

Effects of professional commitment, commitment to ethics, internal locus of control and emotional intelligence on the ability to detect fraud through reduced audit quality behaviors

Effects of professional commitment

Received 27 February 2021
Revised 9 August 2021
7 December 2021
8 April 2022
23 August 2022
28 January 2023
Accepted 26 February 2023

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Abstract

Purpose – This study aims to examine the effect of professional commitment, commitment to ethics, internal locus of control and emotional intelligence on the ability to detect fraud through reduced audit quality behaviors.

Design/methodology/approach – The analysis unit is the internal auditor in internal control unit at state Islamic religious higher education in Indonesia. Data processing used covariance-based structural equation modeling using Lisrel Software and the Sobel test to verify the direct and indirect effects.

Findings – This study found empirical evidence that professional commitment and emotional intelligence positively impact the ability to detect fraud. Commitment to ethics and emotional intelligence has a negative effect on reduced audit quality behaviors. Furthermore, this study also provides that commitment to ethics and emotional intelligence indirectly impacts on the ability to detect fraud through reduced audit quality behaviors.

Practical implications – The organization periodically monitors auditors' behaviors, especially reduced audit quality behaviors, during the audit process and encourages regulators to formulate policies related to increasing the ability to detect fraud.

Originality/value – This study provides knowledge regarding the driving force of internal auditors to mitigate reduced audit quality behaviors and increase the ability to detect fraud.

Keywords Professional commitment, Commitment to ethics, Internal locus of control, Emotional intelligence, The ability to detect fraud, Reduced audit quality behaviors

Paper type Research paper



The authors would like to thank the Internal Control Unit of State Islamic Religious Colleges in Indonesia for useful suggestions and support.

1. Introduction

Everyone aware of playing a role in preventing fraud will be essential in increasing government transparency and accountability (Irmawan *et al.*, 2013). The Association of Certified Fraud Examiners (ACFE) survey showed that the government suffers the most from fraud, and the role of internal auditors in detecting fraud was 23.4% (ACFE, 2019). The internal auditor's ability in detecting fraud should need to be increased, considering that internal audit is one of the controls owned by the organization to minimize the occurrence of fraud, and internal audit acts as one of the early detection media that is relatively reliable by the organization (ACFE, 2019). Auditors' abilities to detect fraud are based on knowledge that includes fraud schemes, red flags, related matters, fraud triangle, research, issues, steps involved in its investigation and professional skepticism (Moeller, 2016).

The auditor's behaviors during the audit process play a role in the weakness of the auditor in detecting misstatements (DeAngelo, 1981). The work behaviors significantly reduced audit quality concerns during the audit process (Herrbach, 2001). Such behaviors are dysfunctional that can directly decrease audit quality and are referred to as reduced audit quality behaviors (Donnelly *et al.*, 2003; Coram *et al.*, 2008; Anugerah *et al.*, 2016). Reduced audit quality behaviors are defined as auditors' behavior during contract agreements that reduce the effectiveness of the evidence collected, such as premature audit procedures, accepting weak client explanations, superficial review of client documents and replacing audit procedures (Malone and Roberts, 1996; Herrbach, 2001; Khalil and Nehme, 2021; Annelin, 2022). Nehme *et al.* (2021) found that auditors in Big 4 firms in the UK carried out reduced audit quality behavior by doing premature sign-off. Annelin (2022) investigated that auditors in Big 4 firms in Sweden improve reduced audit quality behavior by prematurely signing off an audit step and accepting weak client explanations. Amiruddin (2019) proved that auditor Big 4 firms in Indonesia performs reduced audit quality behavior as if overreliance on the client's working result.

Reduced audit quality behaviors have been investigated from various perspectives and literature: moral intensity (Coram *et al.*, 2008), personality characteristics, perceived quality control (Malone and Roberts, 1996), time budget pressure (Nehme *et al.*, 2021), psychological contract, affective commitment (Herrbach, 2001), the consequences of auditors (Pierce and Sweeney, 2006), turnover intention, a *locus* of control, organizational commitment (Anugerah *et al.*, 2016), role ambiguity (Amiruddin, 2019) and audit team equality (Annelin, 2022). Previous research also has discussed the ability to detect fraud: professional commitment, goal orientation, self-efficacy (Rustiarini *et al.*, 2021); personal control, professional obligation, audit experience (DeZoort and Harrison, 2018); auditor rotation, auditor independence, specialization in the industry and audit report lag (Khaksar *et al.*, 2022); emotion intelligence (Gaspar *et al.*, 2022); and audit experience, workload, professional skepticism (Arifuddin and Indrijawati, 2020).

