

## **ROLE CONFLICT AND ROLE AMBIGUITY ON LOCAL GOVERNMENT INTERNAL AUDITORS: THE DETERMINANT AND IMPACTS**

**Agil Novriansa**

Faculty of Economics  
Universitas Sriwijaya  
(agilnovriansa@gmail.com)

**Bambang Riyanto L. Sugiyanto**

Faculty of Economics and Business  
Universitas Gadjah Mada  
(bambang\_rls@yahoo.com)

### **ABSTRACT**

*The bureaucratic reform at the local government level in Indonesia that was instituted in 2012 has turned local government internal auditors into an important part of government governance systems. The role of local government internal auditors has been expanded to include not only the area of audit oversight, but also the areas of anti-corruption-related and consulting activities. These fundamental changes may potentially induce role conflict and role ambiguity among internal auditors. The objective of this study is to examine empirically the determinants and consequences of role conflict and role ambiguity among local government internal auditors. More specifically, this study attempts to examine the extent to which formalization determines role conflict and role ambiguity; it further tests the impact of role conflict and role ambiguity on commitment to independence and job performance. Questionnaires were distributed to 248 local government internal auditors from 12 Regional Inspectorates in the provinces of Yogyakarta, South Sumatra, and East Java. A total of 176 responses were received, and 124 useable responses from the 176 responses were analysed to test the hypotheses. Using Structural Equation Modelling-Partial Least Square the results show that: formalization is negatively related to role conflict and role ambiguity; role ambiguity has a negative impact on commitment to independence; role conflict has a positive impact on job performance; and role ambiguity has a negative impact on job performance. These findings serve as important external validity evidence on the phenomena associated with role conflict and role ambiguity that occur in the public sector, especially among internal auditors at local government institutions.*

**Keywords:** *role conflict, role ambiguity, local government, internal auditors*

### **INTRODUCTION**

Bad governance is a major problem that should be dealt with by the Government of Indonesia (GOI) to ensure the success of the implementation of fiscal decentralization policy (Djalil, 2014). In an attempt to improve the governance, GOI has launched the bureaucratic reform program. This program was started in 2006, but its official launch took place in 2010 through the enactment of Presidential Decree Number 81 (Perpres No. 81/2010), which was

then followed by the issuance of Permenpan-RB Decree No. 20/2010 about the 2010-2014 road map for bureaucratic reform. This reform began to be implemented at the local government level in 2012, based on the Permenpan-RB Decree No. 30/2012 on Guidelines for Proposal, Determination, and Bureaucracy Reformation Guidance on Local Government. The bureaucratic reform aimed to create a professional government bureaucracy and to foster a mental attitude among bureaucrats that enables them to

carry out their duties more efficiently and effectively. One of the programs that must be implemented to support the success of bureaucratic reform in local government level is strengthening the oversight function. The Internal Audit Bodies (*Inspektorat*), for both the central and local governments, are the government units that execute the oversight function. This suggests that, at the local government level, the internal auditors, the so-called APIP (*Aparat Pengawasan Internal Pemerintah*), play a crucial role in ensuring that government policies and programs are implemented successfully, i.e., effectively and efficiently.

The bureaucratic reform at the local government level in Indonesia has turned local government internal auditors into an important part of government governance systems. The role of local government internal auditors has been expanded to include not only the area of audit oversight, but also the areas of anti-corruption-related and consulting activities. The purpose of these changing roles of the local government internal auditors is to produce information and report the results of monitoring in order to provide reasonable assurance to the head of the district that the activity was carried out effectively and efficiently and in accordance with the benchmarks that have been established. These fundamental changes to the role of local government internal auditors may potentially induce role conflict and role ambiguity among them. Results of previous studies show that role conflict and role ambiguity occur in external auditors in public accounting firms in Australia (Chong and Monroe, 2015), United States (Jones et al., 2012; Jones et al., 2010; Viator, 2001), Thailand (Ussahawanitchakit, 2008), and New Zealand (Fisher, 2001). Results of previous studies also show that role conflict and role ambiguity occurs in internal auditors in companies listed on the Malaysian stock exchange (Aghghaleh et al., 2014; Ahmad and Taylor, 2009) and internal auditors who are members of the American Institute of Certified Public Accountants (Larson, 2004). Role conflict may arise for local government internal auditors because of their role in providing audit oversight

to local government agencies as well as providing consulting services to the management of local government agencies. Role ambiguity may arise for local government internal auditors when they do not have the clarity of duties, powers, responsibilities, and standards to perform the duties of the audit oversight.

The role of local government internal auditors in terms of audit oversight role and consulting are described in the Minister of State for Administrative Reform (Permenpan) Decree No. PER/05/M.PAN/03/2008, Permenpan-RB Decree No. 19/2009, and the Indonesian Government Internal Audit Standards. These regulations and standards explain that the main activity of local government internal auditors is to conduct auditing, reviewing, monitoring, evaluating, and other supervisory activities such as dissemination of information, assistance, and consultation. The role of conducting audit oversight by local government internal auditors consists of the provision of assurance activities that include audit, review, monitoring, and evaluation (*Asosiasi Auditor Intern Pemerintah Indonesia*, 2014). The consulting role performed by local government internal auditors is an activity providing inputs and recommendations that can maintain and improve the quality of governance of the implementation of the tasks and functions of local government agencies which include dissemination, assistance, and consultation (*Asosiasi Auditor Intern Pemerintah Indonesia*, 2014).

Audit oversight and consulting are the two roles of local government internal auditors which have conflicting or inconsistent expectations. The relationship between local government internal auditors and local government agencies for audit oversight is a relationship between auditor and auditee that requires independence (*Asosiasi Auditor Intern Pemerintah Indonesia*, 2014). Permenpan Decree No. PER/05/M.PAN/03/2008 states that the local government internal auditors must be independent in all matters relating to the audit. The relationship between local government internal auditors and the management of local government agencies in order to conduct a

consultation exercise is the relationship between the consultant and the recipient of services that require cooperation (*Asosiasi Auditor Intern Pemerintah Indonesia*, 2014). Local government internal auditors, when conducting consultations, need to establish cooperation and coordination with the management of local government agencies to improve the quality of the supervision function and governance in those agencies.

Cooperation and coordination during consulting activities allow the emergence of close social relationships between local government internal auditors and the management of local government agencies. The close social relationships may arise from the presence of emotional closeness, which are created through the frequent interaction at work, the need for high intensity communication while working, and the good treatment by the management of local government agencies of local government internal auditors during consulting activities. The close social relationships with the management of local government agencies may interfere with the independence of local government internal auditors when they carry out their audit oversight role with local government agencies. Emotional closeness between local government internal auditors and the management of local government agencies that is created through consulting activities will make the auditors more reluctant to do a rigorous audit because they will tend to be more tolerant of the management during the audit inspection. The reluctant and tolerant attitude of auditors regarding the management makes it difficult for auditors to act independently when carrying out their audit oversight role. Therefore, there is a possibility that local government internal auditors who had previously been carrying out a consulting role will find it difficult to carry out an audit oversight role well because both roles have conflicting expectations. This indicates an occurrence of role conflict for the local government internal auditors.

