

## Mapping the Use of Public Accounting Firm Service by Public Companies in Indonesia

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### Abstract

*The study aims at identifying how the Covid-19 pandemics has influenced the use of Big Four and Non-Big Four Public Accounting Firm service by the public companies in Indonesia. In addition, the study also aims at identifying how the use of auditor service has been distributed among the public companies before and after the Covid-19 pandemics. This study uses data tabulation method for data analysis. This study also uses all public companies' data that have been listed on the Indonesian Stock Exchange. The results of the study show that: (1) The companies mostly use the service of Non-Big Four Public Accounting Firm rather than that of Big Four Public Accounting Firm; (2) The number of companies audited by the Non-Big Four Public Accounting Firm has increased from 2019 until 2020, whereas the number of companies audited by the Big Four Public Accounting Firm has decreased within the same period of time; (3) Purwantono, Sungkoro & Surja is Public Accounting Firm that has the most clients (107 public companies in 2019 and 101 companies in 2020); (4) Kosasih, Nurdyaman, Mulyadi, Tjahjo & Partners is Public Accounting Firm that has earned the second place in terms of clients (61 public companies in 2019 and 63 public companies in 2020).*

### Keywords

auditor specialization; auditor reputation; covid-19 pandemic; big four versus non-big four



## I. Introduction

Covid-19 pandemic has left the community activities in the daily life with huge and significant impact (Albitar et al., 2021). In fact, this pandemic has resulted in negative consequence for most industries and has even led to rather significantly negative economic and financial impacts (Goodell, 2020). Furthermore, Goodell (2020) states that Covid-19 will result in destructive impacts for the global economy. Such economic turmoil can definitely influence the trust of the investor toward the financial performance of the company and can also lead to numerous financial issues (KPMG, 2020). Therefore, there is a huge need toward reliable and transparent information in order regain the trust of the investor and part of this reliable and transparent information can be provided through financial reporting activity (EY, 2021). The outbreak of this virus has an impact of a nation and Globally (Ningrum et al, 2020). The presence of Covid-19 as a pandemic certainly has an economic, social and psychological impact on society (Saleh and Mujahiddin, 2020). Covid 19 pandemic caused all efforts not to be as maximal as expected (Sihombing and Nasib, 2020).

Financial report contains important information for measuring the performance of a company and assessing the continuity of the company and the statement is especially true for the go public companies. According to the latest Board of Directors Decree Kep-00015/BEI/01-2021, it is decided that all public companies that have been listed in the Indonesian Stock Exchange should meet the public needs toward the information of

financial reports that have been audited by the companies (<https://www.idx.co.id>, October 17th, 2021) through the use of Public Accounting Firm. Public Accounting Firm refers to the public accounting organization that has gained the authorization in accordance with the regulations formulated by the governing laws within the domain of professional service in the public accounting practice (Halim, 2015). The reputation of Public Accounting Firm as the quality proxy of an auditor differentiates the Firm into the Big Four Public Accounting Firm and the Non-Big Four Public Accounting Firm. The Big Four Public Accounting Firm refers to the four biggest accounting firms in the world namely PricewaterhouseCoopers (PwC), Deloitte Touche Tohmatsu (Deloitte), Ernst & Young (E&Y), and Klynveld Peat Marwick Goerdeler (KPMG).

A study by Loscher & Kaiser (2020) shows that auditors who have been working in the Big Four Public Accounting Firm have good professionalism and management but it does not mean that the Non-Big Four Public Accounting Firm has poor level of professionalism and arrangement. The selection between the Big Four and the Non-Big Four Accounting Firm holds unobservable aspects. Therefore, there is not any single measure of auditor characteristics that can be used as a reference in selecting the Big Four or the Non-Big Four Public Accounting Firm (Balsam et al., 2003).

