International Journal of Academic Research and Development
www.multidisciplinaryjournal.in
ISSN: 2455-4197
Received: 02-10-2023, Accepted: 17-10-2023, Published: 02-11-2023
Volume 8, Issue 6, 2023, Page No. 1-7

The Influence of share ownership structures and company characteristics on audit fee: Evidence from non-financial companies in Indonesia

Francis Boman Siahaan, Wahyu Meiranto*
Departement of Accounting, Faculty of Economics and Business, Diponegoro University, Jalan Prof. Moeljono S Trastotenojo, Kampus Universitas Diponegoro Tembalang, Semarang, Central Java, Indonesia

Abstract
The objective of this study was to observe the impact of share ownership structure and company characteristics on audit fees paid to external auditors by non-financial companies listed on the Indonesia Stock Exchange between 2017 and 2020. The dependent variable in this study was audit fees, while the independent variables were managerial ownership, foreign ownership, government ownership, complexity, leverage, profitability, and current ratio. The total sample size for this study was 675, as determined by the purposive sampling method. For hypothesis testing, this study applied multiple regression analysis with the SPSS 25 application. The findings indicated that the entire corporate shareholding structure, including managerial shareholding, foreign shareholding, and government shareholding, had a significant impact on audit fee determination. Audit fees were significantly affected by company characteristics such as complexity and leverage, whereas profitability and current ratio had no influence. The research implications included the significance of determining and disclosing audit fees as part of financial reporting quality information, as well as the need to separate audit and non-audit fees in audit fee proxies.

Keywords: Audit fee, company share ownership structure, company characteristics

Introduction

Audit fees are critical information in ongoing global debates about audit quality and the audit function as a value-added service. Financial statements should be audited with appropriate compensation to produce quality financial reports while minimizing risks to the company that may arise in the future (Alhababsah, 2019) [2]. The rise of cases involving industry, companies, corporations, and organizations whose cases have gone global, such as Arthur Anderson, the Enron company, and Worldcom, has resulted in the accounting profession's quality being called into question and a decrease in trust in auditors or accountants. Many cases and scandals have been revealed in Indonesian companies relating to audit quality and profession provided by large public accounting companies with high audit fees (Anindita & Rohman, 2021 [4]; Prasetyo & Harahap, 2018) [21]

The case of PT Garuda Indonesia (Persero) Tbk consolidated financial statements for the 2018 period surprised report users by reporting earnings after three years of declining profits. This controversy resulted in PT Garuda Indonesia (Persero) Tbk being found guilty of fraud (Prayoga *et al*., 2020). This accounting case demonstrates the significance of good corporate governance in improving audit quality. Auditor as one of the organization's external monitoring mechanisms to aid in the reduction of corporate scandals and the improvement of financial reporting quality (Aulia *et al*., 2020 [5]; Prasetyo & Harahap, 2018) [21]. According to Nelson & Mohamed-Rusdi (2015), there are three types of company share ownership that affect the level of audit fees: manager share ownership, foreign investor shares, and state shares. According to Aulia *et al*., (2020) [5], Nelson & Mohamed-Rusdi (2015), and Prasetyo & Harahap (2018), audit fees are related to company characteristics such as company complexity, company profitability, and company risk.

Previous research continues to produce inconsistent results. The findings of Nelson & Mohamed-Rusdi (2015); Permata *et al*. (2019) [20], research showed that managerial ownership had no significant influence on total audit fees, in contrast to research by Anindita & Rohman (2021) [4], research by Prasetyo & Harahap (2018) [21], which found a significant negative influence. Research by Anandya & Prasetyo (2019) showed that foreign ownership has no influence on audit fee determination. Research by Shakhatreh & Alsmadi (2021) showed that foreign ownership has a significant negative influence on audit fees, whereas Prasetyo & Harahap (2018) [21] found that foreign ownership has a significant positive influence. According to the findings of Andriyani & Laksito (2017) [3], there is a significant positive relationship between state ownership and audit fees. The findings of this study differ from those of Musah *et al*. (2021) [18], who found that state ownership has no influence on audit fees.

