

THE EFFECT OF LOCUS OF CONTROL AND WORK-LIFE BALANCE ON AUDITOR PERFORMANCE WITH WORK MOTIVATION AS A MODERATOR

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Abstract: Auditor performance is a crucial element in maintaining accountability in public financial management conducted by audit entities in the Province of Bali (referred to as XYZ). In performing their duties, auditors frequently face high-pressure environments and complex situations that may impact their performance. This study aims to examine the effect of locus of control and work-life balance on auditor performance, as well as the moderating role of work motivation on these effects. The study was conducted empirically on auditors at the XYZ Representative Office in Bali Province. Data were collected through questionnaires and analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS). The results reveal that locus of control has a significant positive effect on auditor performance, and work-life balance also exerts a significant positive effect on auditor performance. Furthermore, work motivation is proven to strengthen the effect of locus of control on auditor performance, as well as the effect of work-life balance on auditor performance. This study is expected to contribute to the development of behavioral accounting theory, particularly regarding psychological factors affecting auditor performance, and to provide practical implications for the management of XYZ Representative Office in Bali in their efforts to improve auditor performance.

Keywords: Locus of Control, Work-Life Balance, Work Motivation, Auditor Performance

INTRODUCTION

Effective public financial management plays a crucial role in supporting the success of national development. To achieve this goal, financial oversight must be conducted optimally and free from irregularities. Government institutions are expected to prepare financial reports that are transparent and credible. One institution that holds a significant role in overseeing state financial management is the XYZ institution. As the external auditor for both central and regional governments, XYZ is responsible for auditing financial statements, detecting potential irregularities, and providing recommendations aimed at improving the efficiency and effectiveness of public financial administration (Sugiharto, 2022).

The credibility of government financial statements heavily depends on the quality of audits conducted by XYZ, making auditor performance a key element in realizing good governance. Auditor performance reflects professional competence in carrying out audit tasks optimally (Sumartha et al., 2024). Although XYZ carries a strategic mandate, challenges in maintaining transparency and audit quality frequently arise in practice. Auditors, who serve as the front line of financial oversight, face high work pressure and complex situations that have the potential to trigger dysfunctional behavior. These conditions can significantly affect the quality of the audits produced.

The auditing profession inherently demands a high level of professionalism and is often accompanied by intense pressure. Auditors are expected not only to possess strong technical competence in analyzing financial reports but also to uphold moral integrity in carrying out their duties. This profession is frequently subject to tight deadlines, large workloads, and high expectations from both internal and external parties. Under such pressure, the risk of