

# **THE EFFECT OF WORK-FAMILY CONFLICT ON AUDITOR PERFORMANCE WITH EMOTIONAL EXHAUSTION AND JOB SATISFACTION AS MEDIATING VARIABLES IN AUDITORS WHO WORK IN PUBLIC ACCOUNTING FIRMS (KAP) IN JAKARTA**

Dhymas Pramana Wicaksana<sup>1</sup>, Anita Wijayanti<sup>2</sup>

<sup>1,2</sup>*Accounting Department, Faculty of Economics and Business, University of Brawijaya, Indonesia*

**Abstract.** A key element in maintaining public integrity and trust in the audit profession, auditor performance, to some extent, is frequently affected by work-family conflict. As such this study aims to examine the effect of work-family conflict on auditor performance, with emotional exhaustion and job satisfaction as mediating variables, involving 100 auditors of Public Accounting Firms (KAP) in Jakarta. Data are collected through self-report questionnaires measuring work-family conflict, emotional exhaustion, job satisfaction, and auditor performance, analyzed by Structural Equation Modeling (SEM). The findings exhibit that work-family conflict has a negative effect on auditor performance. Emotional exhaustion and job satisfaction do not mediate the effect of work-family conflict on auditor performance. This study highlights the importance of managing work-family conflict to improve auditor performance, thus, Public Accounting Firms (KAP) need to pay attention to relevant factors and develop effective interventions to support the auditors' well-being and productivity.

**Keywords:** Auditor Performance; Work-Family Conflict; Emotional Exhaustion; Job Satisfaction.

## **I. INTRODUCTION**

According to Trisnaningsih (2007), auditor performance is defined as the amount, size, and timeliness of work completed by a person in carrying out the responsibilities assigned to him based on his talent, experience, and seriousness of time. Auditor performance is measured through an objective examination of the financial statements to determine whether the statements are fairly presented in accordance with generally accepted accounting principles, in all material respects, the financial position and operating results of the company. This is the result of the auditor's work which is adjusted to the applicable standards. Auditor performance is seen based on the results of the audit process, the ability of an auditor to complete his work and a good understanding of the applicable rules and code of ethics (Mulyadi, 2020).

The first case occurred in 2020, namely the case of PT Jiwasraya Insurance. The case of default on customer policies that led to corruption in this company is considered to involve many parties including public accountants. The public accounting firms involved include the Soejatna, Mulyana, and Partners Public Accounting Firm, the Hartanto, Sidik, and Partners Public Accounting Firm, and PricewaterhouseCoopers (PwC). Auditors are considered unable to reveal the true condition of Jiwasraya. This is because the auditors assigned did not meet

competencies such as having little experience in the insurance field. In addition, the auditor's independence is also questioned because the actual audited financial statements of Jiwasraya have been manipulated so that the company looks healthy (CNNIndonesia.com, 2020). The next example is the case of PT Garuda Indonesia (Persero) Tbk in 2018. This case involved the Public Accounting Firm (KAP) Tanubrata, Sutanto, Fahmi, Bambang and Partners. The Public Accounting Firm (KAP) did not record a loss of 3.45 trillion in PT Garuda's financial statements, but instead recorded a profit of 70 billion, which caused the report to be significantly unfair and subjected Garuda to sanctions, which also caused PT Garuda to be threatened with bankruptcy in 2021 (Kompas.com, 2022).

Deviant behavior in audit assignments will be a serious problem. This can have an adverse effect in the form of a decrease in audit quality directly or indirectly. Many cases have occurred due to auditor negligence and also the lack of performance of the auditors on duty, causing great losses to interested parties. The cases that occurred showed that there was a decrease in auditor performance which made the accounting profession in the spotlight of the public and policy makers. The public began to question why auditors were involved in these manipulation cases. As an independent third party, the auditor should be responsible for providing assurance on the reliability of the audited financial statements.

Some of the main factors that can affect auditor performance can be related to the auditor's daily life or to the auditor's relationship with the company. In studies conducted in recent years, it has been revealed that work-family conflict is one of the main factors causing the decline in the quality of auditor performance. Such as research conducted by Amiruddin (2019) which examines how work stress mediates the effect of time pressure, work-family conflict, and role ambiguity on reducing audit quality.

