The Effect of Audit Risk and Workload on Fraud Detection Through Auditor Professional Skepticism

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Abstract

This study examines and determines the effect of audit risk and workload on fraud detection through auditors' professional skepticism at the Papua Inspectorate. The population in this study were all 53 auditors at the Papua Inspectorate office. Sampling in this study was carried out using the census sampling method. Sources of data used are primary data collected by distributing questionnaires to all respondents. The statistical method used to test the hypothesis is to use multiple correlations with the help of SmartPLS software. Data analysis consists of descriptive statistical analysis, measurement model tests, outer models consisting of (convergent validity, discriminant validity, composite reliability) and structural model tests, or the inner model is evaluated using R-square for the dependent construct, direct and indirect hypothesis testing. The results showed that the audit risk variable had a positive and significant effect on fraud detection, the workload variable had a negative and significant impact on fraud detection, and the skepticism variable had a positive and significant effect on fraud detection. The audit risk variable positively and significantly impacts fraud detection through skepticism, and the workload variable negatively and significantly affects fraud detection through skepticism.

Keywords: Audit Risk, Workload, Fraud Detection, Proffesional Skepticism

Introduction

Increasing societal expectations for clean, just, transparent, and responsible government must be treated seriously and methodically. All state administrators must promote good governance and a transparent government, including those in the executive, legislative, and judicial branches. Setting ethical and behavioral standards for government officials, establishing organizational structures and processes that regulate roles and responsibilities, accountability of organizations to the public, and establishing adequate organizational control systems are among the policies necessary to achieve good governance in the public sector.

The preparation of external reports is based on an accounting system that conforms to government accounting regulations (Hartan & Waluyo, 2016).

The number of fraudulent financial reporting scandals in this decade has increased. In Indonesia, fraud scandals have also occurred, one of which was carried out by PT Kimia Farma Tbk. The Ministry of BUMN and BAPEPAM (BAPEPAM, 2002) detected the fraud scandal committed by this state-owned pharmaceutical company, which found an overstatement (overstatement) in the income statement. In the banking sector, a case still hot in the minds of the Indonesian public is the Bank Century scandal. In 2005, Bank Indonesia found evidence that Century had violated the maximum credit limit. Along the way, Century experienced a clearing failure which resulted in it being unable to pay the funds requested by customers, and finally, Century applied for an emergency funding facility. Three years later, Robert Tantular, as the police, finally arrested the principal commissioner because he was suspected of having influenced the board of directors' policies, resulting in Century Bank failing to clear. Finally, the Corruption Eradication Commission (KPK) also requested that an audit be carried out on Century in 2009. Over time, the Main Director of Bank Century was eventually sentenced to three years in prison for being proven guilty of embezzling customer funds (Gusti & Ali, 2018).

These cases indicate that fraud or fraud is becoming more prevalent in a variety of ways that continue to evolve; therefore, the auditor's ability to detect fraud must also continue to be enhanced; however, the auditor must maintain the ability to detect fraud if fraud occurs in the course of his audit duties. The capacity to detect fraud is a skill or expertise possessed by the auditor to find fraud symptoms. According to Nasution (2014), detecting fraud is an effort to acquire good early indicators and reduce the space available to fraudsters.

The issue is that the auditor has limitations when detecting fraud. The limits of the auditor will produce a gap or expectation gap between users of the auditor's services and consumers of financial statements who hope that the auditor can provide confidence that the financial statements presented do not contain misstatements and reflect the actual situation. Each auditor's capacity to detect fraud varies depending on a number of criteria, such as the auditor's level of expertise, skepticism, and circumstances the auditor must encounter at work, such as workload and personality type. An attitude of professional skepticism is deemed crucial for an auditor in assessing audit evidence (Septiana & Sudarno, 2019). (Septiana & Sudarno, 2019).

