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INFLUENCE OF AUDIT OPINION, FIRM SIZE, COMPANY GROWTH ON AUDITOR SWITCHING

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Abstrak

Penelitian ini meneliti perusahaan sektor konsumen non-siklikal yang tercatat di Bursa Efek Indonesia (IDX) sepanjang 2020–2024 untuk mengkaji bagaimana opini audit, ukuran, dan pertumbuhan perusahaan memengaruhi pergantian auditor. Variabel independen dalam studi ini mencakup opini audit, ukuran perusahaan, serta tingkat pertumbuhan, sedangkan variabel dependennya adalah pergantian auditor. Data penelitian bersumber dari data sekunder dengan metode purposive sampling, menghasilkan 80 perusahaan dengan total 400 observasi. Analisis regresi logistik menggunakan SPSS 25 digunakan untuk mengolah data tersebut. Temuan penelitian mengindikasikan ukuran perusahaan berpengaruh negatif terhadap pergantian auditor. Sementara itu, opini audit maupun pertumbuhan perusahaan tidak terbukti memiliki pengaruh signifikan terhadap pergantian auditor.

Kata kunci : *Opini Audit,Ukuran Perusahaan dan Pertumbuhan Perusahaan.*

Abstract

This study examines non-cyclical consumer sector companies listed on the Indonesia Stock Exchange (IDX) during the period 2020–2024 to investigate the influence of audit opinions, firm size, and corporate growth on auditor switching. The independent variables consist of audit opinion, firm size, and company growth, while auditor switching serves as the dependent variable. The research relies on secondary data collected through purposive sampling, resulting in 80 companies with a total of 400 firm-year observations. Logistic regression analysis was performed using SPSS 25 to process the data. According to this study, that firm size has a negative effect on auditor switching, whereas audit opinion and company growth show no affect on auditor switching.

Keywords: *Audit Opinion, Firm Size and company Growth*

1. INTRODUCTION

The objective of a company's financial statements is to present a summary of its financial condition and performance. These documents also serve as a form of accountability for management to investors who have invested capital in the company (Rahmi *et al*., 2019). In order for financial statements to be of good quality, one of the steps that can be taken is to select a competent and qualified auditor (Vidianti & Yohanes, 2023). The financial statements should be accurate and complete in order to portray the company's financial situation in a clear light, and a competent auditor can assist make sure that they do both.

The term "auditor switching" refers to when a corporation takes over the role of a KAP, whether the move is voluntary or mandated by law (Darmayanti *et al*., 2021). Auditor replacement might be either forced or optional. The rotation of public accountants carried out based on regulations from the Ministry of Finance or the government is referred to as a mandatory change, which is regulated (Mandatory). Meanwhile, a voluntary auditor change is a change carried out voluntarily, where the change focuses on the client side.

Public accounting companies in Indonesia are regulated in their unrestricted service provision by Government Regulation (PP) Number 20 of 2015, which also specifies regulations on required auditor replacement.

Limited to no more than five fiscal years in a row, public accountants are only allowed to work with a single client for auditing purposes. Public accountants are obligated to complete a two-year cooling-off period once that time concludes. Once the cooling-off period is over, Public Accountants are then allowed to provide audit services to the same company again. In Indonesia, there are still companies that voluntarily change their public accounting firms (auditors), without any obligation from regulations. One example is several companies in the non-cyclical consumer sector that have taken the initiative to change auditors.

In 2020 and 2021, PT Leyand International (LAPD) was audited by Arman Eddy Ferdinand & Partners, then in 2022 it was audited by Maurice Ganda Nainggolan & Partners. Before deciding to switch auditors, the LAPD held an Annual General Meeting of Shareholders, one of the agenda items of which was the appointment of a public accountant to audit the 2022 financial statements. After investigating the reasons for the LAPD's auditor switch, it was found that for two consecutive years, 2020 and 2021, the LAPD received a disclaimer of opinion. Before receiving the disclaimer of opinion, the company experienced a decline in sales at LAPD. This decline was due to its main customer, PLN, terminating its contract with the subsidiary of PT Leyand International Tbk (PT Asta Keramasan Energi), resulting in the company not receiving any revenue (emitennews.com, 2022).