The effect of work-family conflict on auditor performance is very important to study. The (American) National Institute for Occupational Safety and Health (NIOSH) states that work-family conflict is one of the 10 most significant stressors in the workplace. In addition, work-family conflict is also one of the most frequently studied objects in the work-family literature. Current global developments have increased the likelihood of work-family conflict in the world of work, especially for professions with a high level of direct contact with clients. The accounting profession, especially auditors, is a profession that is based on the needs and time of their clients, therefore this conflict is likely to occur. Work-family conflict has an impact on the high turnover intention in some Public Accounting Firms and has a negative effect on auditor performance.

Work family conflict can indirectly affect auditor performance. The most common causes of stress that mediate work family conflict are emotional exhaustion, job burnout, job satisfaction, work stress, long working hours, and role conflict (Bakker et al., 2005; Kossek & Ozeki, 1998; Spector et al., 2004). Some factors have been explained in depth in previous studies. Emotional exhaustion and job satisfaction, which are the main and closely related factors and which mediate work-family conflict on auditor performance, have not been discussed in depth and there are still inconsistencies in research results.

The results of research conducted by Yustina & Valerina (2018) show that emotional exhaustion and job satisfaction fully mediate the relationship between work-family conflict and auditor job performance. Meanwhile, research conducted by Nurkhayati & Khasbulloh (2023) shows that work-family conflict has no effect on performance with job satisfaction as an intervening variable. In addition, the results of research conducted by Irviana (2016), concluded

that the variable emotional exhaustion cannot act as an intervening variable in the relationship between family to work conflict and job performance.

This research has theoretical and practical benefits. Theoretically, this research is useful for providing information and knowledge about the effect of work-family conflict on auditor performance as well as the influence of emotional exhaustion and job satisfaction in mediating the influence relationship. Practically, this research provides benefits to various related parties. For auditors, this research is useful so that auditors can manage the causes and effects of work-family conflict properly so that it does not have an impact on performance decline. For companies, this research is useful as a basis or consideration for providing policies and programs that can assist auditors in managing and balancing work and family demands.

There are three objectives in this study, namely to determine the effect of work-family conflict on auditor performance, to determine the effect of work-family conflict on auditor performance through mediation of emotional exhaustion, and to determine the effect of work-family conflict on auditor performance through mediation of job satisfaction.

## II. LITERATURE

### A. *Conservation of Resources (COR) Theory*

Conservation of Resources (COR) theory argues that a person will always try to obtain and maintain or protect valuable resources owned by that person from a disturbance or threat. The situation when individuals feel threatened to lose their resources will result in burnout and things related to job stress, job dissatisfaction, depression or pressure (Hobfoll & Shirom, 1993). Resources refer to "objects, personal characteristics, conditions, or energies that are valued by individuals or that serve as a means to achieve them" (Hobfoll, 1989).

COR theory explains that the disadvantages or advantages of one domain (work or family) can affect the basic state of the other domain. The demands of managing multiple roles can result in work-family conflict. COR theory assumes that the loss of resources will cause emotional exhaustion, which in turn is expected to increase errors and reduce job satisfaction and lead to decreased performance (McDowell et al., 2019). COR theory also states that job satisfaction can make resources disappear quickly and continuously (Hobfoll, 2001)

### B. *Work Family Conflict*

Work-family conflict is a psychological phenomenon of imbalance between work and family life according to Csikszentmihalyi (in Obrenovic et al., 2020). From an organizational behavior perspective, work-family conflict is defined as a form of role conflict between incompatible pressures of work and family roles; that is, participation in work (family) becomes difficult due to participation in family (work) (Greenhaus & Beutell, 1985; Opie & Henn, 2013). Frone; Kinnunen & Mauno (in Ibrahim & Yusra, 2017) define work-family conflict as difficulties faced in work-family relationships

### C. *Emotional Exhaustion*

Emotional exhaustion is one of the dimensions of job burnout that has been empirically proven as the core and trigger of burnout symptoms according to Cordes & Dougherty; Cropanzano et al.; Hobfoll (in Kumar, 2022) and is also recognized as a major component in efforts to overcome occupational burnout. Emotional exhaustion refers to high levels of emotional exhaustion stemming from the intensity of physical, affective, and cognitive strain experienced by employees in their jobs according to Demerouti & Bakker; Maslach et al.;

Shirom (in Kumar, 2022) and it is considered a negative psychological outcome in companies according to Alarcon (in Kumar, 2022).

