

Research Article

Uncovering Ethical Behavior: A Causal Factors Perspective of Control Systems and Compensation

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Abstract

This research examines the effects of internal control, compliance, management remuneration, and work ethic on auditors' ethical behavior. The study involved 46 auditors from a public accounting firm in Central Jakarta, using purposive sampling. Both quantitative and descriptive statistical methods, along with multiple linear analysis, were employed. Data was collected through a questionnaire assessing internal control, compliance, management compensation, work ethic, and auditors' ethical behavior. Findings reveal that internal control and compensation significantly influence auditors' ethical behavior. However, management compensation alone does not have a significant effect. Work ethic also has a substantial impact on ethical behavior. Collectively, internal control, compliance, management compensation, and work ethic significantly affect auditors' ethical behavior. Managerial implications include the necessity for robust internal control systems to prevent unethical conduct and designing management compensation structures that do not incentivize unethical behavior.

Keywords: Internal Control, Compliance, Management Compensation, Work Ethics, Auditor Ethical Behavior

JEL Classification: M12, G30, D23

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1. Introduction

Ethics is defined as "the discipline which can act as the performance index or reference for our control system." Thus, ethics will provide boundaries and standards that will regulate exchanges between people in their social groups. This ethics is then articulated in the way that is particularly connected to the art of human connection, which takes the form of written rules (codes), which are systematically created based on existing moral principles and, when necessary, can function as a tool for judging all kinds of actions that are carried out. in general logical-rational terms (common sense) it is considered to deviate from the code of ethics.

Thus, ethical behavior can be concluded as behavior that is in accordance with social norms so that it can give rise to honest and ethical behavior, which becomes a guideline in a company and organization (Gaurina, 2018). According to Ebert and Griffin (2018), the term ethical behavior refers to risks that are based on societal norms with a variety of good and negative symptoms that have been in place for a long time. Here, the auditor's (individual's) quality can be assessed by taking into account a variety of externally obtained elements, which then serve as guidelines that are adhered to in the form of conduct. Elements that impact moral conduct are organizational culture, political conditions, and the global economy (Arifiyani & Sukirno, 2019).

Unethical behavior is any behavior that goes against generally accepted social norms. Auditors' feelings of dissatisfaction and disappointment with company results cause unethical behavior (Arifiyani & Sukirno, 2019). These deviations certainly raise question marks among the public regarding the credibility and good name of public accountants. The existence of cases of violations of the code of ethics has harmed the public accounting profession and resulted in the public's image or trust in public accountants increasingly declining. The fundamental attitude and work behavior of an Auditor, which is based on mental awareness, confidence, and full commitment to the work activities carried out as a whole, is known as the ability to build a work ethic. Apart from that, this point of view and attitude will provide a high or low level of work evaluation, as well as an assessment of a person's work ethic and originality. Work ethic refers to the ability to mobilize the potential of each auditor as a member of the organization to achieve goals related to the existence of an Auditor in an organization (Lawu et al., 2019).

Ethics is a concept that is formed through morals and has a truth value that can be used as a social action by a group or individual. A person's behavior can be shown by conscious action and has rules that must be obeyed and can apply in an organization or group, which is called ethics. A job in any field is closely related to ethics. For example, in Indonesia, work as an accountant is inseparably related to ethics, there are many ethical violations and other issues that violate predetermined provisions. As an interesting matter for the public, it is asking whether those who work in carrying out their duties need to comply with the applicable regulations. Seeing the high number of ethical violations that often occur and are committed by people who are experts in their fields. Violations often occur due to someone's actions in their field of work; this can be controlled if someone uses the application of professional ethics as a boundary where the application of professional ethics is used as a guideline for accountants as basic principles such as objectivity, confidentiality, professional behavior, technical standards, public interest responsibilities, profession, integrity, competence, and professional prudence. By upholding professional ethics, it is hoped that an accountant can avoid unethical behavior such as fraud. This goal can be useful if it is carried out in accordance with applicable rules, regulations, and procedures; without professional ethical guidelines for accountants, it will not function as it should.