The work of local government internal auditors is highly dependent on the clarity of duties, powers, responsibilities, and standards. A lack of clarity regarding duties, powers, respon-

sibilities, and standards can lead to role ambiguity for the auditors. The vagueness of duties, powers, responsibilities, and standards can lead them to have inadequate information and understanding about the audit tasks which they should carry out which can cause them to feel less confident and focused during the audit. These conditions can make local government internal auditors become unable to perform effectively in fulfilling the oversight audit role as they do not know how exactly to do so. Ahmad and Taylor (2009) state that the absence of clarity regarding duties, powers, responsibilities, and standards will make internal auditors feel less confident in making audit judgments and decisions because they do not have sufficient understanding so they will experience role ambiguity. Breaugh and Colihan (1994) explain role ambiguity as an employee's perceptions about the uncertainty of various aspects of their work.

The potential impact of role conflict and role ambiguity on internal auditors' work outcome is an important empirical issue that needs to be addressed because previous studies show that role conflict and role ambiguity have an adverse impact on the work attitude and job outcome of employees. Results of previous studies also show that role conflict and role ambiguity are associated with low job satisfaction (Jones et al., 2010; Kim et al., 2009; Anton, 2009; Jaramillo et al., 2006; Fisher, 2001), low affective commitment (Addae et al., 2008), lower quality of job performance (Viator, 2001; Fisher, 2001), and high turnover intention (Solli-Saether, 2011; Hang-yue et al., 2005; Viator, 2001). Employees whose work attitude and job outcome are marginal can potentially inhibit the development of organizations.

This study will examine empirically the phenomena of role conflict and role ambiguity, especially related to its determinants and impacts. Previous research has studied the phenomena of role conflict and role ambiguity by using a sample of internal auditors who were working at private companies (Aghghaleh et al., 2014; Ahmad and Taylor, 2009). This study attempts to find out whether the results of

previous research on the determinants and impacts of role conflict and role ambiguity on the internal auditors in the private sector can be generalized in different types of organizations. The objective of this study is to examine empirically the determinants and impacts of role conflict and role ambiguity on internal auditors in the public sector, especially in local government organizations. This study attempts to examine the extent to which formalization determines role conflict and role ambiguity; it further tests the impact of role conflict and role ambiguity on commitment to independence and job performance.

Formalization has been chosen as a variable in this study because the result of previous studies shows that formalization still has an inconsistent relationship with role conflict and role ambiguity. Aghghaleh et al. (2014), Podsakoff et al. (1986), Rogers and Molnar (1976), and Rizzo et al. (1970) showed that formalization is negatively related to role conflict and role ambiguity. Agarwal (1999) showed that formalization is positively related to role conflict and role ambiguity. Organ and Greene (1981) showed that formalization is negatively related to role ambiguity and positively related to role conflict. Jackson and Schuler (1985) and Bamber et al. (1989) showed that formalization is negatively related to role ambiguity and not related to role conflict.

It is important for the effect of formalization on local government internal auditors to be studied because The State Ministry of Administrative Reform and Bureaucracy Reform (*Kemenpan-RB*) is still in the process of formulating and passing a draft law (Government Internal Control System Bill) which relates to the role of local government internal auditors. The background of the formulation of the Government Internal Control System Bill is the low quality of job performance of APIP in local government (i.e. local government internal auditors). The Bill is expected to become law and it will provide a strong legal basis for local government internal auditors and others from APIP to perform their duties and roles more effectively and efficiently.

Independence is the professional issue that is often highlighted for local government internal auditors. Ahmad and Taylor (2009) stated that independence is not easily exercised by internal auditors. Law No. 23/2014 stated that Regional Inspectorates, in performing their duties, are responsible to the head of the region through regional secretary. The position of local government internal auditors, which is equal to or below the supervised party, can make it difficult for local government internal auditors to be independent because these positions provide them with limited control when conducting inspections and following up the results of inspections. In fact, independence is an important aspect that all auditors should have when performing audits. The value of an audit is highly dependent on public perception of auditor independence (Arens et al., 2012). Arena and Azzone (2009) state that internal audit units should have independence and competence that is large enough to perform their work in a proper manner. Independency is very important in order to increase the credibility of the audit results (Asosiasi Auditor Intern Pemerintah Indonesia, 2014). The importance of independency in the internal audit activity indicates the need for internal auditors to have a strong commitment to maintaining their independence (commitment to independence). Local government internal auditors that have a strong commitment to independence will certainly try to exercise their independence when performing the internal audit activity. The issue of the independence of local government internal auditors is also an important issue to be examined in this study, especially as it relates to their commitment to independence.

Ahmad and Taylor (2009) have examined the impact of role conflict and role ambiguity on commitment to independence. The results show that role conflict and role ambiguity can lead to commitment to independence becoming difficult to exercise by internal auditors when carrying out audit tasks. The impact of role conflict and role ambiguity on commitment to independence needs to be reviewed because Ahmad and Taylor (2009) developed their own instrument of commitment to independence, but they stated

that it does not meet the test validity statistically (KMO value  $< 0.6$  and factor variance values  $< 60$  percent). The instrument of commitment to independence that was developed by Ahmad and Taylor (2009) only meets face validity from three experts. This suggests that the construct validity of commitment to independence that was developed by Ahmad and Taylor (2009) is still not good. Therefore, the review of role conflict and role ambiguity impact on commitment to independence by local government internal auditors is expected to obtain results that have met requirements of validity research instruments well.

Previous studies have examined the impact of role conflict and role ambiguity on job performance, but the results are still not consistent regarding the relationship between role conflict and job performance so this needs to be studied further. Fisher (2001) and Viator (2001) stated that role conflict is negatively related to job performance, while Burney and Widener (2007), Gregson et al. (1994), and Rebele and Michaels (1990) stated that role conflict is not related to job performance. Fisher (2001) suggested that future research should try to examine whether the inconsistency of the results of these studies is a consequence of differences in geographic location, research models, or the measures of the job performance of auditors. Several previous studies have been conducted by using samples of external auditors in New Zealand (Fisher 2001) and America (Viator, 2001; Gregson et al., 1994; Rebele and Michaels, 1990). This study will examine the impact of role conflict and role ambiguity on job performance on internal auditors in the public sector in Indonesia. The measurement of job performance that will be used in this study is different from the measurement of job performance used in the study of Burney and Widener (2007), Fisher (2001), Viator (2001), Gregson et al. (1994), and Rebele and Michaels (1990). This study will use the instruments of self-reported performance evaluation developed by Fogarty et al. (2000). They used an instrument that asks the subjects to evaluate the performance relative to others that will minimize

the tendency of leniency bias that often occurs in the absolute size of self-report when the auditor assess job performance by themselves (Fogarty and Kalbers, 2006).

It is important to study the job performance of local government internal auditors because the Indonesian government is currently focused on improving it, which is still considered low in performing internal control and prevention of corruption in local government. The results of level assessment capability 474 APIP in ministries, agencies, and local governments within the last 5 years (2010-2014) by using the Internal Audit Capability Model (IA-CM) conducted by State Development Audit Agency (BPKP), indicate that 404 APIP (85.23%) are at level 1 (initial), 69 APIP (14.56%) are at level 2 (infrastructure), and 1 APIP (0.21%) are at level 3 (integrated) (*Badan Pengawasan Keuangan dan Pembangunan*, 2015). APIP conditions are largely still at level 1 indicating there is still lower performance by APIP in conducting effective internal control. APIP is seen as an organisation that is still lacking in providing assurance regarding the governance process according to the rules and it has not been able to prevent violations.

The contribution of this study is to serve as important external validity evidence on the phenomena associated with role conflict and role ambiguity that occurs in the public sector, especially among internal auditors at local government institutions. The phenomena of role conflict and role ambiguity need to be examined regarding local government internal auditors because most of the previous studies about determinants and impacts of role conflict and role ambiguity have been more focused on internal auditors in the private sector and there have been no previous studies that examine this topic in terms of internal auditors at local government institutions.

