

Whistleblowing Intention and Professional Skepticism in Moderating the Effect of Fraud Audit Training and Audit Tenure on Fraud Detection Capabilities

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Abstract

The research objective was to determine the effect of Fraud audit training and Audit tenure on Fraud detection capabilities. The specific purpose was to determine the moderate effect of Whistleblowing intention and Professional skepticism for the effect of Fraud audit training and Audit tenure on Fraud detection capabilities. The study population was Public Accounting Firms in Bali Province. The samples were determined by purposive sampling method. Primary data was collected using a questionnaire and analyzed using the Moderated Regression Analysis (MRA) technique. This study produced six findings. First, Fraud audit training has a positive effect on Fraud detection capabilities. Second, Audit tenure has a positive effect on Fraud detection capabilities. Third, Whistleblowing intention strengthens the effect of Fraud audit training on Fraud detection capabilities. Fourth, Whistleblowing intention does not strengthen the effect of Audit tenure on Fraud detection capabilities. Fifth, Professional skepticism strengthens the effect of Fraud audit training on Fraud detection capabilities. Sixth, Professional skepticism strengthens the effect of Audit tenure on Fraud detection capabilities.

Keywords: Fraud audit training, Audit tenure, Whistleblowing intention and Professional skepticism, Fraud detection capabilities.

INTRODUCTION

SA Section 110 (PSA No. 01) on the Responsibilities and Functions of Independent Auditor, states that "The auditor has responsibility for planning and implement audits to get adequate assurance that the financial statements are free from material misstatement caused by errors and fraud." Maulana (2014) stated that one of most widely reported cases was the involvement of 10 Public Accounting Firms in Indonesia for financial fraud practice in Bank before the 1997 financial crisis. Wiguna (2014) stated that many cases in Indonesia involved independent auditors who failed to detect fraud or auditors not independent. Financial manipulation involving external auditors have also occurred in Indonesia, including the case of multiple financial statements held by Bank Lippo (Nasution, 2012).

Many factors cause the auditor's inability to detect fraud. These factors come from both internal (within auditor) and external, and solved by Fraud audit training and Audit tenure. Fraud audit training is explained by attribution theory. It is said that professional expertise possessed through training, auditor must be able to formulate his opinion well and can detect fraud that might occur (Wahyudi, et al. 2013). Lhaksmi (2014) stated that low training followed by an auditor was also one of factors to cause the auditor's unable to detect fraud.

Previous studies showed varied results. Haryanti (2013) found that training had a positive effect on knowledge about auditor errors. Rahayu (2016) showed the results that fraud audit training has a positive effect on auditor's capability to detect fraud. In contrast, Noviyani and Bandi (2002) prove that there is no significant effect of different types of errors that auditors know. Lhaksmi (2014) found that audit fraud training had no effect to detect fraud.

External factors such as Audit tenure also contribute to failure of auditor to detect fraud in financial statements. Nanda (2017) stated that when an auditor has a long term relationship with his client, this will encourage a deeper understanding of client's financial condition and therefore they will be able to detect problems. However, Audit tenure will also damage auditor independence, performance and auditor motivation to detect fraud. This is corroborated by Sarwoko (2014) that Audit tenure still has the possibility to give two impacts to auditor. The impact is good because with Audit tenure the auditor is able to detect fraud. The bad impact is to build special relationships between clients and auditors to weaken auditor's capability to detect fraud.

The previous research results show different results. Arens et al (2010) found that longer the auditor to work on same client will increase capability to detect the risk of material misstatement in financial statements. Sarwoko (2014) said that Audit tenure has a significant effect on implementation of audit procedures to detect the risk of fraud in financial statements. Meanwhile, Chi et al. (2007) shows that auditor independence is lower along with longer Audit tenure for same clients. Deis and Giroux (1992) found that long audit engagement (Audit tenure) on same client has a significant negative effect on audit quality because of lower auditor independence.

Fraud audit training and Audit tenure on Fraud detection capabilities shows inconsistent or controversial results. It should be suspected because of other factors affect the relationship between independent variables and

dependent variables. Govindarajan (1986) said the possibility of absence research results on all certain factors or better known as contingency factors. Murray (1990) explains that in order to reconcile conflicting results the contingency approach was needed to identify other variables to act as moderators or mediators in research model.