An organization really needs the existence of an internal audit because the internal audit is an independent activity that provides objective assurance and consultation designed to provide additional value and improve organizational operations (Rachman & Fitri, 2023; Aurelia et al., 2022). One of the internal audits carried out is the Compliance Audit. Compliance Audit is a work process that determines whether the audited party has followed certain standard procedures and rules that have been established. An accountant must have an ethical, professional attitude because professional accountants can take full advantage of regulations and supervision and must pay maximum attention to their work. (Gunz & Thorne, 2020) Every profession certainly has ethics and things that need to be respected. With morality, every action or deed that will be carried out must be planned so that the action is not haphazard (Putri et al., 2021).

Professional ethics help create a trustworthy environment, build public trust, and maintain high standards in the service or work performed. In addition, ethics also provides a framework for responding to complex situations and making ethical decisions. (Margerety, 2022). The Code of Ethics was created as a guideline for the profession in carrying out or carrying out missions by

increasing trust and maintaining the organization's image. Through the implementation of a code of ethics, it is hoped that members of a profession or Organizations that do their tasks with accountability, transparency, and integrity can improve the standing of their industry or product. The public has an opinion of these ninety-nine organizations (Laela & Akun, 2022). Recent research conducted indicates that performance has a negative impact on etis auditor performance. However, the results of this study differ from those of Yulia's (2019) study, which stated that there was no benefit to auditor ethical behavior.

2. Literature Review and Hypothesis

Ethical Behavior of Auditors

Ethical behavior is actions carried out in accordance with applicable rules and is usually related to the norms and values that exist in society. It is very important to apply this ethical behavior in our surrounding environment. Accountants are required to have ethical behavior in every job. Not many can apply this ethical behavior as a guide in their work and as a guide to healthy living. Unethical behavior is if an action violates the ethics adopted by a community group (Dewi, 2017). The problem often occurs that some accountants and organizations still ignore ethical behavior and prefer to engage in deviant behavior such as cheating, fraud, tax evasion, and bribery. This attitude is a deviation from violating the code of ethics and applicable rules, so it is still being discussed and reported in various mass media.

Internal Control

Mulyadi (2017), The internal control system consists of procedures, methods, and organizational structures that work together inside the business to protect its resources, check that accounting data is accurate and correct, maximize operational effectiveness, and raise the degree at which set management guidelines are carried out. Tuanakotta (2014) claims that TWCG (Those Charged with Governance), management, and other parties create, implement, and maintain internal controls auditors to handle business risks and fraud risks that are known to threaten the achievement of entity objectives, such as reliable financial reporting. Control is also the answer to preventing a risk from occurring. Controls that are not the answer to ward off threats are futile (redundant).

Obedience

Arens and Loebbecke (2019) define management compliance as a procedure carried out by management to follow procedures or rules made by the governing body. Someone who follows the law most of the time is regarded as proper and in line with the established internal norms. Normative commitment through legitimacy refers to following rules because the body that enacts laws has the ability to do so, whereas normative commitment through personal morality involves abiding by the law because it is seen as a duty regulate behavior (Marlina, 2018).

Management Compensation

Compensation is the total compensation received by the auditor in lieu of services rendered. Compensation given to employees greatly influences the level of job satisfaction, work motivation, and work results. Understanding compensation according to some figures is as.

