

# DETERMINANTS OF AUDIT QUALITY INGOVERNMENTAL INSTITUTIONS

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**Abstract:** This study investigates the factors that impact the quality of government internal audit workpaper review. Numerous concerns have been expressed about the quality of government audits in recent years. Audit quality is much debated, but little understood; and there is little agreement, given the concept's diversity, on how audit quality should be interpreted, let alone assessed. Audit standard vision may rely heavily on what eyes one looks. Consumers, auditors, policymakers, and other stakeholders can have somewhat different opinions about what defines audit quality, which may affect the type of metrics that can be used to assess audit quality. The presumption in international literature on culture and audit procedure is that culture influences the audit environment, and consequently the audit process outcome. The theoretical model suggested different variables in the above literature review. Several factors in various work environments affect audit results, but based on little empirical research, Yemen's government audit service. The importance of these factors impacting audit performance of the Avy Yemeni government sector must be discussed. The goal behind quality assurance is to help ensure that audit product and services follow proven international best practices and stakeholder expectations, as opposed to criticising individual audit processes. The results of the study found that performance, legislation, training and top management had an impact on effectiveness.

**Keywords:** Audit Quality, Government institutions, Legislations, Performance, Training, Top management support Introduction

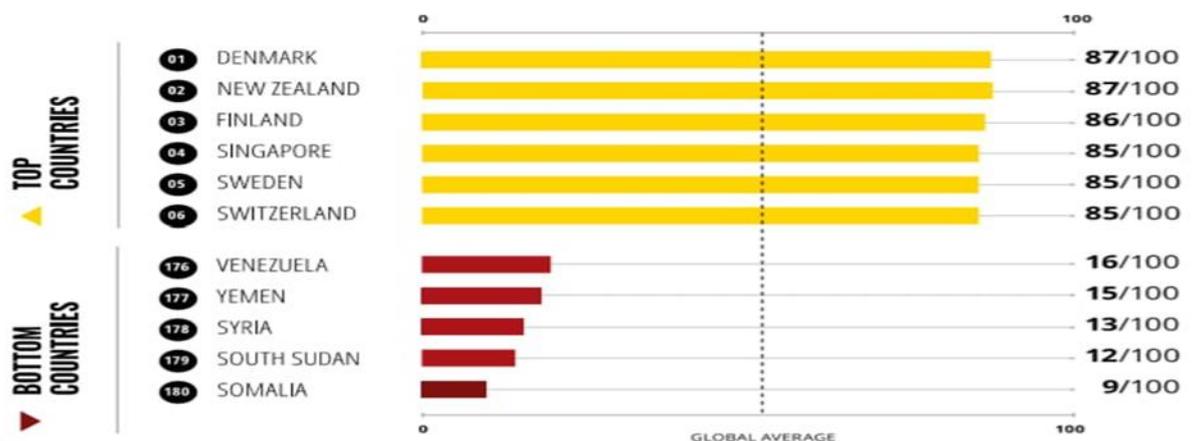
## 1. Introduction

The audit is an independent audit of the organisation in which the auditor gathers unbiased reports of the underlying company handling the funds (IFAC, 2001). The primary purpose of auditing is to add business credibility and transparency to the public or private sector. The audit is used as a tool to keep public and private institutions accountable.

Audit provides transparency, openness, justice and fairness to organisational processes. The word 'audit standard' is a contentious topic for public and private sector organisations in Pakistan. There is no clear concept of audit quality, but according to De Anglo (1981), audit quality is a joint likelihood that audit results will be accurately reported in the public good accounting context. The accuracy of the audit must be ensured because it helps to minimise the issue of the public service agency. The Agency's dilemma emerges when ministry objectives do not respect public and government interests. Wheelen and Hunger (2002) concluded that the Agency's dilemma occurs when management can not take responsibility for where funds have been directed to achieve the desired objectives. According to the Internal Auditor Institute (2006), the main agent structure occurs in the public sector. Government is a public agent as it receives public funds based on taxes.

Ministries then act as political officers to raise government funds for public health. Government auditors shall operate on behalf of the Government and oversee the ministries in this dual agent relationship. As a consequence, audit performance is a mechanism to enhance / weaken public trust.