#### *D. Job Satisfaction*

The most commonly used definition of job satisfaction comes from Spector (in Yustina & Valerina, 2018), which is the extent to which a person likes (satisfaction) or dislikes (dissatisfaction) his job. (Choi and Kim (in Yustina & Valerina, 2018) define job satisfaction as understanding employees' feelings at work and how much they like their current profession, which is very important in organizational services. Job satisfaction leads to behavior that is beneficial to organizational goals and measuring employee satisfaction is an important indicator of optimal organizational performance according to (Leal et al., 2018). (in Knight, 2021)).

#### *E. Auditor Performance*

Auditor performance is the action or implementation of audit tasks that the auditor has completed within a certain period of time (Rahayu & Badera (in Hasanuddin & Sjahrudin, 2017)). Auditor performance is a barometer in determining the quality of work performed. Auditor performance is also a measure in evaluating the work performed and reported regularly. Auditor performance as an evaluation of work performed by superiors, coworkers, self, and subordinates (Kalbers & Forgarty (in Hasanuddin & Sjahrudin, 2017)).

#### *F. Research Hypothesis*

##### *1. The Effect of Work-Family Conflict on Auditor Performance*

Work-family balance is very difficult to maintain in modern industrial societies due to increased demands at work and in the family environment. Individuals are required to manage and various roles simultaneously and allocate their resources between work and family (Fotiadis et al., 2019). COR theory states that the demands of managing different roles with limited resources on individuals can have an impact on the onset of work-family conflict. This research expects that the higher the level of work-family conflict, the more auditor performance decreases. This expectation is supported empirically by the results of the research hypothesis test conducted by (Primawalda et al., 2021) that work-family conflict has a negative and significant effect on employee performance, the higher the work-family conflict, the lower the employee performance and vice versa, the lower the work-family conflict, the higher the employee performance.

H1: Work-family conflict affects auditor performance.

##### *2. The Effect of Work-Family Conflict on Auditor Performance through Emotional Exhaustion*

Emotional exhaustion refers to a high level of emotional exhaustion stemming from the intensity of physical, affective, and cognitive strain experienced by employees in their work according to Demerouti & Bakker; Maslach et al. ; Shirom (in Kumar, 2022) and it is considered a negative psychological outcome in the company (Alarcon (in Kumar, 2022)). Conflict between work demands and family responsibilities (work-family conflict) can cause auditors to experience emotional exhaustion, the higher the level of conflict between work and family experienced by auditors, the greater the level of emotional exhaustion felt. The emotional exhaustion experienced by auditors can reduce the ability and motivation of auditors to carry out their tasks so that it has a

negative impact on auditor performance. A study of the garment industry in Indonesia also revealed that working conditions and work-family conflict triggered high emotional exhaustion in employees in 3,649 factories (Wahyuni & Dian (in Knight, 2021)). Based on the explanation that has been conveyed, this study expects emotional exhaustion to act as a mediating variable that connects and influences the level of work-family conflict in influencing auditor performance. This expectation is supported empirically by the results of the research hypothesis test conducted by Irviana, (2016) family to work conflict mediated by emotional exhaustion has a negative effect on employee job performance.

H2: Work-family conflict affects auditor performance through emotional exhaustion.

### 3. The Effect of Work-Family Conflict on Auditor Performance through Job Satisfaction

Job satisfaction among auditors plays an important role in an organization because they will help ensure the productivity and performance of the company reaches its targets or expectations. In audit firms, auditors are a very valuable asset, therefore, Public Accounting Firm partners must create conditions that allow their auditors to achieve the best results when carrying out their work (Srimindarti, Oktaviani, and Hardiningsih (in Mohamed Saat et al., 2021)). In discussing the job satisfaction of auditors, organizations must evaluate the extent to which internal or external factors will affect it. Based on the explanation that has been conveyed, this study expects job satisfaction as a mediating variable to act as a link and influence the level of work-family conflict in influencing auditor performance. This expectation is supported empirically by the results of the research hypothesis test conducted by (Sulistyowati & Hadi, 2021) showing that job satisfaction is able to mediate the effect of work family conflict on job performance, in employees with high levels of job satisfaction, high work family conflict causes a decrease in employee performance (job performance).

H3: Work-family conflict affects auditor performance through job satisfaction.