## **THEORY AND HYPOTHESIS DEVELOPMENT**

### **1. Role Theory**

Role theory is a theoretical framework to explain the behaviour of individuals within

organizations (Schuler et al., 1977). The term role is defined as a view that individuals should behave in reference to the expectations others have about how he/she should behave (Rahim 2001). Role theory was developed based on a series of events or episodes, which is a process cycle between role senders and a focal person (Rahim, 2001; Viator, 2001). The concept of role theory used in this study is in the context of local government organizations, namely in the Inspectorate for District/City Governments. Local government internal auditors act as focal persons, while those who are the role senders can be head of the region in the highest office in the local government organization, the Indonesian Association of Government Internal Auditors as a professional organization of local government internal auditors, or society which demands transparency and accountability in the management of local government organizations.

Role theory states that when an individual is faced with incompatibility between role and expectations simultaneously, and compliance with one expectation of one role would make it difficult or impossible to meet the expectations of the other role effectively, then he/she will experience role conflict (Kahn et al., 1964 as cited Agarwal, 1999). The occurrence of role conflict is divided into four types based on the source of the conflict, namely intrasender conflict, intersender conflict, interrole conflict, and intrarole conflict (Roussy, 2013; Rahim, 2001). Role theory also states that when an individual does not have sufficient information to produce effective performance in a certain role then he/she will experience role ambiguity (Kahn et al., 1964 as cited Senatra, 1980).

## **2. Formalization and Role Conflict**

Formalization is the extent to which an organization explicitly formalizes its standard practices, job descriptions, and policies (Podsakoff et al., 1986). Several previous studies have examined the relationship between formalization and role conflict. Podsakoff et al. (1986) did this by using professional and nonprofessional samples consisting of pharmacy technicians, government officials, and em-

ployees of the health department. The results showed that formalization is negatively related to role conflict. Podsakoff et al. (1986) stated that the reason formalization is negatively related to role conflict is because formalization can add to the clarity of work, which can then reduce role conflict. The result of a study by Rizzo et al. (1970) also suggests that formalization is negatively related to role conflict. Jackson and Schuler (1985) stated that formalization may help to reduce role conflict because it serves to define the role sender as being legitimate and how to behave. Formalization of the behaviour of employees in the organization will clarify the role expectations and minimize role conflict (Rogers and Molnar, 1976). The existence of objectives, rules and procedures that regulate the work activities can help clarify the role of employees (Jackson and Schuler, 1985).

Local government internal auditors in organizations with a high level of formalization will always feel they have clear direction and guidance about their work so it will minimize the possibility of role conflict. Formalization clarifies the boundaries of the local government internal auditor's role so that it will minimize the possibility of two conflicting roles occurring simultaneously. Therefore, the first hypothesis in this study states that:

H<sub>1</sub>: formalization has a negative relationship with role conflict.

## **3. Formalization and Role Ambiguity**

Rogers and Molnar (1976) also examined the relationship between formalization and role ambiguity by using a sample of heads of administration in local governments. The results showed that formalization is negatively related to role ambiguity. The results of the study by Rizzo et al. (1970), Jackson and Schuler (1985) and Podsakoff et al. (1986) also suggest that formalization is negatively related to role ambiguity. Bamber et al. (1989) examined the relationship between formalization and role ambiguity by using a sample of senior auditors at a public accounting firm that was not structured. The results showed that formalization

is negatively related to role ambiguity. Aghghaleh (2014) examined the relationship between mechanistic structure organizations (organizations with a high degree of formalization) with role ambiguity for internal auditors in private companies. The results indicate that a mechanistic organizational structure is negatively related to role ambiguity. This result implies that the formalization has a negative relationship with role ambiguity. Jackson and Schuler (1985) stated that formalization tends to reduce the role ambiguity because it provides employees with more clarity about what is expected of their roles. Shenkar and Zeira (1992) stated that role ambiguity will be reduced if an individual has sufficient knowledge about the clarity of their roles.

Indications of role ambiguity for local government internal auditors occur when they do not have the clarity of duties, powers, responsibilities, and standards to perform their role. Formalization helps to provide a clarity to their work through explicit regulations or policies. Local government internal auditors in the local government organizations with a high degree of formalization will feel that they have a reference and clear guidelines that will make them have sufficient information and knowledge about how to perform their roles effectively so it will minimize the possibility of role ambiguity. Therefore, the second hypothesis in this study states that:

H<sub>2</sub>: formalization has a negative relationship with role ambiguity.

#### **4. Role Conflict and Commitment to Independence**

Mutchler (2003), as cited by Ahmad and Taylor (2009), stated that internal auditors are expected to have a commitment to the integrity and independence (commitment to independence) to form an unbiased opinion. Commitment to independence is defined as (a) a strong belief and acceptance of the code of professional conduct that is concerned with the value of professional independence; (b) a willingness to exert considerable effort to meet the basic principles of the profession in maintaining

independence; (c) a strong personal desire to be independent at all times (Ahmad and Taylor, 2009). Commitment to independence in internal auditors is shown in the form of internal auditor's attitude not to subordinate their judgment on audit matters to others, especially management (Ahmad and Taylor, 2009). Ahmad and Taylor (2009) examined the relationship between role conflict and commitment to independence by using a sample of internal auditors in private companies. Internal auditors experience role conflict because they are often involved in internal audit activities and management consulting services. The results of their study show that role conflict is negatively related to commitment to independence. Ahmad and Taylor (2009) explain that the role conflict would disrupt independence of internal auditors so it will reduce the commitment to independence.

Role conflict may potentially have a negative effect on the independence of local government internal auditors. Internal auditors who provide management consulting services to a certain local government tend to have a strong tendency not to report inappropriate practices and flaws of systems when performing their oversight function with the same local government. This is because the auditors will experience strong pressures to agree with auditees' actions and decisions. The auditors will experience difficulties with being objective and saying negative things about the client as they are the ones providing advice and helping the government to solve its issues. Hence, it may be predicted that the presence of role conflict will impair and internal auditor's commitment to independence. The stronger the conflict, the more difficult it is for the auditors to maintain their independence, and vice versa. This argument leads to the third hypothesis.

H<sub>3</sub>: Role conflict has a negative relationship with commitment to independence.

#### **5. Role Ambiguity and Commitment to Independence**

Ahmad and Taylor (2009) also examined the relationship between role ambiguity and com-

mitment to independence. Role ambiguity is measured by including the existence of a clear written policy on important issues, clarity of duties, powers, responsibilities and standards. The results show that role ambiguity is negatively related to commitment to independence. The absence of clear written policies on important issues, clarity of duties, powers, responsibilities and standards can lower internal auditor confidence in making audit judgments and decisions so that it will create stress pressure which can reduce the commitment to independence (Ahmad and Taylor, 2009).

Role ambiguity will make local government internal auditors have a lack of understanding about their audit tasks so they become less confident and less focused in carrying out an audit and they will tend to find it difficult to maintain their opinion and will be more easily influenced by auditees in making audit judgments and decisions in the event of audit conflict. Consequently they will tend to subordinate their decision to request an audit auditee. When local government internal auditors have based their decision to request an audit auditee, it shows that there is low commitment to their independence. Therefore, the fourth hypothesis in this study states that:

H<sub>4</sub>: Role ambiguity has a negative relationship with commitment to independence.