Therefore, the paper contributes to bridging the literature gap by developing the model through factors that can mitigate reduced audit quality behaviors and increase the ability to detect fraud. This study also examines the role of reduced audit quality behavior as mediate. Furthermore, this investigation focuses on internal auditors considering that internal auditors are part of the organizational structure and have high interaction with auditees. Interactions between auditors and auditees contribute enormously to the spread of negative behavior that can reduce audit quality (Wetmiller, 2022), especially the behavior of internal auditors in accepting weak auditee explanations. This study also contributes to internal audit practices by assessing the implementation of professional commitment, commitment to ethics, internal *locus* of control and emotional intelligence.

This paper is organized as follows. The literature review and development of the hypotheses are presented in Section 2. Section 3 offers the study's research method. Section 4 reports the empirical results, and Section 5 shows the discussion. Finally, a brief conclusion of the analysis is presented in Section 6.

2. Literature review and development of hypotheses

2.1 Agency theory

Based on agency theory, the interaction between the principal and agent can bring up information asymmetry (Jensen and Meckling, 1976). An internal audit can help the principal overcome the problem of information asymmetry and monitor the activities of agents to be more efficient in using costs. Therefore, internal audit activities will target fraud prevention and compliance with internal controls (Adams, 1994). Internal auditors must understand roles, responsibilities and actions related to working and what behavior is acceptable and unacceptable to achieve the target (Moeller, 2016).

2.2 Professional commitment and the ability to detect fraud

Professional commitment is an individual desire to identify, maintain and conduct business on behalf of the profession (Meyer and Allen, 1991; Smith and Hall, 2008). Previous studies have discussed the positive effect of professional commitment on the ability to detect fraud. DeZoort and Harrison (2018) proved that internal auditors feel committed to their profession and are responsible for detecting fraud in financial statements, misappropriation of assets and corruption. Furthermore, professional commitment increases the sense of responsibility to detect the risk of money laundering so that management can manage this risk properly (Mohd-Sanusi *et al.*, 2022). Auditors must be vigilant in carrying out their responsibilities in detecting fraud because auditors try to protect and maintain their reputations (Alleyn *et al.*, 2010). Based on the discussion above, the hypothesis proposed is as follows:

H1. Professional commitment positively affects the ability to detect fraud.

2.3 Commitment to ethics and the ability to detect fraud

Commitment to ethics is essential in shaping the ability to detect fraud (Hassink *et al.*, 2010). Several studies have provided evidence that commitment to ethics can improve auditors' ability to detect fraud. Commitment to applying ethics will increase skepticism in assessing the fairness of financial statements; therefore, auditors are able to detect fraud (Verwey and Asare, 2022). Ethical considerations support someone to reveal fraud; this is reinforced by personal responsibility, and auditors who work in organizations with a highly ethical climate will be able to detect fraud (Dammak *et al.*, 2022). Furthermore, Ferdiansah *et al.* (2022) state that a person who commits to ethics will reduce errors in reporting. Integrity as a part of the commitment ethic positively effects on fraud detection and prevention (Rifai and Mardijuwono, 2020). Accordingly, the following hypothesis is proposed:

H2. Commitment to ethics positively affects the ability to detect fraud.

2.4 Internal locus of control and the ability to detect fraud

A person with an internal *locus* of control will associate results with effort and believe that events are under their control and that there is no luck factor (Rotter, 1966). Oyerogba (2021) found that someone with an internal *locus* of control will have a sense of responsibility for their behavior because they believe that events in their life are under their control.

DeZoort and Harrison (2018) claimed that auditors with personal controls that are measured by an internal *locus* of control positively affect the ability to detect fraud because they are perceived as responsible for detecting fraud. Furthermore, auditors with an internal *locus* of control will have a high professional level because they believe in and are responsible for good and correct choices (Suyono and Farooque, 2019). Consequently, the following hypothesis represented:

H3. Internal locus of control positively affects the ability to detect fraud.

