

MODERATION EFFECTS OF PERSONALITY TRAITS, ORGANIZATIONAL COMMITMENT ON THE RELATIONSHIP BETWEEN JOB STRESS AND DYSFUNCTIONAL AUDIT BEHAVIOR

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**MODERATION EFFECTS OF PERSONALITY TRAITS, ORGANIZATIONAL
COMMITMENT ON THE RELATIONSHIP BETWEEN JOB STRESS AND
DYSFUNCTIONAL AUDIT BEHAVIOR**

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Abstract

The purpose of this study was to analyze the moderation effects of personality traits and organizational commitment on the relation of job stress to dysfunctional audit behavior. Two dimensions of personality traits are measured by openness to experience and agreeableness from the Big Five Personality theory. Data were collected via questionnaire from 91 auditors who worked in public accounting firm in Yogyakarta and Central Java. As hypothesized, the results of the study revealed job stress have a positive effect to dysfunctional audit behavior. The result of the interaction between job stresses to moderating variables showed that two of personality traits, openness to experience and agreeableness, and organizational commitment were able to weaken the effect of job stress to dysfunctional audit behavior. This indicates that the auditor's personality and organizational commitment are important variables. Those can reduce the effect of job stress on improving auditor's dysfunctional behavior

Keywords: Job Stress; Dysfunctional Audit Behavior; Trait Personality; Organizational Commitment.

Introduction

Public accountant is a profession who provides independent audit services (Utami, 2015), and to determine the reliability of the financial statements that were presented by management (Lestari, 2010). Users insist an objective assessment by the accountants to every financial statements of the company (Utami, 2015). However, in practice, there are still many cases found related to internal accountant's violations that involving public accountants.

Dysfunctional audit behavior is one of deviant behavior from the audit profession principles as fraud and manipulation of audit standards (Srimindarti and Widati 2015; Setyaningrum and Murtini, 2014). Further, dysfunctional behaviors are able to lead an unethical behavior that can causes long-term detriment to many people (Utami, 2015).

Public accountant has responsibility and major role in determining the fairness of the financial statements of an entity. So, the public accountant increasingly required to improve the quality of the audit with professional behavior as well as regarding code of ethics as a guideline in carrying out its duties (Rustiarini, 2014). Nonetheless, the demands of high quality audits can cause pressure that will make auditor feel job burnout (UgojiandIsele, 2009). The job stress with low scores is able to reduce dysfunctional audit behavior, while job stress with high scores can have an impact on improving dysfunctional audit behavior (Golparvar et al., 2012; Rustiarini, 2014). On the other side, Rahmi (2015) found no effect of job stress to dysfunctional audit behavior.

Because of the influence of job stress to dysfunctional audit behavior is not consistent, it motivates the researchers to examine personality traits and organizational commitment as moderating variables. The personality traits that tested in this study are openness to experience and agreeableness. Previous research showed that agreeableness and conscientiousness have negative correlations against the deviant behavior in the public organizations of Malaysia (Farhadi et al., 2012). Personal traits like conscientiousness, agreeableness and negative affectivity were able to moderate the effect of job stress on counterproductive behaviors (Bowling and Eschleman, 2010). Beside the personality traits, organizational commitment also has the potential to affect the relation between job stress to dysfunctional audit behaviors. Organizational commitment is defined by Basudewa and Merkusiwati (2015) as an attitude that reflects organizational loyalty of employees to which they have operated or served. Aisha et al. (2014); Basudewa and Merkusiwati (2015); Nelaz (2014); Paino et al. (2011); Srimindarti and Widati (2015) found that organizational commitment have a negative relation to dysfunctional audit behavior. On the other side, the research from

Setyaningrum (2014) did not show any influence of organizational commitment to dysfunctional audit behavior. The empirical gap motivated the researchers to test moderation effect of personality traits and organizational commitment on the relation of job stress to dysfunctional audit behavior.