## **6. Role Conflict and Job Performance**

Job performance is a term used to describe how well an employee performs tasks related to the job (Caillier, 2010). Rizzo et al. (1970) stated that when a person experiences a role conflict then he/she will experience stress, become dissatisfied and demonstrate a lower job performance than if he/she was not experiencing role conflict. Marginson and Bui (2009) examined the relationship between role conflict and job performance by using a sample of company managers. The results show that role conflict is negatively related to job performance. Fisher (2001) and Viator (2001) examined the relationship between role conflict and job performance using a sample of external auditors in public accounting firms. They used self-rating perfor-

mance evaluation to measure the job performance of the auditors. Their results show that role conflict is negatively related to job performance. According to the cognitive perspective, role conflict can lead to lower job performance because the condition of role conflict leads an individual to deal with situations that where it is almost impossible to do everything which is expected from the role (Jackson and Schuler, 1985).

Indications of role conflict in local government internal auditors are due to the dual role of such auditors who have conflicting role expectations that occur simultaneously, namely their audit oversight role and their consulting role. The existence of two conflicting roles will cause local government internal auditors to feel stress pressure so they won't be able to demonstrate an effective job performance. Therefore, the fifth hypothesis in this study states that:

H<sub>5</sub>: Role conflict has a negative relationship with job performance.

## **7. Role Ambiguity and Job Performance**

The results of previous studies have shown that role ambiguity is negatively related to job performance (Caillier, 2010; Kalbers and Cenker, 2008; Burney and Widener, 2007; Viator, 2001; Fisher, 2001; Gregson et al., 1994; Rebele and Michaels, 1990). Rizzo et al. (1970) stated that role ambiguity would increase the likelihood of someone experiencing dissatisfaction with his/her role, anxiety, and distorting reality so that he/she would demonstrate a less effective job performance. Beauchamp et al. (2005) stated that if someone has a lack of clarity about his role because of the lack of necessary information to perform that role effectively, then that person will have a lower job performance.

Kahn et al. (1964) as cited by Burney and Widener (2007) stated that role ambiguity was associated with worse decision making because someone will feel less confident. If someone does not know what authority he has to make decisions, expectations of what he has to fulfil, and how he will be evaluated, then that person will hesitate to make a decision and he will rely

on a trial and error approach to meet the expectations of the role (Rizzo et al., 1970). Smith (1957), as cited by Rizzo et al. (1970), conducted experimental studies on group behaviour related to the effect of role ambiguity on problem solving. The results show that role ambiguity is associated with decreased performance on problem solving. The efficiency of the group's performance was significantly lower when the group was asked to solve the problem without the clarification of the role than when the role was made clear (Smith, 1957 as cited by Rizzo et al., 1970). Smith (1957), as cited by Rizzo et al. (1970), concluded that the members in the group who experience role ambiguity would spend a lot of time defining and understanding the various roles and so they paid less attention to solving the problem, and as a result their performance became less effective.

Role ambiguity makes local government internal auditors' lack understanding about audit tasks which they should to carry out, so they will feel less confident and less focused in performing the audit. Consequently local government internal auditors will find it difficult to achieve a good job performance. Therefore, the sixth hypothesis of this study states that:

H<sub>6</sub>: Role ambiguity has a negative relationship with job performance.

## 8. Research Model (see Figure 1)

### RESEARCH METHOD

#### 1. Data Collection Method

The research data were collected through hand delivery survey and mail survey. Questionnaires were distributed to 248 local government internal auditors from 12 Regional Inspectorates in the provinces of Yogyakarta, South Sumatra, and East Java. The sample was selected from these three provinces to get more extensive research samples and based on the evaluation report of performance accountability District/City Government in 2013, it shows that the district/city governments in these three provinces received grades in the range of 'less well' and 'well enough' so improvement of the role of

local government internal auditors was still needed. The criteria for inclusion in the sample for this study was local government internal auditors that have position as Functional Auditor (JFA) and Supervisory Operation of Government Affairs at the Regional (P2UPD) because these two functional position are tasked with conducting audit oversight activities in government agencies and regional institutions. The number of questionnaires returned was 176 (response rate 70.97%). There is one Regional Inspectorate where all respondents gave the same answers to the entire questionnaire so it was excluded from analysis in this study. A total of 52 responses from 176 were determined to be unusable for analysis in this study because respondents did not answer all questions in the questionnaire completely or had the same answer for all question in the questionnaire. The final number of questionnaire responses that were analysed in this study was 124 (response rate 50%) from 11 Regional Inspectorates in three provinces. These 11 Regional Inspectorates were those in Yogyakarta, Sleman, Bantul, Gunung Kidul, Kulon Progo, Palembang, Prabumulih, Ogan Komering Ulu, Sumenep, Gresik and Tuban, while the Regional Inspectorate which was excluded from analysis in this study was the one in Surabaya. These 11 Regional Inspectorates were representative for results generalization of this research in the public sector organizations because it represented medium-size districts/cities and big-size districts/cities in Indonesia.

The researchers tried to get high response rate in this study by making the questionnaire looks attractive and easy to read, providing a souvenir in the form of a pen for the respondents to use when filling it out, enclosing empty envelopes that has been labelled with the address of the researchers and including some money to cover the cost of returning the questionnaire by post, and following up by contacting the Regional Inspectorate by phone every week. However, there were still some respondents who were not willing to fill out this study questionnaire.

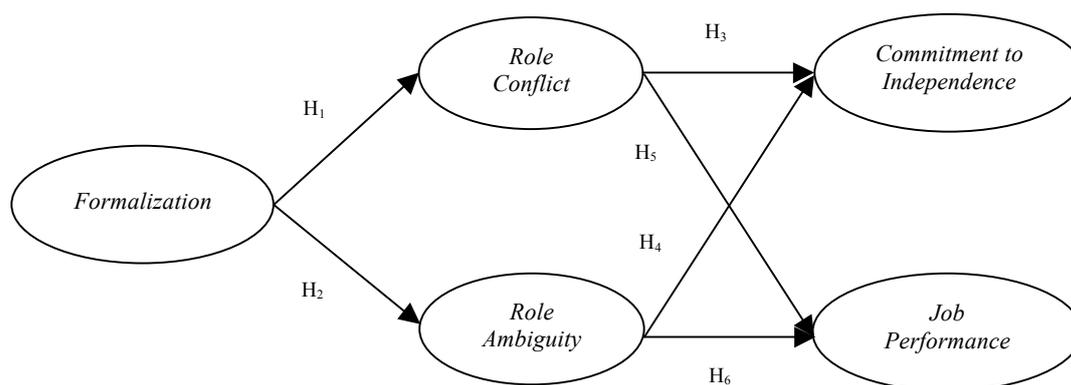


Figure 1. Research Model

Most of the respondents in this study were aged over 36 years (79.03%), male (62.10%) and female (37.90%), with bachelor's degrees (66.94%) with a major in accounting (24.19%) and with experience as an auditor or investigator for more than 6 years (65.32%). Most of the respondents in this study were internal auditors of local government that were certified as Functional Auditors (83.06%) with functional hierarchy as expert auditors (70.16%), Supervisory Operation of Regional Government Affairs (16.94%). Most of the respondents of this study were local government internal auditors that had been involved in audit assignments more than 15 times (95.16%).

## 2. Variables and Measures

### 2.1. Formalization

Formalization was defined in terms of the perception or perceived condition of respondents to the level of formalization that occurred within their organization. This variable was measured by the instrument developed by Kerr and Jermier (1978). It is similar to the instrument developed by House and Rizzo (1972). Each question is answered using a 5-point Likert scale.

