

ABSTRACT

The objective of this study is to analyze the effect of going concern opinion, auditor's reputation, management changes, financial distress, and institutional ownership on auditor switching in Indonesia. Some of past researches regardles auditor switching, shows different results. Therefore, another research needs to be done to verify theory of auditor switching.

The data being used is from manufacturing company which is listed in "Bursa Efek Indonesia" (BEI) in 2005-2009 period. The research variables being used are Going Concern Opinion (OGC), Auditor's Reputation (RA), Management Changes (PM), Financial Distress (KK), and Institutional Ownership (KI). Using logistic regression in SPSS 16 software, this research tried to test the effect of Going Concern Opinion, Auditor's Reputation, Management Changes, Financial Distress, and Institutional Ownership toward Auditor Switching.

The result of this research shows below: (1) Going Concern Opinion has insignificant effect for Auditor Switching, (2) Auditor's Reputation has significant effect on Auditor Switching, (3) Management Changes does not has significant effect toward Auditor Switching, (4) Financial Distress does not has significant effect on Auditor Switching, and (5) Institutional Ownership has insignificant effect for Auditor Switching.

Keywords: Auditor Switching, Going Concern Opinion, Auditor's Reputation, Management Changes, Financial Distress, and Institutional Ownership.