

ABSTRACT

In maintaining auditor independence, the government has made regulations to conduct auditor switching after 5 consecutive years of auditing a company (mandatory), but there are still many companies that perform voluntary auditor switching. Auditor switching voluntarily is a change of auditors by means of the auditor resigning or being dismissed not in accordance with the regulations.

This study aims to determine the effect of company growth, management change, audit report lag, and financial distress on auditor switching simultaneously or partially in infrastructure, utilities, and transportation companies in 2016-2020.

The population in this study are infrastructure, utilities, and transportation companies listed on the Indonesia Stock Exchange 2016-2020. The sample used is purposive sampling method and produces a sample of 31 companies or 155 research sample data. Analysis of research data using descriptive statistical analysis and logistic regression analysis.

The results of this study indicate that company growth, management change, audit report lag, and financial distress simultaneously affect auditor switching. The partial effect results show that management change has a positive effect on auditor switching, while company growth, audit report lag, and financial distress have no effect on auditor switching.

Future researchers are expected to be able to expand the object of research and add factors that influence the occurrence of auditor switching. For companies, the results of this study can be used as a consideration for auditor switching. For investors, it can be used as an insight if investors don't want companies that do auditor switching voluntarily then look for companies that don't make continuous management changes.

Keywords: auditor switching, company growth, management change, audit report lag, financial distress