#### G. Research Framework

The research conceptual framework is a concept that explains and reveals the research relationship between the dependent variable (Y) and the independent variable (X) with the underlying theory. The dependent variable used in this study is auditor performance. In this study, auditor performance is explained by the independent variable work-family conflict. In addition, there are mediating variables, namely emotional exhaustion and job satisfaction, which are used to explain the relationship between the dependent variable and the independent variable in this study. In this study, the theory of conservation of resources (COR) is the underlying theory of research related to the effect of work-family conflict on auditor performance with emotional exhaustion and job satisfaction as mediating variables.

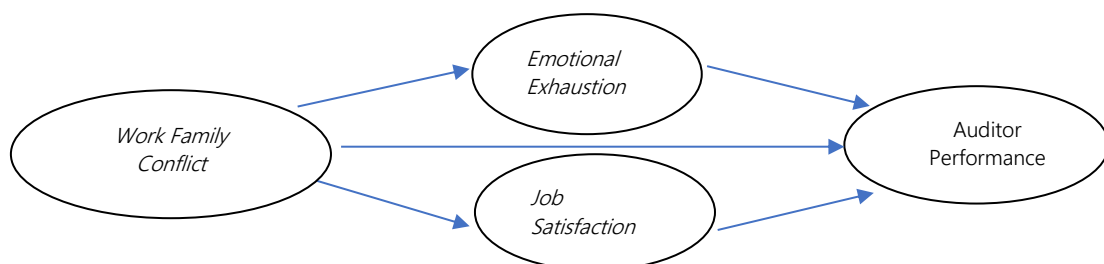


Figure 1 Research Framework

### III. RESEARCH METHODOLOGY

#### A. *Type of Research*

This research uses a quantitative survey approach with a hypothesis testing research design.

#### B. *Population and Sample*

The population in this study were auditors who worked at the Public Accounting Firm (KAP) in Jakarta. The research sample consisted of 100 auditors selected based on certain criteria, namely auditors who work at the Public Accounting Firm in Jakarta, are married or married, and are permanent employees.

#### C. *Data Collection Method*

Primary data is obtained from a questionnaire (Google Form) distributed directly to auditors at the Public Accounting Firm in Jakarta who meet the predetermined criteria.

#### D. *Data Analysis Method*

Data analysis was conducted using the SEM-PLS (Structural Equation Modeling-Partial Least Squares) approach.

### IV. RESULT AND DISCUSSION

#### A. *Respondent Characteristics*

Respondent characteristics can be presented in paragraph form or in the form of a table. examples of tables in 1 column can be seen in table 1 and table 2.

Table 1. Research Data

Description	Total	Percentage
Samples collected	118	100%
Invalid sample/not meeting criteria	18	15%
Sample processed	100	85%

Processed by researchers (2024)

Table 2. Respondent Characteristics

Characteristics	Total	Percentage
Gender		
Men	47	47%
Women	53	53%
Length of Service		
< 3 years	33	33%
3 - 5 years	33	33%
Above 5 years	34	34%
Age		
≤ 30 years	83	83%
> 30 years	17	17%

Processed by researchers (2024)

### B. Outer Model Analysis

Analysis of the outer model, often called the outer relation or measurement model, is an analysis that aims to define how each indicator block relates to its latent variable. The measurement model (outer model) is used to assess the validity and reliability of the model.

Table 3. Outer Model Analysis

Var.	Item	OL	Cron. Alph.	CR	AVE
<i>Work-Family Conflict</i>	WFC 1	0.73	0.81	0.86	0.52
	WFC 2	0.82			
	WFC 3	0.70			
	WFC 4	0.69			
	WFC 5	0.73			
	WFC 6	0.64			
<i>Emotional Exhaustion</i>	EX 1	0.70	0.82	0.87	0.53
	EX 2	0.69			
	EX 3	0.71			
	EX 4	0.67			
	EX 5	0.72			
	EX 6	0.83			
<i>Job Satisfaction</i>	JS 3	0.74	0.73	0.83	0.55
	JS 4	0.81			
	JS 5	0.69			
	JS 6	0.70			
Auditor Performance	KA 1	0.72	0.86	0.89	0.59
	KA 2	0.85			
	KA 3	0.73			
	KA 4	0.69			



Var.	Item	OL	Cron. Alph.	CR	AVE
	KA 5	0.71			
	KA 6	0.88			

Obtained by researcher (2024)

Work-family conflict (WFC) variable which is measured by 6 question indicator items, has an outer loading value of each item above 0.60. This shows that the four items are valid in measuring the WFC variable. In addition, Cronbach's alpha value (0.81) and composite reliability of (0.86) also indicate that the WFC construct has good reliability. Meanwhile, the AVE value of 0.52 indicates that the convergence of indicators in measuring WFC construct is very good.