Skepticism is a critical attitude in examining the reliability of the statements or evidence acquired so that an auditor has sufficient confidence in an assertion or evidence obtained and considers the appropriateness and applicability of the evidence obtained. According to Gusti and Ali (2018), auditors must be able to do their jobs following specified criteria and abide by regulations and norms to preserve audit quality. In addition, a lack of auditor skepticism will result in the auditor's inability to detect fraud because the auditor will believe management's assertions without supporting proof. The likelihood of undiscovered fraud decreases if the auditor demonstrates a high level of professional skepticism. The greater an auditor's skepticism, the greater the likelihood of detecting fraud. This is consistent with the results of research (Hartan & Waluyo, 2016), which shows a favorable influence between the auditor's professional skepticism and the ability to detect fraud.

One of the things that need to be studied to see the factors that affect skepticism and the

auditor's ability to detect fraud is workload. According to research (Diana & Majiah, 2019), the auditor's burden happens when the auditor needs more work for their time and skills. In auditing practice, the auditor is occasionally exposed to the audit risk of probable errors affecting the materiality level of a financial report, so affecting audit quality. These risks include ambiguity regarding the client's evidence's completeness and the client's internal control structure's efficacy (Pashaei Fashtali et al., 2021). According to research (Nasution et al., 2014), implementing the audit risk formula can reduce the likelihood of fraud detection in the presentation of financial statements. This is represented in the adoption of an audit strategy at the level of detection risk and an inspection program that includes inspection steps established based on the audit risk formula calculation results, with the expectation that these inspection stages can discover fraud. Studies evaluating the relationship between audit risk and audit quality (Muslim et al., 2020; Septiana & Sudarno, 2019) indicate that audit risk has a detrimental impact on audit quality. In contrast, research conducted by (Suryo, 2017; Wicaksono & Triani, 2018) indicates that audit risk has a significant and favorable effect on skepticism. Additionally, audit risk has a positive and substantial impact on audit quality.

Audit risk concerns support the auditor's ability to detect fraud resulting in regional losses, as indicated by the above opinions. Taking audit risk into account makes it easier for the auditor to identify vulnerabilities that result in regional losses. However, the absence of consequences and reduced cognitive ability can result in a greater audit risk. Researchers concluded that audit risk influences fraud detection. This study replicates research (Faradina et al., 2016) titled The effect of workload, experience, and personality type on the auditor's professional skepticism and capacity to detect fraud. There are distinctions between this study and earlier research. The researcher substituted audit risk and the auditor's professional skepticism for experience and personality type as intervening variables.

The premise underlying audit quality theory is derived from behavioral accounting theory, specifically attribution theory. Fritz Heider proposed the attribution theory in 1990, arguing that a person's conduct is determined by a combination of internal strengths or elements originating from within an individual, such as talent or effort, and external pressures or variables coming from without. Such as employment challenges or good fortune (Ikhsan & Ishak, 2005). According to kompasiana.com, attribution is a theory that addresses the attempts to understand the origins of our and others' actions. In its formal definition, attribution refers to the attempt to comprehend the causes behind other people's conduct and, in certain situations, our own (Suryo, 2017).

Humans are consistent, taking attitudes that do not contradict one another and avoiding acts that do not correspond with their attitudes. Nevertheless, humans are frequently compelled to act inconsistently with their attitudes (Larasati & Puspitasari, 2019). The basic concept of cognitive dissonance theory, as stated by Prasetyo (2015), is that the presence of cognitive dissonance will produce psychological pain, pushing an individual to reduce cognitive dissonance and achieve consonance. The definition of dissonance is the existence of inconsistency and a feeling of aversion that motivates people to take action to escape discomfort with unquantifiable effects. Dissonance occurs when there is an inverse link between cognitive aspects within an individual due to the denial of one cognitive element to another. Cognitive dissonance is the discrepancy between two or more attitudes or conduct and attitudes. Following this approach, the cognitive element comprises knowledge, opinion,

or belief regarding the environment, oneself, or conduct. Noviyanti (2018) suggests that this theory can be used to anticipate an individual's propensity to modify their attitudes and conduct to alleviate dissonance.