According to Prasetyo & Harahap (2018) [21], the characteristics of high-profitability companies have a significant positive influence. The company's complexity, leverage, and current ratio have no bearing on the results. According to the findings of Aulia *et al*. (2021), company leverage has no significant influence on audit fees, and company profitability has no significant influence. According to the findings, there is a significant relationship between the current ratio and audit fees. The complexity of the client has no bearing on the amount of audit fees charged. Previous researchers proposed an audit fee proxy that separated audit and non-audit fees to use the actual nominal audit fee (such as professional services, attestation and assurance services, and other services). Researcher will change the time period of the research data source and the

audit fee proxy criteria based on phenomena, research gaps, and previous research suggestions. Based on previous research, which still has limitations on audit fee proxies, non-financial companies were chosen as research objects.

Literature review and hypothesis development

1. Agency Theory

Jensen & Meckling (1976) [12] developed agency theory based on how conflicts of interest between company owners (shareholders), managers, and creditors affect corporate governance. Agency costs arise because of dealing with agency issues that arise within the company. According to agency theory, there are three types of agency costs: monitoring, bonding, and residual loss. The audit fee is included in the monitoring cost, according to the client.

2. Managerial share ownership and audit fees

Widmann *et al*. (2020) [25] assume that audit fees are affected by the agency relationship between management and shareholders. Because there is less separation between owners and management, managerial share ownership can help to reduce agency issues (Nelson & Mohamed-Rusdi, 2015). Good management mechanisms can help to reduce company monitoring costs, such as audit fees (Musah *et al*., 2021) [18].

H1: There is a significant negative relationship between managerial share ownership and audit fees.

3. Foreign share ownership and audit fees

According to research, foreign ownership has several influences on the level of complexity within a company in terms of auditing, affecting audit risk and increasing audit fees (Nelson & Mohamed-Rusdi, 2015; Pronobis & Schaeuble, 2020). Foreign investors are more willing to demand higher audit standards (Zureigat, 2011). Nelson & MohamedRusdi (2015) found a statistically significant positive relationship between foreign ownership and audit fees in a Malaysian company study.

H2: There is a significant positive relationship between foreign share ownership and audit fees.

4. Government share ownership and audit fees

Government-owned businesses face more political interference and have less control than other businesses. Because there are fewer incentives to monitor management behavior, management has a high potential for abusing power (free riding) (Nelson & Mohamed-Rusdi, 2015). Prasetyo & Harahap (2018) [21] found a significant positive relationship between audit fees and government ownership in their study of audit fees for non-financial companies listed on the IDX.

H3: There is a significant positive relationship between government share ownership and audit fees.

5. Complexity of the company and audit fees

According to Ramzy (1988), the audit fee determination model, the complexity of the company can directly influence the determination of audit fees. More audit work is required as auditee complexity increases, and audit fees tend to rise. One common measure of complexity used in previous research is the size of accounts receivable on inventory (Prasetyo & Harahap, 2018 [21], Evana *et al*., 2019, Musa *et al*., 2020) [17].

H4: The complexity of the company has a significant positive influence on audit fees.

6. Leverage and audit fees

Companies with high debt levels typically experience significant losses in their business operations, which may result in bankruptcy or a decrease in the company's stock price. To reduce risk, the auditor will increase the number of audit assignments and audit time, which will have an impact on audit fees that must be paid or charged (Christopher *et al*., 2019) [7]. When a company's financial risk is known, the auditor includes an examination to produce accurate results (Evana *et al*., 2019).

H5: The leverage of the company has a significant positive influence on audit fees.

7. Current ratio and audit fees

Companies that report high profit levels must disclose more information to validate their achievements. Management will use more information about their performance to strengthen their position and justify the compensation they receive (Christopher *et al*, 2019) [7]. According to Joshi & Al-bastaki (2000) [14] and Nelson & Mohamed-Rusdi (2015), companies that report high profits are the focus of public attention, so management must ensure that public trust is fulfilled through auditing to maintain the company's integrity and reputation.