The purpose of an audit opinion is to provide an opinion based on the auditor's assessment of whether or not the audited company's financial statements are produced in compliance with the relevant reporting structure with regard to all material aspects (Lestari *et al*., 2020). The auditor's opinion will be important information that helps companies in assessing their financial statements, especially in the decision-making process by investors (SA 700 revised 2021). Research conducted by Vidianti & Yohanes (2023) asserts that audit opinion have an effect on auditors' decisions to move firms, although Kristianto's (2024) study finds no such effect.

Firms size describes the activities carried out within it, which ultimately affects how large or small the company is (Rahmi *et al*., 2019). Where large companies require management to have greater responsibility to shareholders. This encourages companies to replace auditors in the hope that the new auditors will be of better quality than the previous ones and have a high level of independence. Research conducted by Pratiwi & Muliartha (2019) states that firm size affects auditor switching, while research from Permatasari & Ruswandi (2019) shows that firm size, partially and simultaneously, does not significantly affect auditor switching.

Company growth in the business world is a key strategy used by companies to survive and strengthen their position in the market. Company growth refers to changes that occur as a result of increased revenue generated through operational activities (Permana & Setiawan, 2023). While Almeida and Sasana (2023) discovered a statistically significant impact of client company growth on voluntary auditor switching, Tjahjono and Khairunissa (2021) could not find any statistically significant influence of client business expansion on auditor switching.

Based on the foregoing, the research problems and objectives of this study can be stated as follows:

1. To investigate whether audit opinion, firm size, and company growth have an effect on auditor switching.
2. To explore how audit opinion, firm size, and company growth influence the occurrence of auditor switching.

To address these problems, the study employs a quantitative approach using logistic regression analysis. The data are obtained from non-cyclical consumer companies listed on the Indonesia Stock Exchange during 2020–2024, selected through purposive sampling.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Agency Theory

Jensen and Meckling (1979) state that in a principle-agent relationship, the shareholders (the principal) are the ones who authorize the agent (management) to make decisions and carry out specific tasks on their behalf. In performing their duties, the agent receives facilities and operational funds from the principal to be managed. At this point, the

agent bears the responsibility to maximize the interests of the principal, namely by enhancing the principal's welfare. The agent, in turn, has an interest in presenting financial statements and increasing the value of the principal's investment in the company under the agent's management. In practice, however, excessive interactions between the principal and the agent may lead to agency problems. One of the most frequent issues arising in agency relationships is information asymmetry, or the imbalance of information between the agent and the principal. Untuk menghindari permasalahan ini dibutuhkan auditor seba

Teori Auditing

Auditing is an impartial third party's thorough and methodical review of management's financial statements, accounting records, and any other documentation pertaining to these statements (Adli & Suryani, 2019).

According to Arens, A. A. *et al*. (2015), auditing is categorized into three types: financial statement audit, compliance audit, and operational audit. (1) Operational audit is an assessment of the efficiency and effectiveness of a company's operational processes. (2) Compliance audit is conducted to examine adherence to applicable procedures, rules, and regulations within the business sector in which the company operates. (3) which evaluates whether financial reports comply with accounting standards and contain no material misstatements, based on evidence collected by the auditor.