Attribution Theory

Attribution theory is used to explain the causes why someone does a particular action (Robbins and Judge, 2008). According Ivancevich et al. (2007), attribution theory is a theory that explains how to assess the behavior of someone who is determined whether it comes from deep inside (internal) or environmental (external). Attribution theory explains more clearly about the ways we appraise a thing differently, depend on how we connect a meaning into certain behavior (Wade and Travis, 2008). Therefore, this theory can be used to assess the attribution of individual behavior related to job stress, personality traits and organizational commitment of an auditor.

The Effect of Job Stress on Dysfunctional Audit Behavior

Chen et al. (2006) found that some auditors at a certain level do not consider job stress as a burden, however as motivation to work. Even so, Hsieh and Wang (2012) showed that job stress can increase the job burnout. The research was supported by Rustiarini (2014), Utami (2015) and Golparvar et al. (2012) showed there is a positive relation between job stress at a high level with dysfunctional audit behavior. Meanwhile, Rahmi (2015) found no association between them. Based on these descriptions, the hypothesis is formulated as follows:

H₁: Job stress has positive effect on Dysfunctional Audit Behavior.

The Influence of Openness to Experience on the Relation of Job Stress to Dysfunctional Audit Behavior

Auditor with openness to experience personality or "O" personality illustrated by someone who are creative, tolerant, have a high nature curious, resourceful, imaginative, and have the openness to new things (Goldberg et al., 1990). Denissen and Penke (2008) explain that person who has this personality trait will be able to solve problems though with limited information and a short time. Rustiarini (2014) found that auditors who have this personality trait do not have a tendency to do the dysfunctional behavior even though he is in job stress state. However, Kraus (2002) found that people with high openness to experience have a low performance. Based on the description above, the hypothesis formulated in this study is:

H₂: Openness to experience reduces the positive influence on the relation of job stress to Dysfunctional Audit Behavior.

The Influence of Agreeableness on the Relation of Job Stress to Dysfunctional Audit Behavior

Someone who has an agreeableness personality or "A" personality illustrated by someone who is helpful, fun, easy to forgive, cooperative and attentive (Bowling and Eschleman, 2010). Auditors who have high level of agreeableness will have tendency to avoid conflicts that can disrupt performance (Graziano and Tobin, 2002). Some previously researchers found negative association between "A" personality with the decision of CEO turnover voluntarily (Lindrianasari et al., 2012) and counterproductive behavior in organizations (Farhadi et al., 2012). When people with "A" personality are experiencing the stress of work, they will try to combat the pressure by build team work and good interaction. So, they can avoid dysfunctional audit behavior. Thus, the hypothesis is formulated as follows:

H₃: Agreeableness reduces the positive influence on the relation of job stress to Dysfunctional Audit Behavior.

The Influence of Organizational Commitment on the Relation of Job Stress to Dysfunctional Audit Behavior

The results of previous studies showed that organizational commitment have negative effect towards dysfunctional audit behavior (Aisha et al., 2014; Basudewa and Merkusiwati, 2015; Nelaz, 2014; Paimo et al., 2011; Srimindarti and Widati, 2015). Meanwhile, Mindarti and Puspitasari (2014) found that organizational commitment can moderate the relation between turnover intentions and auditor performances to dysfunctional behavior. Therefore, the following hypothesis is suggested:

H₄: Organizational Commitment reduces the positive influence on the relation of job stress to Dysfunctional Audit Behavior.