H6: There is a significant positive relationship between company profitability and audit fees.

Companies with weakened financial conditions or a higher risk of failing to pay their obligations will be asked for compensation for additional work to reduce audit risk. This places the auditor in charge of ensuring that the annual report is free of material misstatement (Prasetyo & harahap, 2018) [21]. The current ratio is a tool for assessing business risk (Nelson & Mohamed-Rusdi, 2015; Prasetyo & Harahap, 2018 [21]; Aulia *et al*., 2020) [5]. The risk variable, as measured by the short-term debt ratio, is thought to have an impact on audit fees. The company's external auditor will need to put in a lot of effort and time to audit the company's accounts in order to avoid potential litigation, which will result in higher auditor remuneration (Shandra & Patrick, 1996; Naser & Hassan, 2016) [19].

H7: The current ratio of the company has a significant negative influence on audit fees.

Population and sample

Non-financial companies listed on the Indonesia Stock Exchange (IDX) from 2017 to 2020 comprise the research population. The population of non-financial companies was chosen based on previous literature while keeping in mind the limitations of the observation time range and the use of audit fee proxies that must separate audit and non-audit fees. Purposive sampling was used to obtain the research sample, and certain criteria or conditions had to be met. The research sample consisted of 675 company reports originating from nonfinancial companies on the IDX from 2017 to 2020.

Definition of Operational Variable

1. Audit Fee

According to Nelson & Mohamed-Rusdi (2015), Prasetyo & Harahap (2015), the natural logarithm of the total audit fee (LnAFEE) is the proxy used to measure the audit fee variable.

1.1 Share Ownership Structure

The proportion of company shares controlled by directors/management is referred to as managerial share ownership. The percentage value of share ownership by company managers is used to calculate managerial share ownership in this study (Nelson & Mohamed-Rusdi, 2015). Foreign share ownership is measured in research by the percentage of share ownership held by foreign investors (Nelson & Mohamed-Rusdi, 2015). This study investigates state share ownership through the percentage of state or government share ownership (Nelson & Mohamed-Rusdi, 2015). A dummy variable is then used to represent the variable structure of the company's share ownership. If the company share ownership category meets the criteria for share ownership structure, the code 1 is used; otherwise, the code 0 is used if the company share ownership category does not meet the criteria for share ownership structure.

1.2 Company Characteristics

The complexity of the company influences the amount of effort required by the auditor in carrying out company audit procedures (Evana *et al*, 2019). Company complexity is calculated in this study using the formula total receivables plus inventories divided by total assets. In this study, leverage is calculated by dividing the total debt by the total assets, as in previous studies (Prasetyo & Harahap, 2018 [21]; Aulia *et al*., 2020) [5]. EBIT to total assets is a better ratio than net income to total assets and is used more frequently (Widmann *et al*., 2020) [25]. Profitability is calculated in this study by dividing profit before tax by total assets. One of the company's risks is measured using the current ratio, which is calculated by dividing current assets by current liabilities (Wahab *et al*., 2011) [24].

1.3 Analysis Method

The data analysis method used was a quantitative statistical analysis with multiple linear regression analysis. Multiple linear regression is a multivariate statistical technique used to investigate the relationship between explanatory and response variables. The SPPS Version 25 software was used in this study to predict the relationship between the dependent variable and the independent variable. There were four classical assumptions made in this linear regression model of this study. This was required to demonstrate whether the estimation technique has several expected properties and to validate hypothesis testing on the estimated coefficients. The *Kolmogorov-Smirnov exact Monte Carlo* normality test, multicollinearity, *Durbin-Watson* autocorrelation, and heteroscedasticity were all included in this test. Following the completion of the classic assumption test and the fulfillment of the criteria, a determination test (R^2), ANOVA significance test (*F*), and partial test (*t*) were carried out. The Nelson & Mohamed-Rusdi (2015) model was used to test the relationship between audit fees and independent variable indicators in this study:

$$LNAFEE = \beta0 + \beta1\ (MOWN) + \beta2\ (FOWN) + \beta3\ (GOWN) + \beta4\ (COMP) + \beta5\ (LEV) + \beta6\ (ROA) + \beta7\ (CRATIO) + \varepsilon$$