The emotional exhaustion (EX) variable, measured by 6 question indicator items, also shows good results, with all indicators having an outer loading value above 0.6. Cronbach's alpha value of (0.82) and composite reliability of (0.87) indicate good reliability of the EX construct. The AVE value of (0.53) indicates the convergence of indicators in measuring the EX construct is very good.

Job satisfaction (JS) variable measured by 4 question indicator items, namely JS3, JS4, JS5, JS6, shows similar results, with all indicators having an outer loading value above 0.6. Cronbach's alpha (0.73) and composite reliability (0.83) values have met the criteria above 0.70. The AVE value (0.55) has also indicated that the convergence of indicators in measuring JS constructs is very good.

The auditor performance variable (KA) is measured by 6 question indicator items, also showing good results, with all indicators having an outer loading value above 0.6. Cronbach's alpha (0.86) and composite reliability (0.89) values are also good, and the AVE value (0.59) has met the criteria.

Table 4. *Fornell Larcker*

	EX	JS	KA	WFC
EX	0.728			
JS	-0.003	0.742		
KA	-0.076	-0.439	0.771	
WFC	0.427	0.040	-0.194	0.725

Processed by researchers (2024)

Based on the Fornell Lacker criteria (Hair et al., 2017), the analysis results show that each variable in this research model has good discriminant validity. this can be seen from the square root value of Average Variance Extracted (AVE) for each variable, namely emotional exhaustion (EX) of 0.728, job satisfaction (JS) of 0.742, auditor performance (KA) of 0.771, and work-family conflict (WFC) of 0.725. These AVE square root values are greater than the correlation between variables in the model (Hair et al., 2017). Each variable has an AVE square root value that is always greater than the correlation between its variables. This indicates that each variable meets the criteria for discriminant validity, is different and separate from each other, and is



able to measure unique concepts. Thus, it can be concluded that the measurement model in this study has good discriminant validity.

Table 5. Heterotrait-monotrait ratio (HTMT)

	EX	JS	KA
EX			
JS	0.176		
KA	0.164	0.523	
WFC	0.461	0.116	0.304

Processed by researchers (2024)

The HTMT values between each pair of variables are all below the recommended threshold of 0.85 (Hair et al., 2017). The HTMT value between emotional exhaustion (EX) and job satisfaction (JS) is 0.176, between EX and auditor performance (KA) is 0.164, and between EX and work-family conflict (WFC) is 0.461. All of these HTMT values are far below 0.90, indicating that the variables in the model are truly different from each other. Similarly, the HTMT values between other pairs of variables, such as JS-KA (0.523), JS-WFC (0.116), and KA-WFC (0.304). All of these HTMT values are also below the 0.90 threshold, further strengthening the conclusion that the measurement model has adequate discriminant validity.

TABLE 6. Cross Loading

	EX	JS	KA	WFC
EX 1	0.703	0.057	-0.110	0.208
EX 2	0.698	-0.009	0.037	0.290
EX 3	0.714	0.085	-0.094	0.306
EX 4	0.679	-0.065	0.004	0.265
EX 5	0.727	0.006	-0.044	0.171
EX 6	0.835	-0.052	-0.099	0.469
JS 3	0.062	0.748	-0.383	0.049
JS 4	0.048	0.813	-0.344	0.045
JS 5	-0.140	0.698	-0.305	0.007
JS 6	-0.003	0.702	-0.239	0.007
KA 1	-0.181	-0.267	0.721	-0.247
KA 2	-0.006	-0.364	0.859	-0.256
KA 3	0.010	-0.319	0.736	-0.084
KA 4	0.000	-0.364	0.693	-0.025
KA 5	0.047	-0.209	0.711	-0.146
KA 6	-0.170	-0.449	0.883	-0.128
WFC 1	0.204	-0.048	-0.203	0.734
WFC 2	0.340	0.116	-0.225	0.825
WFC 3	0.349	0.032	-0.134	0.702
WFC 4	0.242	0.010	-0.134	0.694
WFC 5	0.251	0.045	-0.258	0.739
WFC 6	0.428	-0.019	0.111	0.642