2.5 Emotional intelligence and the ability to detect fraud

Emotional intelligence is the ability to express, use, understand and regulate emotions (Gaspar *et al.*, 2022). Research conducted by Clements (2020) proved that one of the auditor's personality types appropriate when detecting fraud is being able to control emotions. Emotional intelligence can increase the effectiveness and efficiency of internal control. Effectiveness and efficiency of internal control can support success in detecting fraud (Abdo *et al.*, 2022). In addition, Gaspar *et al.* (2022) found the effect of emotional intelligence on the ability to detect fraud, and it related to detecting fraud information. Warren and Schweitzer (2018) found that experience, culture, emotional intelligence, social skills and technical skills are important factors in detecting fraud in the insurance industry. Based on the literature, the following hypothesis is proposed:

H4. Emotional intelligence positively affects the ability to detect fraud.

2.6 Professional commitment and reduced audit quality behaviors

Professional commitment is a force that motivates behavior (Smith and Hall, 2008). Several studies argue that auditors with low professional commitment, misconceptions, lack of technical knowledge and the dislike of specific tasks about professional responsibility are relevant reasons behind dysfunctional behaviors, especially reduced audit quality behaviors (Lord and DeZoort, 2001). They are more concerned with the auditee's interests than the compliance and responsibility associated with the profession (Lord and DeZoort, 2001).

Empirically, some researchers report the negative impact of professional commitment on reduced audit quality behaviors (Lord and DeZoort, 2001; Yuen *et al.*, 2013). High professional commitment aids the auditor to behave in a manner expected by the public, while any attitude contrary to that can cause damage and destroy their professionalism (Lord and DeZoort, 2001; Yuen *et al.*, 2013). The following statement can be hypothesized:

H5. Professional commitment negatively affects reduced audit quality behaviors.

2.7 Commitment to ethics and reduced audit quality behaviors

Generally, an auditor committed to implementing ethics can mitigate the reduced audit quality behavior (Sweeney *et al.*, 2013). Previous studies showed that commitment to ethics has a negative impact on reduced audit quality behaviors (Lou *et al.*, 2018; Alias *et al.*, 2019). Reduced audit quality behaviors can reduce the quality of audit work and make an inappropriate audit opinion; this behavior is unethical (Coram *et al.*, 2008). High commitment to ethics, such as integrity, objectivity, professionalism and competence, makes auditors pay more attention to and control unethical behaviors during the audit process (Alias *et al.*, 2019). Therefore, the following hypothesis is proposed:

H6. Commitment to ethics negatively affects reduced audit quality behaviors.

2.8 Internal locus of control and reduced audit quality behavior

Locus of control has an essential effect on work behavior (Hellriegel and Slocum, 2011). Auditors with an internal *locus* of control will consider it a challenge, and it is their responsibility to follow the appropriate audit stages (Anugerah *et al.*, 2016). These stages avoid internal auditors from reducing audit quality behaviors (Donnelly *et al.*, 2003; Coram *et al.*, 2008). Previous research provides empirical evidence that an internal *locus* of control negatively affects reduced audit quality behaviors, whereas an external *locus* of control positively impacts reduced audit quality behaviors (Anugerah *et al.*, 2016; Donnelly *et al.*, 2003). Consequently, the research hypothesis is as follows:

H7. Internal locus of control negatively affects reduced audit quality behavior.

2.9 Emotional intelligence and reduced audit quality behavior

High emotional intelligence adheres to the professional code of ethics (Suyono and Farooque, 2019). Auditors who apply professional ethics effectively avoid reduced audit quality behaviors (Lou *et al.*, 2018). Smith and Emerson (2017) empirically found that auditors with high self-restraint in overcoming emotional weakness tend to have low reduced audit quality behaviors. Furthermore, someone with high emotional intelligence will have low counterproductive work behavior; it is negative in cooperating with the reduced audit quality behavior (Kundi and Badar, 2021). Based on the discussion, we developed the following hypotheses:

H8. Emotional intelligence negatively affects reduced audit quality behaviors.