Where:

β0 = Regression coefficient (=constant)

β1.2.3.4.5.6.7 = Regression coefficient of each proxy

LNAFEE	= *afee* natural logarithm
MOWN	= Managerial share ownership
FOWN	= Foreign share ownership
GOWN	= State/government share ownership
COMP	= Complexity of the client company
LEV	= Client company leverage
ROA	= Profitability of the client company
CRATIO	= Client risk
ε	= Errors

Table 1: Results of Research Sample Selection

Criteria	Number of Sample			
	2017	2018	2019	2020
IDX non-financial companies that have annual reports/financial reports and publish them from 2017 to 2020	412	476	554	563
Non-financial companies whose financial statements are presented in foreign currency units	(89)	(75)	(78)	(78)
Non-financial companies do not provide complete data on research variables.	(194)	(243)	(284)	(289)
Research samples each year	129	158	192	196
Total overall sample	675			

Result and discussion

1. Descriptive statistics

Descriptive statistics are divided into two categories: measures of data concentration and measures of variability (data distribution). Descriptive statistics are shown in Table 2.

Table 2: Descriptive Statistics Results

	Descriptive Statistics				
	N	Min	Max	Mean	Std. Deviation
AUDFEE	675	55000000.00	65400000000.00	1793905949.9710	5700819561.47306
MOWN	675	.00	.89	.0655	.16017
FOWN	675	.00	1.00	.2102	.27985
GOWN	675	.00	.99	.0873	.22869
COMP	675	.00	.92	.2745	.19885
LEV	675	.00	3.02	.4704	.27287
ROA	675	-211.97	141.93	-.1122	15.18310
CRATIO	675	.03	410.20	4.0132	19.62850

2. Dummy variable

The independent variables in the data obtained from the processed data descriptive statistics were the ownership structure as a dummy variable determined based on the decision criteria in Table 3. The descriptive statistics for the dummy variable.

Table 3: Statistical Results of Dummy Variable

Dummy Variable	Category	Meaning	Frequency	%
MOWN	1	Companies with managerial ownership of more than 6.55%	136	20,1%
	0	Companies with managerial ownership of less than 6.55%	539	79,9%
FOWN	1	Companies with foreign investor ownership of more than 21.02%	220	32,6%
	0	Companies with foreign investors holding less than 21.02%	455	67,4%
GOWN	1	Company with state ownership of more than 8.73%	90	13,3%
	0	Companies with state ownership of more than 8.73%	585	86,7%

3. Hypothesis test Results of the Determination Coefficient Test (R^2)

R-Square is a statistical measure that describes how much variation in the dependent variable in the regression model is explained by the explanatory variable (Ghozali, 2021) [10]. When describing the dependent variable, adjusted R^2 reflects the relationship between the explanatory variables.

Table 4: Results of the Determination Coefficient Test

Summary Model				
	R	R2	Adjusted R^2	Std. Error of the Estimate
1	.460[a]	.211	.203	.80855

According to Table 4, the R^2 value seen in the adjusted R^2 is 0.203. The independent variable has a 20.3% influence on the dependent variable. The adjusted R2 explains that other variables influence 79.7% of the dependent variable.

4. Results of ANOVA F-test Significance

The statistical significance test of the ANOVA F-test basically explains whether all or one of the explanatory variables in the regression model influence the dependent variable simultaneously or individually by examining the significance value of the test (Ghozali, 2021) [10].