Research Methodology

Data collection method is conducted by distributing questionnaires to 125 auditors in Public Accountant Firm which is located in Yogyakarta (DIY) and Central Java. The returned questionnaires were 96 questionnaires from 14 Public Accountant Firm. Among the returned questionnaires there are 5 questionnaires that are incomplete, so that questionnaires can be processed as much as 91 questionnaires. Dysfunctional audit behavior interpreted as a deviate reaction of auditor to the environment that measured by instrument from Donnelly et al. (2003). Job stress is defined as pressure felt by individuals as a result stressor obtained from subsequent work environment can influence attitudes, intentions and behaviors of individual. The variable of job stress was measured by four items statement adopted from Beehr et al. (1976). According to Barrick and Mount (2005), personality traits are a basic core individual personality as the basis for person to behave, think and express the feelings. Personality traits that tested in this research are openness to experience and agreeableness, which measured by instrument of McCrae and Costa (1987). Organizational commitment defined as a concept used to describe the impulses that arise from within an individual that drives and directs behavior for the sake of the organization, that measured by instrument of Donnelly et al. (2003). All of instruments in this research are valid with a value of loading factor >0,4 and reliable with the Cronbach alpha values >0,7. Data analysis techniques in this study used Moderated Regression Analysis (Ghozali, 2016). The direct effect of work stress with dysfunctional behavior of the audit was tested by model 1. The second, third and fourth models were conducted to examine the effect of moderation variable on work stress with dysfunctional audit behavior

$$DAB = \alpha + \beta_1JS + e \dots\dots\dots(1)$$

$$DAB = \alpha + \beta_1JS + \beta_2O + \beta_3JS*O + e \dots\dots\dots(2)$$

$$DAB = \alpha + \beta_1JS + \beta_3A + \beta_6JS*A + e \dots\dots\dots(3)$$

$$DAB = \alpha + \beta_1JS + \beta_4OC + \beta_7JS*OC + e \dots\dots\dots(4)$$

Findings and Discussions

Characteristics of respondents by gender were dominated by women up to 57.1%. Most of respondents were 20-24 years old is 67%, 25-29 years old is 16.5%, 30-34 years old is 15.4% and >34 years old is 1.1%. Based on educational background of auditors was dominated by bachelor degree 82.4% and postgraduate 17.6%. The majority of respondents are as junior auditor (51.6%) with an average working time of 1-5 years.

Classical assumption tests on research data are intended to make no bias in the value estimator of the model used in the study. The classical assumption tests in this study include normality, heteroscedasticity and multicollinearity test. The normality test using Kolmogorov-Smirnov showed that the value of Sig. Asymp 0.200 > 0.05, which indicates that the residual data had normal distribution. Heteroscedasticity test with Glejser test showed significant values of all variables above 0,05, so there was no heteroscedasticity on the variables. Multicollinearity was not occurred in this study because of all the variables had the tolerance values > 0,1 and VIF < 10.

TABLE 1
Hypothesis Test 1

Variable	B	Sig.
Constant	5.279	0.004
JS	1.173	0.000
R	0.597	
R Square	0.356	
Adjusted R ²	0.349	

Linear regression testing results in Table 1 show that job stress has a positive influence on the behavior of dysfunctional audit. The higher job stress level of auditor, the higher deviant behavior of audit procedures. The increasing of job demands will force the auditor to work harder. Inability of auditors to handle the working pressure can lead to anxiety, depression, hard to concentrate and emotional disturbance that lead to job stress. Meanwhile, the uncontrolled job stress may have adverse impacts that cause the formation of dysfunctional audit behavior.

The results support the researches of Fernet et al. (2010), Golparvar et al. (2012) and Hsieh and Wang (2012), who found that job stress with low scores can reduce audit dysfunctional behavior. Conversely, high score of job stress can have impact on improving dysfunctional audit behavior. This study is also consistent with research from Rustiarini (2014) which states that the higher stress level of auditor, they will tend to conduct dysfunctional audit behavior.