In order to preserve and enhance audit accuracy, it is necessary to focus on a variety of internal and external environmental variables. Focus on the pre-study feature. Various factors influencing audit efficiency, such as audit tenure, top management support, audit qualification, work environments, job autonomy (Zahargier&Balasundaram, 2011; Baron &Greenbery, 2008; Elder & Davis, 2007). Moreover, Yemen 's corruption rate is high, especially at the government level, due to massive corruption, resource constraints, lack of auditor training, the use of manual auditing, lack of job autonomy, inadequate actions of audited bodies, and lack of top management support (Masood & Lodhi, 2015). Only government auditors may be appointed to oversee ministries, establishing a monopoly on government auditors. Lack of government-level competitiveness hinders audit results. Moreover, the working conditions of workers in state-owned entities are not yet satisfactory. Transparency International ranked Yemen 177th among the most corrupt countries in 2019. And Yemen is one of the poor nations that is currently dealing with the scourge. Seven years of war, no peace at all. This role can be further mitigated by successful investigations of public sector entities that misuse public funds for personal welfare. Decide, for a corruption-free state, the variables influence the level of the audit and to what degree. The goal of this research is therefore to address factors affecting the efficiency of audits in public sector institutions in Yemen.



Sources: <https://www.transparency.org/>

**Figure 1. Corruptions level in public sectors in Yemen**

According to analysts and business people, their alleged degree of corruption in the public sector is 180 countries and territories. Zero to 100 is used where zero is very corrupt and 100 is very clean. Approximately two-thirds of countries score under 50 at this year's CPI, with an overall score of just 43.

Similar to previous years, evidence shows that despite some progress, most countries are still failing to successfully combat corruption in the public sector. New Zealand and Denmark are the top countries, 87 each, led by Finland (86), Singapore (85), Sweden (85) and Switzerland (85). Somalia, South Sudan and Syria are the lowest countries with 9, 12 and 13 countries, respectively. These countries are closely followed by Yemen (15), Venezuela (16), Sudan (16), Equatorial Guinea (16) and Afghanistan (16) (For auditors specifically responsible for scrutinising

government ministries and agencies in Taiz City and Yemen, in particular , this study has its own importance in terms of raising visibility.

## 2. Literature reference

Audit quality is relevant in both the public and private sectors, but there is no signal model available for the recognition and operationalization of audit quality. The recognition of the term "audit" is important to assess the relationship between the working conditions and the consistency of the audit. According to the International Federation of Accountants ( IFAC), the audit is an independent entity study where the auditor gathers the impartial findings of the underlying company's distribution of funds. The audit purpose would be met if the auditor preserves credibility and accuracy in the presentation of audit reports. Audit accuracy is specifically influenced by the reputation of the auditor. The level of audit is calculated by honesty, happiness and justice (DeAngelo, 1981). Auditing is an entity's transparency mode that has become relevant in both the government and the private sector after corruption scandals. Government and private sector governance would be strengthened if the technical and personal past of auditors is good. There are a number of factors in the operating environment of the enterprise that directly impact audit results. Duncan (1997 ) described the organisational environment as a multidimensional term that is difficult to operate in various work settings. Working environment plays an important role in creating professionalism and emotional independence to carry out audits successfully. To attain optimal performance, top management , corporate philosophy and financial incentives have a positive effect on employee efficiency (Saeed, Mussawar, Lodhi, Iqbal, Nayab& Yaseen, 2013). Top management assistance is one of the most important factors of performance for any organisation. Top management support is described as devoting time to updating proposals. A analysis of 28 Indonesian accounting firms showed that independence, experience and transparency had a major effect on audit performance (Suyono, 2012). Promotion, salary, employment security, equality, workers and higher relationships are core components of the working atmosphere (Saeed, Lodhi, Iqbal, Nayab, Mussawar& Yaseen, 2013). Muda, Rafiki, Harahap (2014) established a model in which independent variables were job anxiety, motivation, and degree of touch, but the extent of worker coordination was a strong determinant of perceived performance. Ram, Bhargavi, Prabhakar, 2011. The work atmosphere has had an effect on improving the efficiency and engagement of workers. Another study showed that job performance was favourably influenced by good leadership abilities and appreciation of work atmospheric change (Imran, Fatima, Zaheer, Yousaf & Batool, 2012).