Conceptual and results of empirical research show several variables can moderate the effect of Fraud audit training and Audit tenure on Fraud detection capabilities. Two of which are worth considering, namely Whistleblowing intention and Professional skepticism.

Whistleblowing System (WBS) guideline year 2008 in Indonesia was issued by National Committee on Governance Policy in order to improve the implementation quality of corporate governance in Indonesia. The importance of whistleblowing to detect and uncovering wrongdoing in an organization has been recognized by many regulators throughout the world (Putri, 2016). The effectiveness of whistleblowing to disclose fraudulent financial statements is not only recognized by accountants and regulators in United States, but also in other countries (Patel, 2003; Miceli et al., 2008). The existence of globalization of securities trading companies on national exchanges has also motivated legislatures in various countries to adopt laws designed to improve and protect the existence of whistleblowing (Lewis, 2008; Miceli et al., 2008; Schmidt, 2009).

Another contingency factor to moderate the effect of Fraud audit training and Audit tenure on Fraud detection capabilities is Professional skepticism. Sutrisno (2014) said that auditor Professional skepticism was an attitude held by auditors who always have question and doubt audit evidence. It can be interpreted that Professional skepticism is one factor to determine the professional proficiency of an auditor. Lhaksmi (2014) stated that one of causes of auditor's inability to detect fraud in financial statements is low skepticism. This is supported by Noviyanti (2008) that low Professional skepticism of an auditor causes a decrease in auditor's capability to detect fraud that might occur. This is also supported by PCAOB (2007) also found that Professional skepticism is a serious problem for auditors when conducting fraud investigations.

Adversely, this research is primarily oriented to examine the capability of two contingency factors, Whistleblowing intention and Professional scepticism, to moderate, the effect of Fraud audit training and Audit tenure on Fraud detection capabilities. This research is expected to provide added value for development of audit and Public Accounting Firms theory and practice, and improving the management of accounting education and further education programs for auditors. The research objective was to determine the effect of Fraud audit training and Audit tenure on Fraud detection capabilities. The specific purpose was to determine the moderate effect of Whistleblowing intention and Professional skepticism for the effect of Fraud audit training and Audit tenure on Fraud detection capabilities.

LITERATURE REVIEW AND RESEARCH HYPOTHESES

Agency Theory

Jensen and Meckling (1976) stated that agency theory describes shareholders as principals and management as agents. Management is a party contracted by shareholders to work for shareholders interests. The management is given some power to make decisions for best interests of shareholders. Therefore, management must account for all its efforts to shareholders (Sukartha, 2007). In agency theory auditors as third parties help understand conflicts of interest that arise between the principal and agent. Independent auditors can avoid fraud in financial statements made by management (Badjuri, 2011).

Gunadarma (2012) stated that agency theory has two objectives, namely to improve the capability of individuals (both principals and agents) to evaluate the environment to make decisions made (The belief revision role). Second, to evaluate the results of decisions that has been taken to facilitate the allocation of results between principals and agents in accordance with work contract (The performance evaluation role). Hartadi (2012) stated that agency theory ultimately relates to conflict of interest that may arise from contractual relations of both parties with different information acquisitions. Conversely, management requires auditors to legitimize the performance they perform (in form of financial statements) to get incentives for such performance (Gunadarma, 2012).

Sinaga (2017) said that external auditors are parties who are considered capable to bridge the interests of principal and agent to manage the company's finances. Agency theory explains that an auditor with high audit quality will have the capability to detect fraud committed by company management (Becker et al., 2010 in Sinaga 2017). Auditors tenure also becomes an indication that auditor's independent attitude really becomes very difficult to implement, because of interests of client management

Attribution Theory

Attribution theory was first put forward by Heider 1978. Basically, this theory suggests that when observing the behavior of an individual, we try to determine whether the behavior is caused internally or externally (Raya, 2016). Stephen and Timothy (2011) in Raya (2013) state that internal behavior is a behavior believed to be affected by an individual's personal control.

