

CHAPTER V

CONCLUSION

5.1 Conclusion

This study examines the effect of auditor rotation, KAP reputation and financial distress on audit delay during the pandemic in manufacturing sector listed on the Indonesian stock exchange for the period 2020. This study uses two types of variables, namely the dependent variable and the independent variable. The dependent variable in this study is audit delay. The independent variables used are auditor rotation, KAP reputation, and financial distress. The results of the study are as follows:

- 1 Auditor rotation has no effect on audit delay.

it means that it can be said that audit delays in companies that experience audit rotation are less than companies that do experience audit rotations. Based on the results of the t-statistical test in table 4.8, the audit rotation variable (AR) has a t-count value of $-0.022 > -1.9935$ and a significance level of 0.228 greater than 0.05. Based on these results, it shows that audit rotation (AR) has no effect on audit delay. The results of this study indicate that the audit rotation variable has no effect on audit delay. These results can be concluded that hypothesis 1 is rejected

- 2 KAP reputation has no effect on audit delay

it means that it can be concluded that the audit delay in companies experiencing KAP reputation non Big Four is higher than companies that do experience KAP reputation Big Four. . Based on the results of the t-statistical

test in table 4.8, the KAP Reputation variable (KAP) has a t-count value of $-1.228 > -1.9935$ and a significance level of 0.223 greater than 0.05. These results can be concluded that hypothesis 2 is rejected.

3 Financial distress has no effect on audit delay

So it can be concluded that the audit delay in companies experiencing financial distress (FD) is higher than companies that do not experience financial distress (FD). Based on the results of the t-statistical test in table 4.8, the financial distress (FD) variable has a t-count value of $0.845 < 1.9935$ and a significance level of 0.4 greater than 0.05. Based on these results indicate that Financial Distress (FD) has no effect on audit delay. These results can be concluded that hypothesis 3 is rejected.

5.2 Contribution of research

The results of this study have provided additional evidence in explaining the theory related to audit delay by the company that it does not affect audit rotation, KAP reputation, and financial difficulties on audit delay during the pandemic, as well as utilizing. For academics, the results of this study are expected to provide knowledge and reference material for future research, especially regarding influence.

The implications of this study also provide additional evidence that audit rotation does not affect audit delay as well as KAP reputation. Consider in choosing big four and non-big four KAPs. With the company's ability to generate high or low profits, both Big Four and non-Big Four KAPs will try to show high professionalism.

The implication of this study also provides an overview of the pandemic conditions that there is a significant difference in the audit delay period during the pandemic

5.3 Recommendation

- 1 For further researchers, they can increase the number of research samples by increasing the observation period or using all companies listed on the Indonesia Stock Exchange. Further researchers can also test samples in other sectors such as the chemical industry, property and real estate, various industries and mining.
- 2 Further researchers can find complex and relevant audit delay index proxies to determine audit delay. The next researcher can consider other variables in representing the audit delay mechanism such as audit opinion, profitability, solvency, audit quality, firm size, leverage level, operating profit/loss and the effect of firm size on the audit.