Al-Khadash, Al-Nawas, and Ramadan (2013 ) studied the quality determinants of the audit in Jordan and observed that the quality of the audit was dramatically influenced by the pay, freedom, integrity and credibility of the auditor. Adeyemi, Okpala, and Dabor (2012 ) conducted research in Nigeria in which audit effectiveness was influenced by the educational level of auditors, the tenure span, and the degree of involvement of auditors in the advisory services of auditors. In enhancing audit efficiency, Baharudin et al ( 2014) emphasised the importance of the credibility, objectivity and management support of auditors. In addition to these factors, employee success is influenced by employee attitude, family history, beliefs, fitness, family support and personal attention (Mathur & Gupta, 2012). Statistically, Mehmood, Irum, Ahmad, and Sultana (2012) have shown that employee productivity is more influenced by pay, autonomy, promotional opportunities than by the effects of physical conditions in Pakistan. Working conditions, pay , promotion, employment security, recruiting and empowerment of employees are core concerns for any employee in nearly any corporate setting, whether in the public or private sector (Masood, Ain, Aslam & Rizwan,

2014; Parvin & Kabir, 2011; Neog&Barua, 2014). A similar model has been used in Saudi Arabia, where compensation, promotion and behaviour have been shown to have a substantial effect on employee satisfaction and efficiency (Alshitri, 2013).

Audit quality is much discussed, but little understood; and there is little agreement, given the diversity of the definition, about how audit quality should be interpreted, let alone assessed. Audit standard vision can rely heavily on what one 's eyes look like. Consumers, auditors, regulators and other stakeholders may have very different opinions about what dictates the quality of the audit, which can affect the type of metrics that may be used to assess the quality of the audit. DeAngelo (1981 ) described audit efficiency as the market-assessed joint likelihood that the auditor identifies and exposes irregularities in the financial statements. Customers of financial reporting may conclude that lack of content distortions means good audit performance. The auditor conducting the audit would describe the high standard of the audit as meeting all the tasks requested by the audit methodology of the organisation. The accounting company will judge the good standard of the audit as being covered from the challenge by the investigation or the court. Regulators should consider a high-quality audit to meet with ethical practices. Finally, a high-quality audit can be seen by society as preventing business or sector economic problems. In the end , various views say different metrics. Chan and Wong (2002 ) indicated that, while not quantitative, audit reliability influences the probability of a good discovery of a difference between the favourable report of the business and the true nature of the commodity. The inferred common relationship between these two claims is the capacity of the auditor to perform his professional duties by applying the audit protocol to find content errors.

Auditor's tenure and audit quality the question of whether the audit firm's tenure has had an impact on audit efficiency has long been one of the key concerns of auditing legislation. Some contend that long tenure as auditor reduces autonomy and objectivity, while others claim that long tenure increases auditor expertise and integrity. Mgbame, Eragbhe and Osazuwa (2012) published an empiric study of the relationship between audit tenure and audit performance. The technique of estimation of the Binary Logistic Model was used to determine the alleged correlation between the auditor's tenure and audit performance. The research also covered other explanatory causes, such as Asset Returns (ROA), Board Independence, Director Ownership, and Board of Directors Composition. Their results showed a negative relationship between audit tenure and audit performance, although the variable was negligible. The other explanatory factors considered in addition to the performance of the auditor were found to be inversely linked to the results of the audit, with the exception of Stock Returns, which had a positive impact. Onwuchekwa, Erah and Izedonmi (2012) investigated the relationship between the required rotation and the consistency of the audit. Southern Nigeria has obtained data from distributing questionnaires to investors, lecturers, consultants, accountants and auditors. Using percentage analysis, the extracted data where evaluated while binary logistic regression technology was used to estimate the model. They tested the hypothesis that Nigeria's obligatory audit rotation had no meaningful correlation with audit results. The binary logistic order of the regression found a negative correlation between the mandatory rotation of the audit and the accuracy of the audit. They outlined other ways to increase audit efficiency, such as strengthening the audit committee board and promoting joint audits to discourage the monopoly on audit opinions. Siregar, Amarullah, Wibowo and Anggraita (2012 ) conducted their research in the Indonesian setting in which regulators made it compulsory for public accountants to be named after three ( 3 ) years and for public accounting firms to be nominated after five ( 5 ) years. The purpose of their research was to examine the impact of the rotation of auditors on the audit results (before and after the required audit regulation) and the auditing of public accountants and public accounting companies. Their findings found that the

