CHAPTER III

RESEARCH METHOD

A. Research Object and Subject

The population of this study consists of the auditors working at Public Accounting Firm in Central Java and Special Region of Yogyakarta. The samples used are all of auditors (excluding interns and staff) working at Public Accounting Firm in Semarang, Surakarta, and Yogyakarta. The auditors will be categorized into two groups of generation, namely millennial and non-millennial generations. The public accounting firms that are used as research object are listed as follows:

Table 3.1
List of Public Accounting Firms

No	Public Accounting Firm	Address
1	KAP Ashari dan Ida Nurhayati	Jl. Supriyadi no. 215A RT.002 RW.007, Kel. Kalicari, Kec. Pedurungan, Semarang 50198
2	KAP Darsono & Budi Cahyo Santoso	Jalan Mugas Dalam No. 65, Semarang 50243
3	KAP Bayudi, Yohana, Suzy, Arie (Cabang)	Jl. Mangga V No.6, Lamper Kidul, Kec. Semarang Sel., Kota Semarang, Jawa Tengah 50249
4	KAP Drs. Hananta Budianto & Rekan (Cabang)	Jl. Sisingamangaraja No. 20-22 Semarang 50253
5	KAP Tri Bowo Yulianti (Cabang)	Jl. MT. Haryono No.548, Sarirejo, Semarang 50124
6	KAP Ganung A. B.	Jl. Bido II/2 Cinderejo Gilingan Banjarsari Surakarta 57134
7	KAP Dr. Payamta, CPA	Jalan Ir. Sutami No. 25, Jebres, Surakarta 57126

No	Public Accounting Firm	Address
8	KAP Wartono dan Rekan	Graha NINO, Jalan Ahmad Yani No. 335, Manahan, Surakarta 57139
9	KAP Indarto Waluyo	Jalan Tegalsari No. 14 RT.11 RW.31, Banguntapan, Banguntapan, bantul, DI Yogyakarta 55198
10	KAP Kumalahadi, Kuncara, Sugeng Pamudji Dan Rekan	Jl. Kranji 90 Mudal Sariharjo Ngaglik Sleman Yogyakarta 55581
11	KAP Drs. Soeroso Donosapoetro, M.M.	Jalan Beo No. 49, Demangan Baru, Yogyakarta 55281
12	KAP Agus Wahjono	Jl. Kaliurang KM 6,5, Ruko Kentungan No. D-27 Condongcatur - Depok - Sleman - Yogyakarta
13	KAP Abdul Muntalib & Yunus (Cabang)	Jl. Soka No.24, RT 087 RW 021 Baciro, Gondokusuman, Yogyakarta 55225
14	KAP Mahsun Nurdiono Kukuh Nugrahanto	Pacific Building Lt4 Suite406, Jl. Laksda Adisucipto No.157, Demangan Baru, Caturtunggal, Depok, Sleman, Yogyakarta 55281
15	KAP Drs. Hadiono	Gedung Griya HDN, Jl. Kusbini No.27 Yogyakarta 55222
16	KAP Drs. Henry & Sugeng	Jalan Gajah Mada No. 22, Yogyakarta 55112

Source: IAPI Directory (2019)

B. Data Type

The type of data used this research is primary data. Primary data are obtained from answer sheet of questionnaires distributed directly to the respondents. The respondents will fill out questionnaires which consist of two sections, which are demographic data of respondent and a list of indicator statements related to variables.

C. Sampling Technique

This research uses purposive sampling as sampling method. Purposive sampling is a method of collecting samples by setting certain criteria. Purposive

sampling is confined to specific types of people who can provide the desired information (Sekaran and Bougie, 2016). The research object in this study is based on the following criteria:

1. Auditors who work permanently, not interns or employees who are not auditors.
2. Legal Public Accounting Firms based in Semarang, Surakarta, Yogyakarta which have obtained permission from the Minister of Finance and listed in Financial Professions Coaching Center of Indonesia Republic Finance Ministry per April 30, 2019.