Processed by researchers (2024)

The cross-loading analysis also shows that the measurement model in this study has good discriminant validity. The cross-loading value of each indicator on its own variable is greater than the cross-loading value on other variables. For the emotional exhaustion (EX) variable, indicators EX1 to EX6 have cross-loading on EX, greater than their cross-loading values on other variables (JS, KA, WFC). In the job satisfaction (JS) variable, indicators JS3, JS4, JS5, and JS6 also show the same pattern. The cross-loading value of each indicator on the JS variable is higher than the cross-loading on other variables. For Auditor Performance (KA), indicators KA1 through KA6 have higher cross-loading on the KA variable, compared to cross-loading on other variables. Similarly, for work-family conflict (WFC) variable, indicators WFC1 to with WFC6 have higher cross-loading on WFC variable, compared to cross-loading on other variables.

### C. Inner Model Analysis

Structural model testing (inner model) is a test conducted to identify the relationship between latent variables including exogenous and endogenous variables contained in a research model. The examination is carried out in three stages (Hair et al., 2017), namely checking the absence of multicollinearity between variables with the inner VIF (Variance Inflated Factor) measure, testing the hypothesis between variables by looking at the t statistical value or p-value, and testing the mediation hypothesis with the f square value or upsilon V.

Table 7. VIF Results

	<b>Auditor Performance</b>
<i>Emotional Exhaustion</i>	1.224
<i>Job Satisfaction</i>	1.002
<b>Auditor Performance</b>	
<i>Work-Family Conflict</i>	1.226

Processed by researchers (2024)

The coefficient value (VIF) of the emotional exhaustion variable is 1.224. The VIF value below 5 indicates that there is no multicollinearity problem between the emotional exhaustion variable and other variables. The coefficient value (VIF) of the job satisfaction variable is 1.002 which is also below 5. This indicates that there is no multicollinearity problem between the Job satisfaction variable and other variables. The coefficient value (VIF) of the work-family conflict (WFC) variable is 1.226 for its relationship with auditor performance. These VIF values that are below 5 also indicate that there is no multicollinearity problem between the WFC variable and other variables.

### D. Hypothesis Testing

#### 1. Hypothesis Test

In PLS-SEM, hypothesis testing is included in the inner model analysis. According to (Bougie, 2016) hypothesis testing is a statistical step taken to determine the results of a survey or experiment to get useful results, for hypothesis testing using statistical values, for alpha 5% the t-statistic value used is 1.96.

Table 8. Direct Hypothesis Test

Hypothesis	P. Coef.	P-Value	95% Interval		F. Squ.
			Bottom	Above	
<i>Work-family conflict</i> affects auditor performance	-0.176	0.002	-0.352	0.115	0.032
<i>Work-family conflict</i> affects <i>emotional exhaustion</i>	0.427	0.000	0.248	0.623	0.223
<i>Work-family conflict</i> affects <i>job satisfaction</i>	0.040	0.699	-0.169	0.239	0.002
<i>Emotional exhaustion</i> affects auditor performance	-0.002	0.986	-0.258	0.249	0.000
<i>Job satisfaction</i> affects auditor performance	0.432	0.000	0.274	0.583	0.239

Processed by researchers (2024)

## 2. Hypothesis Test of Mediation Effect

The effect of mediation (mediation test) in SmartPLS 3 and 4 has not automatically used the mediation effect size evaluation output  $\epsilon^2$ , therefore it must be calculated manually with a formula that has been developed referring to research conducted by Ogbeibu where  $\epsilon^2$  or  $f^2$  square for mediation effects is low mediation (0.02), moderate mediation effect (0.075), and high mediation effect (0.175) (Nurjanah et al., 2022).  $\epsilon^2 = \beta^2_{MX} \cdot \beta^2_{YM}$

Table 9. Upsilon V Mediation Effect Test Results

Influence	Upsilon V	Description
<i>Work-family conflict</i> affects auditor performance through <i>emotional exhaustion</i>	$(0.427)^2 \times (-0.002)^2 = 0.00000073$	Low
<i>Work-family conflict</i> affects auditor performance through <i>job satisfaction</i>	$(0.040)^2 \times (0.432)^2 = 0.00029860$	Low

Processed by researchers (2024)

