

The Influence of Audit Fees and Auditor Assessment on Financial Decision Making in Banking Companies at the Indonesian Stock Exchange (2020-2024)

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ABSTRACT

This study aims to analyze the influence of audit fees and auditor assessments on financial decision-making in banking companies listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period. The background of the study is based on the importance of reliable and timely financial information as a basis for decision-making by management and investors, especially in the banking sector which has strict regulations and high transaction complexity. The study uses an associative quantitative approach with secondary data from annual reports and independent auditor reports. The sample was determined using a purposive sampling method, with logistic regression analysis techniques. The results of the study indicate that audit fees do not significantly influence financial decision-making (H1 is rejected), while auditor assessment also does not significantly influence financial decision-making (H2 is rejected). Simultaneously, audit fees and auditor assessment do not show a significant influence on financial decision-making. This finding indicates that in the banking context at the IDX, variations in audit fees and auditor assessment indicators are not strong enough to influence financial decisions compared to other more dominant factors such as fundamental financial performance conditions and internal and external monitoring mechanisms. This study provides empirical contributions by enriching evidence regarding the role of audit fees and auditor assessments in financial decision-making in the banking sector in Indonesia and provides input for regulators, bank management, and the public accounting profession regarding the importance of ensuring that the added value of audits is substantively reflected in the reporting and decision-making process.

Keywords: Audit Fees, Auditor Assessment, Financial Decision Making, Banking, BEI.

JEL Code: M42, G21, M41, C35

I. Introduction

The banking sector is a highly regulated industry due to its function as a financial intermediary institution that relies on public trust (Aulia et al., 2025). Banking companies listed on the Indonesia Stock Exchange (IDX) are required to present financial reports in a transparent and accountable manner. In this context, external audits serve as a control mechanism to enhance the credibility of financial information by verifying compliance with relevant accounting and disclosure standards. Financial decisions made by management and investors, for example regarding investment strategies, expansion, and dividend



distribution, are highly dependent on the quality of available financial information. Therefore, the quality of the audit process is a critical factor influencing stakeholder trust. This study focuses on two relevant audit aspects: audit fees and auditor assessments (Mayangsari & Sazangka, 2023).

Theoretically, audit fees reflect the amount of compensation for professional services in auditing financial statements. Adequate audit fees are expected to encourage auditors to allocate audit resources and time optimally, thereby improving audit quality and the reliability of financial information (Rahmawati et al., 2026). However, there are concerns that unbalanced audit fees can create negative perceptions of auditor independence, including the risk of "lowballing," or the interpretation that the audit is solely oriented toward administrative compliance. Furthermore, auditor assessment, as proxied by audit tenure in this study, reflects the duration of the auditor's engagement relationship with the client. Longer audit tenure can enhance the auditor's understanding of the client's business characteristics and internal control systems, thus sharpening the auditor's judgment (Reza et al., 2024). However, excessively long audit tenure can also raise concerns about a decline in professional skepticism and the potential for closeness, which risks compromising the objectivity of auditor judgment (Suwarsa, 2026).

Against this backdrop, a gap exists in research due to inconsistent results from previous studies. Some studies find that audit fees and/or auditor assessment influence financial decision-making, while others show no effect. Furthermore, in practice, variations in banking performance and oversight mechanisms (both regulatory and internal governance) can result in a less direct relationship between audit characteristics and financial decisions. Thus, this study asks the question: do audit fees and auditor ratings influence financial decision-making in banking companies listed on the IDX during the 2020–2024 period? This research is crucial for providing empirical evidence and input for bank management, the auditing profession, and regulators in improving the quality of financial reporting and the accuracy of decision-making.

Table 1. List of Banking Sector Issuers That Were Late and On-Time in Submitting Annual Financial Reports for the 2020–2024 Period

Category	Bank Name	Year of Event	General Description / Reason
Late	PT Bank Aladin Syariah Tbk (BANK)	2024	Late submission of the 2024 Annual Financial Report (LKT).
Late	PT Bank KB Bukopin Tbk (BBKP)	2023	Late in the 2023 audit period due to the audit adjustment process.
Late	PT Bank JTrust Indonesia Tbk (BCIC)	2023	Entered the IDX sanctions list in April 2024 for the 2023 report.
Late	PT Bank Amar Indonesia Tbk (AMAR)	2023	Late submission of the 2023 annual audited report.

This table presents a comparison of compliance with annual financial report submissions in the Indonesian banking sector for the 2020–2024 period. It shows that despite the highly regulated nature of the banking industry, several banks, such as PT Bank Aladin Syariah Tbk, PT Bank KB Bukopin Tbk, PT Bank JTrust Indonesia Tbk, and PT Bank Amar Indonesia Tbk, have experienced delays, generally caused by technical issues in the audit process or financial report adjustments. These delays have resulted in sanctions from the Indonesia Stock Exchange (IDX) ranging from written warnings to fines. They also serve as important indicators for investors in assessing the effectiveness of corporate governance and the transparency of bank management in fulfilling their public disclosure obligations. The impact of these issues directly impacts the quality of decision-making for investors and other stakeholders who rely on up-to-date information. According to economic news releases, banking issuers that submit late financial reports often experience stock trading suspensions, resulting in a loss of liquidity for shareholders and a decline in public confidence. This time uncertainty makes it difficult for investors to make accurate valuation assessments, often triggering panic selling or unhealthy speculation. This issue emphasizes that timeliness is not merely an administrative issue, but a crucial parameter in maintaining stock price stability and banking credibility in the eyes of global investors.