required rotation of the auditor did not increase the performance of the audit; nor did the shortened period of the audit (partner and company level) improve the consistency of the audit. Al-Thuneibat, Al-Issa and Ata-Baker (2011) studied the effects of the audit firm-client relationship and the size of the audit firm on audit results in Jordan. Scientists use the quadratic method with some variations to test their hypotheses. The two companies whose shares were listed on the Amman Stock Exchange during the years (2002-2006) included the population of the survey. Their statistical data analysis found that the length of the audit company had a negative effect on audit results (negative). As a result of the rise in the volume of discretionary accruals, the audit output declined when the audit company's term was extended. Meanwhile, their data review did not show that the size of the audit firm had any substantial effect on the relationship between audit firm tenure and audit results.

Hsieh (2011) investigated the presence of a relationship between evidence of reduced audit efficiency, calculated by estimated budgetary accruals, and the tenure of an audit partner with a particular client, using data collected from various Taiwanese offices of four major international audit firms from actual audits. He used the Jones cross-section model for his study and observed that the calculated budgetary accumulations were substantially and adversely linked to the tenure of the lead audit partner, given a single client. Increased associate tenure, he perceived an improvement in audit efficiency. His audit partner findings were consistent with the findings of Geiger and Raghunandan (2002) on the tenure of audit firms; Johnson, Khurana, and Reynolds (2002); Myers, Myers, and Omer (2003); and Nagy (2005) findings and further expanded their scope by focusing on individual audit partners rather than audit firms.

U.S. research has empirically demonstrated that teamwork and job stability are positive, while poor communication and lack of management support are negative predictors of employee happiness (Haenisch, 2012). Working climate, compensation and development in all conditions typically have an effect on work productivity (Hong, Hamid & Salleh, 2013). In Jakarta, Pitaloka and Sofia (2014), a report was conducted finding a good test of the efficiency of internal auditors in the work environment. Wadhwa, Verghese and Wadhwa (2011) have identified three classes of behavioural, organisational and environmental variables to determine the effect of the most critical factors on employee performance. Behavioral factors are more responsible for employee results than for the other two groups. What's more, a fine. Physical workplaces, adequate ventilation, office architecture and good lighting will create safe minds that will improve audit effectiveness and performance (Chandrasekar, 2011; Naseem, Sikandar, Hameed & Khan, 2012). Best practises in the area of human capital and effective contact networks are prospects for positive outcomes (Jaen & Kaun, 2014; Ajala, 2012). Deis and Giroux (n.d) indicated that initial ties with the auditor had undermined audit performance, although low audit fees had little effect on audit results and audit efforts.

In the study of the literature referred to above, the theoretical model proposed different variables. Several factors in various work environments have an effect on audit results, but the Yemeni government audit department is focused on little empirical research. The relevance of these factors impacting Yemeni government audit performance needs to be discussed. Current research work is aimed at quantitatively and qualitatively defining and evaluating certain key variables that have an impact on Yemen's audit effectiveness. The path between the variables under analysis is seen in Figure 1. The performance of auditors and the performance of the legislation, planning and development, top management support and audit quality are hypnotised. The following test questions were then proposed:

## Hypotheses

Ho1: There is no significant impact of Performance of auditors on Audit Quality.

Ho2: There is no significant impact of legislation performance on Audit Quality.

Ho3: There is no significant impact of Training and development on Audit Quality.

Ho4: There is no significant impact of Top management support on Audit Quality.