Auditor Switching

A company's connection with its auditor, or public accounting firm (PAF), can be "switched" when one party decides to end the relationship and another party takes over (Fenadi, 2019). The purpose of this replacement is to maintain objectivity and independence between the auditor and the company, ensuring that the audit process remains transparent and is not influenced by long-term relationships that may give rise to conflicts of interest (Deliana *et al*., 2021)

The factors consist of mandatory and voluntary switching. In Indonesia, the regulation governing audit rotation is stipulated in Government Regulation No. 20 of 2015, Paragraph 11, which states that:

Paragraph (1) The provision of audit services on historical financial information, as referred to in Article 10 paragraph (1) letter a, to an entity by a Public Accountant is limited to a maximum of five (5) consecutive financial years

Paragraph (2) The entities referred to in paragraph (1) consist of:

a. Industries in the Capital Market Sector;
b. Commercial Banks;
c. Pension Funds;
d. Insurance/Reinsurance Companies; or
e. State-Owned Enterprises

Paragraph (3) Associated Party public accountants are subject to the same restrictions on providing audit services on financial records as stated in paragraphs (1) and (2).

Paragraph (4) Following a two-year hiatus, a public accountant is once again authorized to conduct audits of the entities listed in paragraph (1) on the basis of their financial records.

Voluntary auditor switching refers to the replacement of an auditor initiated at the discretion of the company or the auditor itself, without being compelled by any regulation or specific rule. Although not driven by legal obligations, such replacement often raises questions among principals, who may suspect whether it is related to issues in financial reporting, management's attempt to conceal information, or disagreements between management and the previous auditor (Tjahjono & Khairunissa, 2021). According to Riyanto *et al*. (2021), voluntary auditor switching occurs due to a mismatch between management's expectations and the audit results provided by the auditor.

Audit Opinion

The auditor issues a statement, known as an audit opinion, once the audit of the management's financial accounts is complete (Sriwandi *et al*., 2021). First, an unqualified view; second, an unqualified opinion with an explanatory paragraph; third, a qualified opinion; fourth, an adverse opinion; and fifth, a disclaimer of opinion, as outlined in SA Section 508, PSA No. 29.

The audit opinion issued by the auditor influences the decisions of financial statement users, so management pays close attention to it (Apriliani & Nurkholis, 2024) Companies generally aim to receive an unqualified opinion to maintain their reputation (Vidianti & Yohanes, 2023), while those receiving a qualified opinion often feel dissatisfied, which may prompt them to switch auditors.

Firm Size

Firm size is determined by its total assets, which are used as a measure of its size. Therefore, a company's size is directly proportional to its entire assets. Pasaribu *et al*. (2022). If a company possesses substantial total assets or earnings, it is categorized as a large firm, which consequently indicates a wider scope of transactions.

As a company grows larger, its activities become increasingly complex. The greater number of activities within the company makes it more difficult for the principal to monitor them, which in turn may give rise to agency problems, namely agency conflicts between the principal and the agent *(*Halim,2021). Such agency problems can be mitigated by switching to a Public Accounting Firm (PAF) that is perceived to possess a higher level of independence and competence. This measure is undertaken to minimize agency conflicts or self-interest behavior on the part of the principal, (Permatasari & Ruswandi, 2019).

Company Growth

Company growth is a measure of the extent to which a firm can maintain its position in the market, both within its industry and in the broader economy, (Almeida & Sasana, 2023)**.** Continuous growth is highly expected by both internal and external parties, as it generates positive impacts for various stakeholders. A significant level of company growth serves as an important factor for investors in making their investment decisions.

According to Arkan & Triyono (2024)**,** company growth can be measured through the annual sales growth ratio. Sales growth reflects a firm's ability to expand its market, increase sales volume, and maintain competitiveness in the industry (Zikra & Syofyan, 2019). Along with the improvement in performance and growth, the relationship established with the agency also tends to increase correspondingly. If the previous auditor is unable to cope with the rising complexity of the company's operations, a replacement with a more competent auditor will be undertaken (Arkan & Triyono, 2024)**.**

The Influence of Audit Opinion on Auditor Switching

According to Dwiyani & Asmilia, (2023), auditors express their opinions after reviewing management's financial accounts for fairness. Opinions are issued in compliance with accounting standards if the financial statements prepared by the company's management are in conformity with the relevant reporting framework in all significant aspects. The opinion expressed by the auditor serves as a basis for investors in deciding whether to continue transactions with the audited company or not (Darmayanti *et al*., 2021). Therefore, the opinion issued by the auditor often becomes a matter of significant sensitivity and importance.