Table 5: Results of ANOVA F-test Significance

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	116.640	7	16.663	25.488	.000[b]
	Residual	435.396	666	.654		
	Total	552.037	673			

According to table 5, the ANOVA significance value is 0.000, which is less than 0.05. The F value is greater than 4. This explains how, individually (one of the variables) or simultaneously, all independent variables affect audit fees, thereby satisfying the goodness of fit.

5. Results of Parameters Individual t-test Significance

The partial t statistical test explains how the variations in the dependent variable are influenced by the individual explanatory variables (Ghozali, 2021) [10]. The p-value for the significance level is 0.05, indicating that the independent variables have a significant influence.

Table 6: Results of Parameters Individual t-test Significance

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.424	.046		161.087	.000
	MOWN	-.457	.107	-.153	-4.289	.000
	FOWN	.795	.085	.328	9.298	.000
	GOWN	.649	.149	.154	4.366	.000
	COMP	-.528	.203	-.091	-2.606	.009
	LEV	.572	.134	.149	4.258	.000
	ROA	.000	.002	-.004	-.117	.907
	CRATIO	-.003	.002	-.067	-1.912	.056
a. Dependent Variable: LNAFEE						

The regression equation based on the results of the t-test is:

LNAFEE = 7.424 – 0.457MOWN + 0.795FOWN + 0.649GOWN – 0.528COMP + 0.572LEV + 0.000ROA – 0.003CRATIO + 0.046

A summary table of the results of the hypothesis statement is presented as follows:

Table 7: Summary of Hypothesis Test Results

Variable	Hypotheses	Beta Coefficient	p-value	Result
Managerial share ownership	Negative	-0.457	0.000	Accepted
Foreign share ownership	Positive	0.795	0.000	Accepted
Government share ownership	Positive	0.649	0.000	Accepted
Company Complexity	Positive	-0.528	0.009	Rejected
Company Leverage	Positive	0.527	0.000	Accepted
Company profitability	Positive	0.000	0.907	Rejected
Company current ratio	Negative	-0.003	0.056	Rejected

6. Interpretation of Results

6.1 Relationship of Managerial Share Ownership to Audit Fees

According to the findings of the tests, the managerial share ownership variable had a coefficient value of -0.457 and a significance of 0.000. This condition indicated that increasing management share ownership had a significant influence on lowering audit fees. The negative relationship between managerial ownership and audit fees was consistent with agency theory, which states that managerial ownership reduced audit risk by improving reporting quality and increasing control, resulting in lower audit costs for companies (Musah *et al*., 2021) [18]. Managers acted responsibly in increasing the company value and would always practice good corporate governance. The ability of managers to access information contained in the company and use this information in utilizing the company resources would reduce the level of audit work, resulting in a reduction in audit fees paid by the company.

It can be concluded that manager share ownership can improve monitoring and reduce audit risk, thereby lowering audit fees. This study supports the findings of Prasetyo &

Harahap (2018) [21], Anindita & Rohman (2021) [4], and Musah *et al*., (2021) [18], who found that managerial share ownership had a significant negative influence on audit fees.

6.2 Relationship of Foreign Share Ownership to Audit Fees

According to the results of the tests, the foreign share ownership variable had a coefficient value of 0.795 and a significance of 0.000. This condition indicated that increasing share ownership by foreign investors had an impact on increasing audit fees and had a significant influence. The increase in audit fees occurred because financial reporting complexity was increased with foreign ownership due to the relatively large geographical differences between companies. Due to different accounting rules and regulations in each country, corporate financial reporting became more complex when the parent company was located in a geographically different country from its subsidiaries (Prasetyo & Harahap, 2018) [21].

Furthermore, the findings of this study showed that foreign investors tended to demand higher quality audits as compensation for the lack of direct oversight of company operations, which caused auditors to make more audit efforts, resulting in higher audit fees for companies (Zureigat, 2011 in Musah *et al*., 2021) [18]. The findings of this study were consistent with those of Nelson & Mohamed-Rusdi (2015), Prasetyo & Harahap (2018) [21], Anindita & Rohman (2021) [4], and Musah *et al* (2021) [18].

