2020), Sinaga et al. (2021), Fahmi et al. (2021) and Anggadi & Triyanto (2022). The results of the research explain that companies that acquire small or large total assets are more likely to refrain from making auditor switching decisions. Auditors always try to provide the best audit results to maintain the image of their client's company in the eyes of investors and potential investors, so that the audited financial reports can be understood and used by all interested parties.The influence of audit opinion on auditor switching.

The effect of audit opinion on auditor switching

The second hypothesis results that audit opinion has no effect on auditor switching. The audit opinion variable in table 10 shows a coefficient value (B) of -0.045 with a significance of 0.949 which is greater than 0.05, so the hypothesis that audit opinion has an effect on auditor switching is rejected. The research is supported by data found in the independent auditor's report with only 4 samples out of a total of 300 data receiving an opinion other than unqualified opinion during the current year. The research results are in line with the researchers' findings according to Karliana et al. (2017), Fahmi et al. (2021) and Herawaty & Ovami (2021). Audit opinion is not one of the factors considered for taking auditor switching action because companies that received an unqualified opinion in the previous year are likely to get the same opinion for the current year. If the company later receives an opinion other than unqualified, it could be caused by internal factors in the presentation of the financial statements, either from financial problems or the company being indicated as going bankrupt.

The effect of audit delay on auditor switching

The third hypothesis results that audit delay has no effect on auditor switching. The audit delay variable in table 10 shows a coefficient value (B) of -0.010 with a significant 0.336 greater than 0.05, so the hypothesis that audit delay has an effect on auditor switching is rejected. The results are supported by data obtained from 121 research sample companies that experienced delays in submitting independent auditor reports. The results obtained are in line with those carried out by Rohmah et al. (2018), Hidayati (2018), Zikra & Syofyan (2019), Permatasari & Ruswandi (2019), Mardasari & Triyanto (2020), and Naili & Primasari (2020). The rejection of this hypothesis was due to the company's considerations in maintaining the old KAP to maintain its credibility in the eyes of investors and potential investors. If the company changes auditors, the new KAP must understand the company's operations from the start, which takes longer than retaining the old KAP.

The effect of management changes on auditor switching

The results of the fourth hypothesis are that management change affects auditor switching. Table 10 shows that the coefficient value (B) is 1.225 with a significant value of 0.016, which is smaller than 0.05, which means that management change influences the auditor switching decision, so the hypothesis is accepted. The research is supported by data obtained from 24 samples of companies that underwent management changes. The same research results were found by Sa'adah & Kartika (2018), Hidayati (2018), Aini & Yahya (2019) and Herawaty & Ovami (2021). Shareholders hope that the change of new management can fulfill their wishes in implementing accounting policies that differ from those of the old management. So, the research results suggest that the more often a company changes direction, the greater the possibility of making a decision to carry out auditor switching.

Table 11. Conclusion of Research Hypothesis

NO	Research Hypotheses	Conclusion
1	Company size influences auditor switching	H_1 rejected
2	Audit Opinion influences auditor *switching*	H_2 rejected
3	Audit *delay* influences auditor *switching*	H_3 rejected
4	Management Change influences auditor *switching*	H_4 accepted

Source: data processed, 2023

Conclusion

Based on the hypothesis testing that has been carried out, company size does not influence auditor switching. The research results concluded that hypothesis 1 was rejected because company size with the logarithm of total assets measurement indicator, which falls into the micro, small, medium, or large companies, is not an obstacle for auditors in differentiating the audit process. Audit opinion does not influence auditor switching. The research results concluded that hypothesis 2 was rejected because the opinion issued through the independent auditor's report did not affect the company's decision to replace the Public accounting firm. In general, companies have received unqualified opinions, and only six have received those other than unqualified ones.

The results of the audit delay test have no influence on auditor switching. The research results concluded that hypothesis 3 was rejected because the time during the audit delay did not influence the company to change the Public Accounting Firm. The company preserves the previous Public Accounting Firm because it is the way to maintain its credibility under investors' and potential investor's views. If a company chooses to change Public Accounting Firm, it will take longer for a new Public Accounting Firm to understand the company's operations. Meanwhile, the management change variable influences auditor switching. The research results concluded that hypothesis 4 was accepted. The change in new management is expected to provide updates in strategic changes in accounting and finance, which are different from the previous one.

In the test results in the coefficient of determination test, it is known that Nagelkerke's R Square value is 0.93, which means that the independent variables company size, audit opinion, audit delay, and management change can only explain 9.3% of the dependent variable. In comparison, the remaining 89.7% is explained. by other variables outside the model of this research. Future research could explore other variables as triggers for auditor exchange, such as audit fees, company growth, KAP reputation, audit fees, audit tenure, financial distress, managerial ownership, and other variables.

Further research can also expand the scope of the study by using all sectors of companies listed on the Indonesia Stock Exchange, which are not only focused on the infrastructure, property, and real estate sectors. So, the sample for research on auditor switching can be generalized to other companies. Updating the time period is very necessary by increasing the number of years of research observation, such as four years or more, so that we can describe the phenomena that are occurring and obtain more optimal results.

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