Previous studies indicate that audit opinions other than unqualified opinions often lead management to replace their auditor in order to protect the company's reputation (Vidianti & Yohanes, 2023; Darmayanti et al., 2021). From the perspective of agency theory, such auditor changes can be seen as a strategic response by management (agent) to reduce potential distrust from shareholders (principal) arising from unfavorable audit outcomes. Therefore, it is reasonable to propose that audit opinion has an influence on the likelihood of auditor switching.

H_1 : Audit opinion has an influence on auditor switching.

The Influence of Firm Size on Auditor Switching

Firm size is a classification scale of whether a company is large or small, measured based on the company's total assets. A larger firm size reflects greater complexity in the company's activities, thereby placing greater responsibility on management (Pratiwi & Muliartha RM, 2019).

According to agency theory, larger firms tend to face a higher risk of conflicts of interest between management and shareholders due to greater information asymmetry. To mitigate

such issues, large companies often require auditors who are more competent, independent, and capable of dealing with the complexity of financial reporting (Rahmi *et al*., 2019). Prior research has documented a relationship between firm size and the decision to switch auditors, although the findings remain inconclusive. Nevertheless, the tendency of large firms to safeguard their credibility and enhance the quality of financial statements provides a strong rationale for replacing auditors when the existing auditor is perceived as inadequate. Based on this reasoning, the present study hypothesizes that firm size influences the likelihood of auditor switching.

H_2 : Firm size has an influence on auditor switching.

The Influence of Company Growth on Auditor Switching

Company growth refers to the changes driven by the revenue generated from the company's operations and the extent to which the company is able to maintain its economic position and business activities (Zikra & Syofyan, 2019). From an agency theory perspective, higher levels of company growth are associated with more complex operations and transactions, which in turn heighten the potential for conflicts of interest between management as the agent and shareholders as the principal. In such circumstances, auditors play an increasingly vital role in bridging information gaps and ensuring that financial statements are presented reliably. As firms expand, they often require auditors with stronger expertise and greater capacity to cope with the rising complexity. When the incumbent auditor is perceived as unable to deliver the quality of audit demanded by a rapidly growing company, switching to a new auditor becomes a strategic alternative (Hendy Widiastoeti, 2020; Arkan & Triyono, 2024). Previous studies have shown that company growth can influence auditor switching, although the evidence has not been entirely consistent. These mixed results highlight the need for further investigation, particularly within the context of non-cyclical consumer companies in Indonesia. On the basis of theoretical reasoning and prior empirical findings, this study posits that firm growth affects the likelihood of auditor switching.

H_3 : Company growth has an influence on auditor switching.

3. RESEARCH METHOD

Research Type

The data utilized in this study comes from quantitative financial statement information that was collected from the Indonesia Stock Exchange website, indicating that it applies a quantitative research technique. In order to evaluate the preconceived hypotheses, research tools were used for data collection, and the analysis was quantitative and statistical in character (Sugiyono, 2020).

Population and sampling method

Researchers choose a population of items or persons with certain traits to study and evaluate in order to derive generalizable findings (Sugiyono, 2020). In this study, the population comprises Consumer Non-Cyclicals companies listed on the Indonesia Stock Exchange between 2020 and 2024. From this population, 80 firms were selected as the research sample, and with a five-year observation period, a total of 400 firm-year data points were obtained. The sample was drawn using purposive sampling, where firms were selected based on specific eligibility requirements outlined below.

1. Consumer non-cyclical companies (2020–2024) trading on the Indonesia Stock Exchange.
2. The consumer non-cyclicals sector includes firms that were never delisted or had an initial public offering (IPO) between 2020 and 2024.
3. Consumer non-cyclicals sector companies that published financial statements audited by an independent auditor during 2020–2024.