### 2.2. Role Conflict and Role Ambiguity

Role conflict and role ambiguity were measured using an instrument developed by Rizzo et al. (1970). Role conflict measurement consists of 8 questions and role ambiguity measurement consists of 6 questions. Each question is answered using a 5-point Likert

scale. These measures have been widely used in accounting research, namely by Burney and Widener (2007), Fisher (2001), Viator (2001), Gregson et al. (1994), Bamber et al. (1989), Rebele and Michaels (1990), and Senatra (1980).

### 2.3. Commitment to Independence

Commitment to independence was measured using an instrument developed by Ahmad and Taylor (2009). The commitment to independence instrument used by Ahmad and Taylor (2009) consists of 10 questions divided into 3 scales: (a) three questions were developed to test the internal auditor's belief and acceptance of the independence value; (b) three questions were developed to test the extent to which they were willing to resist pressure in order to ensure dedication to independence; (c) four questions were developed to test the extent to which personal desire to remain independent at all times. Each question is answered using a 5-point Likert scale.

### 2.4. Job Performance

Job performance was measured using seven questions in a self-reported performance evaluation instrument developed by Fogarty et al. (2000). Each question is answered using a 5-point Likert scale. This self-reported performance evaluation instrument has been used to measure the job performance of internal auditors (Fogarty and Kalbers, 2006) and external auditors (Kalbers and Cenker, 2008).

## ANALYSIS AND DISCUSSION

The researchers were very careful in adopting research instrument before the questionnaire was distributed to respondents. They had conducted a peer review related to the grammar of all questions this research instrument with some fellow researchers who work as internal auditors in private companies and academicians. The researchers had also requested assessment and discussion of the results of peer review with an expert who works as an academician and has a good experience in the field of public sector audits. This was done by the researchers to ensure that all question items in the research instruments that were translated by the researchers have the same meaning as the original instrument and could be understood well. The results of the peer review of the research instruments showed that all the questions were already well understood.

### 1. Validity and Reliability

#### 1.1. Convergent Validity

The convergent validity indicates the degree to which scores on one scale correlate with score

of other scales designed to assess the same construct (Cooper and Schindler, 2011). Table 1 shows that the value of some indicators of each construct in this study is at a value above 0.50 with  $p$ -value  $< 0.001$  and AVE values for the whole construct of this study is at a value above 0.50 so it can be concluded that all variables in this study have met the criteria of convergent validity. There are several indicators of each construct that were excluded because they did not meet the minimum loading value 0.40 or meet minimum loading value 0.40 but were not able to increase the AVE and composite reliability value over the limit. The results of convergent validity in Table 1 show that there were only four indicators of formalization constructs that met the criteria of convergent validity, i.e. FORM1, FORM5, FORM6, and FORM7, while 5 other indicators were excluded. The role conflict construct consists of three indicators, i.e. RC3, RC5 and RC7, while 5 other indicators were excluded. The role ambiguity construct consists of four indicators, i.e. RA1, RA2, RA3, and RA4, while 2 other indicators were excluded. The commitment to indepen-

**Table 1.** Convergent Validity

Constructs	Items	Loadings	<i>P</i> -values	AVE
<i>Formalization</i> (FORM)	FORM1	0.574	<0.001	0.530
	FORM5	0.781	<0.001	
	FORM6	0.693	<0.001	
	FORM7	0.836	<0.001	
<i>Role Conflict</i> (RC)	RC3	0.734	<0.001	0.559
	RC5	0.734	<0.001	
	RC7	0.774	<0.001	
<i>Role Ambiguity</i> (RA)	RA1	0.677	<0.001	0.501
	RA2	0.717	<0.001	
	RA3	0.742	<0.001	
	RA4	0.694	<0.001	
<i>Commitment to Independence</i> (CI)	CI1	0.729	<0.001	0.563
	CI2	0.810	<0.001	
	CI7	0.717	<0.001	
	CI8	0.742	<0.001	
<i>Job Performance</i> (JP)	JP1	0.744	<0.001	0.519
	JP2	0.812	<0.001	
	JP3	0.654	<0.001	
	JP5	0.611	<0.001	
	JP6	0.577	<0.001	
	JP7	0.874	<0.001	

dence construct consists of four indicators, i.e. CI1, CI2, CI7, and CI8, while 6 other indicators were excluded. The job performance construct consists of six indicators, i.e. JP1, JP2, JP3, JP5, JP6, and JP7, while 1 other indicator was excluded.

### 1.2. Discriminant Validity

Discriminant validity indicates the degree to which scores on a scale do not correlate with scores on a scale designed to measure different constructs (Cooper and Schindler, 2011). Table 2 shows that the value of the square root of AVE on the diagonal column is larger than the correlation between constructs in the same column (above or below). This shows that the whole construct in this study had met the criteria of discriminant validity.

### 1.3. Internal Consistency Reliability

Internal consistency reliability testing was performed to assess the homogeneity among the items that make up a construct (Cooper and Schindler, 2011). Table 3 shows that the whole construct in this study had a value of Cronbach's alpha and composite reliability above 0.60. This indicates that the whole construct in this study had met the criteria of internal consistency reliability.

## 2. Hypothesis Testing

Structural Equation Modelling-Partial Least Square (SEM-PLS), specifically WarpPLS 3.0, was used to analyze the data. SEM-PLS can simultaneously test measurement and structural models (Hartono and Abdillah, 2014). The measurement model is commonly used to test the validity of measures, while the structural model is used to test the hypotheses.

The results of the analysis (Figure 2) shows that the R-squared of role conflict construct is 0.16, which means that the variation of the changes in the role conflict variable that can be explained by variable formalization is 16%, while the rest is explained by other variables outside the model. R-squared of the role ambiguity construct is 0.42; it indicates that the variation of the variable changes in role ambiguity that can be explained by variable formalization is 42%, while the rest is explained by other variables outside the model. R-squared of commitment to independence construct is 0.38, which indicates that the variation of the changes commitment to independence variable that can be explained by variable role conflict and role ambiguity is 38%, while the rest is explained by other variables outside the model.

**Table 2.** Correlation Among Latent Variables

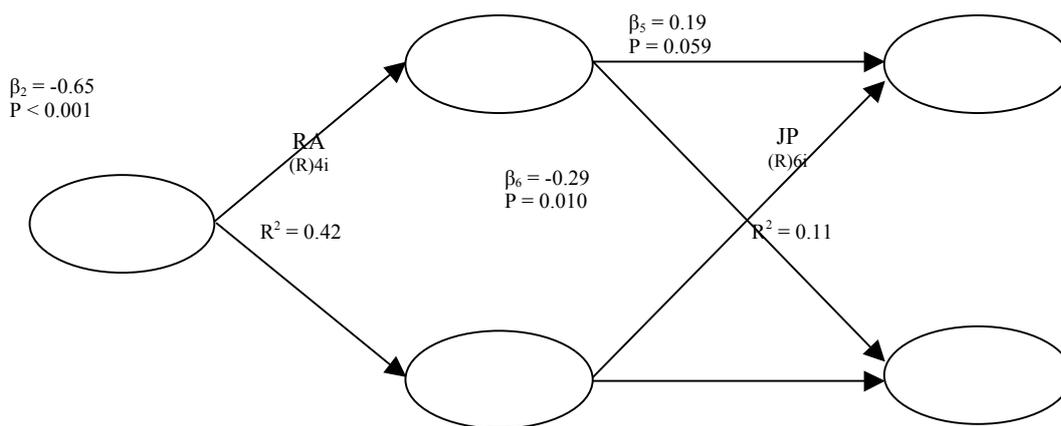
	FORM	RC	RA	CI	JP
FORM	0.728	-0.395	-0.638	0.581	0.166
RC	-0.395	0.748	0.355	-0.303	0.095
RA	-0.638	0.355	0.708	-0.588	-0.253
CI	0.581	-0.303	-0.588	0.750	0.098
JP	0.166	0.095	-0.253	0.098	0.720

Note: AVE square root shown in column diagonal

**Table 3.** Internal Consistency Reliability

Constructs	Cronbach's alpha	Composite reliability
<i>Formalization</i>	0.696	0.816
<i>Role Conflict</i>	0.605	0.792
<i>Role Ambiguity</i>	0.668	0.801
<i>Commitment to Independence</i>	0.740	0.837
<i>Job Performance</i>	0.807	0.863

FORM  
(R)4i



**Figure 2.** Structural Model Evaluation Results

R-squared of job performance construct is 0.11 which indicates that the variation of the changes job performance variable that can be explained by variable role conflict and role ambiguity is 11%, while the rest is explained by other variables outside the model.