2.10 Reduced audit quality behavior and the ability to detect fraud

The ability to detect violations depends on their behavior during the audit process (DeAngelo, 1981). Auditors feel undisturbed when taking actions to reduce audit quality. Implies that the company's control quality and review procedures require rigorous review (Coram *et al.*, 2008). In addition to quality control and the review of audit procedures, an internal auditor must reduce excessive trust in auditees because it is a failure factor in detecting fraud (Moeller, 2016). Trust and high intensity of meetings with auditees can lead to reduced audit quality behaviors, one of which is accepting a weak auditee's explanation (Herrbach, 2001; Coram *et al.*, 2008; Moeller, 2016).

Several previous studies have empirically proven that reduced audit quality behaviors have a negative effect on the ability to detect fraud, audit quality, reputation and organizational effectiveness (Umar *et al.*, 2017; Pierce and Sweeney, 2006). Accordingly, the following hypothesis is proposed:

H9. Reduced audit quality behaviors negatively affect the ability to detect fraud.

2.11 Mediating role of reduced audit quality behaviors

High professional commitment, commitment to ethics, internal *locus* of control and emotional intelligence can mitigate reduced audit quality behavior. If the internal auditor can mitigate reduced audit quality behaviors (e.g. premature audit procedures, accepting weak client explanations, superficial review of client documents and replacing audit

procedures) accordingly ability to detect fraud will increase. The statement was made by considering several theoretical concepts.

First, an auditor with high professional commitment will implement effective audit procedures to get audit quality and increase their reputation; therefore, the auditor will avoid reduced audit quality behaviors (Pierce and Sweeney, 2006). Second, auditor ethics and training positively affect client reporting that does not comply with regulations (Liu and Ren, 2017). Auditors with a high commitment to ethics can decrease reduced audit quality behavior (Sweeney *et al.*, 2013; Lou *et al.*, 2018). If reduced audit quality behavior is low, the ability to detect fraud increases (Umar *et al.*, 2017). Third, a high internal *locus* of control will improve a better ethical climate, further increasing job satisfaction and creating a commitment to the organization (Domino *et al.*, 2015). A highly committed person to the organization will avoid reduced audit quality behavior (Anugerah *et al.*, 2016). Auditors' integrity and organizational commitment positively affect fraud detection (Rifai and Mardijuwono, 2020). Fourth, Nasir *et al.* (2022) found that emotional intelligence positively affects performance. Auditors with high performance will avoid reduced audit quality behavior and increase their ability to detect fraud (Nehme, 2017). Therefore, the suggested hypothesis is as follows:

- H10.* Reduced audit quality behaviors mediate the relationship between (a) professional commitment, (b) commitment to ethics, (c) internal locus of control, (d) emotional intelligence and the ability to detect fraud.