Table 3. 1 Operationalization of Variables

No	Variabel	Indikator	Skala
1	Audit Opinion Source: Tjahjono & Khairunissa (2021)	1=In the event that the firm gets unqualified opinion. If an opinion other than an unqualified view is received by the firm, then 0.	Nominal

2	Firm Size Source: Sinaga *et al*., (2021),	*ln* (*total asset)*	Rasio
3	Company Growth Source: Khalid Permana (2023)	$\Delta S = \frac{St-(St-1)}{(St-1)}$ ΔS: Growth ratio St: Net sales in year t St–1: Net sales in year t–1	Rasio
4	*Auditor Switching* Source: Kristianto, 2024	1=If the company performs auditor switching. 0=If the company does not perform auditor switching.	Nominal

Source: Processed data (2025)

Data Collection Technique

This study employed the documentation method, collecting data from the IDX website (www.idx.co.id), specifically the 2020–2024 annual reports of Consumer Non-Cyclicals companies. Additional details were obtained from each firm's official website.

Data Analysis Method

The logistic regression approach is utilized for analysis in this study. The choice of logistic regression is based on the characteristics of the dependent variable, which is dichotomous, with two possible outcomes: whether the company engages in auditor switching or does not engage in auditor switching.

4. RESEARCH RESULT AND DISCUSSION

Descriptive Statistical Analysis

Table 4. 1 Descriptive Statistics

	N	Minimum	Maximum	Mean
AO	400	0	1	0,99
FS	400	24,6	34,73	28,8356
CG	400	-0,99	14,64	0,1574
AS	400	0	1	0,1
Valid N	400			

Source: Results using SPSS 25, 2025

Based on Table 4.1, the results of the descriptive analysis of the four research variables are as follows:

1. The range of values for the independent variable Audit Opinion (X1) is from 0 to 1, with an average value of 0.99.
2. The range of values for the independent variable Firm Size (X2) is 24.6–34.73, with a mean of 28.8356.
3. Company Growth (X3) is an independent variable with a range of values from -0.99 to 14.64 and an average of 0.1574.
4. The one that's being followed There is a range of values from 0 to 1 for Auditor Switching (Y).

Goodness of Fit Test for Logistic Regression Model

Table 4. 2 Goodness of Fit Test

Iteration	-2 Log likelihood
Step 0	260,066
Step 1	248,817

Source: Results using SPSS 25, 2025

Based on the data in Table 4.2, the initial -2 Log Likelihood at step 0 is 260.066. The final -2 Log Likelihood at step 1 is 248.817. A drop of 11.195 in the -2 Log Likelihood value occurs between the first and last phases, according to these results. This indicates that the hypothesized model fits the data and demonstrates a better regression model.

Hosmer and Lemeshow Test

Table 4. 3 Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	13,253	8	0,103

Source: Results using SPSS 25, 2025

According to Table 4.3, the significance (probability) value is 0.103. By exceeding the significance level of 0.05 with a signal strength (sig.) of 0.103, the alternative hypothesis (H1) is rejected and the null hypothesis (H0) is accepted. Being able to predict the observed values, this result proves that the regression model utilized in this study

is suitable and may be utilized for future research.

Negelkerke R Square

Table 4. 4 Negelkerke R Square

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	248,817a	0,028	0,058

Source: Results using SPSS 25, 2025

Findings from Table 4.4, indicate a Nagelkerke R Squared value of 0.058, or 5.8%. It may be inferred that audit opinion, firm size, and company growth account for 5.8% of the variance in auditor switching, whereas the rest 94.2% is accounted for by independent variables or factors not included in this study's model.