The result also shows that the relationship between formalization and role conflict has a path coefficient of -0.40 and p-value of < 0.001. The negative value of path coefficient indicates that the higher the level of formalization, the smaller the possibility of role conflict, conversely the lower the level of formalization, the greater the possibility of role conflict. This path coefficient is significant at p-value < 0.001. These results reject  $H_0$ , the prediction of  $H_1$  that formalization is negatively associated with role conflict is empirically supported.

Figure 2 also shows that the relationship between formalization and role ambiguity has a path coefficient -0.65 and p-value < 0.001. The negative value of path coefficient indicates that the higher the level of formalization, the smaller the possibility of role ambiguity, conversely the lower the level of formalization, the greater possibility of role ambiguity. This path coefficient is significant above the conventional level (p-value < 0.001). These results show that the prediction of  $H_2$  that formalization is negatively associated with role ambiguity is empirically supported.

With regard to hypothesis three ( $H_3$ ), the results show that the relationship between role

conflict and commitment to independence is not statistically significant (the path coefficient -0.16 and p-value of 0.159). Hence, the prediction that role conflict is related to commitment to independence is not empirically supported.

Figure 2 further shows that the relationship between role ambiguity and commitment to independence is significant (the path coefficient -0.53). The negative value of path coefficient indicates that the higher the level of role ambiguity, the lower the level of commitment to independence, whereas the lower the level of role ambiguity, the higher the level of commitment to independence. Therefore, the prediction of hypothesis four that role ambiguity is associated with commitment to independence is empirically supported. Hypothesis five ( $H_5$ ) was not supported. It was predicted that the relationship between role conflict and job performance is negative, but contrary to this prediction, the results show that the path coefficient is positive.

Finally, the results presented in Figure 2 show that the relationship between role ambiguity and job performance has a path coefficient of -0.29 and it is significant at p-value 0.01. The negative value of path coefficient indicates that the higher the levels of role ambiguity, the lower the level of job performance, whereas the lower the level of role ambiguity, the higher the level of job performance. These results confirm the prediction of hypothesis six ( $H_6$ ).

### 3. Discussion

The results of  $H_1$  and  $H_2$  indicate that formalization is negatively related to role conflict and role ambiguity. These results support the study results of Podsakoff et al. (1986) and Rizzo et al. (1970). This means that formalization can minimize the possibility of role conflict and role ambiguity for local government internal auditors. Formalization in organization showed availability of regulation, standard, or policy explicitly governing job descriptions, standards practices, authority, responsibility, time, and boundaries that are allowed or not allowed to fulfil a role. Formalization serves as a reference or guidance to local government internal auditors in performing their roles. Formalization clarifies the boundaries of the role of local government internal auditors and provides clarity on work that should be performed by local government internal auditors so that it will minimize the possibility of role conflict. On the other hand, formalization also provides adequate information and understanding to local government internal auditors about how to perform work effectively so that it will minimize the possibility of role ambiguity. This explanation is in accordance with that of Statement of Jackson and Schuler (1985) who stated that the existence of objectives, rules and procedures that govern work activities can help clarify the role of employees. Podsakoff et al. (1986) also stated that formalization could reduce role conflict and role ambiguity because formalization can add clarity to the job.

The results of  $H_3$  indicate that role conflict is not related to commitment to independence. A possible reason for this is because the level of role conflict that occurred for local government internal auditors in this study is quite low. The low role conflict cannot afford to weaken commitment to independence of local government internal auditors. Ahmad and Taylor (2009) said that commitment to independence of internal auditors will be weakened only when internal auditors feel the presence of a greater role conflict.

The results of  $H_4$  show that role ambiguity is negatively related to commitment to indepen-

dence, which is consistent with Ahmad and Taylor (2009). Role ambiguity can weaken commitment to independence of local government internal auditors. Role ambiguity results in local government internal auditors having a lack information and understanding when performing audit tasks because they do not have sufficient clarity about their duties, powers, responsibilities, and standards. Unfavourable understanding about audit tasks can make local government internal auditors feel less confident and focused in performing audit so it tends to be difficult for them to sustain their opinion when there is conflict regarding an audit, consequently they will tend to base their decision on audit requests from the auditee. The situations where local government internal auditors based their decision on audit requests from auditees showed their low commitment to independence. Ahmad and Taylor (2009) stated that role ambiguity could create pressure which made internal auditors more susceptible to basing their judgment on audit matters on others and so weaken their commitment to independence.

The results of  $H_5$  failed to show that role conflict is negatively related to job performance. Results of previous studies on the relationship between role conflict and job performance are still not conclusive because the results from some of those studies showed a negative relationship (Fisher, 2001; Viator, 2009), while others showed them to be unrelated (Burney and Widener, 2007; Gregson et al., 1994; Rebele and Michaels, 1990). The results of this study indicate that role conflict is positively related to job performance. The results of the study by Babin and Boles (1996) and Behrman and Perreault (1984), about the relationship of role conflict and job performance in the field of marketing, also show the direction of a positive relationship. Behrman and Perreault (1984) stated that the condition of role conflict can produce an effective job performance depending on how the individual facing and coping with the condition of role conflict. Babin and Boles (1996) stated that a positive relationship between role conflict and job performance is consistent with the nature of conflict in so far as the action

that is needed to confront and resolve these conflicts is able to produce positive results.

A possible explanation for the positive relationship between role conflict and job performance in this study is local government internal auditors who are in the situation of role conflict preferring to act immediately to confront and overcome situations of role conflict, not pressing the situation of role conflict. In situations of role conflict, local government internal auditors can immediately be aware of what the role they are performing is and what is expected from their role so that they can focus on providing a good job performance for the tasks that are assigned to them. Awareness of the role of local government internal auditors can be obtained through formalization in the form of legislation, technical guidelines, and policies that explicitly regulate the work of local government internal auditors. This is consistent with the findings of H<sub>1</sub> in this study which showed that the implementation of standards, job descriptions, and policy that explicitly formalize, will provide clarity on the work of employees so that it will minimize the possibility of role conflict.