From all characteristics, it can be said that the Public Accounting Firm reputation is the most significant determinant within the consideration of a company in making the decision to opt for the Big Four Public Accounting Firm and the Non-Big Four Public Accounting Firm (Dunakhir, 2016). The decision is related to the statement that the better the reputation of the Public Accounting Firm is the better the audit quality that will be attained. Therefore, the Public Accounting Firms are in competition with each other in order to improve their quality so that more companies are interested to hire their service (Bergner et al., 2020). Interestingly, the recent Covid-19 pandemics have brought about certain impacts to the Public Accounting Firm reputation in terms of audit quality (Budiandru, 2021). As a result, the Public Accounting Firm should maintain their audit quality more and improve their sense of responsibility even more in generating audit report that is free of fraud.

Equally important to auditor quality, the go public companies will certainly consider the factor of audit specialization in selecting the Public Accounting Firm that will audit them. Several Public Accounting Firms have specialization on certain industrial sectors since these Firms have better knowledge and understanding in minimizing the audit risk (Atmojo & Sukirman, 2019). The Big Four Public Accounting Firms maintain their client and reputation by upholding such specialization since well-qualified audit specialization and in-depth knowledge of the client's industry will enable the auditor to finish his job faster. By doing so, the company can improve the aspect of effectiveness and efficiency with regards to the issuance of the financial report that has been audited (Hegazy & Hegazy, 2018).

The recent study is conducted in order to identify how the Covid-19 pandemic influence the use of Big Four and Non-Big Four Public Accounting Firms service by the public companies in Indonesia. In addition, the recent study is also conducted in order to identify how the use of auditor service by the public companies have been distributed before and after the Covid-19 pandemic. If the previous studies mostly focus on the testing toward the influence of certain factors on the selection of a Public Accounting Firm, the recent study is expected to provide different approach in comparison to the previous studies on audit. Thus, the recent study will trace the Public Accounting Firms that have been hired by the go public companies in Indonesia from various industrial sectors. Based on the data that have been gathered, the study can generate analysis for

each industrial sector in relation to the percentage on the use of Big Four and Non-Big Four Public Accounting Firms that dominate each sector and the influence of Covid-19 pandemic on the auditor distribution from 2019 until 2020. The topic on this kind of study is still limited mainly because the Covid-19 pandemic has still been lingering.

## **II. Review of Literature**

### **2.1 Auditor Specialization**

Auditor is considered as a specialist within an industry if he or she has specific skills that have been attained from the experiences in auditing and holding special training so that the auditing results become improved (Kosasih, 2020). Tuanakotta (2011) and (Cohen & Sayag, 2010) state that auditor specialization refers to a public accountant who has in-depth knowledge and experience with regards to the general and special accounting guidelines that apply to the industries of certain clients and include the understanding toward the operational challenges and the nuance of the related industries. Similarly, Nurintiati & Purwanto (2017) state that specialist auditor has better knowledge and understanding about the characteristics of the client's business in comparison to the non-specialist auditor.

### **2.2 Auditor Reputation**

Auditor reputation refers to the public trust that has been held by the auditor (Public Accounting Firm) upon the reputation that the auditor has (Abdillah et al., 2019). The reputation of an auditor is divided into two big groups namely Big Four Public Accounting Firm and Non-Big Four Public Accounting Firm. The Big Four Public Accounting Firms have several competitive edges in comparison to the Non-Big Four Public Accounting Firms namely possessing more resources and professional workers (partners and staffs), possessing more competent human resources because of the strict selection process within the recruitment process, and possessing more training programs. In addition, the Big Four Public Accounting Firms have more various clients in comparison to the Non-Big Four Public Accounting Firms. As a result, the knowledge and the experience of an auditor will be richer. According to Machfuzhoh (2021), It is also stated that greater Public Accounting Firm will influence the audit quality that can be attained.

## **III. Research Method**

The data that have been used in the study are the secondary data. According to Sugiyono (2018:213), secondary data refer to the data sources that provide information through the assistance of other people or documents. In the context of the recent study, the secondary data are the reports of independent auditors from the companies that have been listed in the Indonesian Stock Exchange from 2019 until 2020 and from all industrial sectors and sub-sectors that have been attained from [www.idx.com](http://www.idx.com).

Then, the population and the sample that have been used within the study are the companies that have been listed in the Indonesian Stock Exchange from 2019 until 2020. The requirements that the companies should meet in order to be selected as the samples of the study are having the complete 2019 and 2020 Financial Reports and having audited the relevant financial reports through the use of independent auditor service so that the financial reports from both years can be compared with each other.