In accounting and auditing literature, fraud is commonly interpreted as irregularity or irregularity and irregularities (Marundha, 2020). According to Marundha (2020), fraud can be translated and interpreted as a deliberate act to deceive or deceive, deception, or a dishonest way to take or lose money, property, or legal rights belonging to others, either because of an action or because of the activity's deadly consequences. SPAP (Public Accountant Professional Standards, 2012) defines auditor professional skepticism as a mindset that involves a critical review of audit evidence. Professional skepticism is a decision made to meet the professional auditor's responsibility to prevent or decrease or reduce or detrimental implications of another person's actions (Suryani & Helvinda, 2015). The professional literature requiring auditors to examine the potential of material fraud includes professional skepticism. In addition, it can be viewed as a decision to carry out their professional audit responsibilities to prevent and lessen the repercussions of harm and other people's behavior (SPAP, 2012).

Financial statement auditors are exposed to two types of risk: audit risk and assignment or engagement risk. Audit risk arises when the auditor needs to alter his opinion on a financial statement, including a material misrepresentation he was unaware of. Audit risk is the possibility that an auditor would issue an unqualified opinion on erroneous financial statements. Assignment risk or engagement risk is the auditor's exposure to loss or contamination of his professional practice due to litigation, negative publicity, and events associated with the audited and reported financial accounts (NKS Adnyani & Latrini, 2017).

Risk assessment for financial reporting involves identifying and analyzing risks pertinent to preparing GAAP- or SPAP-compliant financial statements by management. The risk assessment process consists of identifying the elements that influence the risk, evaluating the significance and likelihood of the risk, and defining the measures required to manage the risk. Audit risk happens when the auditor must revise his view on a financial report containing a significant misrepresentation without his knowledge. The more the auditor's precision in expressing his view, the lesser the audit risk he will assume, and vice versa. According to Manullang (2020), time budget pressure affects various auditor actions, resulting in a decline in audit quality. A crucial aspect of auditor conduct is the influence exerted by management on estimating the time budget. This is evidenced by the auditor's exposure to many layers of time and financial constraints and hazards during the audit assignment. Similarly, research (Suryo, 2017) has shown that the audit quality declines at a greater rate, the lower the risk of error in task completion.

H₁: Audit risk has a positive and significant effect on fraud detection.

During the busy season, specifically the first quarter of the year, auditors were required to finish multiple inspection cases, resulting in auditor fatigue and a diminished ability to identify fraud, according to Lopez and Peters (2011). According to research (Diana & Majidah, 2019), auditor workload negatively impacts audit quality; the more significant the auditor workload, the poorer the audit quality.

H₂: Workload has a negative effect on fraud detection.

In this study, attribution theory is utilized to explain the effect of the interplay between the auditor's professional skepticism and fraud detection criteria. According to (Ta et al., 2022), skepticism is a constantly distrustful attitude about what one perceives. This suspicion will generate more inquiries, resulting in the search for answers. An auditor must be skeptical while remaining professional. Research (Prasetyo et al., 2015; Noviyanti, 2018; Larasati & Puspitasari, 2019) indicates that auditors with an identification-based level of trust significantly impact the auditor's capacity to detect fraud when given a high fraud risk assessment. Both internal and external views influence individual behavior. Thus, this impact shows that the more skeptical an auditor is when seeking evidence or information or seeing symptoms of fraud, the more likely he will be to uncover fraud within the organization or corporation.

H₃: Skepticism has a positive and significant effect on fraud detection.

The auditor's professional skepticism will motivate him or her to do several auditor procedures to form an opinion on the audited financial accounts. Situational considerations include transactions involving related parties and transactions involving parties with unique relationships, such as family enterprises. The more powerful side controls the other party's financial and operational decisions in this peculiar partnership. Auditors with high professional skepticism will constantly scrutinize transactions between linked parties and conduct additional processes to achieve sufficient assurance (Wusqo, 2016). The auditor must know whether a transaction is a related party transaction by analyzing the client's specific relationship. It will be difficult for the auditor to determine whether connected parties use a third party. Therefore, the auditor is expected to strengthen professional skepticism in this circumstance. Behavioral theory explains the relationship between mistake risk variables and audit quality. Auditing standards, precisely Section 312 of the Statement on Auditing Standards (PSA), specify that audit risk must be considered while designing the nature, timing, and scope of audit procedures and reviewing these procedures. Therefore, the risk of error influences the auditor's conduct, which eventually impacts audit quality. In this study, cognitive dissonance theory is used to explain the effect of the interplay between the auditor's professional skepticism and the elements affecting the audit's quality. Professional Requirements To acquire sufficient audit evidence, the auditor maintains professional skepticism and does not readily accept explanations from the client as a foundation for forming an appropriate audit opinion in the financial statements. The study's findings (Suryani & Helvinda, 2015; Marundha, 2020) indicate that audit risk positively and substantially affects fraud detection.