3. Research method

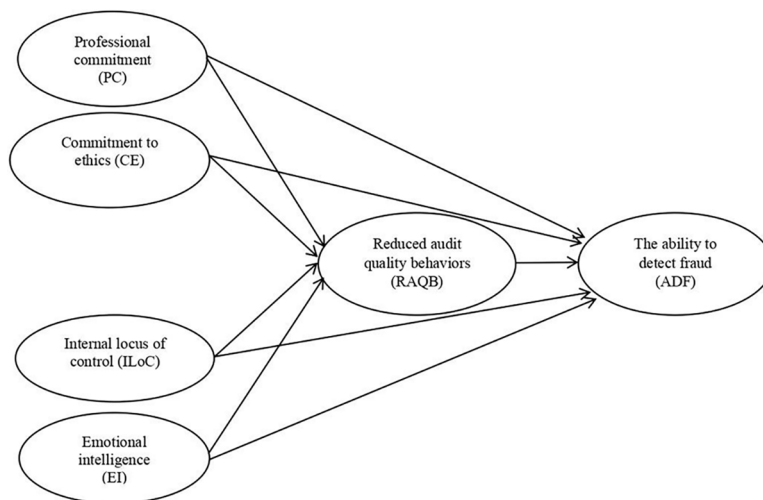
3.1 Sampling method

This study was conducted on the internal auditor in Indonesia's internal control unit at the state of Islamic higher education. Internal auditor in internal control unit at the state of Islamic higher education stands on a robust Islamic foundation. Religious beliefs can increase the implementation of ethics (Taghavi and Segalla, 2023). Auditors who work in organizations with a high ethical climate will be able to detect fraud and mitigate reduced audit quality behaviors (Dammak *et al.*, 2022; Sweeney *et al.*, 2013). The population of this study is 205 internal auditors involved in the internal control unit at state of Islamic religious higher education in Indonesia. This study used information from the forum of the internal control unit in the state of Islamic religious higher education in Indonesia to find the address and phone number of internal auditors and other information. The forum of the internal control unit is an association of internal auditors at the internal control unit in state Islamic higher education in Indonesia.

This study used simple random sampling to develop the sample frame and the Microsoft excel function = rand () to random the sample. A minimum sample size based on model complexity was suggested by Hair *et al.* (2014): "Minimum sample size-150: Models with seven construct or less." The model of this research has six constructs (Figure 1). Nevertheless, in view of the unresponsive problem, the questionnaires distribution increased by 30% from minimum sample size. Therefore, the total number of questionnaires distribution was 195. The distribution of questionnaires was carried out in 2020 by post. It found that 188 (96.41%) responses were valid. Table 1 presented the demographic respondents.

This analysis used structural equation modeling through Lisrel Software. The formative measurement model, such as the ability to detect fraud variables, was simplified using the principles of component analysis (Jöreskog *et al.*, 2016). Figure 1 shows the research model

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Source: Authors work

Figure 1.
The research models

Item	Internal auditor in the internal control unit	%
<i>Gender</i>		
Male	115	61.17
Female	73	38.83
Total	188	100.00
<i>Education</i>		
Diploma	1	0.54
Bachelor	37	19.68
Master	117	62.23
Doctoral	33	17.55
Total	188	100.00
<i>Professional certification</i>		
CA (Chartered Accountant)	14	7.45
QIA (Qualified Internal Auditor)	11	5.85
CPA (Certified Public Accountant)	3	1.60
Others	7	3.72
No professional certification	153	81.38
Total	188	100.00
<i>Experience</i>		
<3 years	76	40.43
3–5 years	92	48.94
>5 years	20	10.63
Total	188	100.00

Table 1.
Demographic respondents

Source: Authors' work

that explained the effect of PC, CE, ILoC and EI on RAQB and ADF. Furthermore, RAQB also plays a role as a mediate.

3.2 Measurement

Measurement is adopted from previous research. The questionnaire using a Likert scale of 1–5. Scale 1 stands for Never, scale 2 stands for Rarely, scale 3 frames for Sometimes, scale 4 stands for Very Often and scale 5 stands for Always (Malone and Roberts, 1996), and the measurement is presented in Table 2.

4. Empirical result

4.1 Result of the structural equation modeling

4.1.1 Analyzing the initial estimation result. The initial estimation result was analyzed by looking at t -values > 1.96 and loading factor ≥ 0.50 (Igarria *et al.*, 1997). This study has model respecification; all observed variables from the reflective measurement model with loading factor < 0.50 and t -values less than 1.96 are removed.

4.1.2 Overall model verification. The overall model verification was a good fit. The normed chi-square (X^2/df) = 1.768, the goodness-of-fit index = 0.870, the comparative fit index = 0.960, the Tucker–Lewis index/non-normed fit index = 0.950 and root mean square error of approximation = 0.064. Accordingly, the research model is accepted.

4.1.3 Measurement model verification. Measurement model verification for the reflective measurement model used construct reliability (CR) and average variance extracted (AVE). The CR of all variables is ≥ 0.70 , and AVE is ≥ 0.50 . These results indicate that the instrument is valid and reliable (Table 3).

4.1.4 Structural model verification. The results of the structural model verification and its relation to the research hypothesis are shown in Table 4.