The data analysis method in this study consists of the following steps:

1. The researchers gather the data on the names of Public Accounting Firms that have audited the companies enlisted in the Indonesian Stock Exchange from 2019 - 2020.
2. The researchers group the companies based on the sectors and sub-sectors existing in the Indonesian Stock Exchange.
3. The researchers process the data through data tabulation that groups the companies into their respective company code. Then, each Public Accounting Firm will be grouped into the Big Four and the Non-Big Four Public Accounting Firm. In the context of the study, the Big Four Public Accounting Firm consists of Deloitte, Ernst & Young, PricewaterhouseCoopers, and Klynveld Peat Marwick Goerdeler.
4. The results of the study will answer the problem formulation that has been proposed namely how the user of Big Four and Non-Big Four Public Accounting Firm users is described on all companies that have been listed in the Indonesian Stock Exchange by viewing the domination of Public Accounting Firm distribution. In addition, the results of the study will also answer how the distribution of the auditor specialization is within the companies that have been enlisted in the Indonesian Stock Exchange. In order to answer the two problem formulations, the researchers will view the most dominant Public Accounting Firm within the financial report auditing activity on each sector of the companies.

#### IV. Result and Discussion

From the data tabulation results, the number of the companies that have been audited by both the Big Four and the Non-Big Four Public Accounting Firm is apparent. The data categorization and percentage can be seen in Table 1 below.

**Table 1.** Data Grouping and Percentage of the Company

Sector	Total		Percentage					
	2019		2020		2019		2020	
	Non Big 4	Big 4	Non Big 4	Big 4	Non Big 4	Big 4	Non Big 4	Big 4
<b>Agriculture</b>	13	10	14	9	56.52%	43.48%	60.87%	39.13%
<b>Mining</b>	33	16	33	16	67.35%	32.65%	67.35%	32.65%
<b>Basic and Chemical Industry</b>	52	25	55	22	67.53%	32.47%	71.43%	28.57%
<b>Various-Type Industry</b>	32	15	34	13	68.09%	31.91%	72.34%	27.66%
<b>Consumptions Goods Industries</b>	46	22	48	20	67.65%	32.35%	70.59%	29.41%
<b>Property, Real Estate and Construction</b>	78	10	78	10	88.64%	11.36%	88.64%	11.36%
<b>Infrastructure, Utility and Transportation</b>	57	24	58	23	70.37%	29.63%	71.60%	28.40%
<b>Finance</b>	57	37	59	35	60.64%	39.36%	62.77%	37.23%
<b>Trading, Service &amp; Investment</b>	134	40	132	42	77.01%	22.99%	75.86%	24.14%
<b>TOTAL</b>	<b>502</b>	<b>199</b>	<b>511</b>	<b>190</b>				

The results in Table 1 show the data cluster and the data percentage with regards to the number of companies that have been audited by the Big Four Public Accounting Firms and the Non-Big Four Public Accounting Firms based on each industrial sector. Then, the number of companies that have been audited by the Non-Big Four Public Accounting Firm

increase from 502 companies in 2019 into 511 companies in 2020. On the contrary, the number of companies that have been audited by the Big Four Public Accounting Firm decrease from 199 companies in 2019 into 190 companies in 2020. The decrease consists of 13 companies that switch their service orientation from the Big Four Public Accounting Firm to the Non-Big Four Public Accounting Firm and 4 companies that switch the other way (from the Non-Big Four Public Accounting Firm to the Big Four Public Accounting Firm). The companies that switch their service orientation from the Non-Big Four Public Accounting Firm to the Big Four Public Accounting Firm are of service industry namely finance and trading. The companies that switch their service orientation from the Big Four Public Accounting Firm to the Non-Big Four Public Accounting Firm come from numerous sectors.

In terms of percentage from each sector, the Non-Big Four Public Accounting Firms highly dominate the companies in property, real estate and construction sector with 88.64% companies that have been audited. In the meantime, the Big Four Public Accounting Firms highly dominate the companies in agriculture sector with 43.48% companies that have been audited by 2019 and 39.13% by 2020.