H₄: Audit risk has a positive and significant effect on fraud detection through skepticism.

The auditor's professional skepticism will diminish as his or her workload increases.

This is owing to the vast amount of work that must be accomplished within a given time frame, preventing the auditor from examining irrelevant things. Larasati (2019) asserts that professional skepticism is necessary for the auditor to discover fraud. Because when an auditor's professional skepticism is low, he or she is more likely to disregard signs of fraud. This demonstrates that an auditor's heavy workload will indirectly reduce his or her capacity to detect fraud since the auditor will become less cautious. The study's results (Sari & Helmayunita, 2018) indicate that workload has a detrimental impact on fraud detection. According to research (Wigunin & Hapsari, 2015), auditors' professional skepticism has a good and significant impact on fraud detection.

H5: Workload has a negative and significant effect on fraud detection through skepticism.

Research Design and Method

This research is quantitative. This study's sample consisted solely of auditors from the Papua Inspectorate office. In this investigation, sampling was conducted using the primary random sampling method, which involves selecting samples randomly from the entire population without considering existing stratification. The sample consists of an inspectorate auditor randomly encountered by researchers at the research site. This study utilized primary data acquired by distributing questionnaires to all respondents. The questionnaires contained several statements with four answer alternatives, each weighted with a score (Strongly Agree = 4, Agree = 3, Disagree = 2, Strongly Disagree = 1). Using SmartPLS software, various correlations are employed as the statistical strategy for testing the hypothesis. Data analysis consists of descriptive statistical analysis, a measurement model test or outer model explaining the three essential components in explaining the relationship between the indicators and their latent variables (convergent validity, discriminant validity, and composite reliability), and a structural model test or inner model consisting of a coefficient of determination tes (indirect effects).

Table 1. Operationalization of Variables and Measurements

Variable	Code	Indikator	Reference
Audit Risk	X1.1	Measuring the level of transaction complexity	(N. K. S. Adnyani & Latrini, 2017; Suryani & Helvinda, 2015)
	X1.2	Technological developments and operations	
	X1.3	Observation of previous audit reports	
	X1.4	Client organizational structure	
	X1.5	Techniques in the control system and the effectiveness of the client's internal control	
	X1.6	Planning acceptance level of risk	
	X1.7	Relationship of designation to inherent risk and control	
Workload	X2.1	Time load	(Larasati & Puspitasari, 2019)
	X2.2	Mental effort	
	X2.3	Psylogical stress	
Skepticism	X3.1	Evaluating audit findings must use an attitude of skepticism.	
	X3.2	Skeptical attitude is influential in finding violations in	(Marundha,

		financial statements.	2020; Prasetyo et al., 2015)
	X3.3	Auditors should use skepticism in evaluating audit findings.	
	X3.4	Public accountants are expected to have a skeptical attitude towards audit findings related to the fairness of financial statements.	
	X3.5	Being careful and thorough in carrying out audit tasks is a factor of skepticism.	
Fraud Detection	Y1.1	Understand Internal Control Standards	(Prasetyo et al., 2015; Suryani & Helvinda, 2015)
	Y1.2	Fraud characteristics	
	Y1.3	Auditing environment	
	Y1.4	Auditing method	
	Y1.5	Form of cheating	
	Y1.6	Ease of access	
	Y1.7	Document and personal test	

Results and Discussion

Statistical Result

The following presents an overview of the respondent's identity consisting of gender, years of service, education level, and position level, as shown in table 2.