Research Conceptual Framework

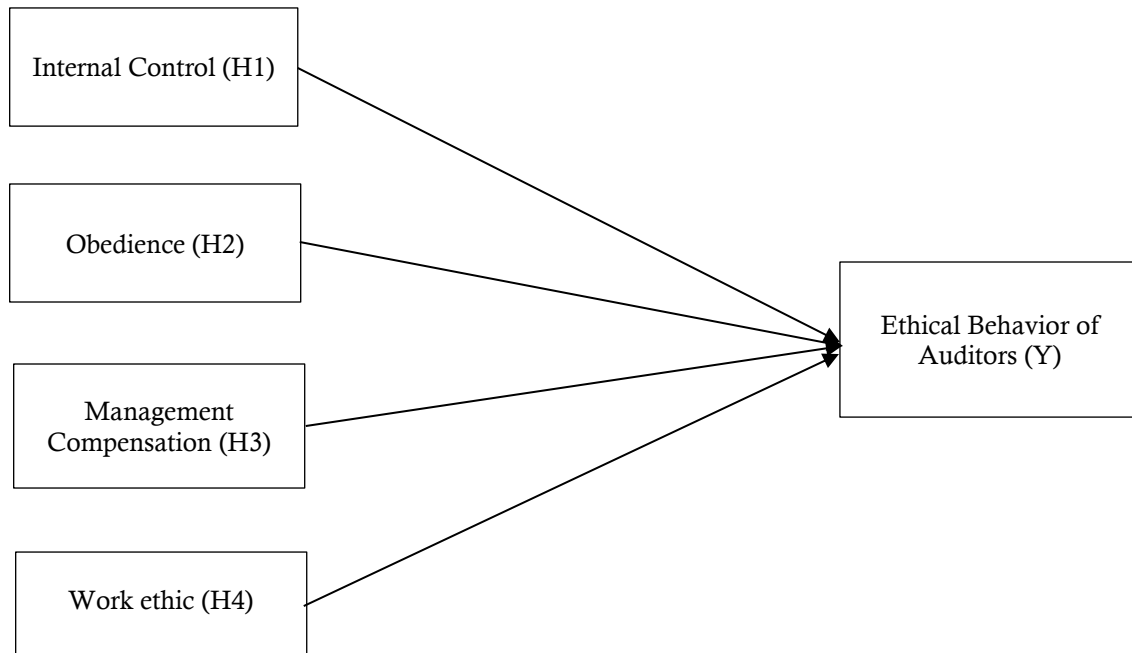


Figure 1. Research Conceptual Framework

Research Hypothesis

The Influence of Internal Control on Auditors' Ethical Behavior

Ebert & Griffin (2018), ethical behavior is behavior that complies with widely acknowledged social norms on right and wrong behavior. The quality of the auditor (person) can be ascertained by this ethical behavior, which is subsequently influenced by external influences and manifests itself in behavior. The quality of the auditor (person) can be ascertained by this ethical behavior, which is subsequently influenced by external influences and manifests itself in behavior. Which indicate that compliance affects auditors' ethical behavior, corroborate the findings of this study. The findings of this study are also in line with the results of research by Rahmi & Arwiyah (2019) which states that compliance also influences the ethical behavior of auditors. Based on this description, the following hypothesis is derived.

H1: Internal Control has a positive effect on Auditor Ethical behavior

The Influence of Compliance on Auditors' Ethical Behavior

According to Arens & Loebbecke (2019), management compliance is a procedure carried out by management to follow procedures or regulations that the authority has established. Since the law-making body has the capacity to control behavior, normative commitment through legitimacy entails following the rules (Marlina, 2018). Which indicate that compliance affects auditors' ethical behavior, corroborate the findings of this study. The findings of this study are consistent with those of Rahmi & Arwiyah's (2019) research, which indicates that compliance also influences the ethical behavior of auditors. Based on this description, the following hypothesis is derived.

H2: Compliance has a positive effect on Auditor Ethical Behavior

Management Compensation Behavior on Auditor Ethical Behavior

Compensation is any form of payment or remuneration provided to an Auditor arising from the auditor's work. Compensation is everything that auditors receive as compensation for their work. Through compensation, auditors can improve work performance, motivation, and job satisfaction and improve their living needs. Which states that management compensation influences the ethical

behavior of auditors. Which states that management compensation has a positive effect on ethical behavior. Based on this description, the following hypothesis is derived.

