

CHAPTER V

CONCLUSIONS

5.1 Conclusions

This study aims to examine how the effect of audit tenure, auditor reputation and audit committee gender diversity in Indonesian banking companies on the Indonesia Stock Exchange (IDX) during 2017-2020 on audit quality with bank size, bank profitability and bank age as the control variables. The result shows that, only audit tenure and auditor reputation that affect significantly the audit quality meanwhile the audit committee gender diversity does not affect the audit quality in Indonesia's bank companies 2017-2020.

It indicates that the longer audit tenure, it will reduce the quality of audit and the high reputation of audit firm such as the big 4 audit firms, it will increase the audit quality. Meanwhile, the existence of female and male as the diversity of gender in audit committee composition does not affect the audit quality.

5.2 Limitation

This research has been carried out as well as possible and full of accuracy. However, there are limitations to this study that need to be considered:

1. There are several companies listed on the IDX, but the annual report was not published on the IDX's website or on the company's website and also some of the variable observed is unavailable. Therefore, it will limit some research samples.
2. Based on the observation of the researcher, the previous research on audit quality that use bank as their object of research is still limited compared to manufacturing companies in Indonesia. Therefore, the researcher has a challenge to find the proper measurement that fits to the research object to measure it's audit quality.

5.3 Suggestion

From the results of the study concluded above, there are some suggestions that researchers give, namely as follows:

1. This study only uses 92 data samples due to the unavailability data in certain banks, so the future researcher can add more samples to increase the accuracy of generalization of the result of research.
2. The adjusted Rsquare value is 0.069. It means that 6.9% of audit quality conducted by Indonesian Bank companies are influenced by audit tenure, auditor reputation, and audit committee gender diversity. While the remaining 93.1% is influenced by other variables not examined in this study. Therefore,, for further researcher is expected to look for the other possible variable that have not been studied in this research.