Attribution theory refers to cause of an event or the result based on individual perceptions. The attribution

theory in this study explains the effect of Fraud audit training on auditor to implement his duties and responsibilities to detect fraud. Fraud audit training for the auditors are expected can detect a fraud. Wahyudi (2013) said that success or failure according to individual perceptions leads to expectations for future actions and emotional causes. Auditor who has a poor experience causes an action to be better in future and will know how materiality and skepticism should be taken. It can provide the right opinion and can detect fraud in financial statements.

Cognitive Dissonance Theory

Cognitive Dissonance theory was developed by Leon Festinger in 1977. This theory said that humans basically like consistency. Therefore, humans will tend to take attitudes that do not conflict with each other and avoid taking actions that are not in accordance with their attitude. Dissonance means an inconsistency. Cognitive dissonance means an unpleasant psychological state when a human conflict occurs between two cognitions or a conflict between behavior and attitude. (Festinger, 1977)

This theory can explain how the auditor's skepticism if cognitive dissonance occurs when detecting fraud (Noviyanti, 2008). A high level of auditor trust to client will reduce the level of Professional skepticism, and vice versa. Whereas the high fraud risk assessment from auditor's supervisor to auditor will increase his Professional skepticism, and vice versa.

Fraud Detection Capability

Fraud detection is not an easy task done by an external auditor (hereinafter referred to as an auditor). AICPA defines fraud as an action to do intentionally and resulting a material misstatement in financial statements where the financial statements are the main subject of audit. Koroy (2008) stated that auditor's inability to detect fraud has a relationship with his expertise formed by experience relevant to fraud.

The capability to detect fraud means the process to find or determining an illegal act that can lead to deliberate misstatements in financial reporting (Widiyastuti and Sugeng, 2009). The way that can be used to detect fraud is to see signs, signals, or red flags of actions to cause or potentially cause fraud. Johnson et al. in Koroy (2008) shown three ways below the managers can trick auditors.

1. Misleading descriptions (such as saying a company is declining as a growing company) to make auditors produce incorrect expectations so they fail to recognize inconsistencies.
2. Creating frames to give rise hypothesis that there is no irregularity to evaluate inconsistencies.
3. Avoid to show impropriety by making a series of small manipulations (individually not material) on certain accounts in financial statements to make a rationalization of amount of balance.

Widiyastuti (2009) explained that Association of Certified Fraud Examiners (ACFE-2000) categorizes fraud into three groups below.

- a. Corruption, ACFE divided corruption into conflicts of interest, bribery, illegal gratuity, and economic extortion.
- b. Fraudulent Financial Statements, it is defined as fraud committed by management in form of material misstatement of financial statements to harm investors and creditors. This fraud can be financial or non-financial.
- c. Asset misappropriation, it can be classified as cash fraud and fraudulent inventories and other assets, and fraudulent disbursement.

Fraud Audit Training and the Effect on Fraud Detection Capability

The fraud audit training aim is to ensure that in each examination, specifically related to fraud, the auditors can better understand the techniques to get various evidence, in form of testimonial statements, report writing, to help auditors in detection, prevention and disclosure of fraud (Lhaksmi, 2014). Fraud audit training will beneficial for performance of auditor itself. Following the Fraud audit training can increases auditor's capability to detect fraud. This is also supported by attribution theory that professional expertise possessed through training facilitates auditors to formulate their good opinions and can detect fraud (Wahyudi, et al. 2013).

Noviyani (2012) showed that training has a greater effect to improve expertise than traditional programs, as curriculum without training. Rahayu (2016) showed that Fraud audit training has a positive effect on auditor's capability to detect fraud in scope of Representative Office of West Kalimantan Province BPKP. Based on theoretical and logical thinking and empirical research above, the research hypotheses can be formulated as follows:

Ha.1: Audit training fraud has a positive effect on Fraud detection capabilities.

Audit Tenure and the Effect on Fraud Detection Capabilities.

Nugrahantti (2014) found that longer Audit tenure can decrease the audit quality. The long relationship between the auditor and his client has potential to create closeness between them to deter auditor independence and many

possibilities for auditor to assist his client to cover up fraud that might occur in financial statements. Sarwoko (2014) also indicated that Audit tenure that has the best effect on audit quality in medium term.