H3: Management Compensation has a positive effect on Auditor Ethical Behavior

Work Ethic Behavior on Auditor Ethical Behavior

A work ethic is a set of positive work behaviors that are rooted in strong awareness and fundamental beliefs, accompanied by total commitment to an integral work paradigm that includes idealism that underlies governing principles, driving values, and attitudes that give rise to standards. -standards to be achieved, including the main character, basic thoughts, code of ethics, moral code, and code of behavior for its adherents. The results of this research are supported by the results of research conducted by Kirana & Wati (2017), which states that work ethic influences the ethical behavior of Auditors. Based on this description, the following hypothesis is derived.

H4: Work Ethic has a positive effect on Auditor Ethical Behavior

3. Data and Methods

Types of research

This type of research is quantitative research. (Sugiyono, 2017) defines that quantitative research is a research method based on concrete data, research data in the form of numbers and measured using statistics as a calculation tool. The method used in this research is a verification method with a quantitative approach. The verification method is defined as research carried out on a certain population or sample with the aim of testing a predetermined hypothesis. The objective conditions described in this research are related to the relationship between Internal Control, Compliance, Management Compensation, Work Ethics, and Auditor Ethical Behavior.

Population and Sample

Population is a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn (Sugiyono, 2017). The population in this study are auditors who work at Public Accounting Firms (KAP) registered with the OJK in 2023 located in Central Jakarta. Based on data taken from ojk.go.id, there are 56 Public Accounting Firms (KAP). However, because of the large amount of KAP data, researchers obtained permission first to collect data. Requests for permits are made by calling each Public Accounting Firm (KAP).

Meanwhile, the sampling method in this research uses convenience sampling, namely a sampling technique by selecting samples freely as the researcher wishes. This method was chosen to facilitate the implementation of research (Sugiyono, 2017). The criteria for becoming respondents in this research are all auditors who work at Public Accounting Firms (KAP) in Central Jakarta.

Data Types and Data Sources

In this research data used is primary data, namely data obtained from the first source, both individuals and individuals. So, primary data is data collected by the researcher himself directly from the first source or place. In this research, the data sources obtained were information and procedures obtained directly from auditors at the company who had the opportunity to take the time to fill out the questionnaire. Method used to collect data is by using field studies or field research, by distributing questionnaires to Auditors of Public Accounting Firms in the Central Jakarta Region.

4. Results

Descriptive Data Results

Table 1. Descriptive Data Results

Indicator	Statement Items	N	Minimal	Maximum	Average
Auditor Ethical Behavior Variables					
Organizational culture	The chairman/superior gave me the opportunity to express my opinion.	40	4.00	5.00	4.78
Average					4.52
Internal Control Variables					
Operation Efficiency and Effectiveness	Where I work, evaluation of operational activities in the office is carried out sparingly.	40	3.00	5.00	4.50
Average					4.46
Compliance Variables					
Compliance with Legislation	Where I work, there are laws that regulate ethical behavior, and auditors must comply with them.	40	3.00	5.00	4.35
Average					4.25
Management Compensation Variables					
Allowance	The allowances given increase my enthusiasm for work.	40	4.00	5.00	4.30
Average					4.24
Work Ethic Variable					
Work as a Service	I work with the aim of satisfying customers.	40	3.00	5.00	4.20
Average					4.35

Source: Processed data (2019)

Based on table 1, the overall average of the auditor's ethical behavior questionnaire is 4.52, so the ethical behavior of Auditors in Public Accounting Firms in the Central Jakarta Region can be said to be in the fairly good category. For the overall average of the internal control questionnaire of 4.46, internal control in Public Accounting Firms in the Central Jakarta Region is quite good. For the overall average of the internal control questionnaire of 4.25, the level of compliance in Public Accounting Firms in the Central Jakarta Region is quite good. For the overall average of the internal control questionnaire of 4.24, the compensation for Auditors at Public Accounting Firms in the Central Jakarta Region is quite good. For the overall average of the internal control questionnaire of 4.35, the work ethic at Public Accounting Firms in the Central Jakarta Region is quite good.