Multicollinearity Test

Table 4. 5 Multicollinearity Test

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
AO	0,995	1,005
FS	0,99	1,01
CG	0,995	1,005

Source: Results using SPSS 25, 2025

Table 4.5 shows that the tolerance values for Audit Opinion, Firm Size, and Firm Growth are 0.995, 0.990, and 0.995, respectively. With tolerance values higher than 0.10 for all three independent variables, we may conclude that the regression model does not account for any association between them. For Audit Opinion, 1.010 for Firm Size, and 1.005 for Firm Growth, according to the Variance Inflation Factor (VIF) test. We may infer that there is no multicollinearity among the independent variables in the regression model because all VIF values are less than 10.

Result of Partial Test (Wald Test-Variabel in the Equation)

To examine the relationship between the dependent and independent variables, a partial test was conducted. This test was conducted with a significance threshold of $\alpha <$ 0.05. The table below displays the results of the t-test, a partial significance test:

Table 4. 6 Variables in the Equation

	B	S.E.	Wald	df	Sig.	Exp(B)
AO	-0,802	1,181	0,461	1	0,497	0,449
FS	-0,329	0,104	9,933	1	0,002	0,720
CG	0,028	0,144	0,038	1	0,846	1,028
Con	7,940	3,090	6,604	1	0,010	2808,434

Source: Results using SPSS 25, 2025

Logistic regression analysis was used to test the hypotheses, as shown in the table above, by comparing the Sig. value to a significance level (α) of 5% or 0.05. Table 4.6 displays the results of the statistical tests. Here is how to interpret them:

1. The significance value (Sig.) of the audit opinion is 0.497, which is more than the 0.05 criterion. This disproves the possibility of H1 being true. Based on this, we may conclude that the audit opinion variable (X1) has no effect on auditor switching (Y).
2. The p-value for the company size is 0.002, which is lower than the 0.05 criterion of significance. Therefore, it may be concluded that H2 is the right hypothesis. There is a strong correlation between the firm size variable (X2) auditor switching.
3. The significance value (Sig.) for company growth is 0.846, which is more than the 0.05 threshold. Consequently, H3 cannot be considered. The lack of a significant correlation between auditor switching (Y) and the company growth variable (X3) is thus clearly shown.

Discussion

The Influence of Audit Opinion on Auditor Switching

Auditor opinion does not play a role in auditor switching, according to the findings of this study's logistic regression. These results are backed up by the hypothesis test for the audit opinion variable, which came back with a coefficient of 0.803 and a significance level of 0.497, both of which are higher than 0.05 (5%). Therefore, we can rule out the first hypothesis

(H1), which states that audit opinion is not a factor in auditor switching.

This finding can be interpreted in the sense that an unqualified audit opinion serves as a positive assurance, reducing the incentive for firms to replace their auditor. In other words, once the market perceives the financial statements as reliable and trustworthy, management faces little external pressure to initiate an auditor switch. In addition, the majority of companies analyzed were issued unqualified opinions by their external auditors, which clarifies why audit opinion did not significantly drive auditor switching. The outcome is that there is a tiny number of corporations who switched auditors. In addition, out of all the companies that got an opinion other than unqualified, only PT Dua Putra Utama Makmur Tbk changed auditors. Based on these results, it appears that audit opinion is not the primary factor in the decision to change auditors, as companies receiving non-unqualified opinions do not necessarily switch auditors, indicating that management tends to view auditor replacement as a long-term strategic decision rather than a mere reaction to audit outcomes.

The results of this study support the research conducted by Kristianto, (2024) and the study of Sriwandy *et al*., (2021), which stated that the audit opinion variable does not affect auditor switching, and contradicts the findings of Vidianti & Yohanes, (2023) dan Tjahjono & Khairunissa, (2021), who argued that audit opinion has an effect on auditor switching.

The Influence of Firm Size on Auditor Switching

The study's logistic regression analysis revealed that firm size, the second independent variable, significantly impacted auditor switching. This is supported by the hypothesis test results for the firm size variable, which show a negative coefficient of 0.329 and a significance value of 0.002, both of which are below the threshold of 0.05 (5%). This analysis therefore supports the second hypothesis (H2), which states that the impact of a company's size on auditor switching is significant. The need for more competent and impartial auditors is bolstered by agency theory, which states that as a company grows in size, management's duty to shareholders increases. (Pratiwi & Muliartha RM, 2019). However, large companies do not always switch auditors, since they face strict supervision, operational complexity, and high reputational risk. Moreover, auditor replacement tends to be more costly for larger firms due to the scale and complexity of their operations.