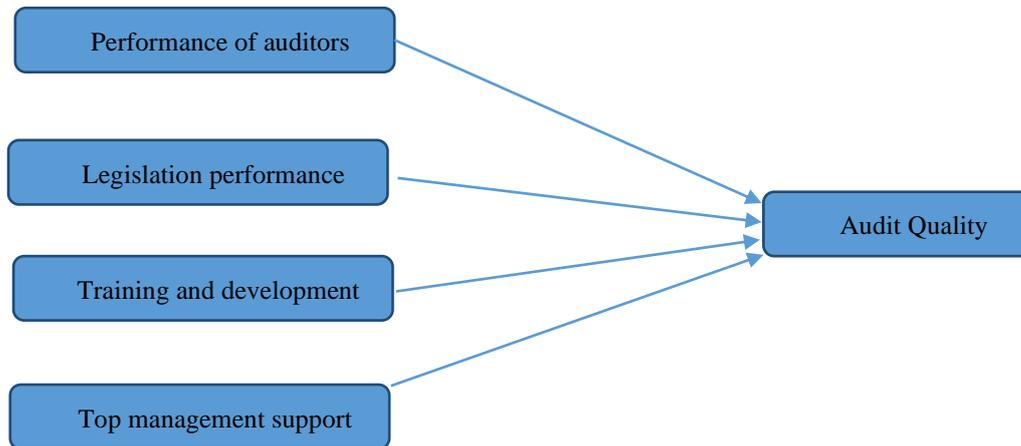


Figure 2: Proposed model

## 3. Methodology

The information was gathered from 181 employees of a Yemeni government agency. Data was gathered via a questionnaire. The impact of determinants of audit quality in governmental institutions was examined using a five-point Likert scale ranging from strongly agreed to strongly disagree. A specific set of questions was assigned to each variable. The purpose of this work is to see if the determinants of audit quality in governmental institutions differ significantly. The study aims to:

- To study the impact of Performance of auditors on Audit Quality.
- To study the impact of legislation performance on Audit Quality.
- To study the impact of Training and development on Audit Quality.
- To study the impact of Top management support on Audit Quality.

The data was processed using SPSS version 23, and all trials were carried out in a 5% sense standard. The survey's core demographic characteristics were identified using descriptive numbers.

### 3.1. Respondents profile

Table 1. Demographic Highlights

Items	Variable	No.of Respondents	Percentage
Gender	Male	143	95.3
	Female	6	4.0

Age	Less than 25 years old	8	5.3
	From 26 to 35 years old	67	44.7
	From 36 to 45 years old	47	31.3
	Over 46 years old	28	18.7
Scientific Qualification	Accounting	31	20.7
	Business Administration	4	2.7
	Economic	8	5.3
	Statistic	4	2.7
	Administrative costs and accounting	8	5.3
Years of experience	Another	95	63.3
	Less than five years	39	26.0
	From six to ten years	54	36.0
	From eleven to fifteen years	18	12.0
	From sixteen to twenty years	15	10.0
Qualification	more from twenty years	24	16.0
	Intermediate Diploma	8	5.3
	Higher Diploma	16	10.7
	Bachelor's degree	111	74.0
	Master	15	10.0

### Demographics Highlights

- Male respondents were higher than the female respondents. (95.3%)
- Majority of the respondents were in the age group of from 26-35 years old, followed by from 36 to 45 years old, over 46 years old and less than 25 years old.
- Majority of the respondents were from another field (63.3%) followed by accounting (20.4%) and the least number were from business administration and statistic. (2.5%)
- Majority of the respondents were from six to ten years (36.0%) followed by less than five years. (26.0%)
- Majority of the respondents were having bachelor's degree. (74.0%)

## 4. Analysis and discussion

### 4.1. Reliability

A reliability test is commonly performed to test the reliability of the survey instrument. Reliability refers to the repeatability, stability or internal accuracy of a questionnaire, according to Jack & Clarke (1998). A measure that is popular in reliability analysis was introduced by Cronbach (1951). One of the most common ways of demonstrating the reliability of the survey instrument is Cronbach's alpha statistic. This statistic uses interrelationships to decide that the same domain is measured by the constituent object. According to Kline (1999), in the case of intelligence tests, the

acceptable value of alpha in reliability analysis is 0.8 and in the case of capacity tests, the acceptable value of alpha in reliability analysis is 0.7. The Cronbach alpha statistics are typically recorded for the different domains within a questionnaire rather than for the entire questionnaire. The alpha coefficient, or alpha of Cronbach, is the average of all possible split-half coefficients arising from various ways of splitting objects of size.