Table 2. Respondent Demographic

Variable	Measurement	n	%
Gender	Man	31	58,49%
	Woman	22	41,50%
Length of working	Less than 3 Years	23	43,39%
	More Than 3 Years	30	56,60%
Education Level	Bachelor	39	73,58%
	Masters	14	26,41%
	Doctor	0	0
Job	Associate Auditor	5	9,43%
	Advanced Implementation Auditor	2	3,77%
	Executing Auditor	1	1,88%
	Provider Auditor	2	3,77%
	Junior Auditor	22	41,5%
	First Expert Auditor	21	39,6%

Table 2 shows 31 male respondents (58.49%) and 22 female respondents (41.50%). As many as 23 auditors from the number of respondents worked as auditors for less than three years. At the same time, those who have worked for more than three years are as many as 30 auditors. A total of 39 auditors has an undergraduate education level. At the same time, the education level of S2 is 14 auditors. Based on the position, it shows that 5 out of 53 auditors working at the South Papua Inspectorate office are middle auditors, two people are positioned as advanced implementing auditors, one person is an implementing auditor, two people are serving as provider auditors, 22 people are positioning as junior auditors, and finally, 21 people serve as primary expert auditors.

The primary analytical method in this study was carried out with the Structural Equation Model (SEM). Testing was carried out with the help of the Smart PLS 3.0 program.

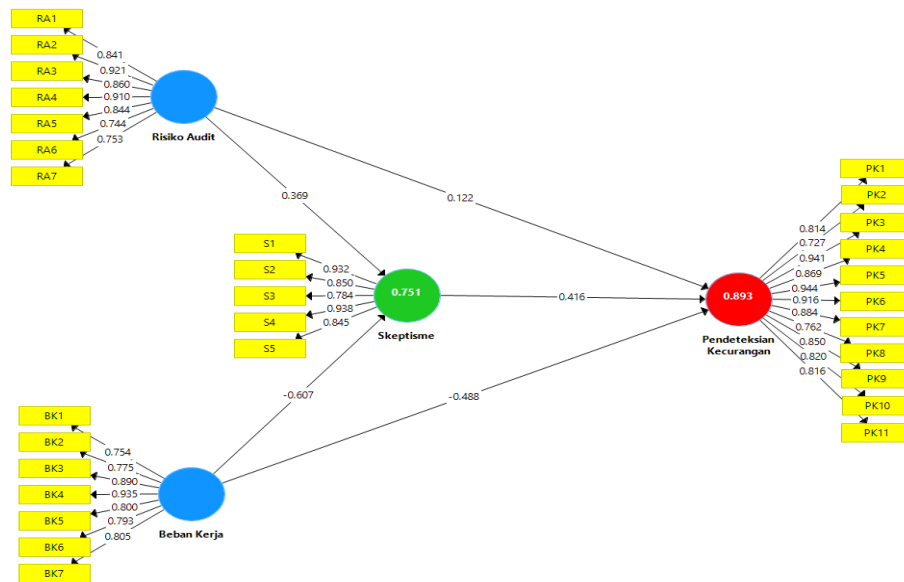Figure 1 below presents the results of the Full Model SEM test.

Figure 1. SEM Full Model Test Using smartPLS

Based on the test results using smartPLS, as shown in Figure 1, it can be seen that there is no loading factor value below 0.50, so you do not have to drop data to remove indicators that have a loading value below 0.50 in order to get a good model.

Table 3. Validity Test Results

Variable	Instrument	r-calculated	Info
Audit Risk (X1)	X1.1	0.841	Valid
	X1.2	0.921	Valid
	X1.3	0.860	Valid
	X1.4	0.910	Valid
	X1.5	0.844	Valid
	X1.6	0.744	Valid
	X1.7	0.753	Valid
Workload (X2)	X2.1	0.754	Valid
	X2.2	0.775	Valid
	X2.3	0.890	Valid
	X2.4	0.935	Valid
	X2.5	0.800	Valid
	X2.6	0.793	Valid
	X2.7	0.805	Valid
Skepticism (Z)	Z1.1	0.932	Valid
	Z1.1	0.850	Valid
	Z1.3	0.784	Valid
	Z1.4	0.938	Valid
	Z1.5	0.845	Valid
Fraud Detection (Y)	Y1.1	0.814	Valid
	Y1.2	0.727	Valid
	Y1.3	0.941	Valid
	Y1.4	0.869	Valid
	Y1.5	0.944	Valid

Y1.6	0.916	Valid
Y1.7	0.884	Valid
Y1.8	0.762	Valid
Y1.9	0.850	Valid
Y1.10	0.820	Valid
Y1.11	0.816	Valid

Table 3 shows that all indicators used in this study are reflective indicators because they have a loading factor > 0.70, which means that all construct indicators are valid. It was concluded that all indicators are valid for measuring fraud detection variables.