6.3 Relationship of Government Share Ownership to Audit Fees

According to the results of the tests, the managerial share ownership variable had a coefficient of 0.649 and a significance of 0.000. This condition indicated that the government increasing share ownership had an impact on increasing audit fees, with significant results. Companies with good management, according to agency theory, were expected to reduce agency problems, one of which was the cost of monitoring the company management activities. Government-owned businesses face more political interference and had less control than other businesses. As a result, better monitoring was required in these circumstances, which can be accomplished by assembling a professional audit team. When company controls were not functioning properly, auditors would need to exert more effort. This undoubtedly had an impact on the fulfillment of additional audit performance and necessitates a higher audit fee.

This can be attributed to auditors taking on more risk, resulting in more effort and costs, and companies with political tied forming alliances with auditors to avoid the discovery of suspicious financial information. This study was consistent with the findings of Nelson & Mohamed-Rusdi (2016), Prasetyo & Harahap (2018) [21], & Anindita and Rohman (2021) [4], but not with the findings of Aulia *et al*. (2020) [5].

6.4 The Influence of Company Complexity on Audit Costs

According to the results of the tests, the company complexity variable had a coefficient of 0.528 and a significance of 0.009. This suggested that the complexity of a company had a significant negative impact on audit fees. The company complexity, as measured by the formula of total accounts receivable plus inventories divided by total assets, revealed that the average sample company had a low audit fee (in the negative direction) if the company was complex, and vice versa. Despite the fact that the company complexity was low and had decreased, audit fees had increased from year to year (opposite direction). Companies that deal with complex accounts receivable and inventory transactions were expected to use more sophisticated accounting systems and a team of qualified accountants.

Companies were also expected to put in place good accounting and internal control systems that reduced their reliance on external auditors, resulting in less external audit work (Naser & Hassan, 2016) [19]. This study confirmed the findings of Naser & Hassan (2016) [19], who discovered that company complexity had a negative impact on audit fees.

6.5 The Influence of Company Leverage on Audit Costs

According to the results of the tests, the company leverage variable had a coefficient of 0.572 and a significance of 0.000. This implied that corporate leverage had a significant positive impact on audit fees. Corporate debt contributed to the company financial risk in both the short and long term. Debt was one of the pressures that could weigh on a company if it lacked the ability to pay in the future. A high debt-to-asset ratio would necessitate more transparent disclosure of financial information to stakeholders.

External auditors would be asked to disclose more information and would require more evidence to determine the company financial risks, increasing external audit costs. This study supported the findings of Nelson & Mohamed-Rusdi (2016), Anindita & Rohman (2020), who found that company leverage had a positive influence on audit fees.

6.6 The Influence of Company Profitability on Audit Costs

According to the results of statistical testing, the profitability variable of the company had a coefficient of 0.000 and a significance of 0.907. This suggested that the greater the company profitability, the greater the impact on audit fees, but not significantly. This study demonstrated the results of a minor influence in which profitability had no bearing on the size of the audit fee paid by the company to the auditor. Most of the data in this study showed that the average sample of companies was losing money, with very varied data (spread out) resulting in large differences in profitability data. This, of course, had an impact on the results of the tests that had been performed. Furthermore, the auditor assessment and treatment of various audits was heavily influenced by the size of the company profitability. Companies that were losing money were treated differently than companies that are profitable.

According to research by Taat and Murdiawati (2020), nonfinancial companies on the IDX that were research samples with high and low profitability would charge the same audit fee. This study supported the findings of Naser & Hassan (2016) [19], Kimeli (2016) [15], and Tat & Murdiawati (2020), who found that company profitability had no influence on audit fees.