**Table 2. Reliability**

Construct	Cronbach Alpha	Overall Cronbach Alpha
PU	.861	
LP	.721	
TD	.702	.738
TMS	.823	
PU	.731	
AQ	.742	

## 4.2. ANOVA

### 4.2.1 Demographics across performance of auditor

1. Gender: The results show that there is a significant difference between performance of auditor and gender. Since the value of p is less than 5% thus null hypothesis is rejected.
2. Age Group: There is significant difference between performances of auditor and age group of the respondents. The null hypothesis is thus rejected.
3. Years of experience: There is significant difference between performance of auditor and years of experience of the respondents. The null hypothesis is thus rejected.
4. Qualifications: There is significant difference between performance of auditor and qualification of the respondents. The null hypothesis is thus rejected.

**Table 3. Demographics across performance of auditor**

Gender	Male	148	21.6	.00
	Female	8	63	0
Age	Less than 25 years old	8		
	From 26 to 35 years old	71	28.1	.00
	From 36 to 45 years old	50	29	0
	Over 46 years old	28		
Scientific Qualification	Accounting	32		
	Business Administration	4		
	Economic	8	27.7	.00
	Statistic	4	34	0
Years of experience	Administrative costs and accounting	8		
	Another	101		
	Less than five years	39		
	From six to ten years	58	5.80	.00
	From eleven to fifteen years	20	3	1
	From sixteen to twenty years	16		

	more from twenty years	24		
	Intermediate Diploma	8		
Qualification	Higher Diploma	16	8.72	.00
	Bachelor's degree	117	7	0
	Master	16		

**4.2.2 D**

**Demographics across Legislation.**

1. Gender : The results show that there is a significant difference between legislation and gender. Since the value of p is less than 5% thus null hypothesis is rejected.
2. Age Group: There is significant difference between legislation and age group of the respondents. The null hypothesis is thus rejected.
3. Years of experience: There is significant difference between legislation and years of experience of the respondents. The null hypothesis is thus rejected.
4. Qualifications: There is significant difference between legislation and qualification of the respondents. The null hypothesis is thus rejected.

**Table 4.**Demographics across Training

Gender	Male	148	28.753	.000
	Female	8		
Age	Less than 25 years old	8	8.264	.000
	From 26 to 35 years old	71		
	From 36 to 45 years old	50		
	Over 46 years old	28		
Scientific Qualification	Accounting	32	8.417	.000
	Business Administration	4		
	Economic	8		
	Statistic	4		
	Administrative costs and accounting	8		
Years of experience	Another	101	4.700	.001
	Less than five years	39		
	From six to ten years	58		
	From eleven to fifteen years	20		
	From sixteen to twenty years	16		
Qualification	more from twenty years	24	5.176	.001
	Intermediate Diploma	8		
	Higher Diploma	16		
	Bachelor's degree	117		
	Master	16		

**Table 5.**Demographics across Training

Gender	Male	148	27.734	.000
	Female	8		
Age	Less than 25 years old	8	5.803	.001

	From 26 to 35 years old	71		
	From 36 to 45 years old	50		
	Over 46 years old	28		
	Accounting	32		
	Business Administration	4		
Scientific Qualification	Economic	8	8.727	.000
	Statistic	4		
	Administrative costs and accounting	8		
	Another	101		
	Less than five years	39		
	From six to ten years	58		
Years of experience	From eleven to fifteen years	20	7.049	.000
	From sixteen to twenty years	16		
	more from twenty years	24		
	Intermediate Diploma	8		
Qualification	Higher Diploma	16	7.199	.000
	Bachelor's degree	117		
	Master	16		

1. Gender : The results show that there is a significant difference between training and gender. Since the value of p is less than 5% thus null hypothesis is rejected.
2. Age Group : There is significant difference between training and age group of the respondents. The null hypothesis is thus rejected.
3. Years of experience: There is significant difference between training and years of experience of the respondents. The null hypothesis is thus rejected.
4. Qualifications: There is significant difference between training and qualification of the respondents. The null hypothesis is thus rejected.