A construct is reliable if the composite reliability and Cronbach alpha values are above 0.70. In addition, the AVE measurement can measure the reliability of latent variable component scores. The results are more conservative than composite reliability; the AVE value must be greater than 0.50.

Table 4. Cronbach's Alpha Test Results, Composite Reliability and AVE

	Cronbachs Alpha	Composite Reliability	AVE	Info
Auudit Risk	0.931	0.944	0.708	Reliable
Workload	0.921	0.936	0.679	Reliable
Skepticism	0.920	0.940	0.760	Reliable
Fraud Detection	0.961	0.967	0.726	Reliable

Table 4 shows that the results of composite reliability and Cronbach alpha show good values, namely the value of each variable above the minimum value of 0.70. The AVE value produced by all the constructs above is > 0.50. This shows that the consistency and stability of the instrument used are high. In other words, all constructs, namely audit risk variables, workload, skepticism, and fraud detection, have become appropriate measurement tools, and all questions used to measure each construct have good reliability.

The inner model (inner relation, structural model, and substantive theory) describes the relationship between latent variables based on substantive theory. The structural model is evaluated using R-square for the latent dependent variable.

Table 5. R Square Variable Construct

	R Square
Skepticism	0.751
Fraud Detection	0.893

Table 5 shows that the R Square values for the variables Skepticism and Fraud Detection are 0.751 and 0.893, respectively, which means that they are included in the firm and powerful categories. The R square value of skepticism is 0.751 or 75.1% indicating that the skeptical variable can be explained by audit risk and workload variables of 75.1%. The remaining 24.9% can be explained by other variables do not present in this study. The R square value of Fraud Detection is 0.893 or 89.3%, indicating that the fraud detection variable can be explained by audit risk, workload, and skepticism variables of 89.3%. The remaining 10.7% can be explained by other variables do not present in this study.

Testing the proposed hypothesis is carried out by testing the structural model (inner model) by looking at the path coefficients, which show the parameter coefficients and the statistical significance value of t. The limit for rejecting and accepting the hypothesis proposed above is sig P Values greater than 0.05.

Table 6. Hypothesis Test based on Path Coefficient

	Original Sample (O)	Sample Mean (M)	Standard Error (STERR)	T Statistics (|O/STERR|)	P Values
Workload -> Fraud Detection	-0.488	-0.494	0.112	4.348	0.000
Workload -> Skeptisme	-0.607	-0.578	0.140	4.337	0.000
Audit Risk -> Fraud Detection	0.122	0.120	0.055	2.212	0.027
Audit Risk -> Skepticism	0.369	0.401	0.126	2.916	0.004
Skepticism -> Fraud Detection	0.416	0.413	0.115	3.609	0.000

Source: Data processed by eviews, 2022

Testing the First Hypothesis (H1)

The knowledge variable has a significant level of 0.027, less than 0.05, and the t-statistic value is less than 1.96 (2.212 is less than 1.96). The parameter coefficient value is +0.122 indicating a positive influence on the dependent variable. This means that the first hypothesis (H1) is accepted so that it can be said that audit risk has a positive and significant effect on fraud detection.

Testing the Second Hypothesis (H2)

The workload variable has a significant level of 0.000, less than 0.05, and the t-statistic value is more significant than 1.96 (4.348 is greater than 1.96). The parameter coefficient value is -0.488 indicating a negative effect on the dependent variable. This means that the second hypothesis (H2) is accepted so that it can be said that workload has a negative and significant effect on fraud detection.