To address the phenomenon of late financial reports, as reported by the IDX, researchers used audit fees and auditor assessments as instruments to identify solutions to the barriers to information transparency. The use of audit fees aimed to test whether adequate compensation could motivate auditors to allocate greater resources to expedite audit completion without sacrificing quality. Meanwhile, auditor assessment, proxied by audit tenure, was used to determine whether long-term experience with the client could mitigate the risk of delays through streamlined audit processes. Audit fees, or remuneration for audit services, reflect the amount of time and risk borne by a Public Accounting Firm (KAP) in auditing a bank's financial health (Patricia et al., 2024). Theoretically, higher audit fees are often associated with more in-depth audit efforts and the use of more competent banking industry specialist auditors. (Heryana & Soeratin, 2025) For financial decision making, this fee amount provides confidence that the risk of material misstatement has been optimally mitigated, so that financial reports can be considered a credible instrument for assessing bank liquidity and solvency.

Table 2. HIMBARA Banking Audit Fees in Indonesia

Bank Name	2020	2021	2022	2023	2024
Bank Central Asia (BCA)	7,6	7,8	7,8	8,6	8,9
Bank Rakyat Indonesia (BRI)	15,5	13,2	13,8	15,9	18,4
Bank Mandiri	13,2	14,7	15,9	16,4	16,7
Bank Negara Indonesia (BNI)	12,6	22,2	25,5	20,7	22,8
Bank Tabungan Negara (BTN)	3,2	4	4,4	4,8	5,1

The table of Indonesian banking audit fees for the 2020–2024 period shows an upward trend in fluctuations for state-owned banks (HIMBARA) and Bank Central Asia (BCA). This increase reflects operational complexity and the growing demand for transparency in the financial sector. The data shows that Bank Negara Indonesia (BNI) and Bank Rakyat Indonesia (BRI) recorded significantly higher audit fees compared to other members, while Bank Tabungan Negara (BTN) consistently maintained the lowest fee structure among the group. This phenomenon indicates that the amount of investment banks make in professional audit services from Public Accounting Firms (KAP) is directly proportional to the scale of their assets, the volume of digital transactions, and risk mitigation efforts to maintain stakeholder trust and comply with strict regulations from the Financial Services Authority (OJK).

However, the influence of audit fees on decision-making is not always linear or positive. There are concerns about the phenomenon of lowballing, or conversely, the auditor's economic dependence on the client if fees are too dominant. If investors perceive very high audit fees as a form of opinion buying, the integrity of the financial statements will be questioned. Therefore, bank management must carefully balance the amount of fees to reflect quality without compromising the public's perception of auditor independence. The auditor's assessment, which includes the findings in the independent auditor's report, has a direct impact on funding and investment decisions (Utami et al., 2024). The auditor's assessment of the bank's ability to maintain its business continuity is a primary focus. The auditor's objective and critical assessment provides a basis for management to decide whether the bank needs to strengthen its capital or restructure its loans to maintain its capital adequacy ratio (CAR).

Auditor assessment, measured through the audit tenure indicator, focuses on the duration of the contractual relationship between a public accounting firm or individual auditor and the same banking company over successive years (Muhammad Farhan, 2022). Theoretically, a longer engagement period can improve auditor assessment through a learning effect, where the auditor gains a better understanding of the client's business characteristics, specific risks in the banking industry, and internal control systems, thus enhancing the evidence evaluation process (Indonesia, 2020). However, on the other hand, concerns about excessively long audit tenure often arise as a familiarity threat, which can erode the auditor's professional skepticism and independence, leading to less objective assessments and biases toward bank management policies. Therefore, on the Indonesia Stock Exchange, this indicator is crucial in determining whether the

resulting opinion truly reflects the actual financial condition or has been influenced by the length of the working relationship.

The integration of adequate audit fees and sound auditor judgment creates a strong control mechanism in banking corporate governance. Professionally compensated auditors tend to have high integrity in disclosing hidden risks, especially during the post-pandemic recovery period in 2024. Honest information regarding the quality of productive assets and the establishment of allowances for impairment losses (CKPN) helps shareholders decide whether to retain or divest shares in the bank. The relationship between the variables in this study lies in how audit fees and auditor assessment, proxied by audit tenure, act as determinants of information quality that influence financial decision-making, particularly regarding the timeliness of reporting. Empirically, a proportional audit fee is expected to mitigate technical obstacles and thus expedite the audit process, while audit tenure provides auditors with a deeper understanding to evaluate complex banking accounts more efficiently. This relationship creates a causal chain in which the quality of the audit process, supported by appropriate fees and the auditor's experience with the client, will result in credible financial reports. This credible and timely report then becomes the main basis for management and investors in making strategic decisions, such as credit expansion or stock investment, because the risk of information uncertainty has been minimized through the auditor's supervision. (Arigawati, 2025)

Therefore, the dynamic development of banking financial performance on the Indonesia Stock Exchange (IDX), characterized by asset growth and the complexity of digital transactions, is the primary reason why audit fees and auditor assessments are highly relevant in this study. With market demands for transparency and sound financial ratios, bank management often faces high pressure to deliver optimal performance in a timely manner. In the context of this study, strong financial performance must be supported by robust audit quality to ensure that growth is not the result of earnings management practices, but rather a reflection of true fundamental values. Therefore, the link between financial performance and the audit process will explain how quality external oversight can maintain the stability of banking stock prices on the IDX while assisting stakeholders in making accurate financial decisions amidst national economic fluctuations.