Based on the verification of structural models, the direct effect of professional commitment (PC) to the ability to detect fraud (ADF) has a positive effect (estimation = 0.38, t -values = 2.21 > 1.96). Emotional intelligence (EI) has a positive effect on the ability to detect fraud (ADF) (estimation = 0.63, t -values = 2.44 > 1.96). Commitment to ethics (CE) has a negative effect on reduced audit quality behaviors (RAQB) [estimation = -0.31 , t -values = absolute (2.48) > 1.96]. EI has a negative effect on RAQB [estimation = -0.50 , t -values = absolute (2.07) > 1.96]. Therefore, $H1$, $H4$, $H6$ and $H8$ were supported.

Furthermore, based on the Sobel test, Table 5 showed that the magnitude of the indirect effect of CE on the ADF through RAQB was 0.0031 (-0.31×-0.01), Z -value was 2.51 > 1.96 . The magnitude of the indirect effect of EI on the ADF through RAQB was 0.0050 (-0.50×-0.01). Z -value was 2.04 > 1.96 . There is an indirect effect of CE and EI on ADF through RAQB, $H10b$ and $H10d$ were supported.

5. Discussion

This study proved that a high professional commitment positively affects the ability to detect fraud. These results support the empirical evidence of previous findings (DeZoort and Harrison, 2018; Mohd-Sanusi *et al.*, 2022; Alleyne *et al.*, 2010). Professional commitment describes their commitment to a specific job that characterizes their knowledge, and high professional commitment represents an increased commitment to the organization (Ameer *et al.*, 2022). Therefore, when they have high professional commitment, they feel responsible and can detect fraud (DeZoort and Harrison, 2018).

Commitment to ethics has no positive effect on the ability to detect fraud. This study could not confirm previous research (Dammak *et al.*, 2022; Ferdiansah *et al.*, 2022;

Constructs	Dimensions	Variable observe	References
<i>Professional commitment (PC)</i>	Affective professional commitment	(1) Professional identification	Meyer and Allen (1991), Smith and Hall (2008)
	Continuance professional commitment	(2) Involvement in the profession	
		(1) Preserve membership in the profession	
<i>Commitment to ethics (CE)</i>	Normative professional commitment	(2) Cost consideration when leaving the profession	Indonesian Government Internal Auditor Code of Conduct Ethics Committee (2018)
		(1) Professional duties and responsibilities	
	(2) Effort on professional behavior		
	(1) Integrity		
	(2) Objectivity		
	(3) Confidentiality		
	(4) Competence		
(5) Accountable			
<i>Internal locus of control (ILoC)</i>	Professional	(6) Individuals tend to associate the result with effort	Hellriegel and Slocum (2011), Rotter (1966)
		(1) Individuals who rely on that event are under their control	
		(2) Individuals believe that there is no luck factor	
		(3) High self-awareness	
		(1) High <i>social empathy</i>	
		(2) High self-motivation	
Reduced audit quality behaviors (RAQB)		(3) High social skill	Hellriegel and Slocum (2011), Goleman (1998)
		(4) Failure to pursue the evidence	
		(1) Failure to pursue the evidence	
		(2) Failed to test all of the evidence in the sample	
		(3) Failed to research technical issues	
		(4) Receive weak auditee explanations	
		(5) False sign-off for the audit stage	
(6) The superficial examination of auditee documents			
(7) The use of awkward items from the sample			

(continued)

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Table 2.
Constructs measurement

Table 2.

Constructs	Dimensions	Variable observe	References
<i>The ability to detect fraud</i> (ADF)	Possessing an internal auditor's competence	(1) Having formal education	Moeller (2016), Indonesian Government Internal Audit Standards (2013)
		(2) Knowing fraud detection	
	(3) Having experience in fraud detection		
	(4) Having experience in fraud detection		
	Involving fraud motivation	(1) Understanding its effect on pressure	Singleton and Singleton (2010)
		(2) Understanding its effect on the opportunity	
		(3) Understanding its effect on action rationalization factors	
	Fraud symptoms	(1) Understanding its symptoms in the financial statement	Hurttt (2010)
		(2) Understanding its symptoms in asset misappropriation	
	Professional skepticism	(3) Understanding its symptoms in corruption	Hurttt (2010)
		(1) Questioning mind	
		(2) Suspension of judgment	
			(3) Search for knowledge

Source: Authors' works

Rifai and Mardijuwono, 2020). It may cause an auditor with experience to be more responsive in detecting fraud. Auditors with experience will easily find errors because they have knowledge and expertise when conducting many types of audits. Auditors with high experience have critical thinking and try to find evidence with their knowledge; therefore, they are right in making decisions, and will increase their ability to detect fraud. Experience positively affects the ability to detect fraud (Suyono and Farooque, 2019).