In overall, it is apparent that the go public companies in Indonesia mostly use the service of Non-Big Four Public Accounting Firms in comparison to the Big Four Public Accounting Firms. This finding can be associated to the cost-related factors since the Covid-19 pandemic has hit Indonesia from the beginning of 2020. As a result, many companies should be able to adjust themselves by minimizing cost in order to maintain the business continuity.

The Non-Big Four Public Accounting Firms dominate the overall population of the companies, be it in the natural resources management, manufacture, and service. In 2019, there are 502 companies, or 72% of the total population, that have been audited by the Non-Big Four Public Accounting Firms. In 2020, the number of companies that have been audited by the Non-Big Four Public Accounting Firms increase into 511 companies or 73% of the total population. On the contrary, the number of the companies that have been audited by the Big Four Public Accounting Firms decrease from 199 companies into 190 companies.

The decreasing percentage on the companies that have been audited by the Big Four Public Accounting Firms from 2019 to 2020 take place in all industrial sectors, be it in the natural resources management, manufacture, and service. The decrease can be possibly influenced by the Covid-19 pandemic that has hit Indonesia since the beginning of 2020. The pandemic can cause a company to suffer from financial difficulty so that the company should make adjustment in terms of audit fee. The highest decrease is found in the manufacture company with 3.65% from 2019 to 2020.

The data tabulation has also grouped the companies audited by the Public Accounting Firms that have affiliation with the Big Four Public Accounting Firms. In Indonesia, there are four Public Accounting Firms that have affiliation with the Big Four and this affiliation has facilitated the companies to audit their financial reports in the well-reputed firms. The Public Accounting Firms that have affiliation with the Big Four Public Accounting Firms are namely

- a. PricewaterhouseCoopers Indonesia = Tanudirejda, Wibisana, Rintis & Partners Public Accounting Firm
- b. Ernst & Young Global = Purwantono, Sungkoro & Surja Public Accounting Firm
- c. Deloitte Touche Tohmatsu Limited = Imelda & Partners Public Accounting Firms and Satrio Bing Eny & Partners Public Accounting Firms
- d. KPMG International = Siddharta Widjaja & Partners Public Accounting Firms

Table 2 displays the distribution of the Big Four Public Accounting Firms in all companies that have been listed to the Indonesian Stock Exchange.

**Table 2.** Big Four Public Accounting Firms Analysis

No.	Sector / Big 4 Public Accounting Firms	TWR		PSS		IR		SBE		SWR	
		2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
1	Agriculture	1	1	7	6	0	0	0	0	2	2
2	Mining	8	9	6	5	2	2	0	0	0	0
3	Basic and Chemical Industry	6	6	12	9	5	4	0	0	2	3
4	Various-Type Industry	6	6	6	5	1	0	0	0	2	2
5	Consumptions Goods Industry	2	2	13	12	1	1	1	0	5	5
6	Property, Real Estate and Construction	3	3	4	4	3	3	0	0	0	0
7	Infrastructure, Utility and Transportation	5	5	16	16	2	2	0	0	1	0
8	Finance	12	12	18	17	3	2	1	1	3	3
9	Trading, Service & Investment	7	7	25	27	4	4	0	0	4	4
<b>TOTAL</b>		<b>50</b>	<b>51</b>	<b>107</b>	<b>101</b>	<b>21</b>	<b>18</b>	<b>2</b>	<b>1</b>	<b>19</b>	<b>19</b>

Note:

TWR = Tanudiredja, Wibisana, Rintis & Partners Public Accounting Firm

PSS = Purwantono, Sungkoro & Surja Public Accounting Firm

IR = Imelda & Partners Public Accounting Firms

SBE = Satrio Bing Eny & Partners Public Accounting Firms

SWR = Siddharta Widjaja & Partners Public Accounting Firms

Based on the data tabulation in Table 2, it is clear that Purwantono, Sungkoro & Surja Public Accounting Firm is in affiliation with Ernst & Young and has the most the clients namely 107 companies in 2019 and 101 companies in 2020. From 5 Public Accounting Firms that are in affiliation with the Big Four, it has dominated 7 sectors of the companies that have been listed in the Indonesian Stock Exchange namely: (a) agriculture; (b) basic and chemical industry; (c) consumption goods industry; (d) property, real estate and construction; (e) infrastructure, utility and transportation; (f) finance; and (g) trading, service and investment. Meanwhile, Tanudiredja, Wibisana, Rintis & Partners Public Accounting Firm has dominated the remaining 2 industrial sectors namely mining and various-type industry.