This study was strategically designed to respond to the call from the International Auditing and Assurance Standards Board (IAASB), which emphasizes the importance of improving audit quality through professional skepticism and objective auditor assessment. The IAASB continues to encourage the strengthening of global audit standards to address the complexity of modern financial transactions, particularly in the banking sector, which carries high systemic risk. By incorporating auditor assessment variables into the banking context on the Indonesia Stock Exchange (IDX), this study seeks to validate whether the framework recommended by the IAASB has been effectively implemented to produce a robust audit opinion and detect potential financial risks early.

Furthermore, this study addresses the IAASB's focus on reporting transparency and auditor independence, which often overlap with the issue of fees. The IAASB emphasizes that audit fees should not compromise work quality or create pressure that reduces auditor independence in providing assessments. By examining the relationship between audit fees and the timeliness of financial report submission, this study provides empirical evidence on how economic pressures and professional standards interact in an emerging market environment like Indonesia. This is expected to contribute to the development of local audit standards that align with the IAASB's international vision of achieving credible and reliable financial reporting.

Auditors function to provide objective assessments of financial statements so that decisions made by management and investors are more robustly and responsibly based. Auditor assessments are related to the principles of fairness, honesty, and independence, which, from an Islamic perspective, are part of the mandate (amanah). Allah SWT states in the Quran:

إِنَّ اللَّهَ يَأْمُرُكُمْ أَنْ تُؤَدُّوا الْأَمَانَاتِ إِلَىٰ أَهْلِهَا وَإِذَا حَكَمْتُمْ بَيْنَ النَّاسِ أَنْ تَحْكُمُوا بِالْعَدْلِ إِنَّ اللَّهَ نِعِمَّا يَعِظُكُمْ بِهِ إِنَّ اللَّهَ كَانَ سَمِيعًا ۙ بَصِيرًا

This means: "*Indeed, Allah commands you to deliver trusts to their owners. When you judge between people, judge with justice. Indeed, Allah gives you the best guidance. Indeed, Allah is All-Hearing, All-Seeing.*" (Surah An-Nisa: 58).

This verse emphasizes that in carrying out professional duties, including in financial audits, auditors are required to act with integrity and fairness, and not favor any particular interest that could lead to information manipulation. Financial decision-making in Islam must also be based on the principle of *maslahah* (benefit) and avoid *gharar* (unclear) and *risywah* (bribery). The Prophet Muhammad (peace be upon him) said:

"The honest and trustworthy trader will be with the prophets, the truthful, and the martyrs." (Narrated by Tirmidhi).

This hadith demonstrates the importance of honesty and transparency in economic activities, including in the preparation of financial reports and decision-making based on valid data. Thus, the application of Big Data and professional auditor assessments align with Islamic values of openness, honesty, and accountability. Financial decisions based on valid data and independent audits not only improve banking company performance but also reflect business practices that comply with Sharia principles. The urgency of this research lies in the banking sector's crucial role as a pillar of national economic stability, which relies heavily on accurate financial decision-making, particularly in the face of global uncertainty and the dynamics of post-pandemic economic recovery. Amid the increasing complexity of banking transactions, there is debate over whether audit fees truly reflect the quality of oversight or simply represent an administrative burden, and the extent to which auditors' assessments can provide objective validation that influences strategic management policies. Given that information asymmetry can trigger the risk of systemic failure, this research is urgently needed to demonstrate the effectiveness of external auditors in ensuring the transparency of financial reports, which serve as the primary foundation for stakeholders in establishing appropriate and secure financial measures.

Several previous studies have addressed this issue, particularly those conducted by Khamisah et al. (2023), which found that audit fees influence financial decision-making. However, this finding is inconsistent with Khamisah et al.'s (2023) finding that audit fees have no effect on financial decision-making. Furthermore, research conducted by (Yulianingtias & Triuwono, 2024) found that auditor assessment influences financial decision-making, while research by (Putri & Kusumawati, 2025) found that auditor assessment has no effect on financial decision-making. Another study conducted by Heryana and Soeratin (2025) found that audit fees and audit tenure have a positive effect on audit quality. These results indicate that the size of the audit fee and the auditor's experience in handling the same client can increase the effectiveness of the audit process, resulting in more reliable financial reports. However, these results differ from this study, which found that audit fees and auditor assessment have no effect on financial decision-making in the banking sector. This difference in results is likely due to the characteristics of the banking industry, which has a stricter level of regulation and oversight than other sectors.

Although the banking sector is a highly regulated industry with high demands for transparency, there remains inconsistency regarding whether the size of the audit fee truly reflects the quality of oversight that can expedite the reporting process or simply becomes an administrative burden. Furthermore, there is debate regarding the role of auditor judgment, as long-term audit experience can, on the one hand, increase efficiency through a deeper understanding of risks, but on the other hand, risks eroding independence and professional skepticism due to the familiarity threat. The phenomenon of late submission of financial reports by several banks on the Indonesia Stock Exchange, which triggered sanctions and negative market sentiment, highlights the gap between managerial policies and the effectiveness of external oversight in ensuring the timeliness and credibility of financial information as a basis for decision-making.