Testing the Third Hypothesis (H3)

The skepticism variable has a significant level of 0.000, less than 0.05, and the t-statistic value is more significant than 1.96 (3.609 is greater than 1.96). The parameter coefficient value is 0.416 indicating a positive influence on the dependent variable. This shows that the third hypothesis (H3) is accepted so that it can be said that skepticism has a positive and significant effect on fraud detection.

Table 7. Hypothesis Test based on Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Error (STERR)	T Statistics (|O/STERR|)	P Values
Workload -> Fraud Detection	-0.253	-0.232	0.088	2.866	0.004
Audit Risk -> Fraud Detection	0.153	0.164	0.078	1.970	0.049

Testing the Fourth Hypothesis (H4)

The audit risk variable has a significant level of 0.044, less than 0.05, and the t-statistic value is more significant than 1.96 (2.023 is greater than 1.96). The parameter coefficient value is +0.153 indicating a positive influence on the dependent variable. This means that the fourth hypothesis (H4) is accepted so that it can be said that audit risk positively and significantly affects fraud detection through skepticism. The coefficient value of the intervening parameter between audit risk and skepticism towards fraud detection is +0.153, more significant than the coefficient value of the audit risk parameter for fraud detection, which is +0.122. This indicates that the skepticism variable is an intervening variable between audit risk and fraud detection.

Fifth Hypothesis Testing (H5)

The workload variable has a significant level of 0.003, less than 0.05, and the t-statistic value is more significant than 1.96 (2.963 is greater than 1.96). The parameter coefficient value is -0.253 indicating a negative effect on the dependent variable. This means that the fifth hypothesis (H5) is accepted so that it can be said that workload negatively and significantly affects fraud detection through skepticism. The coefficient value of the intervening parameter between workload and skepticism of fraud detection is -0.253, more significant than the coefficient value of the workload parameter on fraud detection, which is -0.488. This indicates that the skepticism variable is an intervening variable between workload and fraud detection.

Discussion

The study's results indicate that audit risk positively and significantly affects fraud detection. These results imply that fraud detection will increase if the audit risk assessment is performed better or enhanced. When conducting an audit, the auditor discovers that financial statement items are likely to include errors. Therefore, the amount of audit evidence collected by the auditor is typically more than items with a slight probability of falsification in the financial statements, thereby enhancing fraud identification. The Statement of Auditing Standards (PSA) specifies audit risk and materiality in conducting audits, where audit risk must be considered while deciding the nature, timing, and scope of audit processes and reviewing these procedures. Consequently, the danger of error influences the auditor's behavior, which in turn influences fraud detection.

The study's results indicate that workload negatively and significantly affects fraud detection. This may be related to the apparent difficulty of the activities of auditors at the Inspectorate Office in Papua. On the other hand, most auditors were junior auditors who required competence, skill, and a high degree of patience. This study adheres to Fritz Heider's attribution theory, which contends that a person's behavior is determined by a combination of internal strengths, or factors originating from within a person, such as ability or effort, and external forces, or factors originating from outside, such as work difficulties or luck (Ikhsan & Ishak, 2005). Therefore, an auditor conducting an audit is given a complicated and burdensome assignment, and the auditor will adopt dysfunctional behaviors to reduce fraud detection. According to (Noviyanti, 2018), cognitive dissonance theory can aid in predicting

an individual's propensity to modify their attitudes and behaviors to lessen cognitive dissonance. As a result, the auditor will be less effective in analyzing the risk of fraud as his workload increases. This study agrees with previous research (Maulidawati & Abdullah, 2017) that auditor workload is adversely correlated with audit quality; the more significant the workload, the poorer the audit quality.

