

ABSTRACT

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 Title : The Effect of Pressure to Retain the Client and Pressure to Conform to the Independency of Public Accountant

This research has focused on Pressure to Retain the Client and Pressure to Conform which the effect can impairing Public Accountant. These Pressures can be examined by 5 (five) indicators, (a) Competition, (b) Provision of MAS, (c) Audit fee, (d) Opinion Shopping and (e) Power of Management.

The objective was, first to increase understanding toward Pressure to Retain the Client and Pressure to Conform, and second, to examine the effect of Pressure to Retain the Client (X1) and Pressure to Conform (X2) to the Independency of Public Accountant (Y).

The research was conducted using Factor Analysis and Regression models. Data was collected from respondent who are Public Accountant of Public Accountants Office. Using Factor Analysis, 5 (five) indicators could be narrowed to 3 (three) main indicators : (a) Relationship of Public Accountant and Client, (b) The Environment of working system Public Accountant, and (c) The Effect of Post Audit. Also by using Factor Analysis, from 5 (five) indicators Pressure to Conform, narrowed 2 (two) main indicators, (a) Dilemma of Public Accountant and (b) Reputation of Public Accountant.

The result for the second objective using Regression models, showed that Pressure to Retain the Client and Pressure to Conform have the significant effect to Independency of Public Accountant. It is concluded that the hypothesis nol was able to rejected, that proved the hypothesis is true and supported by the data. Independency of Public Accountant was effected by Pressure to Retain the Client and Pressure to Conform, it can be seen from the F test for the entire Regression models that 68,5% from Pressure to Retain the Client and Pressure to Conform influenced Independency of Public Accountant, and the 31,5% was effected by another variabel, beyond the model.

*68,5%
31,5%*

Key words : *Pressure to Retain the Client, Pressure to Conform, Independence of Public Accountant, and Public Accountant.*