The research hypothesis of this article is as follows:

H1: Audit fees have a significant impact on decision-making.

H2: Auditor assessments have a significant impact on decision-making.

II. Literature Review and Hypothesis Development

2.1. Contingency Theory

Contingency Theory is a management and organizational theory that states that no single approach is most effective in managing an organization, as effectiveness depends heavily on the fit between the organization's structure, technology, strategy, and environment. This theory developed from the view that organizations must be able to adapt to changing external factors, such as market complexity, regulatory changes, and technological developments. One of the theory's key contributions came from Drazin and Van de Ven (1985), who explained that the "fit" or compatibility between organizational elements determines performance. In the context of modern organizations, information technology such as Big Data is considered an external element that must be properly integrated with internal resources, such as auditor capabilities. Contingency theory emphasizes that effective decisions depend not only on data quality but also on the organization's ability to adapt its internal processes and resources to these external conditions. The application of contingency theory in this study is highly relevant to explaining how Big Data and auditor judgment contribute to corporate decision-making. Big Data is a form of technological adaptation that presents a vast volume and complexity of information. In this situation, auditors are required not only to understand the data but also to use their professional judgment to filter and evaluate relevant information for decision-making. Contingency theory explains that a combination of external factors (information technology) and internal factors (auditor competence) must work in harmony for the decision-making process to run optimally.

2.1. Agency Theory

Agency theory explains the contractual relationship between two parties: the principal (owner or shareholder) and the agent (management or the party authorized to manage the company). In this relationship, the principal entrusts the agent with managing company resources effectively, efficiently, and responsibly to achieve organizational goals. As a form of trust, the principal typically provides financial and non-financial incentives, such as salaries, bonuses, or benefits, to ensure management fulfills its duties as expected. In the context of this research, the auditor's assessment can be viewed as a form of oversight of the agent by an independent third party. This assessment not only reflects the quality of the financial statements but also provides the principal with confidence in making strategic decisions based on the audited information. Thus, agency theory provides a strong foundation for understanding the relationship between auditor assessment and managerial decision-making within an organization.

2.2. Audit Fee

An audit fee or audit service fee is a sum of money paid by a company (client) to a Public Accounting Firm (KAP) in return for professional services in auditing financial statements. (Maulana et al., 2024) The amount of this fee is usually determined through an agreement between the two parties before the audit process begins, which is based on the assignment contract. The determination of the audit fee value is not strictly binding, but must still consider the professional standards of public accountants so as not to compromise the quality and independence of the auditor in carrying out his duties.

2.3. Auditor Assessment

Auditor judgment explains how auditors use their professional judgment to assess audit evidence, evaluate risks, and produce an audit opinion. This theory refers to the auditor's ability to combine quantitative and qualitative evidence and balance objectivity and intuition when making decisions. Auditor judgment is heavily influenced by competence, experience, professional skepticism, and an understanding of the client's information system. This theory also relates to decision-making in an environment of uncertainty, where auditors are expected to maintain independence and integrity throughout the audit process. In the context of this research, auditor judgment is an internal organizational factor that influences decision-making based on audit results. The more professional and accurate the auditor's judgment, the greater the likelihood that the audit information will serve as the basis for accurate decisions. Companies will be greatly benefited by audit opinions formulated through careful, objective, and evidence-based consideration. This theory is relevant for measuring how the quality of auditor judgment can support the effectiveness of a company's decision-making system.

2.4. Decision-making

In this study, decision-making is used as the dependent variable, reflecting the results of the audit process and the use of information technology. Strategic decisions within a company are heavily influenced by two key factors: the quality of auditor judgment and the information obtained from Big Data-based systems. This theory assumes that the better the information and judgment provided, the more effective management decisions will be. In other words, decisions are not simply the end result, but also a reflection of how the organization processes information and synergistically utilizes professional judgment. (Feriyanto et al., 2024)

III. Research Method

This research is an associative quantitative study aimed at determining the influence of two independent variables, Big Data and auditor judgment, on one dependent variable, decision-making. The results are expected to provide empirical insight into the integration of information technology and auditor professionalism in supporting more effective decision-making. The data collection technique used in this study was secondary data, obtained from publicly published official documents. The primary data sources included annual reports and independent auditor reports downloaded from the official website www.idx.co.id, as well as the official websites of each company. This research was conducted on companies listed on the Indonesia Stock Exchange (IDX), specifically those operating in strategic sectors such as banking, transportation, and telecommunications. This study utilized secondary data obtained from annual reports and independent auditor reports officially published on the IDX website and each company's website. The research period was from January to July 2025, encompassing data collection, analysis, and report preparation. The analytical tool used in this study is a logit model analysis or logistic regression with the assistance of the IBM Statistical Package for Social Sciences (SPSS) version 20.

The population in this study is all banking sector companies listed on the Indonesia Stock Exchange (IDX) that have published annual reports and complete independent audit reports during the 2020-2024 period.