#### **4.2.3 Demographics across Top Management Support**

5. Gender: The results show that there is a significant difference between top management support and gender. Since the value of p is less than 5% thus null hypothesis is rejected.
6. Age Group : There is significant difference between top management support and age group of the respondents. The null hypothesis is thus rejected.
7. Years of experience: There is significant difference between top management support and years of experience of the respondents. The null hypothesis is thus rejected.
8. Qualifications: There is significant difference between top management support and qualification of the respondents. The null hypothesis is thus rejected.

**Table 6.**Demographics across Top Management Support

Gender	Male	148	12.645	.000
	Female	8		
Age	Less than 25 years old	8	12.333	.000
	From 26 to 35 years old	71		
	From 36 to 45 years old	50		
	Over 46 years old	28		
Scientific Qualification	Accounting	32	8.792	.000
	Business Administration	4		
	Economic	8		
	Statistic	4		
	Administrative costs and accounting	8		
Years of experience	Another	101	6.067	.000
	Less than five years	39		
	From six to ten years	58		
	From eleven to fifteen years	20		
	From sixteen to twenty years	16		
Qualification	more from twenty years	24	6.169	.000
	Intermediate Diploma	8		
	Higher Diploma	16		
	Bachelor's degree	117		
	Master	16		

#### 4.2.4 Demographics across Audit Quality

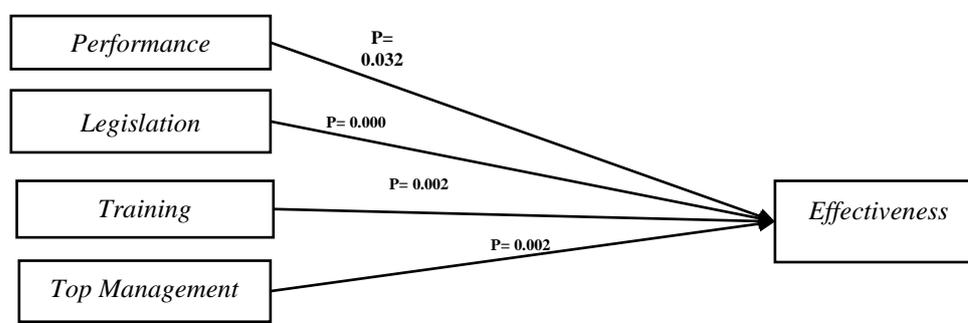
1. Gender : The results show that there is a significant difference between audit quality and gender. Since the value of p is less than 5% thus null hypothesis is rejected.
2. Age Group : There is significant difference between audit quality and age group of the respondents. The null hypothesis is thus rejected.
3. Years of experience: There is significant difference between audit quality and years of experience of the respondents. The null hypothesis is thus rejected.
4. Qualifications: There is significant difference between audit quality and qualification of the respondents. The null hypothesis is thus rejected.

**Table 7.** Demographics across Audit Quality

Gender	Male	148	20.982	.000
	Female	8		
Age	Less than 25 years old	8	12.240	.000
	From 26 to 35 years old	71		
	From 36 to 45 years old	50		
	Over 46 years old	28		
Scientific Qualification	Accounting	32	6.658	.000
	Business Administration	4		
	Economic	8		
	Statistic	4		
	Administrative costs and accounting	8		
Years of experience	Another	101	6.193	.000
	Less than five years	39		
	From six to ten years	58		
	From eleven to fifteen years	20		
	From sixteen to twenty years	16		
	more from twenty years	24		
	Qualification	Intermediate Diploma		
Qualification	Higher Diploma	16	6.897	.000
	Bachelor's degree	117		
	Master	16		

### 4.3 Hypothesis testing and path analysis by Regression

Regression tests the relationship between variables. Regression is tested using weights, p-values and t-values for regressions (Hair et al . , 2016). The regression results will be shown in Table 8, and figure 1, the reversal calculated as exogenous variables sustainable food, sustainable payment, sustainable lifestyle, digital payment and shopping habits. Such exogenous variables lead to the output of an endogenous variable user.