The study's results indicate that the auditor's professional skepticism influences fraud detection positively and considerably. These results demonstrate that if an auditor's professional skepticism is enhanced, the auditor's ability to detect fraud will likewise increase. These data suggest that Papua Inspectorate Office auditors are skeptical. The most influential factor in establishing the skepticism variable is the employment of a skeptical mindset when reviewing audit findings. The indicator of skepticism is influential in identifying violations in financial statements, and the professional demands of an auditor in auditing result in the growth of skepticism. Additionally, the indicator of being cautious and cautious when executing audit assignments is a factor of skepticism. Indicators suggesting auditors must exercise skepticism while analyzing audit results and indicators that public accountants are required to have a skeptical attitude toward audit findings relating to whether or not financial statements exist contribute a little fraction to the skepticism variable. The auditor can practice professional skepticism when performing audit tasks; an audit opinion must be supported by sufficient competent audit evidence; for instance, the auditor must always employ professional skepticism when collecting audit evidence, which is an attitude that includes a questioning mind and critical evaluation of audit evidence. This study is corroborated by the findings of (N. Adnyani et al., 2014), who discovered that professional skepticism considerably impacted the ability to detect fraud.

The study's results indicate that audit risk has a favorable and significant impact on fraud detection through skepticism. The bigger the audit risk, the higher the likelihood of detecting fraud through skepticism. When conducting an audit, the auditor discovers that financial statement items are likely to include errors. The amount of audit evidence collected by the auditor is typically more than the number of financial statement items with a modest probability of falsification. The auditor will evaluate and check the audit evidence with the client while maintaining skepticism on fraud detection improvement. This study adheres to the attribution theory, which describes the connection between mistake risk variables and audit quality. Auditing standards, namely Statements on Auditing Standards (PSA), audit risk, and materiality in conducting audits where audit risk must be considered in determining the nature, timing, and scope of audit procedures and evaluating these procedures, outline the assessment of the risks faced by the auditor. Consequently, the danger of error influences the auditor's behavior, which in turn influences fraud detection. According to previous research (Zul, 2016), the risk of errors has a favorable and significant effect on audit quality through skepticism. This study is consistent with these findings. The higher the estimated risk of error, the higher the audit quality will be. When conducting an audit, the auditor discovers that financial statement items are likely to include errors. Also, the auditor thoroughly assesses the client's business risk, which increases audit quality.

The study's results indicate that workload negatively and significantly impacts skepticism-based fraud detection. The greater the auditor's workload, the less skepticism will be used to discover fraud. A skeptic will attempt to comprehend the conduct and motivations of others. Due to the rising difficulty of the task at hand, there is no time to comprehend the conduct of others, leading to the omission of crucial information and the making of suboptimal decisions. In this study, attribution theory is utilized to explain the effect of the interplay between the auditor's professional skepticism and fraud detection criteria. Auditors are required to exhibit an attitude of professional skepticism so that they can collect sufficient audit evidence and not readily accept client explanations as a foundation for rendering an appropriate audit opinion in financial statements. Due to the greater complexity (task difficulty) and audit task variety, audits are getting increasingly demanding and complex. In order to complete complex responsibilities as part of an audit team, junior auditors require expertise, skill, and a great deal of patience. When junior auditors lack the requisite knowledge, skills, and patience, their professional skepticism in obtaining audit evidence is diminished, which hinders the discovery of fraud. According to previous research (Wusqo, 2016), the workload has a negative impact on the capacity to detect fraud.

Conclusions

We are using the results of SmartPLS hypothesis testing that has been conducted. This study concludes that audit risk has a significant and favorable effect on fraud detection. The more audit risk an auditor encounters, the more fraud will be detected. Fraud detection is negatively and significantly impacted by workload. The greater the workload, the lesser the detection of fraud. Positive and significant effects of skepticism on fraud detection The greater the auditor's skepticism in obtaining audit proof, the higher the fraud detection rate. Audit risk has a significant and favorable impact on fraud detection. The bigger the audit risk, the more skepticism in seeking audit-proof, increasing fraud detection. Workload has a negative and significant effect on skepticism-based fraud detection. The greater the workload, the less skepticism in obtaining audit evidence, resulting in a drop in fraud detection.

The variable with the lowest average in this study, namely workload, particularly in terms of markers of mental strain, can inform future research. Therefore, the auditor working in the Papua Inspectorate office should not feel pressured by his duties, as he should be conscious of his responsibilities as a government auditor. In this study, the audit risk variable had the most significant direct influence on fraud identification. Therefore, the Papuan inspectorate's auditors must maintain this high level of performance, particularly regarding the relationship between determination, inherent risk, and control, which is the most unambiguous indication for this variable.

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