The specialization of the Big Four Public Accounting Firm in all kinds of industrial sectors can be seen from each of it. Based on the data tabulation results, Tanudiredja, Wibisana, Rintis & Partners Public Accounting Firm quite dominating the mining sector. 8 out of 16 companies in mining sector or 50% in 2019 and 56% in 2020 have been audited by the Public Accounting Firms. Different situation is found in Purwantono, Sungkoro & Surja Public Accounting Firm. It can be said that the auditor specialization of the Public Accounting Firm is equal but there is a single prominent sector namely agriculture. 70% companies in 2019 and 66% in 2020 have been audited by the Public Accounting Firm from the agriculture sector. This finding shows the highest percentage of all Big Four Public Accounting Firms.

Next, Imelda & Partners Public Accounting Firm has the highest percentage in the property, real estate and construction namely 30% in both 2019 and 2020. Last but not the least, Satrio Bing Eny & Partners Public Accounting Firm has the fewest clients from the go public companies.

**Table 3. Non-Big Four Public Accounting Firms Analysis**

No	Public Accounting Firms	2019									$\Sigma$	2020									$\Sigma$
		a	b	c	d	e	f	g	h	i		a	b	c	d	e	f	g	h	i	
1	Abdul Ghonie & Partners									1	1									1	1
2	Abubakar Usman & Partners					1					1					1					1
3	Achsin Handoko Tomo									3	3									2	2
4	AF Rachman & Soetjipto WS			1							1			1							1
5	Anderson, Amril & Partners					1					1										0
6	Andi Ruswandi Wisnu & Partners								1		1					1				1	2
7	Andi, Drs., Arifin, Amita, Wisnu & Partners					1		1			2								1		1
8	Antadaya, Helmiansyah, & Yassirli			1					1	1	3			1						1	2
9	Anwar dan Partners			1		1	1	1	2	3	8			1	1	2	1	2	2	3	12
10	Aria Kanaka & Partners		2							2	4		2							2	4
11	Arman Dhani & Partners							1			1										0
12	Arman Eddy Ferdinand & Partners			1							1			1			1				2
13	Asep Rahmansyah & Partners								1		1				1				1		2
14	Asep Rianita Manshur & Suharyono				1						1										0
15	Ayub & Elvi		1								1										0
16	Bambang S., Drs. & Partners								1	1	2								1		1
17	Budiman, Wawan, Pamudji & Partners			1						1	2			1						1	2
18	Chaeroni, Drs., & Partners									1	1									1	1
19	Djoko, Sidik & Indra	1		1							2										0
20	Doli, Bambang, Sulistiyanto, Dadang & Ali	2		1	4	2		3	6		18	1	1	1	5	2	1	3	8		22
21	Ferdinand, Drs & Partners								1		1								1		1
22	Gani Sigito & Handayani	2	1	1	1				2		7	2	1	2	2					1	8
23	Gideon Adi & Partners									2	2							1		4	5
24	Habib Basuni & Heryadi (HBS)										0			1							1
25	Hadibroto & Partners				1						1				1						1
26	Handoko Tomo, Samuel Gunawan & Partners										0									1	1
27	Heliantono & Partners		1	2		2	3	2	3		13		2	2		2	4	2	3		15
28	Hendrawinata Hanny Erwin & Sumargo		1	1	1				1		4		1	2	1	3	1		1		9
29	Hendrawinata, Eddy & Siddharta										0					1					1
30	Hendrik & Rekan			1						3	4			1						3	4
31	Herman Dody Tanumihardja & Partners	1	1	1	1	3	2		2		11	1	1	1	1	3	1			1	9
32	Hertanto Grace Karunawan					4	2				6					2	2				4
33	Heru Saleh Marzuki & Partners										0									1	1
34	HLB Hadori Sugiarto Adi & Partners			3		1			2		6			3		1				1	5
35	Husni, Wlbawa & Partners				1		1				2						1				1
36	Irfan Zulmendra				1						1				1	1	1				3
37	Irvan									1	1									1	1
38	Ishak, Saleh, Soewondo & Partners			1							1										0
39	Jamaludin, Ardi, Sukimto & Partners		1	1	1	5	2		4		14		1	2	1	4	2			4	14
40	Jimmy Budhi & Partners									1	1									1	1
41	Joachim Adhi Piter Poltak & Partners			2							2			2							2
42	Johan, Malonda, Mustika & Partners			1	2						3			1	2						3
43	Johannes Juara & Partners	1	1			1	2	1	3		9	1	1			2	2	1	3		10
44	Junaedi, Chairul & Partners			1							1			1							1
45	Kanaka Puradiredja, Suhartono	1	1	3	3	3	7		7	15	40	2	1	3	4	4	6		6	13	39
46	Kartoyo, Drs., & Partners			1							1			1							1
47	Krisnawan, Nugroho & Fahmi							1			1						1			1	2
48	Leonard, Mulia & Richard									1	1									1	1