D. Data Collection Technique

Data of this research are collected by questionnaire method. The questionnaire contains questions about affective commitment, continuance commitment, normative commitment, career goal progress, professional ability development, promotion speed, remuneration growth, and also turnover intentions. The respondent will provide the answer by selecting the level of agreement and disagreement of certain statements listed in the questionnaire. All variables are measured using a 5-point Likert scale model. The scale assessment shows as follows: 1) Strongly Disagree (STS), 2) Disagree (TS), 3) Neutral (N), 4) Agree (S), and 5) Strongly Agree (SS). The questionnaire given to respondent must be answered completely in accordance with instructions.

E. Operational Definition

1. Dependent Variable

Auditors' turnover intention becomes a dependent variable in this research. Auditors' turnover intention refers to auditors' desire to leave their current public accounting firms. This variable will be measured using a construct developed by Kelloway et al. (1999) and already used in previous studies conducted by Karavardar (2014). The construct of turnover intention consists of 4-items scale measurement with 5-point Likert scale, as follow:

1) I am thinking about leaving this organization.
2) I am planning to look for a new job.
3) I intend to ask people about new job opportunities.
4) I don't plan to be in this organization much longer.

2. Independent Variable

This research uses 7 independent variables that are expected to influence auditors' turnover intention. Independent variables consist of 3 dimensions of organizational commitment developed by Allen and Meyer (1990) and 4 dimensions of career growth opportunity developed by Weng and Hu (2009). They are listed as follows:

a. Affective Commitment

Affective commitment refers to the strong emotional attachment of employees to the organization. Affective commitment consists of 6-items measurement and will be measured using 5-point Likert scale. The

construct to measure affective commitment variable using from the previous research conducted by Mensah and Kosi (2016) referring from Meyer et al. (1993) is as follows:

1) I would be very happy to spend the rest of my career with this organization.
2) I really feel as if this organization's problems were my own.
3) I do not feel a strong sense of belonging to my organization (R).
4) I do not feel emotionally attached to this organization (R).
5) I do not feel like part of the family at my organization (R).
6) This organization has a great deal of personal meaning for me.

b. Continuance Commitment

Continuance commitment is related to consideration about the benefit or consequences if employees leave or stay in the organization. The construct to measure continuance commitment variable used in previous research Mensah and Kosi (2016) referring from Meyer et al. (1993). The questionnaire consists of 6-items measurement and will be measured using 5-point Likert scale, which are:

1) Right now, staying with my organization is a matter of necessity as much as desire.
2) It would be very hard for me to leave my organization right now, even if I wanted to.
3) Too much of my life would be disrupted if I decided to leave my organization now.

4) I feel that I have too few options to consider leaving this organization.
5) If I had not already put so much of myself into this organization, I might consider working elsewhere.
6) One of the few negative consequences of leaving this organization would be the scarcity of available alternatives.

c. Normative Commitment

Normative commitment refers to the sense of the employees' obligation to settle in the organization. Normative commitment consists of 6-items measurement and will be measured using 5-point Likert scale. The construct to measure normative commitment variable using from previous research Mensah and Kosi (2016) referring from Meyer et al. (1993), can be seen as follows:

1) I do not feel any obligation to remain with my current employer (R).
2) Even if it were to my advantage, I do not feel it would be right to leave my organization now.
3) I would feel guilty if I left my organization now.
4) This organization deserves my loyalty.
5) I would not leave my organization right now because I have a sense of obligation to the people in it.
6) I owe a great deal to my organization.

d. Career Goal Progress

Career goal progress refers to the higher level of need achievement in career process. This variable will be measured using 5-point Likert scale. The construct of measurement was developed by Weng and Hu (2009) and also used in Karavardar (2014) research. The scale items of measurement consist of 4-items scale, which are as follows:

1) My present job moves me closer to my career goals.
2) My present job is relevant to my career goals and vocational growth.
3) My present job sets the foundation for the realization of my career goals.
4) My present job provides me with good opportunities to realize my career goals.

e. Professional Ability Development

Professional ability development refers to a process provided to employees to improve their professional capabilities and skills. Professional ability development construct was developed by Weng and Hu (2009) and has been used by Nawaz and Pangil (2016). The scale measurement consists of 4-items using 5-point Likert scale, which are:

1) My present job encourages me to continuously gain new and job-related skills.
2) My present job encourages me to continuously gain new and job-related knowledge.