Table 3. Research Population

No	Stock Code	Company name
1	AGRO	Bank Raya Indonesia Tbk
2	AGRS	Bank IBK Indonesia Tbk
3	AMAR	Bank Amar Indonesia Tbk
4	ARTO	Bank Jago Tbk
5	BABP	Bank MNC Internasional Tbk

No	Stock Code	Company name
6	BACA	Bank Capital Indonesia Tbk
7	BANK	Bank Aladin Syariah Tbk
8	BBCA	Bank Central Asia Tbk
9	BBHI	Allo Bank Indonesia Tbk
10	BBKP	Bank KB Bukopin Tbk
11	BBMD	Bank Mestika Dharma Tbk
12	BBNI	Bank Negara Indonesia (Persero) Tbk
13	BBRI	Bank Rakyat Indonesia (Persero) Tbk
14	BBSI	Krom Bank Indonesia Tbk
15	BBTN	Bank Tabungan Negara (Persero) Tbk
16	BBYB	Bank Neo Commerce Tbk
17	BCIC	Bank JTrust Indonesia Tbk
18	BDMN	Bank Danamon Indonesia Tbk
19	BEKS	Bank Pembangunan Daerah Banten Tbk
20	BGTG	Bank Ganesha Tbk
21	BINA	Bank Ina Perdana Tbk
22	BJBR	Bank Pembangunan Daerah Jawa Barat & Banten
23	BJTM	Bank Pembangunan Daerah Jawa Timur Tbk
24	BKSW	Bank QNB Indonesia Tbk
25	BMAS	Bank Maspion Indonesia Tbk
26	BMRI	Bank Mandiri (Persero) Tbk
27	BNBA	Bank Bumi Arta Tbk
28	BNGA	Bank CIMB Niaga Tbk
29	BNII	Bank Maybank Indonesia Tbk
30	BNLI	Bank Permata Tbk
31	BRIS	Bank Syariah Indonesia Tbk
32	BSIM	Bank Sinarmas Tbk
33	BSWD	Bank of India Indonesia Tbk
34	BTPN	Bank SMBC Indonesia Tbk
35	BTPS	Bank BTPN Syariah Tbk
36	BVIC	Bank Victoria International Tbk
37	DNAR	Bank Oke Indonesia Tbk
38	INPC	Bank Artha Graha International Tbk
39	MASB	Bank Multiarta Sentosa Tbk
40	MAYA	Bank Mayapada Internasional Tbk
41	MCOR	Bank China Construction Bank Indonesia Tbk
42	MEGA	Bank Mega Tbk
43	NISP	Bank OCBC NISP Tbk
44	NOBU	Bank Nationalnobu Tbk
45	PNBN	Bank Pan Indonesia Tbk
46	PNBS	Bank Panin Dubai Syariah Tbk
47	SDRA	Bank Woori Saudara Indonesia 1906 Tbk

Table 4. Research Sample

No	Bank Name	Stock Code
1	PT Bank Central Asia Tbk	BBCA
2	PT Bank Rakyat Indonesia (Persero) Tbk	BBRI
3	PT Bank Mandiri (Persero) Tbk	BMRI
4	PT Bank Negara Indonesia (Persero) Tbk	BBNI
5	PT Bank Tabungan Negara (Persero) Tbk	BBTN
6	PT Bank CIMB Niaga Tbk	BNGA
7	PT Bank OCBC NISP Tbk	NISP
8	PT Bank Maybank Indonesia Tbk	BNII

No	Bank Name	Stock Code
9	PT Bank Pan Indonesia Tbk	PNBN
10	PT Bank Mega Tbk	MEGA

IV. Results and Discussion

4.1. Analysis Result

a. Descriptive Statistics

Descriptive statistical tests represent the data from the variables used in the study. In this study, the dependent variable is timeliness of financial reporting, while the independent variables are independent commissioners, managerial ownership, audit committee, company age, and earnings management. Below are the results of the descriptive statistical tests that support this study.

Table 5 Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Audit Fee	50	1444,00	25550,00	9511,6200	6305,34663
Audit Assessment	50	1,00	5,00	2,1000	1,21638
Financial Decision-Making	50	0,00	1,00	0,9400	0,23990
Valid N (listwise)	50				

The descriptive statistics in this study provide an initial overview of the data distribution from 50 observations in banking companies. The Audit Fee variable exhibits significant variation, with a minimum value of 1,444 to a maximum of 25,550, and a mean value of 9,511.62. The high standard deviation of 6,305.34 compared to the mean reflects a significant gap or volatility in the amount of audit fees paid among the banking companies in the sample. Meanwhile, the Audit Assessment variable has a mean value of 2.10 with a standard deviation of 1.21, indicating that auditor perceptions or assessments in the sample tend to be moderate, with a relatively stable distribution around the mean. For the dependent variable, Financial Decision Making, the data shows a very high mean value of 0.94 with a low standard deviation of 0.239. This indicates that most of the banking companies sampled have a very uniform financial decision-making tendency, or one that falls within the high value category. The narrow data range between the minimum value of 0.00 and the maximum of 1.00, coupled with the average value approaching one, explains that the majority of observations have met the criteria in the financial decision-making indicators set out in this study, so that the data has a high level of consistency but with very little variability.

b. Logistic Regression Analysis

1) Goodness of Fit Test

Model Fit Testing is a stage in statistical analysis to determine whether the model we have created (such as a regression model) is feasible and accurate in predicting or explaining the relationship between variables. This regression model fit test aims to determine the suitability of the model used for this study. To assess the feasibility of the regression model, a goodness of fit test can be used, measured by the Chi-Square in the Hosmer and Lemeshove's column. If the sig. value is ≤ 0.05 , then H_0 is rejected, which means there is a significant difference between the model and its observed values. Meanwhile, if the sig. value is ≥ 0.05 , then H_0 is accepted, which means the model fits the existing data and is considered a fit. The following table presents the results of the model fit test used in this study.