No	Public Accounting Firms	2019									$\Sigma$	2020									$\Sigma$
		a	b	c	d	e	f	g	h	i		a	b	c	d	e	f	g	h	i	
49	Liasta, Nirwan, Syafruddin & Partners		1								1										0
50	Maksum, Suyamto, Hirdjan & Rekan										0					1					1
51	Maroeto & Nur Shodiq				1						1										0
52	Maurice Ganda Nainggolan & Partners						4			1	5					3				1	4
53	Mirawati Sensi Idris	2	5	1	1	3	4	4	9	6	35	2	6	1	1	3	4	4	7	6	34
54	Morhan & Partners			1	1	1		2		7	12			1	1	1		1		5	9
55	Noor Salim, Nursehan & Sinarahardja							1		1	2										0
56	Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan & Partners		3	7	2	4	3	2	6	6	33		2	9	2	4	2	2	6	8	35
57	Rama Wendra			2	2		4	4		2	14			1	2		5	3		2	13
58	Robert Ricker									1	1									1	1
59	Ruslim & Ruslim									1	1									1	1
60	S. Mannan, Ardiansyah & Partners			1				1			2			1							1
61	Salmon Sihombing						1				1					1					1
62	Sandra Pracipta										0									1	1
63	Santoso & Partners									1	1										0
64	Soejatna, Mulyana & Partners							1			1							2			2
65	Suganda Akna Suhr			1	1	2				1	5					1				1	2
66	Suharli, Sugiharto, & Partners		1								1		1			1	2			1	5
67	Supoyo, Sutjahjo, Subyantara & Partners				1						1					1				1	2
68	Tanubrata Sutanto Fahmi Bambang & Partners	1	1	4	4	6	9	5	5	8	43	2	2	3	5	5	8	5	5	7	42
69	Tasnim, Fardiman, Sapuan, Nuzuliana, Ramdan & Partners									1	1									1	1
70	Teramihardja, Pradhono & Chandra		1	2	1	4	2	1		4	15		1	2	1	4	2	1		3	14
71	Thomas S. Wirawan, Drs., & Partners										0				1						1
72	Tjahjadi & Tamara		1	4		1	4	1		1	12		1	2			5	1	2	2	13
73	Tjahjo, Machdjud Modopuro & Partners			1							1			1							1
74	Y. Santosa dan Partners	1	2	2						2	7	1	2	2			1		1	4	11
75	Amir Abadi Jusuf, Aryanto, Mawar & Partners		4	5	2	4	14	6	5	12	52		4	6	1	2	13	6	7	1	50
76	Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Partners	1	2	4	3	5	4	14	8	20	61	2	2	7	3	5	3	1	1	1	63
77	Mulyamin Sensi Suryanto & Lianny		2						1	2	5		1							2	3
<b>Total</b>											<b>502</b>										<b>511</b>

