

THE CORRELATION ANALYSIS BETWEEN SUPERVISORY ACTION AND ORGANIZATION CULTURE TO INDIVIDUAL PERFORMANCE OF JUNIOR ACCOUNTANT IN PUBLIC ACCOUNTING FIRM WITH JOB SATISFACTION AS INTERVENING VARIABLE

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ABSTRACT

The objective of this research is to analyze the impact of supervisory action, organizational structure, job satisfaction and individual performance junior accountants in public accounting firm.

This study reports the results of a survey of 276 junior accountants from 17 small public accounting firms and 6 big public accounting firms. Purposive method is used to define the sample.

This study find that the two major elements of supervisory action recommended by the AECC, leadership and mentoring, and assignments, do not give impact on the job satisfaction. Work condition give impact on the job satisfaction but job satisfaction do not give impact on the individual performance. This study also find that the three elements of organizational culture, bureaucratic and innovative culture were negatively correlated but do not give impact on the job satisfaction, unexpectedly, supportive culture was positively correlated but do not give impact on the job satisfaction. However, there are no significant differences between small public accounting firms and big public accounting firms for the supervisory actions and job satisfaction. But there are significant differences between small and big public accounting firms for the individual performance.

Keywords: *supervisory action, organization culture, individual performance, job satisfaction*

1. INTRODUCTION

Job satisfaction is a factor playing an important role in influencing life satisfaction because most of people's time is spent in workplace. Despite the high risk and great pressure, as far as being satisfied with the company, it is certain that people make the maximum.

Several studies on accountant's work satisfaction revealed that there was significant gap between students' expectation and junior accountant in public accounting firms, where the accounting students' expectation in particular was higher than the experience of junior accountants in the actual workplace. The causes of dissatisfaction of the accountants were the lack of feedback, inadequate supervision, the use of less optimal competence and availability of opportunity to participate and lack of appreciation of the supervisors on the employees' work.

Based on a variety of study, Accounting Education Change Commission (AECC) as an entity established to manage accounting education to maintain account profession as an interesting choice of career in the United States of America established Issues Statement No. 4 to increase junior accountants' job satisfaction.

The content of AECC Recommendation for Supervision of Early Work Experience was a number of AECC recommendation to supervisors of junior accountants to supervise accurately in particular in terms of three main aspects of supervisory action as suggested by AECC. The three aspects of supervisory action are:

1. Supervisors should perform strong leadership and mentoring attitudes.
2. Supervisors should create work condition conducive to success.
3. Supervisors should give assignment to challenge and stimulate the accomplishment of the jobs.

The objective of this research was to get empirical data on the relationship between supervisory actions suggested by AECC in Issues Statement No. 4 with job satisfaction of Indonesia junior accountants and to examine whether there was difference of supervisory action implementation by junior accounts and job satisfaction of job satisfaction of junior accountants in a large public accounting firm and in a small public accounting firm.

Some public accounting firms had been changing significantly since 1977, as the professional ethics was revised in order that a public accounting firm get a license to have competitive practice. The need to control cost and risk became effective and to get special impression from the external environment, companies began to accomplish their supervisory action and procedure proportionally and more oriented to project and solution of work problem. This change had important influence on the internal condition and culture, including public accounting firms.

Organizational culture is the most critical factor in an organization. The organizational effectiveness can be improve by establishing strong culture

to achieve the objective of organizational objective. An organization with strong culture will have characteristics which attract the involved individuals. In turn, the individuals may think, take proper actions and behave in compliance with organizational values. The compliance of organizational culture with the values held by the organizational members will lead work satisfaction, which in turn encourage them to stay in a company and long-term career.

Strong organization culture is needed by each organization to ensure work satisfaction and performance of the employees which in turn improve the organizational culture as a whole. To established strong organizational culture, it is necessary for an organization to spread organizational values to all employee. The spread can be accomplished with the organizational plan and strategy, work environment, leadership and appreciation system.

In response to employees' performance, job satisfaction is very important for a company. Each employee who like his job can be predicted to work at his full capacity and in such a way of doing his job he improves the performance. Conversely, the dissatisfied with his job can be predicted to be unable to work at his full capacity so that his individual performance will decrease.

Work satisfaction is an effective and individual orientation for an employee with his work and characteristics. The implication of job satisfaction is often related to the improvement of individual performance, organizational performance, work motivation, work stress, turnover, absenteeism, learning competence, work injury and attitude toward fellow workers, management and external environment.

Based on the description, this research tried to analyze the issues related to job satisfaction of junior accountant in public accounting firms.

2. THEORETICAL FRAMEWORK AND HYPOTHESIS FORMULATION

2.1. Supervisory Action

Supervisor plays an important role, in public accountant profession. In response to examination by an accountant, the supervision is regulated in Professional Standard of Public Accountants. This section contains guidelines for an auditor in audit implementation based on accounting standards specified by The Indonesian Institute of Accountants (we called IAI).