Validity test

Table 2. Validity Test Results

Statement Number	<i>Sig. (2-tailed)</i>				
	Ethical Behavior of Auditors	Internal Control	Obedience	Management Compensation	Work ethic
1	0.003	0,000	0,000	0,000	0.002
2	0,000	0,000	0,000	0.001	0,000
3	0,000	0,000	0,000	0,000	0,000

4	0,000	0.029	0,000	0,000	0.001
5	0.037	0,000	0,000	0,000	0,000
6	0.001	0.001	-	0,000	0,000
7	0,000	0.025	-	0.013	0,000
8	0,000	-	-	0.012	0,000
9	0.002	-	-	0,000	0.008
10	0.021	-	-	0,000	0.048
11	-	-	-	0,000	0.026
12	-	-	-	0,000	0,000
13	-	-	-	0.032	0,000
14	-	-	-	-	0.008
15	-	-	-	-	0,000

Source: Processed data (2019)

Table 2 shows the significance value of testing the validity of each statement on the non-test instrument using Pearson's Correlation test. The significance value is then compared to the 5% significance level to conclude whether the statement is valid for use in data collection or not in accordance with the decision-making criteria above.

Reliability Test

Table 3. Reliability Test Results

Variable	r_{hitung}	r_{tabel}	Information	Category
Ethical Behavior of Auditors	0.501	0.306	Reliable	Currently
Internal Control	0.738	0.669	Reliable	Tall
Obedience	0.832	0.805	Reliable	Tall
Management Compensation	0.824	0.476	Reliable	Tall
Work ethic	0.790	0.440	Reliable	Tall

Source: Processed data (2019)

Based on Table 3, the Auditor Ethical Behavior variable is in the medium category, while the Internal Control, Compliance, Management Compensation, and Work Ethic variables are in the high category.

Descriptive Statistical Analysis

Table 4. Results of Descriptive Statistical Analysis

Variable	N	Minimum	Maximum	Average	Standard Deviation
Ethical Behavior of Auditors	40	22.12	34.28	27.87	3.14
Internal Control		15.78	26.80	20.73	2.75
Obedience		6.24	16.09	10.95	2.51
Management Compensation		30.70	41.78	35.75	3.06
Work ethic		31.59	44.57	37.93	3.46

Source: Processed data (2019)

Table 4 shows that, when the auditors at Public Accounting Firms in the Central Jakarta Region filled out the questionnaire, data on their ethical behavior received a minimum score of 22.12 and a maximum score of 34.28. The average score on the questionnaire was 27.87, with a standard deviation of 3.14 from the ideal maximum score of 50. The results for the internal control data showed a minimum of 15.78 and a maximum of 26.80, as well as an average of 20.73 and a standard deviation of 2.75 from the optimal maximum score of 35 for the questionnaire. In the case of compliance data, a minimum of 6.24 and a maximum of 16.09 were obtained, along with an average questionnaire filling of 10.95 and a standard deviation of 2.51 from the ideal maximum

score of 25. For the data management compensation, I obtained a minimum score of 30.70 and a maximum score of 41.78, along with an average questionnaire filling of 35.75 and a standard deviation of 3.06 from the ideal maximum score of 65. Meanwhile, for work ethic data, a minimum score of 31 was obtained. .59 and a maximum score of 44.57, along with an average questionnaire completion of 37.93 and a standard deviation of 3.46 from the ideal maximum score of 75.

Normality test

Table 5. Normality Test Results

One-Sample Kolmogorov-Smirnov Test	
	Unstandardized Residuals
N	40
Asymp. Sig. (2-tailed)	.059c

Source: Processed data (2019)

The Kolmogorov-Smirnov test results show that the data is normally distributed, as shown by the significance level of $0.059 > 0.05$. Thus, this research model has met the classical assumption test of normality.