This research cannot provide evidence that internal *locus* of control positively affects the ability to detect fraud. The results of this study do not reinforce previous empirical evidence (DeZoort and Harrison, 2018; Domino *et al.*, 2015; Oyerogba, 2021; Suyono and Farooque, 2019). However, a person with an internal *locus* of control tends to be active, diligent, tenacious, independent and resistant to social influences (Rotter, 1966). The internal auditor must also develop their knowledge, skills, report writing, critical thinking and a good

Constructs	CR	AVE
Professional commitment (PC)	0.861	0.611
Commitment to ethics (CE)	0.818	0.665
Internal locus of control (ILoC)	0.706	0.546
Emotional Intelligence (EI)	0.769	0.528
Reduced audit quality behaviors (RAQB)	0.897	0.558

Table 3.
Measurement model verification

Source: Authors work

Hypothesis	Path	Estimation	t-values	Conclusion
H1	PC → ADF	0.38	2.21	Accepted
H2	CE → ADF	0.04	0.35	Rejected
H3	ILoC → ADF	-0.23	-1.09	Rejected
H4	EI → ADF	0.63	2.44	Accepted
H5	PC → RAQB	0.25	1.47	Rejected
H6	CE → RAQB	-0.31	-2.48	Accepted
H7	ILoC → RAQB	-0.11	0.67	Rejected
H8	EI → RAQB	-0.50	-2.07	Accepted
H9	RAQB → ADF	-0.01	0.10	Rejected

Table 4.
Structural model verification (direct effect)

Source: Authors' work

Hypothesis	Path	Estimation	t-values	Conclusion
H10a	PC → RAQB → ADF	-0.0025	-1.45	Rejected
H10b	CE → RAQB → ADF	0.0031	2.51	Accepted
H10c	ILoC → RAQB → ADF	-0.0011	-0.69	Rejected
H10d	EI → RAQB → ADF	0.0050	2.04	Accepted

Table 5.
Structural model verification (indirect effect)

Source: Authors' work

communication attitude and experience to improve auditor quality, competence and performance (Ab Wahid and Tan, 2022). This study confirmed previous research (Arifuddin and Indrijawati, 2020) that personality type does not affect the ability to detect fraud.

Emotional intelligence positively affects the ability to detect fraud. This research has confirmed previous research (Clements, 2020; Abdo *et al.*, 2022; Aren and Nayman Hamamci, 2022; Gaspar *et al.*, 2022; Warren and Schweitzer, 2018). Internal auditors with high emotional intelligence tend to be calm, have confidence and can control their emotions while working. This condition makes the auditor believe that they can detect fraud and have the confidence to find relevant evidence. Internal auditors with confident characters, have the instinct to balance the atmosphere and are sensitive to human behavior are able to support their ability to detect fraud (Singleton and Singleton, 2010).

This study provides exciting findings that professional commitment does not negatively affect reduced audit quality behaviors. It may be due to the high complexity of the work. The existence of multiple audits conducted by the Indonesian supreme audit institution, inspector general of religion ministry and public accounting firm simultaneously increases the complexity of audit work. The high work complexity with limited time tends to cause auditors to have reduced audit quality behavior, such as premature sign-off in audit steps (Nehme *et al.*, 2021; Amiruddin, 2019; Yuen *et al.*, 2013). This study cannot confirm the previous statement (Lord and DeZoort, 2001; Meyer and Allen, 1991). However, this study supports the previous research (Malone and Roberts, 1996; Herrbach, 2001).

This study proved that a high commitment to ethics has a negative effect on reduced audit quality behaviors. These results support the empirical evidence of previous findings (Lou *et al.*, 2018; Alias *et al.*, 2019). High commitment to ethics can mitigate reduced audit quality behaviors. They enforce ethical principles such as integrity, objectivity, confidentiality, competence, accountability and professionalism. A high commitment to ethics can control unethical behavior in the audit process (Alias *et al.*, 2019).