Notes:

- a = Agriculture
- b = Mining
- c = Basic and Chemical Industry
- d = Various-Type Industry
- e = Consumption Goods Industry
- f = Property, Real Estate and Construction
- g = Infrastructure, Utility and Transportation
- h = Finance
- i = Trading, Service and Investment

The results of data tabulation in Table 3 show that 77 Non-Big Four Public Accounting Firms have performed the audit for the companies in the Indonesian Stock Exchange in 2019 and 2020. In the mining sector, Mirawati Sensi Idris Public Accounting Firm has the most companies in 2019 and 2020, namely 5 companies in 2019 and 6 companies in 2020.

Companies in the basic and chemical industry are mostly audited by Paul Hadiwinata, Arsono, Retno, Palilingan & Partners Public Accounting Firm in 2019 and 2020 namely 7 companies in 2019 and 9 companies in 2020. Different finding is found in the companies from the various-type industry. In this regard, Tanubrata Sutanto Fahmi Bambang & Partners Public Accounting Firm have the most companies namely 4 companies in 2019 and 5 companies in 2020. At the same time, the Public Accounting Firm has also dominated the consumption goods industry namely 6 companies in 2019 and 5 companies in 2020.

For the property, real estate and construction sector, Amir Abadi Jusuf, Aryanto, Mawar & Partners Public Accounting Firm has the most companies as well namely 14 companies in 2019 and 13 companies in 2020. On the contrary, Kosasih, Mulyadi, Tjahjo & Partners Public Accounting Firm has the most clients in two sectors namely 14 companies from infrastructure, utility and transportation in both 2019 and 2020, 20 companies from trade, service and investment in 2019 and also 15 companies from trade, service and investment in 2020. In the meantime, from the finance sector Mirawati Sensi Idris Public Accounting Firm has 9 companies in 2019 and Kosasih, Nurdiyan, Mulyadi, Tjahjo & Partners has 12 companies in 2020.

From 77 Non-Big Four Public Accounting Firms that audit the companies listed in the Indonesian Stock Exchange within 2019 and 2020, the Public Accounting Firm with the most clients is Kosasih, Nurdiyan, Mulyadi, Tjahjo & Partners with 61 companies by 2019 and 63 companies by 2020. Then, Amir Abadi Jusuf, Aryanto, Mawar & Partners fall into the second place with 52 companies by 2019 and 50 companies by 2020. Next, Tanubrata Sutanto Fahmi Bambang & Partners fall into the third place with 41 companies by 2019 and 42 companies by 2020.

**Table 4.** Top Ten of Non-Big Four Public Accounting Firms in 2019 and 2020

<b>Top Ten of Non-Big Four Public Accounting Firms in 2019 and 2020</b>												
<b>Year</b>	<b>No.</b>	<b>Public Accounting Firm</b>	<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>	<b>f</b>	<b>g</b>	<b>h</b>	<b>i</b>	<b>Total</b>
<b>2019</b>	1	Kosasih, Nurdiyan, Mulyadi, Tjahjo & Partners	1	2	4	3	5	4	14	8	20	<b>61</b>
	2	Amir Abadi Jusuf, Aryanto, Mawar & Partners	4	5	2	4	14	6	5	12		<b>52</b>
	3	Tanubrata Sutanto Fahmi Bambang & Partners	1	1	4	4	6	9	5	5	8	<b>43</b>
	4	Kanaka Puradiredja, Suhartono	1	1	3	3	3	7		7	15	<b>40</b>
	5	Mirawati Sensi Idris	2	5	1	1	3	4	4	9	6	<b>35</b>
	6	Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan & Partners		3	7	2	4	3	2	6	6	<b>33</b>
	7	Doli, Bambang, Sulistiyanto, Dadang & Ali	2		1		4	2		3	6	<b>18</b>
	8	Teramihardja, Pradhono & Chandra		1	2	1	4	2	1		4	<b>15</b>
	9	Jamaludin, Ardi, Sukimto & Partners		1		1	1	5	2		4	<b>14</b>
	10	KAP Rama Wendra			2	2		4	4		2	<b>14</b>
<b>2020</b>	1	Kosasih, Nurdiyan, Mulyadi, Tjahjo & Partners	2	2	7	3	5	3	14	12	15	<b>63</b>
	2	Amir Abadi Jusuf, Aryanto, Mawar & Partners	4	6	1	2	13	6	7	11		<b>50</b>
	3	Tanubrata Sutanto Fahmi Bambang & Partners	2	2	3	5	5	8	5	5	7	<b>42</b>
	4	Kanaka Puradiredja & Suhartono	2	1	3	4	4	6		6	13	<b>39</b>

