

**Pengaruh *Audit Firm Size* terhadap *Client Investment Efficiency***

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**ABSTRAK**

Investasi yang efisien adalah ketika manajer memutuskan untuk berinvestasi pada proyek yang memiliki *Net Present Value* positif. Dalam pengambilan keputusan investasi, manajer mencari informasi melalui laporan keuangan yang diaudit oleh auditor eksternal. Penelitian ini menguji pengaruh *audit firm size* terhadap *investment efficiency*. Pengukuran untuk *audit firm size* dibagi menjadi dua, yaitu *Big Four* dan *non-Big Four*. Studi ini menggunakan sampel 1.323 perusahaan yang terdaftar di Bursa Efek Indonesia 2014-2018. Hasil penelitian menunjukkan *audit firm size* besar berpengaruh secara positif terhadap *investment efficiency*. *Audit firm size* besar memiliki sumber daya pengetahuan dan kualitas yang baik sehingga dapat meningkatkan *financial reporting quality* yang dapat membantu manajer menentukan keputusan investasi yang efisien. Analisa tambahan menunjukkan peran *audit firm size* besar yang lebih dominan untuk menurunkan *overinvestment* perusahaan.

Kata kunci: *Audit Firm Size, Investment Efficiency*

**The Effect of Audit Firm Size on Client Investment Efficiency**

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**ABSTRACT**

Investment efficiency is when managers decide to invest in projects that have a positive Net Present Value. In making investment decisions, managers seek information through financial reports that are audited by an external auditor. This study examines the effect of audit firm size on investment efficiency. The measurement for audit firm size is divided into two, the Big Four and the non-Big Four. This study uses a sample of 1,323 companies listed on the Indonesia Stock Exchange 2014-2018. The results show that a large audit firm size has a positive relationship with investment efficiency. Large size audit firms have good quality and knowledge resources to improve financial reporting quality that can help managers make efficient investment decisions. Additional analysis reveals that the role of a large audit firm size is more prominent in reducing company overinvestment.

keyword: *Audit Firm Size, Investment Efficiency*