Table 6. Model Feasibility Test Results

Hosmer and Lemeshow Test			
Step	Chi-square	df	Sig.
1	1,358	8	0,995

Based on the table above, the Chi-Square value is 1.358 with a significance level of 0.995, which is greater than 0.05, meaning H0 is accepted. This indicates that the observed value or model is acceptable because it fits the observed data, so this model can be used for further analysis.

2) Overall Model Fit

The Overall Test is a test in statistical analysis (such as linear regression, logistic regression, etc.) that aims to evaluate whether all independent variables (free variables) together have a significant effect on the dependent variable (dependent variable). This overall model fit test is carried out by comparing the value of -2LL block number = 0 with -2LL block number = 1. If the value of -2LL block number = 1 is smaller than the value of -2LL block number = 0, then the model can be stated to fit the data. block number = 0 is a model that has not been entered into independent variables, while block number = 1 is a model that has been entered into independent variables. The results of the overall model fit test are presented in the following table.

Table 7. Overall Model Fit Test Block 0

Iteration History ^{a,b,c}			
Iteration		-2 Log likelihood	Coefficients
			Constant
Step 0	1	26,435	1,760
	2	22,971	2,453
	3	22,700	2,716
	4	22,697	2,751
	5	22,697	2,752
a. Constant is included in the model.			
b. Initial -2 Log Likelihood: 22,697			
c. Estimation terminated at iteration number 5 because parameter estimates changed by less than ,001.			

Table 8. Overall Model Fit Test Block 1

Iteration History ^{a,b,c,d}					
Iteration		-2 Log likelihood	Coefficients		
			Constant	Audit Fee	Audit Assessment
Step 1	1	25,370	1,301	0,000	0,058
	2	20,355	1,309	0,000	0,144
	3	18,648	0,795	0,000	0,233
	4	17,980	0,307	0,000	0,266
	5	17,832	0,039	0,000	0,269
	6	17,824	-0,032	0,000	0,268
	7	17,824	-0,036	0,000	0,268
	8	17,824	-0,036	0,000	0,268
a. Method: Enter					
b. Constant is included in the model.					
c. Initial -2 Log Likelihood: 22,697					
d. Estimation terminated at iteration number 8 because parameter estimates changed by less than ,001.					

Based on the table above, it shows that the value of -2LL Block Number = 1 is 17.824 and the value of -2LL Block Number = 0 is 26.435. This means that the value of -2LL Block Number = 1 is smaller than the value of -2LL Block Number = 0, so it can be said that the research model used fits and this indicates a good regression model. The addition of Audit Fee and Auditor Assessment variables to the model can improve model fit.

c. Determinant Coefficient Test (R2)

The Coefficient of Determination (R2) test is a statistical measuring tool used to determine the percentage of contribution or influence of the independent variable (X) on the dependent variable (Y) in a regression model. In this study, to test the coefficient of determination, the Nagelkerke's R2 test was used. This test aims to measure how much the independent variables are able to explain the variation of the dependent variable. In this test, if the Nagelkerke's R2 value is close to 1 (one), the greater the ability of the independent variable to explain the dependent variable. Conversely, if the Nagelkerke's R2 value is close to 0 (zero), the smaller the ability of the independent variable to explain the dependent variable. (Ghozali, 2018) The following are the results of the coefficient of determination test presented in the following table.

Table 9. Results of the Determination Coefficient Test

Model Summary			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	17,824 ^a	0,093	0,255
a. Estimation terminated at iteration number 8 because parameter estimates changed by less than ,001.			

Table 5.5 shows the Cox & Snell R-Square value of 0.093 while the Nagelkerke's R-Square value is 0.255. This means that the Financial Decision Making variable can be explained by the Audit Fee and Auditor Assessment variables by 25.5%, while the remaining 74.5% is explained by other variables outside this study.

d. Classification Matrix

A classification matrix is used to clarify the accuracy of the logistic regression model used with the observed data. This test uses a cross-tabulation of the predicted and observed results. The results of the classification matrix test are presented in the following table.

Table 10. Classification Matrix

Classification Table ^a					
Observed			Predicted		
			Financial Decision Making		Percentage Correct
			Not on time	On time	
Step 1	Financial Decision Making	Not on time	0	3	0,0
		On time	0	47	100,0
	Overall Percentage				
a. The cut value is ,500					

Based on Table 5.6, it shows that of the 50 samples that empirically indicate companies that are not punctual, there are only 3 companies that can be predicted by this logistic regression model as companies that are not punctual, while the other 47 samples match this prediction, so the model only has a 6% accuracy. For companies that submit their financial reports on time, there are no samples that deviate from the total of 47 samples of companies that are punctual, so the percentage is 96%. The total accuracy of this research model is 96%.

e. Hypothesis Testing

1) Wald test

The Wald test is a statistical test used to determine whether an independent variable has a significant influence or contribution on the dependent variable partially (individually). The partial t-test in logistic regression is illustrated in the Variables in the Equation table. If the significance value is less than 0.05, it can be said that the independent variable has a significant influence on the dependent variable. Conversely, if the significance value is greater than 0.05, it can be said that the independent variable does not have a significant influence on the dependent variable. The following are the results of the logistic regression test using SPSS 25.