Kozlowski and Dohery's (1989) study quoted from O'Driscoll and Beehr (1994) indicated that supervisor was the nearest entity with one's work context because he reflect the culture or climate of an organization.

O'Driscoll and Beehr (1994) study in two accounting organizations in the United States of America and New Zealand revealed that supervisory behaviors is an important determinant of employee's job satisfaction.

A job-oriented supervisor play a role in determining the objective of goal achievement, helps solve some problems, providing social and material

support and providing feedback of his subordinate's performance, helps reducing role ambiguity and uncertainty suffered by his subordinate so that it improve the job satisfaction of the subordinate.

Based on Professional Standard of Public Accountants by IAI (2001:311), supervision is described as follows:

"Supervision include directional effort of an assistant in achieving auditing objective and determining the objectives to achieve. The elements of supervision are giving instruction to assistant and keeping the information transmitted. The important issues facing an auditor is to review the accomplished job and tom reconcile conflicting opinions among auditing staffs in a Public Accounting Firm."

Effective supervision is an important factor which help solve the rising problems. If they implement their supervision effectively, it will positive influence on job satisfaction improvement.

In implementing audit supervision, in Professional Standards of Public Accountants (2001: 311) states that:

1. Assistants should be informed of their responsibilities and objective of the procedure to implement. They should be informed of the everything which has potential to influence the feature, scope, and time of implementing the procedure, such as the business entity

Job Satisfaction related to their assignment and accounting and auditing issues. The auditor who has final responsibility for each audit must direct his assistants to the accounting questions and significant auditing rising in audit so that the auditor can determine the significance of the problem.

2. The job accomplished by an assistant must be reviewed to determine whether the job has been carried out adequately and the auditor must evaluate whether the result is in compliance with the conclusion presented in the auditor statement.
3. The auditor responsible for the final audit and his assistant must be ware of the procedure to comply with in case of disagreement on accounting and auditing issues among the personnel of the public accounting firms involved in the audit. The procedure must enable the assistants to document the disagreement among them and the conclusion they make. After adequate consultation, he is confidence that it is important for him to disagree with the solution. At this point, the basis of the solution of the problem also must be documented.

In the United States of America, Accounting Education Change Commission (AECC) published Issues Statements No. 4, whose one of the discussion is AECC Recommendation for Supervisors of Early Work Experience. Issues Statements No. 4 is an effort made by AECC to abridge the gap between the expectation that accounting students with the experience of junior accountants thought to be decrease the junior accountants' job

satisfaction and the low satisfaction to reduce the attraction of public accountant as a choice of profession.

The content of AECC Recommendations for Supervisors of early Work Experience is a number of AECC recommendations to the supervisor of junior accountants to implement supervisory actions accurately in particular in the three main aspects of supervisory action as specified in AECC. The details of the suggestion of the supervision implementation is as follows:

1. Supervisor should indicate strong leadership and mentoring attitudes.
2. Supervisor should crease work condition conducive to success.
3. Supervisor should give challenging assignment and stimulate them to accomplish the it.

The result of Patten's (1995) study revealed that the hypothesis stating that the difference of implementation of the three main aspects of supervision of junior accountants in a large public accounting firm and with those were in the small one was not supported by strong evidence.

According to Richard L. Daft (1999), leadership is :

"Influence relationship among leaders and followers who intend real changes that reflect their shared purposes." It means that leadership is relationship which mutually influences between supervisor and subordinates to achieve goals and objectives. Meanwhile, monitoring is an activities for development for fresh employees or students who is in the apprenticeship period. Mentoring involves people with experience who share their expertise with their apprentices.

Leadership is an effort by means of influence to motivate an individual to achieve a certain objective. An individual is said to be a leader if he or she is able to influence others to do anything they do not accomplish if there is no influence from the leader. A leader is an entity who influences others compared with they do. Based on this definition, there are some related elements (Gibson, et al., 1997).

- a. A leader exerts influence and it requires the entire interpersonal relationship to be a leader.
- b. A leader is a changing agent influencing his or her followers' behaviors and attitudes.
- c. A leader focuses on goal achievement.

Iyer (1998) and Fogarty (1992) proposed that a mentor's job is to provide his or her subordinates with information, suggestion and encouragement. Dirsmith and Covalovski (1998) stated that mentorship played an important role in socialization of junior accountant in a public accounting firm. The study held by Dirsmith et al. (1997) revealed that mentoring is diffused to all parts of a public accounting firm in spite of only small number of individuals participating in the mentoring relationship.

AECC suggested details of activities related to leadership and mentorship attitudes, i.e.:

1. Supervisors often provide their junior accountants under their supervision with honest, open and interactive feedback.
2. Supervisors are concerned with implied messages from junior accountants and in case of dissatisfaction, they inquire the condition and causes.
3. Supervisors improve their counseling and mentoring, for instance, by praising good performance, treating a junior accountant to be professional, helping them identify the future job opportunity and are concerned with a junior accountant's interest and plans.
4. Supervisors are required to be an orientation as professionals in their fields, capable of developing pride of profession and indicating an important role they are involves with to clients and people in general.