6.7 The Influence of the Company Current Ratio on Audit Costs

Based on the test, the company current ratio variable had a coefficient value of -0.003 and a significance of 0.056. This test showed that the current ratio did not have a negative but

not significant influence on audit fees. The company current ratio variable did not affect the company audit fees, which may be due to short-term client risk, did not affect the external auditor judgment to carry out a series of audit procedures. In this study it appeared that the sample companies tend to experience an increase in terms of current ratio with an average acquisition value above 200%. Companies with too low and too high current ratios were considered to have poor performance in terms of managing current assets. If the current ratio was high enough, the public accounting company considered the client audit and business risks to be very low.

The risk proxied by the company current ratio had no influence on audit fees because audit fees were generally determined based on other risk factors such as business competition and other conditions (Baldacchino *et al*., 2014) [6]. This research was in accordance with research by Nelson & Mohamed-Rusdi (2015), Naser & Hassan (2016) [19], Harahap & Prasetyo (2018) [21], Anindita & Rohman (2021).

Conclusion

The study sought to ascertain the relationship between independent variables, namely the share ownership structure, which includes managerial, foreign, and country share ownership, and company characteristics such as complexity, leverage, profitability, and current ratio, which affect the dependent variable, namely the amount of audit fees paid to external auditors by the company. Following the completion of the data collection, processing, and testing processes, as well as data interpretation, the results show that managerial share ownership and company complexity have a negative and significant influence on audit fees. In the meantime, both foreign and government share ownership have a positive and significant influence on audit fees. The impact of the company profitability and current ratio on audit fees is negligible. Furthermore, this study differs from previous research findings. This study provides empirical evidence that distinguishing audit fees from non-audit fees produces different research results. The research implications highlight the importance of separating audit and non-audit fees in audit fee proxies. In order to find factors that can affect audit fees, the next researcher can increase the number of samples by extending or increasing the observation period or changing the independent variables. Other types of measurement can be used by next researchers for research variables such as company complexity as measured by the number of subsidiaries

References

1. Abdel Magid Ramzy W. (n.d.). *The determinants of audit fees an analytical study.*
2. Alhababsah S. Ownership structure and audit quality: An empirical analysis considering ownership types in Jordan. *Journal of International Accounting, Auditing and Taxation*,2019:*35:*71–84. https://doi.org/10.1016/j.intaccaudtax.2019.05.006
3. Andriyani B, Laksito H. Analisis pengaruh struktur kepemilikan perusahaan terhadap biaya audit. *Diponegoro Journal of Accounting*,2017:6(3):1–11. http://ejournals1.undip.ac.id/index.php/accounting.
4. Anindita C, Rohman A. Pengaruh struktur kepemlikan saham terhadao biaya audit. *Diponegoro Journal of Accounting*,2021:*10*(4):1–12. http://ejournal-s1.undip.ac.id/index.php/accounting.
5. Aulia R, Hanifah A, Santosa A. Pengaruh kepemilikan perusahaan terhadap penetapan biaya audit. *Diponegoro Journal of Accounting*,2020:*9*(3):1–11. http://ejournals1.undip.ac.id/index.php/accounting.
6. Baldacchino PJ, Attard M, Cassar F. Factors Influencing External Audit Fees in Malta. *Occasional Papers on Islands and Small States*, 2014, *2*. www.um.edu.mt/islands.
7. Christopher DA, Orshi TS, Ekundayo OO. Audit Client Characteristics and Audit Fees of Listed Pharmaceutical Firms in Nigeria. *Journal of Advanced Research in Business and Management Studies*, 2019, *14*(1).
8. Dwica Anandya Y, Prasetyo AB. The Influence of Ownership Structure om Audit Fee. *International Riset Akuntansi Keuangan* 2019,4(2).
9. Evana E, Farichah F, Mirfazli E, Idris AZ, Tudor ATT. An Analysis of The Effect of Corporate Characteristics and Auditor Characteristicson Audit Fee. *International Journal of Economics, Business and Enterpreneurship*,2019:*2*(1):13–26.
10. Ghozali I. *Aplikasi Analisis Multivariate dengan Program IBM SPSS 26* (10th ed.,). Badan Penerbit Universitas Diponegoro, 2021, 10.
11. Ho SWm, ng PPh. The Deteminants of Audit Fees in HongKong: An Empirical Study. In *Asian Review of Accounting*,1996:4(2):32–50. https://doi.org/10.1108/eb060673.
12. Jensen MC, Meckling WH. Theory of the firm: managerial behavior, agency costs andk ownership structure. *International Journal of Financial Economics*. Q North-Holland Publishing Company, 1976, 3.
13. Jensen MC, Meckling WH, Benston G, Canes M, Henderson D, Leffler K, *et al*. Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. *International Journal of Financial Economics*, 1976, (4). Harvard University Press. http://hupress.harvard.edu/catalog/JENTHF.html.
14. Joshi PL, AL-Bastaki H. Determinants of Audit Fees: Evidence from the Companies Listed in Bahrain. *International Journal of Auditing*,2000:4:129–138.
15. Kimeli EK. Determinants of Audit Fees Pricing: Evidence from Nairobi Securities Exchange (NSE). *International Journal of Research in Business Studies and Management*,2016:3(1):23–35.
16. Mohammad Zureigat Q. The Effect of Ownership Structure on Audit Quality: Evidence from Jordan. In *International Journal of Business and Social Science*, 2011, 2(10). www.ijbssnet.com.
17. Musa WA, Salman RT, Amoo IO, Subair ML. Impact of Firm's Specific Factors on Audit Fee of Quoted Consumer Goods Firms. *Corporate Governance and Sustainability Review*,2020:*4*(1):47–55. https://doi.org/10.22495/cgsrv4i1p4.
18. Musah A, Okyere B, Boakye EA. The Effect of Ownership Structures on Audit Fees of Listed Firms in Ghana. *Journal of Accounting and Investment*,2021:22(2):392–409. https://doi.org/10.18196/jai.v22i2.11337.
19. Naser K, Hassan YM. Factors Influencing External Audit Fees of Companies Listed on Dubai Financial Market. *International Journal of Islamic and Middle*