The result of H<sub>6</sub> shows that role ambiguity is negatively related to job performance. This result is consistent with the results of the study by Caillier (2010), Kalbers and Cenker (2008), Burney and Widener (2007), Viator (2001), and Fisher (2001). Role ambiguity results in local government internal auditors having a lack information and understanding about audit tasks due to the lack of technical guidance and clear audit standards or even in the absence of sufficient information to complete the audit tasks. Unfavourable understanding about audit tasks can make local government internal auditor become less confident and less focused in performing an audit and so their job performance becomes lower. Caillier (2010) stated that government employees' job performance decreases when they do not have sufficient information to complete the tasks assigned to them or they do not have information about the most effective way needed to complete the task. Beauchamp et al. (2005) also stated that if a person experiences a lack of clarity about their

role because the lack of information necessary to perform that role effectively then that person will demonstrate a lower job performance.

## CONCLUSION, LIMITATIONS, SUGGESTIONS

### 1. Conclusion

The results of the analysis in this study indicated that there are four hypotheses that were supported, i.e. H<sub>1</sub>, H<sub>2</sub>, H<sub>4</sub> and H<sub>6</sub>, while the other, i.e. H<sub>3</sub> and H<sub>5</sub> were not supported. The results showed that formalization is one of the determinants of role conflict and role ambiguity. Formalization negatively related to role conflict and role ambiguity. The results of this study failed to show a negative relationship between role conflict and commitment to independence, but they did successfully show that role ambiguity is negatively related to commitment to independence. The results also showed that role conflict is positively related to job performance, while role ambiguity is negatively related to job performance. In other words, role conflict can have positive impacts on job performance, while role ambiguity can have negative impacts on commitment to independence and job performance.

### 2. Limitations

Interpretation of the results in this study needs to consider several limitations. First, this study did not include internal auditors from small-size districts/cities. However, the medium-size districts/cities and big-size districts/cities that were sampled are quite representative for generalizing the results of this research for public sector organizations in Indonesia because most of the districts/cities in Indonesia have a population of more than 100,000 people (classified as medium-size districts/cities or big-size districts/cities). Second, the results of the validity test indicate that there is some construct validity in this study that indicators are pretty much excluded because they do not meet the criteria of convergent validity. This occurs because there may be a measurement error bias in some of constructs in this study. "Measurement error bias is a consistent tendency for a

measure to be higher or lower than it ‘should be’” (Sudman and Bradburn, 1974 as cited by Andrews, 1984). Third, there are 52 questionnaires, which were determined to be unusable responses in this study because respondents did not answer the whole item questionnaire completely and all the respondents of one of the Regional Inspectorate had the same answer for all the items on the questionnaire. Quite a number of questionnaires were determined as not usable responses for analysis in this study and this indicated that some of the respondents were still not serious in participating in this survey. This happened because the researcher could not directly supervise respondents when filling out the questionnaire.

### 3. Suggestion

This study examines interesting issues associated with internal auditors at an individual level. Although not all the hypotheses were supported, the results provide important explanations as to how auditors’ behavior affects outcomes, i.e., commitment to independence and job performance. Future research should explore further how these outcomes improve the quality of government governance. With this line of thought, further research can be directed to examine the extent to which auditors’ attributes affect the governance-related outcomes, such as the capacity of internal audit units and audit quality. It will not be easy to examine the impact of individual attributes on organization outcomes because researchers have to use a multi-informant approach, which will lead to a low-response rate, but the results will be very important.

### REFERENCES

- Addae, HM, Parboteeah, KP & Velinor, K. 2008. Role Stressors and Organizational Commitment: Public Sector Employment in St Lucia. *International Journal of Manpower*, vol. 29, no. 6, pp. 567-582.
- Agarwal, S. 1999. Impact of Job Formalization and Administrative Controls on Attitudes of Industrial Salespersons. *Industrial Marketing Management*, vol. 28, pp. 359-368.
- Aghghaleh, SF, Mohamed, ZM & Ahmad, A. 2014. The Effects of Personal and Organizational Factors on Role Ambiguity amongst Internal Auditors. *International Journal of Auditing*, vol. 18, pp. 105-114.
- Ahmad, Z & Taylor, D. 2009. Commitment to Independence by Internal Auditors: The Effects of Role Ambiguity and Role Conflict. *Managerial Auditing Journal*, vol. 24, no. 9, pp. 899-925.
- Andrews, FM. 1984. Construct Validity and Error Components of Survey Measures: A Structural Modeling Approach. *The Public Opinion Quarterly*, vol. 48, no. 2, pp. 409-442.
- Anton, C. 2009. The Impact of Role Stress on Workers’ Behaviour through Job Satisfaction and Organizational Commitment. *International Journal of Psychology*, vol. 44, no. 3, pp. 187-194.
- Arena, M & Azzone, G. 2009. Identifying Organizational Drivers of Internal Audit Effectiveness. *International Journal of Auditing*, vol. 13, pp. 43-60.
- Arens, AA, Elder, RJ & Beasley, MS. 2012. *Auditing and Assurance Services an Integrated Approach*, 14th ed. Pearson Education Limited, England.
- Asosiasi Auditor Intern Pemerintah Indonesia. 2014. *Standar Audit Intern Pemerintah Indonesia*. Jakarta.
- Babin, BJ & Boles, JS. 1996. The Effects of Perceived Co-Worker Involvement and Supervisor Support on Service Provider Role Stress, Performance and job Satisfaction. *Journal of Retailing*, vol. 72, no. 1, pp. 57-75.
- Badan Pengawasan Keuangan dan Pembangunan. 2015. *Peningkatan Kapabilitas Aparat Pengawasan Intern Pemerintah Secara Mandiri (Self Improvement)*. viewed July 24, 2015. <http://www.bpkp.go.id/konten/2338/rakornas-apip>
- Bamber, EM, Snowball, D, & Tubbs, RM. 1989. Audit Structure and Its Relation to Role Conflict and Role Ambiguity: An Empirical Investigation. *The Accounting Review*, vol. 64, no. 2, pp. 285-299.
- Beauchamp, MR, Bray, SR, Fielding, A & Eys, MA. 2005. A Multilevel Investigation of the Relationship between Role Ambiguity and

