ABSTRACT

Auditor switching is defined as a change of auditor performed by a client that aims to strengthen the monitoring system. Limiting the duration of the engagement is considered necessary, as long periods of engagement may cause the auditor to engage in excessive familial relationships.

This study uses two types of variables, namely independent variables (audit opinion, size of public accounting firm, and firm size) and the dependent variable (auditor switching). The purpose of this study is to determine the effect of audit opinion, the size of public accounting firm, and the size of the company to auditors switching mining companies listed on the Indonesia Stock Exchange (IDX) either partially or simultaneously.

Mining companies listed on the BEI 2012-2016 are selected as research populations. The purposive sampling technique was used for sampling and obtained 23 companies with a period of five years so that 115 data were observed. Data analysis model in this research is logistic regression by using software SPSS 23.

The results showed that audit opinion, size of public accounting firm, and company size simultaneously affect the switching auditor. Partially, audit opinion negatively influences the switching auditor, while the size of the public accounting firm and firm size partially has no effect on the switching auditor.

Mining companies listed on the Indonesia Stock Exchange 2012-2016 are expected to keep adequate disclosures because the opinions provided by the auditors are not bad opinions and management has an effective plan to address them.