**Figure 3. Regression model**

The findings in Table 8 show that most of the hypotheses, suggested in this study, are not supported. H01 shows a direct impact of performance on effectiveness ( $\beta = -0.208$ ,  $p = 0.032$ ). The  $\beta$  value = -0.208 indicates that performance aspects affects the dependent variable effectiveness by about 20.8 percent. Therefore, a 1 percent decrease in performance will result in a 20.8 percent improvement in effectiveness. The p-value ( $p = 0.032$ ) reveals the negative and direct relationship between performance and audit quality.

Second hypothesis, the impact of Legislation on Auditor Quality ( $\beta = 0.437$ ,  $p = 0.000$ ). The  $\beta$  value = 0.437 indicates that legislation affects the dependent variable auditor quality by about 43.7 percent. Therefore, a 1 percent increase in legislation will result in a 43.7 percent improvement in auditors quality. The p-value ( $p = 0.000$ ) reveals the positive and indirect relationship between legislation and auditors quality.

The third hypothesis, the impact of training on auditors quality, was supported ( $\beta .369$ ,  $p = 0.002$ ). The  $\beta$ -value 0.369 indicates that training does influence auditors quality. The p-value ( $p = 0.002$ ) also indicates there is direct impact training on auditors quality.

Fourth hypothesis, there is no impact of top management on auditors quality ( $\beta = 0.280$ ,  $p = 3.141$ ). The  $\beta$ -value 0.280 indicates that top management does influence auditors quality. The p-value ( $p = 3.131$ ) also indicates there is direct impact of top management on auditors quality.

***The results are similar to the study conducted by Badara and Saidin (2013) and Vakola, et al., 2007***

**Table 8.**Summary of hypothesis

S. No	Independent variable	Dependent variable	Coefficient	sig	Result
1	PU	AQ	-.208	.032	Significance
2	LP		.437	.000	Significance
3	TD		.369	.002	Significance
4	TMS		.280	.002	Significance

## 5 Conclusion

Overall, the findings of this study show that the consistency of the work of the government's internal audit testers depends on the extent of preparation received, the degree of collaboration in auditing the client's management, the awareness and adaptation of audit tests by the auditors to the client's operating risks, the scale of the audit department's budget, the inability of the audit client to fulfil the pre-resolution criteria.

The findings are generalizable to the environments of other nations in the sense that the need for auditor independence, technical competence and good audit function management are universal virtues which, irrespective of the operating environment, lead to an effective internal audit. The influence of the size of the budget on the audit quality analysis, for example, could mean that, in countries where the audit institution lacks financial control, the lack of a budget for the audit office may have an impact on the quality of the audit documentation and the audit process, thus weakening the efficacy of the audit function. In addition, in countries where there is a substantial political effect on the activities of the audit office, the establishment of audit work consultations within the same public authorities can have a detrimental impact on the objectivity of the auditors and on the integrity of the auditor.

## 6 Implications

In order to obtain useful outcomes, researchers should carefully consider the PEM structures and governance frameworks pertaining to the applicable audit environment in their research design in replicating this analysis in other countries. For example, the Audit Commission appoints auditors of all local councils and national health care bodies in the United Kingdom and regulates their audits, while in the United States, each local body appoints and manages its own auditors (Diamond, 2002), while the provisions of the Single Audit Act are subject to local governments that have acquired federal funds.

The findings of the study have implications for both public policy theory and practise. Understanding the determinants of quality audit research from a theoretical viewpoint helps to conceptualise the competitive effect of justifiable audit results on the asymmetry of information between public administrators and individuals with respect to the sound use of public capital. Knowledge of these determinants can, from a realistic point of view, help to put in place effective initiatives to improve audit quality and recommendations in order to improve government accountability and operational performance. Government organisations should also ensure that sufficient resources and facilities are given to increase the quality of internal audits. When audit management gives adequate instructions to auditors and the integrity of auditors is not undermined by advisory obligations, a resource dedication to increase the efficiency of government internal audit work would be more beneficial.

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