Audit tenure is the length of time the audit service is given to a particular client by a Public Accounting Firms (Shockley, 1981). Audit tenure in this case is explained by agency theory where it is said that length of relationship between the auditor's relationships with client (Audit tenure) can affect the auditor's capability to detect fraud due to interests of client management (Sinaga, 2017).

Auditors who have long agreements will easier to detect or feel fraud in financial statements of their clients... Sarwoko (2014) shows that audit engagement period has a significant effect on implementation of audit procedures to detect the risk of fraud in financial statements. Based on description above, research hypothesis can be formulated as follows:

Ha.2: Audit tenure has a positive effect on Fraud detection capabilities

Whistleblowing Intention and the capability to moderate the Effect of Fraud Audit Training and Audit tenure on Fraud Detection Capabilities.

Violations must be reported in order to improve the implementation of Good Corporate Governance. Setiawati (2016) stated that research by institutions as the Global Economic Crime Survey (GECS) and Association of Certified Fraud Examiners (ACFE) concludes that Whistleblowing System is one most effective ways to prevent and overcome conflicting practices of fraud. Dworkin and near (1997) in Jalil (2013) assume that whistleblowing is a form of good citizen action, which must be encouraged and even given an award.

The importance of whistleblowing to disclose fraud or financial scandals has been widely proven in early decades of twenty-first century (Dyck et al., 2010). The effectiveness of whistleblowing to disclose fraudulent financial statements is not only recognized by accountants and regulators in United States, but also in other countries (Patel, 2003; Miceli et al., 2008).

The globalization of securities trading companies on national exchanges has also motivated legislatures in various countries to adopt laws designed to improve and protect the whistleblowing (Lewis, 2008; Miceli et al., 2008; Schmidt, 2009). Given the importance of role of whistleblowing in disclosing financial fraud, an understanding of factors underlying the intention to report fraud or misuse of assets is a very important topic (KPMG Forensik, 2008; Bame-Aldred et al., 2007). Based on theoretical and logical thinking and empirical research above, the research hypotheses can be formulated as follows:

Ha. 3: Whistleblowing intention strengthens the effect of Audit fraud training on Fraud detection capabilities.

Ha. 4: Whistleblowing intention strengthens the effect of Audit tenure on Fraud detection capabilities.

Auditor Professional Skepticism and the Effect on Fraud Detection Capabilities.

Auditors' Professional skepticism is the auditor's attitude to do audit assignments. This attitude includes the mind that always concern and evaluating critically the audit evidence (Noviyanti, 2008). Hadi and Febria (2014) stated that effect of Professional skepticism can be explained by cognitive dissonance theory; this theory helps to explain how auditors use their Professional skepticism if there is a dissonance between behavior and attitudes.

Adnyani, et al (2014) showed that Professional skepticism has a significant effect on auditor's responsibility to detect fraud and financial statement errors. Median research (2014) found that Professional skepticism had a significant effect on capability to detect fraud. This effect is indicated by more sceptical an auditor in finding evidence, or information or seeing symptoms of fraud will increase his capability to detect the occurrence of fraud in company. From explanation it was said that Professional skepticism had a positive effect on Fraud detection capabilities. Based on theoretical and logical thinking and empirical research above, the research hypotheses can be formulated as follows:

Ha. 5: Professional skepticism strengthens the effect of fraud training audits on Fraud detection capabilities.

Ha. 6: Professional skepticism strengthens the effect of Audit tenure on Fraud detection capabilities.

Research model

The research model can was shown in Figure 1.