Table 10. Mediation Hypothesis

Hypothesis	P. Coef.	P-Value	95% Interval		F. Squ.
			Bottom	Above	
<i>Work-family conflict</i> affects auditor performance through <i>emotional exhaustion</i>	-0.001	0.987	-0.127	0.122	0.00000073
<i>Work-family conflict</i> affects auditor performance through <i>job satisfaction</i>	-0.017	0.707	-0.111	0.074	0.00029860

Processed by researchers (2024)

Table 11. Hypothesis Test Results

No.	Hypothesis	Description
1.	H1: <i>Work-family conflict</i> affects auditor performance	H1 accepted
2.	H2: <i>Work-family conflict</i> affects auditor performance through <i>emotional exhaustion</i>	H2 rejected
3.	H3: <i>Work-family conflict</i> affects auditor performance through <i>job satisfaction</i> .	H3 rejected

Processed by researchers (2024)

a. Work-Family Conflict Affects Auditor Performance

The first hypothesis (H1) is accepted. The analysis results show that work-family conflict has a negative path coefficient of -0.176 with a p-value of 0.002 ( $<0.05$ ). This means that work-family conflict has a negative and significant effect on auditor performance. In the 95% confidence interval, the effect of work-family conflict in influencing auditor performance lies between -0.352 and 0.115. The f-square value in this relationship is 0.032, which means it has a low to medium effect. This result indicates that the higher the level of work-family conflict experienced by auditors, the impact on reducing auditor performance.

b. Work-Family Conflict Affects Auditor Performance through Emotional Exhaustion

The second hypothesis (H2) is rejected. The upsilon  $v$  value which shows the mediating effect of emotional exhaustion on the relationship between work-family conflict and auditor performance is 0.00000073. This value is in the low mediation effect category, according to the criteria developed by Ogbeibu et al. (in Nurjanah et al., 2022). Furthermore, the results of the analysis show that the effect of work-family conflict on auditor performance with emotional exhaustion mediation is not statistically significant. The path coefficient value of -0.001 indicates a negative direction of influence, but the p-value of 0.987 ( $>0.05$ ) indicates that the effect is not significant. In the 95% confidence interval, the effect of emotional exhaustion in mediating the effect of work-family conflict on auditor performance lies between -0.127 to 0.122. So, it can be concluded that emotional exhaustion is not proven to significantly mediate the effect of work-family conflict on auditor performance.

The results of this study can provide new insights and knowledge about the dynamics of the relationship between work-family conflict, emotional exhaustion, and auditor performance. The direct hypothesis test found that work-family conflict has a significant effect on emotional exhaustion with a p-value of 0.000 ( $<0.05$ ), while emotional exhaustion has no effect on auditor performance with a p-value of 0.986 ( $>0.05$ ). This means that although work-family conflict can cause emotional exhaustion in auditors, auditors are able to adapt and manage emotional exhaustion in themselves so that it does not affect their performance.

c. Work-Family Conflict Affects Auditor Performance through Job Satisfaction

The third hypothesis (H3) is rejected. The upsilon  $v$  value which shows the mediating effect of job satisfaction on the relationship between work-family conflict and auditor performance is 0.00029860. This value is in the low mediation effect category, according to the criteria developed by ogbeibu et al. (in Nurjanah et al., 2022). Furthermore, the results of the analysis also show that the effect of work-family conflict on auditor performance with job satisfaction

mediation is not statistically significant. The path coefficient value of -0.017 indicates a negative direction of influence, but the p-value of 0.707 ( $> 0.05$ ) indicates that the effect is not significant. Within the 95% confidence interval, the effect of job satisfaction in mediating the effect of work-family conflict on auditor performance lies between -0.111 and 0.074. Through these results, several relationships were found between work-family conflict, job satisfaction, and auditor performance. In the direct hypothesis test conducted, it was concluded that work-family conflict has no effect on job satisfaction with a p-value of 0.699 ( $> 0.05$ ), while job satisfaction has a significant effect on auditor performance with a p-value of 0.000 ( $< 0.05$ ). This means that auditors are able to counteract the negative effects caused by work-family conflict on job satisfaction, so that they are able to maintain and stabilize their job satisfaction which has an impact on improving auditor performance.