Eastern Finance and Management,2016:9(3):346–363. https://doi.org/10.1108/IMEFM01-2015-0007.
20. Permata P, Fauzi S, Laksito H. Pengaruh Struktur Kepemilikan Perusahaan Terhadap Biaya Audit. *Diponegoro Journal of Accounting*,2019:*8*(2):1–13. http://ejournal-s1.undip.ac.id/index.php/accounting.
21. Prasetyo AB, Harahap JO. Ownership Structures and Characteristics Influence on Audit Fee. *Pressacademia*,2018:*5*(2):160–167. https://doi.org/10.17261/pressacademia.2018.822
22. Pronobis P, Schaeuble J. Foreign Ownership and Audit Fees in European Listed Firms. *European Accounting Review*,2022:*31*(3):575–602. https://doi.org/10.1080/09638180.2020.1830819.
23. Tat RNE, Murdiawati D. Faktor-faktor Penentu Tarif Biaya Audit Eksternal (Audit Fee) pada Perusahaan Non-Keuangan. *Jurnal Ilmiah Akuntansi*,2020:*5*(1):177–195.
24. Wahab EAA, Zain MM, James K. Political connections, corporate governance and audit fees in Malaysia. *Managerial Auditing Journal*,2011:*26*(5):393–418. https://doi.org/10.1108/02686901111129562.
25. Widmann M, Follert F, Wolz M. What is it going to cost? Empirical Evidence From a Systematic Literature Review of Audit Fee Determinants. *Management Review Quarterly*,2020:*71*(2):455–489. https://doi.org/10.1007/s11301-02000190-w.
26. Ziad Shakhatreh M, Adnan Alsmadi S. Determinants of Audit Fees and the Role of the Board of Directors and Ownership Structure: Evidence from Jordan. *Safaa Adnan ALSMADI / Journal of Asian Finance*,2021:*8*(5):627–0637. https://doi.org/10.13106/jafeb.2021.vol8.no5.0627