

ABSTRACT

This research aims to provide empirical evidence of the application of professional skepticism, personalized audit communication and organizational culture in mitigating audit risk. This research involved 104 participants consisting of partners, managers, senior staff and junior staff who took part in training organized by IAPI Regional Coordinator for Central Java. Data was collected using experimental methods and processed using SPSS. The variables used in this research are professional skepticism with a proxy for mindset and attitude based with 10 statements, personalized audit communication with a proxy for cognitive behavioral therapy and organizational culture with a proxy for ethical and compliance with the organization in the form of cases and 8 statements. The research results show that auditors who have high professional skepticism, personalized audit communication and organizational culture are able to mitigate audit risk better than auditors who have low professional skepticism, personalized audit communication and organizational culture. This research contributes to the need to improve auditor training and skills so that auditor behavior in professional skepticism, personalized audit communication and organizational culture improves. The originality of this study lies in the use of professional skepticism variables with mindset and attitude-based proxies and personalized audit communication with cognitive behavioral therapy proxies with the approach of prospect theory, risk based auditing theory, insurance hypothesis and assurance theory.

Keywords: Audit risk mitigation, experimental study, auditor behavior.