- Role Efficacy in Sport. *Psychology of Sport and Exercise*, vol. 6, pp. 289–302.
- Behrman, DN & Perreault, WD. 1984. A Role Stress Model of the Performance and Satisfaction of Industrial Salespersons. *Journal of Marketing*, vol. 48, pp. 9-21.
- Breaugh, JA & Colihan, JP. 1994. Measuring Facets of Job Ambiguity: Construct Validity Evidence. *Journal of Applied Psychology*, vol. 79, no. 2, pp. 191-202.
- Burney, L & Widener, SK. 2007. Strategic Performance Measurement Systems, Job-Relevant Information, and Managerial Behavioral Responses—Role Stress and Performance. *Behavioral Research in Accounting*, vol. 19, pp. 43-69.
- Caillier, JG. 2010. Factors Affecting Job Performance in Public Agencies. *Public Performance and Management Review*, vol. 34, pp. 139-165.
- Chong, VK & Monroe, GS. 2015. The Impact of The Antecedents and Consequences of Job Burnout on Junior Accountants' Turnover Intentions: A Structural Equation Modelling Approach. *Accounting and Finance*, vol. 55, pp. 105-132.
- Cooper, DR & Schindler, PS. 2011. *Business Research Methods*, 11th ed. McGraw Hill, Singapore.
- Djalil, R. 2014. *Akuntabilitas Keuangan Daerah: Implementasi Pasca Reformasi*. RMBOOKS, Jakarta.
- Fisher, RT. 2001. Role Stress, The Type A Behavior Pattern, and External Auditor Job Satisfaction and Performance. *Behavioral Research in Accounting*, vol. 13, pp. 143-170.
- Fogarty, TJ, Singh, J, Rhoads, GK & Moore, RK. 2000. Antecedents and Consequences of Burnout in Accounting: Beyond the Role Stress Model. *Behavioral Research in Accounting*, vol. 12, pp. 31-67.
- Fogarty, TJ & Kalbers, LP. 2006. Internal Auditor Burnout: An Examination of Behavioral Consequences. *Advances in Accounting Behavioral Research*, vol. 9, pp. 51-86.
- Gregson, T, Wendell, J & Aono, J. 1994. Role Ambiguity, Role Conflict, and Perceived Environmental Uncertainty: Are the Scales Measuring Separate Constructs for Accountants?. *Behavioral Research in Accounting*, vol. 6, pp. 144-159.
- Hang-yue, N, Foley, S & Loi, R. 2005. Work Role Stressors and Turnover Intentions: A Study of Professional Clergy in Hong Kong. *International Journal of Human Resource Management*, vol. 16, pp. 2133-2146.
- Hartono, J & Abdillah, W. 2014. *Konsep dan Aplikasi PLS (Partial Least Square) Untuk Penelitian Empiris*. BPFE, Yogyakarta.
- Jackson, SE & Schuler, RS. 1985. A Meta-analysis and Conceptual Critique of Research on Role Ambiguity and Role Conflict in Work Settings. *Organizational Behavior and Human Decision Processes*, vol. 36, pp. 16-78.
- Jaramillo, F, Mulki, JP & Solomon, P. 2006. The Role of Ethical Climate on Salesperson's Role Stress, Job Attitudes, Turnover Intention, and Job Performance. *The Journal of Personal Selling and Sales Management*, vol. 26, no. 3, pp. 271-282.
- Jones, A, Normal, CS & Wier, B. 2010. Healthy Lifestyle as a Coping Mechanism for Role Stress in Public Accounting. *Behavioral Research in Accounting*, vol. 22, no. 1, pp. 21-41.
- Jones, A, Guthrie, CP & Iyer, VM. 2012. Role Stress and Job Outcomes in Public Accounting: Have the Gender Experiences Converged?. *Advances in Accounting Behavioral Research*, vol. 15, pp. 53-84.
- Kalbers, LP & Cenker, WJ. 2008. The Impact of Exercised Responsibility, Experience, Autonomy, and Role Ambiguity on Job Performance in Public Accounting. *Journal of Managerial Issues*, vol. 20, no. 3, pp. 327-347.
- Kerr, S & Jermier, JM. 1978. Substitutes for Leadership: Their Meaning and Measurement. *Organizational Behavior and Human Performance*, vol. 22, pp. 375-403.
- Kim, BP, Murrmann, SK & Lee, G. 2009. Moderating Effects of Gender and Organizational Level Between Role Stress and Job Satisfaction among Hotel Employees. *International Journal of Hospitality Management*, vol. 28, pp. 612–619.

- Larson, LL. 2004. Internal Auditors and Job Stress. *Managerial Auditing Journal*, vol. 19, no. 9, pp. 1119-1130.
- Marginson, D & Bui, B. 2009. Examining the Human Cost of Multiple Role Expectations. *Behavioral Research in Accounting*, vol. 21, no. 1, pp. 59-81.
- Organ, DW & Greene, CN. 1981. The Effects of Formalization on Professional Involvement: A Compensatory Process Approach. *Administrative Science Quarterly*, vol. 26, no. 2, pp. 237-252.
- Podsakoff, PM, Williams, LJ & Todor, WD. 1986. Effects of Organizational Formalization on Alienation among Professionals and Nonprofessionals. *The Academy of Management Journal*, vol. 29, no. 4, pp. 820-831.
- Rahim, MA. 2001. *Managing Conflict in Organizations*. Greenwood Publishing Group, Inc, United States of America, viewed 20 December 2014. [http://books.google.co.id/books/about/Managing\\_Conflict\\_in\\_Organizations.html?id=c7ydIBWar-4C&redir\\_esc=y](http://books.google.co.id/books/about/Managing_Conflict_in_Organizations.html?id=c7ydIBWar-4C&redir_esc=y)
- Rebele, JE & Michaels, RE. 1990. Independent Auditors' Role Stress: Antecedent, Outcome, and Moderating Variables. *Behavioral Research in Accounting*, vol. 2, pp. 124-153.
- Peraturan Menteri Negara Pendayagunaan Aparatur Negara (Permenpan Decree) Nomor PER/05/M.PAN/03/2008 Tentang Standar Audit Aparat Pengawasan Intern Pemerintah.*
- Peraturan Menteri Negara Pendayagunaan Aparatur Negara dan Reformasi Birokrasi (Permenpan-RB Decree) Nomor 19 Tahun 2009 Tentang Pedoman Kendali Mutu Audit Aparat Pengawasan Intern Pemerintah.*
- Peraturan Menteri Negara Pendayagunaan Aparatur Negara dan Reformasi Birokrasi (Permenpan-RB Decree) Nomor 20 Tahun 2010 Tentang Road Map Reformasi Birokrasi 2010-2014.*
- Peraturan Menteri Negara Pendayagunaan Aparatur Negara dan Reformasi Birokrasi (Permenpan-RB Decree) Nomor 30 Tahun 2012 Tentang Pedoman Pengusulan, Penetapan, dan Pembinaan Reformasi Birokrasi Pada Pemerintah Daerah.*
- Peraturan Presiden (Presidential Decree) Republik Indonesia Nomor 81 Tahun 2010 Tentang Grand Design Reformasi Birokrasi 2010-2025.*
- Undang-Undang (UU) Nomor 23 Tahun 2014 Tentang Pemerintahan Daerah.*
- Rizzo, JR, House, RJ & Lirtzman, SI. 1970. Role Conflict and Ambiguity in Complex Organizations. *Administrative Science Quarterly*, vol. 15, no. 2, pp. 150-163.
- Rogers, DL & Molnar, J. 1976. Organizational Antecedents of Role Conflict and Ambiguity in Top-Level Administrators. *Administrative Science Quarterly*, vol. 21, no. 4, pp. 598-610.
- Roussy, M. 2013. Internal Auditors' Roles: From Watchdogs to Helpers and Protectors of The Top Manager. *Critical Perspectives on Accounting*, vol. 24, pp. 550-571.
- Schuler, RS, Aldag, RJ & Brief, AP. 1977. Role Conflict and Ambiguity: A Scale Analysis. *Organizational Behavior and Human Performance*, vol. 21, pp. 111-128.
- Senatra, PT. 1980. Role Conflict, Role Ambiguity, and Organizational Climate in a Public Accounting Firm. *The Accounting Review*, vol. 55, no. 4, pp. 594-603.
- Shenkar, O & Zeira, Y. 1992. Role Conflict and Role Ambiguity of Chief Executive Officers in International Joint Ventures. *Journal of International Business Studies*, vol. 23, no. 1, pp. 55-75.
- Solli-Sæther, H. 2011. Transplants' Role Stress and Work Outcome in IT Outsourcing Relationships. *Industrial Management & Data Systems*, vol. 111, pp. 227-245.
- Ussahawanitchakit, P. 2008. Building Job Satisfaction of Certified Public Accountants (CPAs) in Thailand: Effects of Role Stress through Role Conflict, Role Ambiguity, and Role Overload. *Journal of Academy Business and Economics*, vol. 8, pp. 12-23.
- Viator, RE. 2001. The Association of Formal and Informal Public Accounting Mentoring with Role Stress and Related Job Outcomes. *Accounting, Organizations and Society*, vol. 26, pp. 73-93.