Table 11. Wald Test

Variables in the Equation							
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	Audit Fee	0,000	0,000	1,972	1	0,160	1,000
	Audit Assessment	0,268	0,682	0,155	1	0,694	1,308
	Constant	-0,036	1,658	0,000	1	0,983	0,964

a. Variable(s) entered on step 1: Audit Fee, Audit Assessment.

Source: Processed data, SPSS 25

Based on the results of the table above, the logistic regression is formulated as follows:

$$Y = -0,036 + 0,000X_1 + 0,268X_2 + \epsilon$$

Information :

- Y : Financial Decision Making
- X₁ : Audit Fee
- X₂ : Audit Assessment
- ε : Error

The analysis of the influence of independent variables on the dependent variable will be explained below based on the logistic regression equation obtained, as follows:

- The constant value from the logistic regression results is -0.036, which is negative. This means that if all independent variables, namely Audit Fee and Auditor Assessment, are held constant, Financial Decision Making will decrease by 0.036.
- The Audit Fee variable has a coefficient value of 0.000, which is positive. If other variables are held constant, Financial Decision Making increases by 0.000 if the proportion of Audit Fees increases.
- The Auditor Assessment variable has a coefficient value of 0.268, which is positive. If other variables are held constant, Financial Decision Making increases by 0.268 if the proportion of Audit Assessments is positive.

2) Uji Omnibus Tests of Model Coefficients

Omnibus tests of model coefficients are simultaneous hypothesis tests (f-test). In this study, to test whether independent variables can simultaneously influence the dependent variable. (I, 2016) If the significance value is less than 0.05, it can be said that the independent variables have a simultaneous effect on the dependent variable. Conversely, if the significance value is greater than 0.05, it can be said that the

independent variables do not have a simultaneous effect on the dependent variable. The following are the results of the omnibus tests of model coefficients using SPSS 25.

Table 12. Omnibus Tests of Model Coefficients

Omnibus Tests of Model Coefficients				
		Chi-square	df	Sig.
Step 1	Step	4,873	2	0,087
	Block	4,873	2	0,087
	Model	4,873	2	0,087

Table 5.7 shows that the significance level of the test results is 0.087, which is greater than 0.05. Therefore, it can be said that the Audit Fee and Auditor Assessment variables simultaneously influence Financial Decision-Making in Banking.

4.2. Discussion

a. The Influence of Audit Fees on Financial Decision Making

Based on the results of the logistic regression test, the Audit Fee variable obtained a coefficient value of 0.000 with a positive direction and a probability value of 0.160, which is greater than $\alpha = 0.05$. This means that Audit Fees have no influence on Financial Decision-Making in Banks listed on the Indonesia Stock Exchange (IDX), thus rejecting H1. The reality on the ground shows that the amount of audit fees in the banking sector listed on the IDX tends to be standard and strictly regulated, making them no longer a primary indicator in financial decision-making. For bank management, audit fees are considered a routine expense required for regulatory compliance, rather than a strategic variable influencing investment or funding policies. This is because the very large operational cost structure of banks makes the nominal audit fee relatively insignificant in changing the direction of the company's overall financial policy.

Furthermore, financial decision-making in the banking industry is dominated by fundamental factors such as the Capital Adequacy Ratio (CAR), asset quality (NPL), and Bank Indonesia's monetary policy. Investors and management focus more on the audit opinion and the reputation of the Public Accounting Firm (KAP) than on the amount of fees paid. As long as financial reports receive an "Unqualified" rating, strategic decisions will continue to be made in accordance with credit risk analysis and profitability targets, regardless of whether audit fees increase or decrease slightly during the current period. Finally, the Financial Services Authority's (OJK) strict oversight of the banking sector creates a uniform standardization of audit quality. Because the audit standards required by banks listed on the Indonesia Stock Exchange (IDX) are already very high, differences in fees do not necessarily reflect differences in the quality of information received by decision-makers. Financial information used for decision-making remains considered valid and credible as long as the audit process adheres to professional public accounting standards, so variations in audit fees lose their relevance in influencing the financial judgments of stakeholders in the capital market.