These findings are supported by the sample companies in this study, namely Mayora Indah Tbk, Smart Tbk, Indofood Sukses Makmur Tbk, and Enseval Putera Megatrading Tbk, which tended to experience an increase in total assets from 2020 to 2024 without engaging in auditor switching. Therefore, firm size has an inverse relationship with auditor switching.

The results of this study support the research of Fitrianingsih & Febrian, (2025) dan Halim, (2021), who stated that firm size affects auditor switching. Conversely, this study does not support the findings of Lestari *et al*., (2020) dan Permatasari & Ruswandi, (2019), who argued that firm size has no effect on auditor switching.

The Influence of Company Growth on Auditor Switching

The research found no correlation between business growth and auditor change using logistic regression. At a significance level of 0.846 and a coefficient value of 0.028, which is more than 0.05 (5%), the hypothesis test for the firm growth variable confirms this. The results of this research contradict the third hypothesis (H3), which stated that the incidence of auditor turnover is influenced by the rate of expansion of businesses.

According to agency theory, external auditors play a role in reducing information asymmetry between management and owners, which is why many companies choose to retain their existing auditors who already understand the internal conditions, in order to maintain stability and support growth. However, the findings of this study do not align with the notion that companies with high sales growth tend to appoint higher-quality Public Accounting Firms to address operational complexity (Widiastoeti, 2020). Companies experiencing high growth tend to focus more on stability and continuity in auditor relationships to maintain investor trust and minimize audit risk. For instance, Bumi Teknokultura Unggul Tbk used KAP Kanaka

Puradiredja, Suhartono for two consecutive periods (2022–2023) while achieving a net sales increase from 4% to 28%, and continued to engage the same auditor to conduct the 2024 audit. Moreover, Firms in the consumer non-cyclicals sector operate in essential goods industries where demand is relatively steady, making sales growth gradual and predictable. Under these conditions, management tends to preserve auditor continuity to uphold credibility and reputation, which explains why growth does not influence auditor switching.

These results support the studies of Tjahjono & Khairunissa, (2021), dan penelitian Permana & Setiawan, (2023) which stated that firm growth does not affect auditor switching, and contradict the findings of Almeida & Sasana, (2023), who argued that firm growth has an effect on auditor switching.

5. CONCLUSION AND RECOMMENDATION

Conclusion

Finding a relationship between auditor switching and audit opinion, company size, and company growth was the main goal of this study. The analysis covers the years 2020–2024 and focuses on consumer non-cyclical companies listed on the Indonesia Stock Exchange. Findings from this study were based on descriptive statistics and logistic regression analysis run with SPSS version 25. The following conclusions may be drawn from the study's findings:

1. From 2020 to 2024, audit opinions had no significant effect on auditor switching, as most firms consistently received unqualified opinions.
2. Firm size showed a negative affect with auditor switching, indicating that larger companies tend to retain their auditors to preserve credibility and reduce risk.
3. Company growth did not affect auditor switching, as firms prioritize stability and credibility over replacing auditors.

Recommendation

The researcher recognizes that there are still limits in the research based on the outcomes of this investigation. Consequently, we suggest the following:

1. If researchers want to do better at forecasting when auditors would switch, they need enlarge the sample size by include all manufacturing businesses registered on the Indonesia Stock Exchange.
2. Future researchers should consider including additional variables that may affect auditor switching, such as the size of the Public Accounting Firm (PAF), financial distress, audit delay, and other variables related to auditor switching.
3. Auditors should strengthen their independence and professional expertise to deliver reliable audits, helping to prevent conflicts of interest that may trigger auditor changes.

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