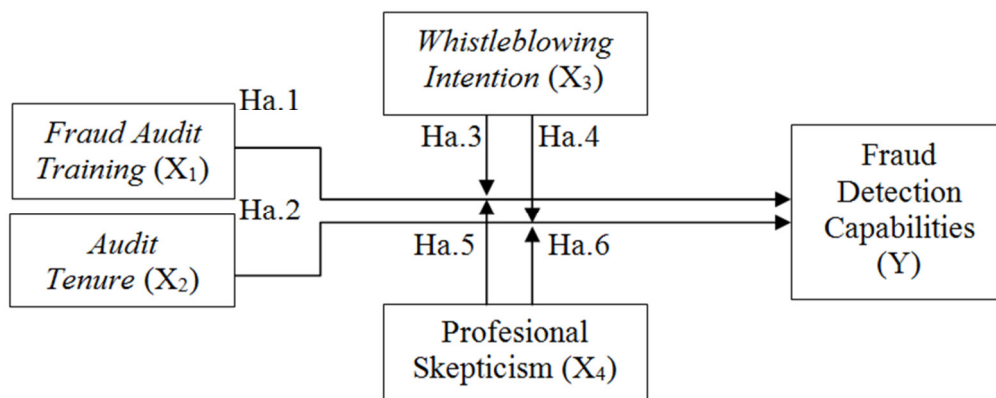


Figure 1. Research Model

RESEARCH METHODS

Research Locations, Populations, Samples, and Sampling Methods

This research was conducted at Public Accounting Firms in Province of Bali. The population was auditors of Public Accounting Firms in Bali year 2017, according to Indonesian Institute of Certified Public Accountants. The samples were selected by purposive sampling technique (Sugiyono, 2013). The sampling criteria in this study are follows:

- Respondents are not limited by position of auditor; all auditors of Public Accounting Firms can become respondents.
- Respondents have work experience at Public Accounting Firms Bali at least one year.
- Respondents have participated in fraud audit training.

Types, Sources, and Data Collection Methods

This study uses quantitative data type, based on questionnaire answer scores from respondents as quantitative data (Sugiyono, 2013). Questionnaire measurement uses a five-point Likert scale. The data sources used in this study are primary data (Umar, 2011).

Data analysis technique

One way to test a moderating variable is by an interaction test. The interaction test between variables is called Moderated Regression Analysis (MRA). It is a special application of multiple linear regression where the regression equation contains elements of interaction Ghozali, 2013. The equation of Moderated Regression Analysis (MRA) is as follows:

$$KDK = \alpha + \beta_1 FAT + \beta_2 AT + \beta_3 WI + \beta_4 SP + e \dots\dots\dots (1)$$

$$KDK = \alpha + \beta_1 FAT + \beta_2 AT + \beta_3 WI + \beta_4 SP + \beta_5 FAT.WI + \beta_6 AT.WI + \beta_7 FAT.SP + \beta_8 AT.SP \dots\dots\dots (2)$$

Notation Description:

- KDK = Fraud detection capability
- α = constant
- $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6, \beta_7, \beta_8$ = Regression coefficient
- FAT = Fraud audit training
- AT = Audit tenure
- WI = Whistleblowing intention
- SP = Profesional skepticism
- FAT.WI = Interaction of Fraud audit training and Whistleblowing intention
- AT.WI = Fraud audit training and Whistleblowing intention
- FAT.SP = Audit tenure and Profesional skepticism
- AT.SP = Audit tenure and Profesional skepticism
- e = residual value

RESEARCH RESULTS AND DISCUSSION

Identification of Research Questionnaire

The population is auditor of Public Accounting Firms in Bali Province with saturated sample method. There were 80 questionnaires distributed, 7 questionnaires (6.00%) have not returned and 77 questionnaires (94.00%) have returned and 73 (91.67%) questionnaires could be processed further.

Validity and Reliability Test Results

Validity and Reliability to test the instruments have been done through questionnaires to 20 Public Accounting Firms auditors in Bali Province. The results show significance < 0.05 , it means that instrument is valid. The and value of Cronbach Alpha > 0.70 , it means that the instruments are reliable.

Classical Assumption Test Results

The normality test was done by Kolmogorov-Smirnov test. The results of Asymp value. Sig. (2-tailed) in One-Sample Kolmogorov-Smirnov Test is 0.568. This value is greater than $\alpha = 0.05$, the H_0 is accepted. It means that data is distributed normally. The multicollinearity test has also been done and result is that four independent variables have a tolerance value > 0.10 and variance inflation factor (VIF) value < 10 . It means there are no symptoms of multicollinearity. Furthermore, heteroscedasticity testing is done by Glejser test and a p-value value greater than $\alpha = 0.05$. It means there is no symptoms of heteroscedasticity.

Model Feasibility Test and Determination Coefficient Analysis

The feasibility test model (Test F) for multiple regression models and MRA models has significance values $0.000 < 0.05$. It means the both models have met the model feasibility test. Furthermore, coefficient of determination (Adj. R^2) of multiple regression model is 0.623 while for MRA model is 0.631.