3) My present job encourages me to accumulate richer work experiences.
4) My present job enables me to continuously improve my professional capabilities.

f. Promotion Speed

Promotion speed refers to the quickness of employees in being rewarded in the form of promotions in an organization. This variable will be measured using 5-point Likert scale. The construct of measurement was developed by Weng and Hu (2009) and also used in Biswakarma's research (2016). The 4-items scale of measurement is as follows:

1) My promotion speed in the present organization is fast.
2) The probability of being promoted in my present organization is high.
3) Compared with previous organizations, my position in my present one is ideal.
4) Compared with my colleagues, I am being promoted faster.

g. Remuneration Growth

Remuneration growth refers to the amount level of money that is paid for the work that they do. Remuneration growth will be measured using 3-items scale developed by Weng and Hu (2009). The measurement will use 5-point Likert scale model. The construct of remuneration growth measurement is as follow:

1) My salary is growing quickly in my present organization.
2) In this organization, the possibility of my current salary being increased is very large.
3) Compared with my colleagues, my salary has grown more quickly.

F. Descriptive Statistic Analysis

Descriptive statistical analysis is used to provide general information about data processed in the form of graphs or tables. Information provided includes the number of respondents, maximum value, minimum value, standard deviation, mean, and others. This descriptive statistical test can provide data interpretation that is clear and easy to understand.

G. Instrument Data Quality Test

3. Validity Test

An instrument is said to be valid if it can be truly appropriate to measure what will be measured. Validity test conducted using IBM SPSS Statistics 21 software will be used Pearson Product Moment Correlation Test. The item is said to be valid if it has a correlation value (r) with a score of each variable is ≥ 0.25 (Nazaruddin and Basuki, 2019).

4. Reliability Test

Reliability testing is used by the instrument as a means to measure concepts and assess measurement feasibility (Sekaran and Bougie, 2016). This reliability test is done by measuring the value of Cronbach's Alpha. A construct of the variable can be said to be reliable if it gives the value of

Cronbach's Alpha at least > 0.50. If the value of Cronbach's Alpha > 0.90 then it is said to be perfect reliability, if it is between 0.7-0.9 then becomes high reliability, if it is between 0.5-0.7 then becomes moderate reliability, if it is < 0.5 becomes low reliability. (Nazaruddin dan Basuki, 2019).

H. Classic Assumption Test

A multiple regression model can be said to be good if the regression model meets the assumptions of normality and it is free from classic statistical assumptions such as multicollinearity and heteroscedasticity. The classic assumption tests include:

5. Normality Test

Normality tests are carried out to ensure that the data distribution is normal. Normality test can be seen from residual value of the data. In this research, normality test will be done by Kolmogorov-Smirnov and Shapiro-Wilk test using IBM SPSS Statistics 21 software. The assumption is if sig value > significance level ($\alpha = 0.05$), the data is normally distributed. Otherwise, if sig value < significance level ($\alpha = 0.05$), the data is not normally distributed (Nazaruddin and Basuki, 2019).

6. Multicollinearity Test

Multicollinearity test is conducted to ensure whether there are intercorrelations or relationships between independent variables or not. Multicollinearity test can be done in two ways. First, multicollinnearity is detected by looking at Variance Inflation Factors (VIF) value. If the test

shows VIF < 10, it means that in the data there is no multicollinearity which exists between independent variables. Second, it is done by paying attention to the tolerance value. The tolerance value should be greater than 0.1 or tolerance value > 0.1 to make sure there is no multicollinearity in the regression model.

