

ABSTRACT

This research aimed to investigate the influence of ownership structure on tendency the selection of quality auditor. Industry specialization auditor as proxy for tendency the selection of quality auditor. Independent variables used in this research are managerial ownership, foreign ownership, and institutional ownership. Dependent variable used in this research is tendency the selection of quality auditor.

The population in this research consist of all manufacturing companies listed in Indonesia Stock Exchange in year 2009-2012. This research used 84 samples of manufacturing companies listed in Indonesia Stock Exchange in year 2009-2012. From these 84 companies, 48 companies audited by industry specialization auditor and 36 companies audited by non-industry specialization auditor. The analysis method of this research used logistic regression to examine the hypothesis.

The results of this research indicated that the variables that effect tendency the selection of quality auditor are foreign ownership and institutional ownership. While variable that does not affect tendency the selection of quality auditor is managerial ownership.

Keyword: tendency the selection of quality auditor, managerial ownership, foreign ownership, institutional ownership, industry specialization auditor.