Multiple Regression Test Results

Ha.1: Audit training fraud has a positive effect on Fraud detection capabilities.

Table 1 shows that Fraud audit training affect on Fraud detection capabilities at beta coefficient value of 0.017 with p-value = $0.000 < \alpha = 0.05$. It means the Fraud audit training variable has a positive and significant effect on Fraud detection capabilities. Therefore, this study accepts Ha.1 that Fraud audit training has a positive effect on Fraud detection capabilities.

Table 1. Multiple Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.	Hipoteses Test
		B	Std. Error	Beta		
1	(Constant)	8.096	.130		.000	
	FAT	.017	.003	.754	.000	Accepted
	AT	.079	.027	.286	.045	Accepted
	WI	.022	.027	.477	.010	
	SP	.081	.040	.587	.003	
Nilai Sig. F		0,000				
Adjusted R-square (Adj. R^2)		0,623				
a. Dependent Variable: KDK						

Ha.2: Audit tenure has a positive effect on Fraud detection capabilities

Table 1 shows that Audit tenure affect on Fraud detection capabilities produces beta coefficient beta coefficient value of 0.079 with p-value = $0.045 < 0.05$. It means Audit tenure has a positive and significant effect on Fraud detection capabilities. Therefore, this study accepts Ha.2 states that Audit tenure has a positive effect on Fraud detection capabilities.

MRA Test

The MRA test results are shown in table 2.

Table 2. MRA Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.	Hypotheses Test	
	B	Std. Error	Beta			
1	(Constant)	694.582	111.636		.000	
	FAT	.599	3.090	1.779	.006	
	AT	10.965	6.735	1.421	.013	
	WI	2.949	3.024	.471	.036	
	SP	5.060	3.445	.715	.005	
	FAT.WI	.124	.086	1.351	.041	Accepted
	AT.WI	.295	.209	1.536	.168	Rejected
	FAT.SP	.122	.130	1.053	.025	Accepted
	AT.SP	.019	.248	.083	.037	Accepted
Value of Signifikan. F		0.000				
Adjusted R-square (Adj.R ²)		0.631				
a. Dependent Variable: KDK						

Ha.3: Whistleblowing intention strengthens the effect of Fraud audit training on Fraud detection capabilities.

Table 2 shows that Whistleblowing intention moderates the effect of Fraud audit training on Fraud detection capabilities at beta coefficient of 0.124 with p-value = 0.041 < 0.05. It means Whistleblowing intention variable increases the effect of Fraud audit training on Fraud detection capabilities. Therefore, Ha.3 that Whistleblowing intention strengthens the effect of Fraud audit training on Fraud detection capabilities are accepted.

Ha.4: Whistleblowing intention strengthens the effect of Audit tenure on Fraud detection capabilities.

Table 2 shows that Whistleblowing intention moderates the on effect of Fraud audit training on Fraud detection capabilities at beta coefficient of 0.295 with p-value of 0.168 < 0.05. It means Whistleblowing intention variable cannot strengthen the effect of Fraud audit training on Fraud detection capabilities. Therefore, this study rejects the research hypothesis Ha.4 that Whistleblowing intention reinforces the effect of Fraud audit training on Fraud detection capabilities.

Ha.5: Professional skepticism strengthens the effect of Fraud audit training on Fraud detection capabilities.

Table 2 shows that Professional skepticism moderates the effect of Fraud audit training on Fraud detection capabilities at beta coefficient of 0.122 with p-value 0.025 < 0.05. It means Professional skepticism variable increases the effect of Fraud audit training on Fraud detection capabilities. Therefore, this study accepts the research hypothesis Ha.5 that Professional skepticism strengthens the effect of Fraud audit training on Fraud detection capabilities.

Ha.6: Professional skepticism strengthens the effect of Audit tenure on Fraud detection capabilities.

Table 2 shows that Professional skepticism moderates the effect of Audit tenure on Fraud detection capabilities at beta coefficient values of 0.019 with p-value 0.037 < 0.05. That is, Professional skepticism variable increases the effect of Audit tenure on Fraud detection capabilities. Thus this study accepts the research hypothesis Ha.6 which states that SP strengthens the effect of Audit tenure on Fraud detection capabilities.