d. The Effect of Work-Family Conflict on Auditor Performance

The results of the analysis in this study indicate that work-family conflict has a negative and significant effect on auditor performance. The research results are in line with the Conservation of Resources (COR) theory by Hobfoll et al. (2018) which states that whenever an employee experiences a lot of conflict in one domain, it has the consequence of allocating fewer resources to other domains. The demand to manage various roles in different domains (work and family) can have an impact on the onset of work-family conflict. This finding is also consistent with a number of previous studies which also identified a negative relationship between work-family conflict and employee performance, such as research conducted by Primawalda et al. (2021) that work-family conflict has a negative and significant effect on employee performance. The higher the work-family conflict, the lower the employee performance, and vice versa, the lower the work-family conflict, the higher the employee performance, and the results of research by Augustina & Sudibya (2018) work-family conflict has a negative and significant effect on performance. This means that the higher the work family conflict experienced, the lower the resulting performance.

The results of this study confirm the importance for organizations to pay attention to and manage work-family conflict factors among auditors. Audit organizations need to develop policies and programs that can assist auditors in managing and balancing work and family demands. Some strategies that can be considered include providing facilities and benefits that support work-life balance, providing flexibility in working hour arrangements, and strengthening social support from both superiors and coworkers. By implementing effective work-family conflict management strategies, it is hoped that auditors can avoid excessive pressure that can reduce their performance.

e. The Effect of Work-Family Conflict on Auditor Performance through Emotional Exhaustion

The results of the mediation analysis in this study indicate that emotional exhaustion is not proven to significantly mediate the effect of work-family conflict on auditor performance. The results of the study are not in line with the Conservation of Resources (COR) theory. COR theory assumes that the loss of resources will cause emotional exhaustion, which in turn is expected to increase errors and reduce job satisfaction and lead to decreased performance (McDowell et al., 2019). In addition, this finding is also not in line with several previous studies that have identified emotional exhaustion as an effective mediator variable in explaining the relationship between work-family conflict and employee performance. In Irviana's research, (2016) family to work conflict mediated by emotional exhaustion has a negative effect on employee job performance. In the context of the auditor profession, work-family conflict

should increase the level of emotional exhaustion of auditors, which in turn will have a negative impact on their performance.

The results of this study indicate that emotional exhaustion is not proven to play a significant mediating role in the relationship. One possible explanation is that auditors may already have effective coping mechanisms to manage their level of emotional exhaustion, so the negative impact of work-family conflict on auditor performance is not fully explained through the emotional exhaustion variable. Professional auditors are often equipped with high stress management and resilience skills as part of the demands of their profession.

f. The Effect of Work-Family Conflict on Auditor Performance through Job Satisfaction

Based on the results of the mediation analysis conducted, it was found that the hypothesis "work-family conflict affects auditor performance with job satisfaction mediation" was not statistically supported. The results of this study are not in line with the Conservation of Resources (COR) theory. COR theory assumes that the loss of resources will cause emotional exhaustion, which in turn is expected to increase errors and reduce job satisfaction and lead to decreased performance (McDowell et al., 2019). COR theory also states that job satisfaction can make resources disappear quickly and continuously (Hobfoll, 2001). The results of this study are also not in line with previous research, (Mohamed Saat et al., 2021) that job satisfaction is an important mediator variable in understanding the relationship between work-family conflict and employee performance.

In the context of the auditor profession, the results of this study indicate that although work-family conflict can have a direct effect on auditor performance, and the mediating role of job satisfaction in the relationship is not significantly proven. This may be because auditors are accustomed and able to adapt to working in situations or conditions that they do not like (dissatisfaction), so job satisfaction is not seen as a factor that can mediate the effect of a problem on their performance. The findings in this study provide new insights into the dynamics of the relationship between work-family conflict, job satisfaction, and auditor performance.

## V. CONCLUSION

This study aims to examine the effect of work-family conflict on auditor performance, with emotional exhaustion and job satisfaction as mediating variables, on auditors who work in public accounting firms (KAP) in Jakarta. The main findings of this study indicate that work-family conflict has a negative influence on auditor performance. The higher the level of work-family conflict experienced by auditors, the lower their performance. This can be caused by high demands and pressures from work, while on the other hand auditors must also fulfill family responsibilities. This condition can cause stress, emotional disturbance, and a decrease in the quality of the auditor's work.

Although work-family conflict is proven to have a direct effect on auditor performance, the mediating role of job satisfaction and emotional exhaustion is not proven. This suggests that there are other factors, besides job satisfaction and emotional exhaustion, that may influence the relationship between work-family conflict and auditor performance.

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