Heteroscedasticity Test

Table 6. Heteroscedasticity Test Results

Variable	Heteroscedasticity Test	
	t	Sig.
Internal Control	0.711	0.482
Obedience	0.795	0.432
Management Compensation	-0.298	0.768
Work ethic	-0.113	0.910

Dependent Variable: Abs_RES
Source: Processed data (2019)

Based on the table above, the heteroscedasticity test was carried out using the Glejser test with the Abs_RES variable as the dependent variable. Based on the test results, it is known that the significance value for the internal control variable (H1) is 0.482. Then the significance value obtained for the compliance variable (H2) was 0.432, and the significance value for the management compensation variable (H3) was 0.768. Meanwhile, the significance value for the work ethic variable (H4) is 0.910. So in accordance with the basis for decision making in the Glejser test, it can be concluded that there are no symptoms of heteroscedasticity in the regression model.

Multicollinearity Test

Table 7. Multicollinearity Test Results

Variable	Collinearity Statistics	
	Tolerance	VIF
Internal Control	0.152	2,016
Obedience	0.271	3,090
Management Compensation	0.110	3,170
Work ethic	0.251	2,212

Dependent Variable: Auditor's Ethical Behavior
Source: Processed data (2019)

Based on the table above, the results of the multicollinearity test for the internal control variable (H1) and the auditor's ethical behavior (Y) obtained a Tolerance value of 0.152, which is greater than 0.10 with a VIF value of $2.016 < 10.00$. For the multicollinearity test, the compliance variable (H2) and the auditor's ethical behavior (Y) obtained a Tolerance value of 0.271, which was greater than 0.10 with a VIF value of $3.090 < 10.00$. For the multicollinearity test, the management compensation variable (H3) and auditor ethical behavior (Y) obtained a Tolerance value of 0.110 which was greater than 0.10 with a VIF value of $3.170 < 10.00$. Meanwhile, for the multicollinearity test, the variables work ethic (H4) and auditor ethical behavior (Y) obtained a Tolerance value of 0.251 which was greater than 0.10 with a VIF value of $2.212 < 10.00$. So, referring to the basis for decision-making in the multicollinearity test, it can be concluded that there are no symptoms of multicollinearity.

Partial Test (t-Test)

Table 8. Partial Test Results (t-Test)

Variable	t-test	
	t-count	Sig.
Internal Control	3,224	0.001
Obedience	4,219	0.020
Management Compensation	4,289	0.016
Work ethic	3,090	0.004

Dependent Variable: Auditor's Ethical Behavior

Source: Processed data (2019)

Based on the table above, the t-test results for the internal control variable (H1) and Auditor ethical behavior (Y) show a t-count value of 3.224 with a significance value of 0.001. The t-calculated value is greater than the t-table = 2.030, and the significance value is smaller than the 0.05 significance level. So, based on decision-making, H0 is rejected, which means there is a significant influence of internal control on the auditor's ethical behavior.

For the variables compliance (H2) and auditor ethical behavior (Y), the t-value is 4.219, and the significance value is 0.020. The t-calculated value is greater than the t-table = 2.030, and the significance value is smaller than the 0.05 significance level. So, based on decision-making, H0 is rejected, which means there is a significant influence of compliance on the auditor's ethical behavior.

The t-count value for the management compensation variable (H3) and Auditor ethical behavior (Y) shows a 4.289 t-count value with a significance value of 0.016. The t-calculated value is smaller than the t-table = 2.030, and the significance value is greater than the 0.05 significance level. So, based on decision-making, H0 is rejected, which means there is a significant influence of compliance on the auditor's ethical behavior.

The variables work ethic (H4) and auditor ethical behavior (Y) show a t-value of 3.090 with a significance value of 0.004. The t-calculated value is greater than the t-table = 2.030, and the significance value is smaller than the 0.05 significance level. So, based on decision-making, H0 is rejected, which means there is a significant influence of work ethic on the auditor's ethical behavior.