DISCUSSION

Audit Training Fraud Has A Positive Effect On Fraud Detection Capabilities.

This study results shows that Fraud audit training has a positive effect on Fraud detection capabilities. It is consistent Noviyani (2012) that training has a greater effect on improving expertise than that traditional programs, in this case only with existing curriculum without training. In addition, this result also supports Rahayu (2016) that Fraud audit training has a positive effect on auditor's capability to detect fraud in scope of Representative Office of West Kalimantan Province BPKP. This result is different from Octavia (2014) that Fraud audit training have no effect on auditors capability to detect fraud.

The Audit tenure has a positive effect on Fraud detection capabilities

The this study results show Audit tenure has a positive effect on Fraud detection capabilities. It is support Arens et al (2010) in and Sarwoko (2014) which show that audit engagement period has a significant effect on implementation of audit procedures to detect the risk of fraud in financial statements.

Whistleblowing intention strengthens the effect of audit fraud training on Fraud detection capabilities.

The test results that Whistleblowing intention strengthened the effect of audit fraud training on Fraud detection capabilities. Whistleblowing intention moderation variables are classified into quasi moderation or quasi moderation because Whistleblowing intention variables have a significant direct effect on dependent variable (Fraud detection capability) and also when significant effect when interacting with independent variables (audit fraud training) on the capability fraud detection. Quasi moderation is a variable that moderates the relationship between predictor variables and dependent variables where pseudo moderation variables interact with predictor variables as well as predictor variables (Solimun, 2010).

Whistleblowing intention strengthens the Effect of Audit tenure on Fraud detection capability.

The test results shows that Whistleblowing intention does not strengthen the effect of audit fraud training on Fraud detection capabilities. This result rejects the alternative hypothesis four (Ha. 4). Based on these results, Whistleblowing intention variable is classified into moderation predictor. Moderation predictor is a type of moderating variable that can be identified, namely when the direct effect of moderation variable (Whistleblowing intention) on dependent variable (Fraud detection capability) is significant but when interacting with independent variable (Audit tenure) it becomes statistically insignificant. This means that this moderation variable only plays a role as a predictor variable in relationship model that is formed (Solimun, 2010).

Professional skepticism strengthens the Effects of Fraud Training Audits on Fraud detection capability.

The moderation test results found that Professional skepticism strengthened the effect of Audit fraud training on Fraud detection capabilities. Professional skepticism variables are classified into quasi moderation variable because the Professional skepticism variable has a significant direct effect on dependent variable (Fraud detection capability) and also has a significant effect when interacting with independent fraud (audit fraud training) in Fraud detection capability

Professional skepticism strengthens the Effect of Audit tenure on Fraud detection capability.

The moderation results found that Professional skepticism strengthened the effect of Audit tenure on Fraud detection capabilities. Professional skepticism variable is into quasi moderation or quasi moderation variables because the Professional skepticism variable has a significant direct effect on dependent variable (Fraud detection capability) and also has a significant effect when interacting with audit variable fraud tenure .

CONCLUSION

Based on discussion that has been done in previous chapter, it can be concluded as below.

- a. Fraud audit training has a positive effect on Fraud detection capabilities.
- b. Audit tenure has a positive effect on Fraud detection capabilities.
- c. Whistleblowing intention strengthens the effect of Fraud audit training on Fraud detection capabilities.
- d. The Whistleblowing intention does not strengthen the effect of Audit tenure on Fraud detection capabilities.
- e. Professional skepticism strengthens the effect of Fraud audit training on Fraud detection capabilities.
- f. Professional skepticism strengthens the effect of Audit tenure on Fraud detection capabilities.

SUGGESTION

Based on discussions that have been conducted, following suggestions can be given:

- a. Accounting study programs always make improvements to quantity and quality of special audit labs and computer-based audits.
- b. Public Accounting Firms managers continue and tiered to provide opportunities for auditors to take part in Fraud audit training and audit ethics.
- c. Future researcher can confirm the role of audit intuition variable and audit structure in moderating the effect of Fraud audit training on Fraud detection capabilities.

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