From an agency theory perspective, audit fees are viewed as part of the monitoring costs incurred by capital owners to ensure that management acts in line with shareholder interests. However, in banks listed on the IDX, these fees often have no impact on financial decision-making due to the multi-layered oversight mechanisms in the banking industry. The existence of audit committees, independent boards of commissioners, and strict regulations from the OJK have reduced the reliance of financial decisions solely on nominal audit fees. In this case, information asymmetry is no longer significantly reduced by the high or low fees, but rather by the effectiveness of overall good corporate governance. Therefore, fluctuations in audit fees are considered an administrative consequence of the employment contract that does not alter investors' assessments of management performance or the company's agency risk. This research aligns with that of Natalia Cahyadi, who found that audit fees do not significantly impact audit quality, particularly the timeliness of financial report publication. (Cahyadi, 2022). This is in line with research by Lilis Citra Dewi et al., who found

that audit fees do not significantly impact audit delay, as proxied by the timeliness of financial report publication. (Purba et al., 2022).

b. The Influence of Auditor Assessment on Financial Decision Making

Based on the results of the logistic regression test, the Auditor Assessment variable obtained a coefficient value of 0.268 with a positive direction and a probability value of 0.694, which is greater than $\alpha = 0.05$. This means that Auditor Assessment has no influence on Financial Decision-Making in Banks listed on the Indonesia Stock Exchange (IDX), thus rejecting H2. In practice on the stock exchange, the majority of banks listed on the IDX consistently receive Unqualified Opinions (WTP) from Public Accounting Firms (KAP). Because almost all large and medium-sized banks have the same opinion, the Auditor Assessment variable becomes constant and loses its distinguishing power in financial analysis. Decision-makers, both investors and management, consider the WTP opinion as the minimum baseline standard for remaining listed on the stock exchange, so they no longer use it as a primary catalyst for changing strategic decisions or capital allocation. Financial decision-making in the banking sector is much more sensitive to real financial performance indicators and bank health ratios, which are released quarterly. Investors are more likely to react to changes in Net Interest Margin (NIM), operational efficiency (BOPO), and credit growth than to qualitative auditor statements in annual reports. In practice, as long as a bank's liquidity and solvency ratios show a positive trend, general auditor assessments are considered merely administrative complements that do not provide new information sufficiently strong to change the direction of the company's financial policies.

Furthermore, the strict dual oversight of the Financial Services Authority (OJK) and Bank Indonesia provides stronger security assurance for stakeholders than a mere external auditor's opinion. Banking is a highly regulated industry where routine audits are conducted directly by regulators to ensure compliance with stringent banking standards. The existence of this authority's oversight makes external auditor assessments considered a second layer of data verification, thus diminishing their impact on strategic financial decision-making by more comprehensive regulatory oversight reports. Auditor assessments should provide a positive signal regarding the credibility of financial reports. However, in the banking sector listed on the IDX, signal saturation occurs because all top-tier banking issuers use the services of the Big Four accounting firms with similar reputations. As a result, the signals provided by auditor assessments are perceived as uniform and anticipated by the market. Financial decision-makers are ultimately shifting to other, more specific signals, such as corporate actions, dividend policies, or the prospects for banking digitalization, which are considered more reflective of a company's future value than audit opinions based on past data.

Within the framework of Contingency Theory, the effectiveness of a control system, including the use of auditor judgment in decision-making, is highly dependent on the alignment of the organization's characteristics with its external environment. In the banking industry on the IDX, which faces highly specific levels of environmental and regulatory uncertainty, auditor judgment is no longer the dominant single factor due to the presence of other, more pressing situational variables. The reality on the ground shows that financial decisions are increasingly influenced by contingency factors such as changes in macroeconomic interest rate policies, digital market dynamics, and compliance pressures from the Financial Services Authority (OJK). Therefore, according to this theory, the role of auditor judgment is limited or even insignificant because the banking decision-making structure has adapted to prioritize strategic variables deemed more relevant to addressing the complexity of today's financial markets rather than relying solely on a single type of information from audit opinions. This research is in line with that conducted by Sukiantono Tang and Elvi, who stated that the auditor's opinion proxied by audit quality related to audit tenure has no influence on the publication of annual reports. (Tang & Elvi, 2021) This is also supported by research from Hasdi Suryadi which states that audit tenure has no effect on the timeliness of financial reporting.

V. Conclusion

Based on the results of data analysis and discussion regarding the influence of Audit Fees and Auditor Assessments on Financial Decision Making in banking companies listed on the Indonesia Stock Exchange (IDX) for the 2020-2022 period, the following conclusions can be drawn:

- a. The Audit Fee variable has no influence on Financial Decision-Making in Banks listed on the Indonesia Stock Exchange (IDX) for the 2020-2022 period. This is because the very large operational cost structure of banks makes the Audit Fee nominal relatively insignificant in changing the direction of the company's overall financial policy.
- b. The Auditor Assessment variable has no influence on Financial Decision-Making in Banks listed on the Indonesia Stock Exchange (IDX) for the 2020-2022 period. In practice, as long as a bank's liquidity and solvency ratios show a positive trend, the auditor's general assessment is considered merely an administrative supplement that does not provide new information sufficiently strong to change the direction of the company's financial policy.

Practically, the results of this study imply that banking management needs to focus more attention on improving the company's fundamental performance and strengthening good corporate governance as a basis for effective financial decision-making. For regulators and stakeholders, these findings indicate that the existence of external audit remains important as an assurance mechanism, but its effectiveness in influencing financial decisions can be strengthened through improved disclosure quality, reporting transparency, and more comprehensive oversight. This study has limitations because it only used two independent variables: Audit Fee and Auditor Assessment, with a model explanatory power of 25.5%. Therefore, future research is recommended to include other variables that could potentially influence financial decision-making, such as audit quality, the reputation of the Public Accounting Firm (KAP), profitability, company size, corporate governance, company risk, and macroeconomic factors. Furthermore, future research could expand the sample coverage to other industrial sectors and use a longer observation period to obtain more comprehensive results and greater generalizability.

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