TABLE 2
Hypothesis Test 2, 3, 4

Hypothesis 2			Hypothesis 3			Hypothesis 4		
Variable	B	Sig.	Variable	B	Sig.	Variable	B	Sig.
<i>Constant</i>	-17.834	0.790	<i>Constant</i>	-36.930	0,009	<i>Constant</i>	-5.394	0.400
JS	3.338	0.001	JS	4.751	0,000	JS	2.204	0.000
O	0.622	0.022	A	2.122	0,003	N	0.881	0.091
JS*O	-0.058	0.030	JS*A	-0.182	0,005	JS*N	-0.084	0.071
R	0.629		R	0.648		R	0.617	
<i>R Square</i>	0.396		<i>R Square</i>	0.420		<i>R Square</i>	0.381	
<i>Adjusted R²</i>	0.375		<i>Adjusted R²</i>	0.400		<i>Adjusted R²</i>	0.360	

The interaction test results of job stress and openness to experience in Table 2 show that the personality trait "O" is proved to be a negative influence on the relation between job stress to deviant behavior. The results of this study support the hypothesis 2 that openness to experience reduces the positive relation on job stress to dysfunctional audit behavior. Auditor with high openness to experience personality can be described as someone who has an extensive knowledge, imaginative, creative, and open minded. When the individual with "O" personality experience job stress, he can use a variety of ways, strategies as well as new creative ideas to address challenges and finish the audit problems. The auditor's ability to think more deeply and spontaneously can help auditors to resolve the problem despite on the limited time and information. The results of critical thinking of individual with "O" personality may form a solution that can be used to face stress of work, so it can minimize the chance to conduct a dysfunctional audit behavior.

The interaction test results of job stress and agreeableness in Table 2 indicates that personality trait is proved to reduce positive relation of job stress to dysfunctional audit behavior. The result support the hypothesis 3 which states that agreeableness may weaken the relation between job stress and dysfunctional audit behavior. Auditor with high agreeableness personality can be described as someone who has tends to be cooperative and willing to cooperate with others (Bowling and Eschleman, 2010). When the auditors with high agreeableness personality experience job stress, he will try to combat the pressure by build team work and interaction to finish the jobs without do dysfunctional behavior. This study is consistent with Farhadi et al. (2012), which states that the personality of agreeableness has an ability to minimize misconduct in the workplace. However, this research is inconsistent with Rustiarini (2014), which found no influence of agreeableness in the relation of job stress to dysfunctional audit behavior.

Based on the interaction test between job stress and organizational commitment, it can prove negative influence on positive relation between job stress and dysfunctional audit behavior. The result support the hypothesis 4 which states that organizational commitment can weaken the relation job stress with dysfunctional audit behavior. Auditors who have a high sense of commitment to the organization will try the best efforts for the progress of the organization. It is showed through a better performance that will they do than others. Therefore, someone who has a high commitment to the organization will have a high performance without performing deviate actions (Setyaningrum and Murtini, 2014) even though in a state of distress. Thus, it can be concluded that although the auditor experience work stress, with high organizational commitment, it will lead auditor for the audit to avoid dysfunctional audit behavior.

Conclusions and Recommendations

Based on the results of this study, it is concluded that job stress has positive influence on the audit dysfunctional behavior. Auditor personality traits that are proved to reduce dysfunctional audit behavior are openness to experience and agreeableness. The moderating variable, organizational commitment, can also weaken the relation of job stress to dysfunctional audit behavior. These results implicate that the understanding of personality trait types and organizational commitment are required by the leader of Public Accounting Firm. So, it can be easier in providing treatment in accordance with the personality possessed auditor. By the suitable personality types and giving appropriate jobs are expected to minimize the possibility of dysfunctional audit behavior.

This study has several limitations. First, the study is limited to the measurement of personality traits auditor who used the Big Five Personality theory. Future studies are expected to test the personality traits using another personality types such as Myers-Briggs Type Indicator (MBTI), so that will enrich the results. Second, there is bias possibility in the research data because this study using questionnaire, in which data are collected through the leader of the Firms or contact person. Future studies are expected to combine primary data research by questionnaire and confirm the answer by interview. So, the perception of respondents can be

known more depth and the data obtained can be more representative. Third, sample of this study is limited sample size (91 respondent) at Public Accounting Firms in Yogyakarta and Central Java. Because of that, the results and conclusions of this study cannot be generalized for all types of auditors. In increasing the generality level, future studies should expand the scope of research subject or sample.

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