Coefficient of Determination

Table 9. Coefficient of Determination

Model	R
1	0.986

Source: Processed data (2019)

Based on the table above, it can be seen that the coefficient of determination based on Adjusted R Square obtained a value of 0.986. This result means that 98.6% of the ethical behavior of Public Accounting Firm Auditors, especially auditors, is influenced by internal control, compliance, management compensation, and work ethic. Meanwhile, the remaining 1.4% Other factors not covered in this study have an impact on the ethical conduct of public accounting firm auditors in the Central Jakarta Region. Table 9's classification of the coefficient of determination indicates how internal control, compliance, management pay, and work ethic all simultaneously affect auditors' ethical behavior in public accounting firms in the Central Jakarta Region has a strong category.

5. Discussion

The Influence of Internal Control on Auditors' Ethical Behavior

From the results of the research data analysis, it was found that there is a significant influence of internal control on the auditor's ethical behavior. This result indicates that the quality of internal control will influence the auditor's ethical behavior. The results of the analysis also show that the higher the internal control questionnaire score, the higher the ethical behavior questionnaire score obtained by the Public Accounting Firm Auditor in the Central Jakarta Region. According to Ebert and Griffin (2018), ethical behavior can be influenced by organizational culture. Organizational culture includes all systems that are adhered to or trusted by Auditors in a company, one example of which is the internal control system. Tuanakotta (2014) stated that internal control is implemented so that Auditors and company management can avoid business risks and fraud risks that can threaten the achievement of goals. This study shows that the influence produced by internal control has a positive influence on the auditor's ethical behavior. The results of this research are supported by the results of research conducted by Manggu et al. (2019), which states that internal control influences the ethical behavior of auditors. The results of this research are also in line with the research results of Ratu et al. (2017), which state that internal control also influences the auditor's ethical behavior.

The Influence of Compliance on Auditors' Ethical Behavior

From the results of the research data analysis, it was found that there is a significant influence of compliance on the auditor's ethical behavior. This finding indicates that the level of compliance will influence the auditor's ethical behavior. According to Arens and Loebbecke (2019) compliance is a procedure carried out by management to follow the rules. Regulations or policies that the company has set to regulate the behavior of Auditors towards themselves, the company, and consumers served. Regulations are made to be obeyed by each auditor so that they can behave well according to the norms that apply in the company. Good behavior that is in accordance with norms can also be called ethical behavior. The higher the level of compliance, the higher the ethical behavior of the auditor. The results of the analysis also show that the higher the compliance questionnaire score, the higher the ethical behavior questionnaire score obtained by the Public Accounting Firm Auditor in the Central Jakarta Region. This survey shows that the influence produced by compliance has a positive influence on the auditor's ethical behavior. With good compliance, auditors will avoid all forms of behavior that could be detrimental to the company. Because, good compliance will lead the auditor to behave ethically in accordance with the rules set by the company. The results of this research are supported by the results of research conducted by Kirana and Wati (2017), which state that compliance influences the ethical behavior of auditors. The results of this research are also in line with the results of research by Rahmi and Arwiyah (2019), which state that compliance also influences the ethical behavior of auditors.

The Influence of Management Compensation on Auditor Ethical Behavior

Based on the analysis of this research, there is a significant influence of management compensation on the auditor's ethical behavior. This finding indicates that the level of management compensation will influence employee ethical behavior. The results of this research are supported by the auditor's answers to the management compensation questionnaire, showing that the influence produced by management compensation has a positive influence on the auditor's ethical behavior. According to Dessler (2015), compensation is a form of service reward or reward obtained from the results of the

auditor's work. Compensation in an organization must be prepared in a structured and professional management concept and done so that the auditor gets fair and appropriate compensation, so that the auditor can be motivated to perform optimally. The results of this research are supported by the results of research conducted by Kirana and Wati (2017), which state that management compensation influences the ethical behavior of auditors. Which states that management compensation has a positive effect on ethical behavior.