An interesting finding is that the internal *locus* of control does not have a negative effect on reduced audit quality behaviors. It is due to weak workplace mindfulness and high leadership pressure (Herda *et al.*, 2019; Lou *et al.*, 2018). Furthermore, in this study, internal auditors cannot control leadership decisions, such as the time of the assignment and the audit budget. The short assignment time and a limited budget make internal auditors pressured and limited to pursue audit evidence and accept weak auditee explanations. Indeed, auditors perform reduced audit quality behavior (Malone and Roberts, 1996; Nehme *et al.*, 2021). Empirically, this research supports previous research (Malone and Roberts, 1996) and does not promote previous research (Anugerah *et al.*, 2016; Donnelly *et al.*, 2003).

This research showed that high emotional intelligence positively affects reduced audit quality behavior. This research supports the view of Suyono and Farooque (2019) and Smith and Emerson (2017). A person with high emotional intelligence tends to be calm, confident and withstand stress (Hellriegel and Slocum, 2011). Therefore, internal auditors need high emotional intelligence to conduct audits well and strive optimally to obtain relevant audit evidence. Furthermore, they will avoid reduced audit quality behaviors.

This study finds empirical evidence that reduced audit quality behaviors have no negative effect on auditors' ability to detect fraud. It may be due to weak quality control over the reduced audit quality behavior. Accordingly, fraud that occurs will not be detected (Pierce and Sweeney, 2006). Observation and monitoring are controls that are quite effective in minimizing reduced audit quality behaviors (Antony *et al.*, 2014; Donnelly *et al.*, 2003). Weak observation and monitoring of reduced audit quality behaviors can affect their

abilities to detect fraud (Coram *et al.*, 2008). This research cannot confirm and support the theory and previous research (DeAngelo, 1981; Umar *et al.*, 2017).

Finally, the finding shows that reduced audit quality behaviors mediate the relationship between commitment to ethics and the ability to detect fraud. Reduced audit quality behaviors mediate the relationship between emotional intelligence and the ability to detect fraud but not the effect of professional commitment and internal *locus* of control on the ability to detect fraud. These results do not support the viewpoint of Anugerah *et al.* (2016) and Donnelly *et al.* (2003). It may be due to internal auditors having knowledge, training, experience and competence that is faster and more accurate in detecting fraud and they also do not perform reduced audit quality behaviors (Warren and Schweitzer, 2018; Kaur *et al.*, 2023; Alias *et al.*, 2019).

6. Conclusion

This study confirmed that professional commitment does not negatively affects reduced audit quality behavior but has a positive impact on the ability to detect fraud. Organizational leaders bridge, socialize and involve internal auditors in the Indonesian Government's Internal Audit Association. This study found that commitment to ethics is fundamental in mitigating reduced audit quality behaviors but could not increase the ability to detect fraud. Ethics guide internal auditors to behave when carrying out audit tasks. Therefore, it is essential for the code of the ethics committee at the Government's Internal Auditor Association to regulate and supervise the implementation of professional ethics. In addition, emotional intelligence also becomes very important in mitigating reduced audit quality behaviors and increasing ability to detect fraud. Furthermore, through assertiveness training, government institutions play a role in internal auditors' emotional intelligence and internal *locus* of control. This study also highlights the essence of reduced audit quality behaviors and the ability to detect fraud. Evaluating and controlling internal auditor behaviors in the workplace is critical for detecting reduced audit quality behaviors. A review and accuracy in using procedures in audit programs are also needed to avoid reduced audit quality behaviors. Organizational leaders are expected to provide competent auditing expertise, such as forensic audit training, system audit, tax and procurement of goods and services for government and government financial management information. They have good audit techniques and can detect fraud in financial statements, asset abuse and corruption.

This research has a theoretical and practical contribution. However, it still has limitations; this research only identifies the reduced audit quality behavior of internal auditors in the internal control unit at the state of Islamic higher education in Indonesia (e.g. accepting the auditee's weak explanation and failure to pursue the evidence). Future research should examine variables affecting reduced audit quality behaviors, such as quality control, observation and monitoring, institutional characteristics and other variable for increasing the ability to detect fraud, such as expertise, experience, competence and critical thinking.

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