7. Heteroscedasticity Test

Heteroscedasticity test is used to detect dissimilarity of variance from the residual one observation to another observation (Nazaruddin and Basuki, 2019). This test can be done by using *Glejser* test using IBM SPSS Statistics 21 software. The data are free from heteroscedasticity if sig value > significance level ($\alpha = 0.05$).

I. Hypothesis Testing and Data Analysis

Hypothesis testing is done by using multiple linear regression analysis models to detect the influence of independent variables on the dependent variable and using independent sample t test to find out the differences between the two sample groups. The hypothesis testing conducted using IBM SPSS Statistics 21 software tools.

8. Multiple Linear Regression Analysis

Multiple linear regression analysis will be conducted to test each of hypotheses in this research. A multiple linear regression analysis is used to test whether there is an influence or not between two or more independent variables on one dependent variable. Dependent variable in this research is

auditors' turnover intention. Meanwhile, the independent variables are affective commitment, continuance commitment, normative commitment, career goal progress, professional ability development, promotion speed, and remuneration growth. The regression model used in this study is as follows:

$$\mathbf{TI} = \boldsymbol{\alpha} + \boldsymbol{\beta_1}\mathbf{AC} + \boldsymbol{\beta_2}\mathbf{CC} + \boldsymbol{\beta_3}\mathbf{NC} + \boldsymbol{\beta_4}\mathbf{CGP} + \boldsymbol{\beta_5}\mathbf{PAD} + \boldsymbol{\beta_6}\mathbf{PS} + \boldsymbol{\beta_7}\mathbf{RG} + \boldsymbol{e}$$

Notes:

TI = Auditor Turnover Intention
α = Constanta
β = Regression Coefficient
AC = Affective Commitment
CC = Continuance Commitment
NC = Normative Commitment
CGP = Career Goal Progress
PAD = Professional Ability Development
PS = Promotion Speed
RG = Remuneration Growth
ε = Error

a. Coefficient Determinant Test (Adjusted R Square)

Coefficient of determination testing in multiple regression analysis is used to find out how much the percentage of independent variables used in the model is able to explain the dependent variable (Nazaruddin dan Basuki, 2019). This coefficient of determination can be seen from the value of adjusted R square. If adjusted R square is equal to 0, then the independent variable used in the model does not explain

the least dependent variable. Otherwise, if adjusted R square is equal to 1, it means that the independent variable used in the model can explain the dependent variable as a whole.

The greater the adjusted R square value, the greater the ability of the independent variable in explaining the variation of the dependent variable changes. Conversely, the smaller the adjusted R square value, the less the ability of the independent variable in explaining the variation of the dependent variable changes.

b. Simultaneous Test (F Test)

F test is used to determine whether the independent variables simultaneously have a significant effect on the dependent variable. F test performed by comparing significant value (sig) or ρ-value with $\alpha = 0.05$. If Sig < 0.05, then the hypothesis is accepted. It means that independent variables simultaneously influence the dependent variable. If Sig > 0.05, then the hypothesis is rejected.

c. Partial Test (T Test)

This test is used to determine whether in the regression model each of independent variables partially or individually have a significant effect on the dependent variable or not. T test is done to check whether the hypothesis is accepted or rejected. The criteria if the hypothesis is accepted are (1) the sig. value < 0.05; and (2) the b (beta) must in line with the hypothesis, to check the direction of influence whether the value is negative or positive.

9. Independent Sample T Test

Independent sample t test is used to find out whether or not there is an average difference between two unrelated sample groups (Ghozali, 2011). Before independent sample t test is done, the variance similarity test (homogeneity) is performed with the Levene's test. If the Levene's test for equality variance results show the sig. value > alpha (0.05), it means that the data variance is homogeneous, so the interpretation of the independent sample t test table will be guided by the values found in the Equal Variances Assumed. Conversely, if the sig. value of Levene's test < alpha (0.05), it means that the data variance is different, so the interpretation of the independent sample t test table will be guided by the values contained in the Equal Variances Not Assumed. In the independent sample t test, if the sig. (2-tailed) < 0.05, it means that there are significant differences between the two sample groups.