The Influence of Work Ethics on Auditors' Ethical Behavior

Based on the research that has been carried out, results were obtained which state that there is a significant influence of work ethic on the auditor's ethical behavior. This influence indicates that the level of work ethic will influence the auditor's ethical behavior. The results of this analysis also show that the higher the work ethic questionnaire score, the higher the auditor's ethical behavior questionnaire score at the Public Accounting Firm in the Central Jakarta Region. According to Sinamo (2016) work ethic is a group of positive work behaviors and is rooted in a strong level of awareness, fundamental beliefs, and strong commitment. To create all of that, Auditors must work with a full sense of responsibility towards the company. The sense of responsibility also affects the level of ethical behavior. The higher the responsibility for their behavior, the better their ethical behavior. The better the level of the auditor's work ethic, the better the level of their ethical behavior. This study shows that the influence produced by work ethic is a positive influence on the auditor's ethical behavior. The results of this research are supported by the results of research conducted by Kirana & Wati (2017) which states that work ethic influences the ethical behavior of auditors.

6. Conclusion

Based on the analysis and discussion, as well as the hypotheses that have been tested, the following conclusions are drawn: Internal control has a positive effect on the ethical behavior of auditors. This finding shows that as internal control in Public Accounting Firms in the Central Jakarta Region increases, the ethical behavior of Auditors will also increase. On the other hand, if the internal control at the Public Accounting Firm in the Central Jakarta Region is lower, the auditor's ethical behavior will also decrease. Compliance has a positive effect on the ethical behavior of Auditors at the Public Accounting Firm in the Central Jakarta Region. This result shows that the higher the level of compliance in Public Accounting Firms in the Central Jakarta Region, the more ethical behavior of Auditors will also increase.

On the other hand, if the level of compliance of Public Accounting Firms in the Central Jakarta Region is lower, the ethical behavior of Auditors will also decrease. Management Compensation has a positive effect on the Ethical Behavior of Auditors in Public Accounting Firms in the Central Jakarta Region. This study shows that the higher the level of management compensation for Public Accounting Firms in the Central Jakarta area, the more ethical behavior of Auditors will increase. On the other hand, if the level of management compensation is lower, the auditor's ethical behavior will also decrease. Work Ethic has a positive effect on the ethical behavior of Auditors at Public Accounting Firms in the Central Jakarta Region. This finding shows that the higher the level of work ethic in Public Accounting Firms in the Central Jakarta Region, the more ethical behavior of Auditors will also increase. On the other hand, if the level of work ethic of a Public Accounting Firm in the Central Jakarta Region is lower, the auditor's ethical behavior will also decrease.

The managerial implication in this research is that effective internal control helps protect organizational assets from fraud and misuse. Managers need to ensure that a strong internal control system is implemented and adhered to by all employees. Compliance increases transparency and accountability in organizational operations, which can strengthen stakeholder trust. Compensation that includes additional benefits such as time off and health insurance can help create a healthy work-life balance. Better, which in turn increases work ethic and ethical behavior. Employees with a high work ethic tend to be more productive and efficient. Managers need to encourage work ethic through rewards and recognition. Overall, internal control, compliance, management compensation, and work ethic are interrelated factors that shape

ethical behavior in organizations. Managers must take proactive steps to strengthen each of these factors to create an ethical, productive, and sustainable work environment.

Recommendations

Based on the research results, some suggestions can be used for the company, such as Improving the quality of ethical behavior of Auditors on the importance of respecting the opinions of other Auditors who have less experience, evaluation activities related to checking transactions to Auditor performance routinely to optimize the growth of better ethical behavior of Auditors, adjusting wages according to Auditor competence so that Auditors can be motivated to work with more enthusiasm.

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