Top Ten of Non-Big Four Public Accounting Firms in 2019 and 2020												
Year	No.	Public Accounting Firm	a	b	c	d	e	f	g	h	i	Total
	5	Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan & Partners		2	9	2	4	2	2	6	8	35
	6	Mirawati Sensi Idris	2	6	1	1	3	4	4	7	6	34
	7	Doli, Bambang, Sulistiyanto, Dadang & Ali	1	1	1		5	2	1	3	8	22
	8	Heliantono & Partners		2	2			2	4	2	3	15
	9	Jamaludin, Ardi, Sukimto & Partners		1		2	1	4	2		4	14
	10	Teramihardja, Pradhono & Chandra		1	2	1	4	2	1		3	14

Table 4 displays the rank of the Top 10 Non-Big Four Public Accounting Firms with the most clients in 2019 and 2020. Whether in 2019 and 2020, the first until the fourth rank has been occupied by the same Public Accounting Firms namely: (a) Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Partners; (b) Amir Abadi Jusuf, Aryanto, Mawar & Partners; (c) Tanubrata Sutanto Fahmi Bambang & Partners; and (d) Kanaka Puradiredja & Suhartono. Each Public Accounting Firm has different movement. Some of them have gain while the others have loss.

Departing from the observation toward all companies that have been audited by both the Big Four and the Non-Big Four Public Accounting Firms, it can be concluded that the natural resource management companies, manufacture companies, and service companies in 2019 and 2020 have mostly been audited by Purwantono, Sungkono & Surja (Ernst & Young Global Limited). The data show that 107 companies in 2019 and 101 companies in 2020 have been audited by the Public Accounting Firm. This finding proves that Purwantono, Sungkoro & Surja Public Accounting Firm has good specialization and reputation within the three sectors.

## V. Conclusion

The companies listed in the Indonesian Stock Exchange mostly use the audit service provided by Non-Big Four Public Accounting Firms in comparison to the Big Four Public Accounting Firms. The dominant use of the service by the Non-Big Four Public Accounting Firms can be influenced by the audit fee. Audit fee is an important factor within the selection of the Public Accounting Firm by the companies. The high rate of audit fee imposed by the Big Four Public Accounting Firms have made the companies to switch to the use of service by the Non-Big Four Public Accounting Firms. In 2020, the Big Four Public Accounting Firms has suffered from decreasing number of clients namely 199 clients of go public companies into 190 clients of the same companies. Such situation is mostly caused by the Covid-19 pandemic, which makes companies suppress their expense including the one for the audit fee.

Purwantoro, Sungkoro & Surja is the Big Four Public Accounting Firm that has the most clients namely 107 go public companies in 2019 and 101 go public companies in 2020. Then, Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Partners Public Accounting Firm has fallen into the second place namely 61 companies in 2019 and 63 companies in 2020. In addition, it is also found that several Non-Big Four Public Accounting Firms have higher number of clients in comparison to the Big Four Public Accounting Companies. This finding shows that Public Accounting Firm reputation does not serve as the main consideration anymore within the selection of Public Accounting Firm.

Despite the results, the current study still suffers from several limitations namely reputation measurement and auditor specialization. The two aspects are only observed

from the secondary data; consequently, the researchers have not found any strong reason why the companies have switched from the Big Four Public Accounting Firms to the Non-Big Four Public Accounting Firms or vice versa. Therefore, it is suggested for the future studies to conduct in-depth interview with the representatives of the companies in order to identify the reasons and the consideration in selecting the Public Accounting Firm.

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