Patten's (1995) study gave evidence that job satisfaction of junior accountants in a public accounting firm was influenced by their supervisors' attitudes toward them in leadership and mentorship aspect.

The result of Nurahma and Indriantoro's (2000) study revealed that leadership and mentorship aspect in supervisory action scope in a public accounting firm had positive and significant correlation with junior accountants' job satisfaction.

Huda's (2000) study found that there was positive and significant between leadership and mentoring and junior accountants' job satisfaction.

Based on those studies, the formulation of hypothesis is:

H1a: Leadership and mentoring aspect of supervisory action in a public accounting firm has positive correlation with junior accountants' job satisfaction.

Work condition in a public accounting firm is one of the factors determining junior accountants' job satisfaction. If work condition not supported would make junior accountant stress.

The result of O'Driscoll and Beehr's (1994) study was supported by those of studies conducted by Hogan and Martell (1987), Levin and Stokes (1989) and O'Driscoll et al (1992) indicating that stress due to the role and uncertainty in work context resulted in job dissatisfaction which in turn increased tension, decreased commitment to organization and increased inclination of turnover.

AECC suggested the details of activities related to work condition, i.e.:

1. Performing mental attitudes to junior accountants to work correctly from the beginning and create a condition conducive to goal achievement. This can be accomplished by clear explanation to the junior accountants about sufficient time allocation in complicated assignment so that it can be accomplished correctly, accommodating all complaints about the obstacles facing a part of an assignment in

- compliance with the entirely assignment and always supervising the junior accountants until the completion of the assignment.
2. Distributing task and burden fairly and in compliance with the competence of the junior accountants.
 3. Minimizing stress related to work.

Patten 's (1995) study gave evidence that junior accountants' job satisfaction in a public accounting firm was influenced by their supervisors' attitudes in terms of work condition aspect.

Nurahma and Indiantoro's (2000) study found that work condition aspect in the supervisory action scope in a public accounting firm had positive and significant correlation with job satisfaction.

The result of Huda's (2000) study also found that there was positive and significant correlation between work condition aspect and junior accountants' job satisfaction.

Based on those studies, the formulation of hypothesis is:

H1b: Work condition aspect of supervisory action in a public accounting firm had positive and significant correlation with junior accountants' job satisfaction.

O'Driscoll and Beehr (1994) explained that supervisors with job orientation take part in and help solve the problems, provide their subordinates with social and material support, feedback on their subordinates' performance who can help reduce role ambiguity and uncertainty so that their satisfaction increases.

AECC suggested the details of activities related to assignment, i.e.

1. Supervisors delegate responsibility in compliance with competence and readiness of junior accountants.
2. Supervisors maximize junior accountants to make use of their verbal competence, both oral and in writing, think critically, and apply analytical technique as well as help them improve their competence.

Patten 's (1995) study gave evidence that junior accountants' job satisfaction in a public accounting firm was influenced by their supervisors' attitudes in terms of assignment aspect.

Nurahma and Indrianoro (2000) also found that assignment aspect in supervisory action scope in a public accounting firm has positive and significant correlation between assignment aspect and junior accountants' job satisfaction.

In the same token, Huda (2000) also conducted a study which found that there was positive and significant correlation between assignment and junior accountants' job satisfaction.

Based on those studies, the formulation of hypothesis is:

H1c: Assignment aspect of supervisory action in a public accounting firm will have positive correlation with junior accountants' job satisfaction.

The result of Nurahma and Indriantoro (2000) study revealed that there was no significance difference between a large public accounting firm and the small one in terms of three main aspects of supervision, i.e. leadership and mentoring aspect, work condition aspect and assignment aspect.

Based on this study, the formulation of hypothesis is:

H2: There are significant differences of the implementation of leadership and mentoring aspect, work condition aspect, and assignment aspect in supervisory action on junior accounts in a large public accounting firm and those are in the small one.

2.2 Organizational Culture

Organizational culture is a general perception owned by all members of an organization, so that the employees as members of an organization have a set of values, system of belief and attitudes in compliance with the organization. Organizational culture is a part of an organization life influencing attitudes, behaviors and effectiveness all of the employees.

Gordon (1993:171) defined culture as follows:

"Culture is a pattern of basic assumptions, invented, discovered, or developed by a given group, as it learns to cope with its problems of external adaptation and therefore, it to be thought to new members as the correct way to perceive, think and feel in a relation to these problems. Culture can also be viewed as shared meanings, or understandings that are largely tacit and unique, to group members."

It means that culture is a basic assumption pattern, discovered, created and developed by a given group, as the group learns to solve the problem of integration and external adaptation, which can be considered to be valid, though by new members to be correct to feel, think in relation with these problems. So, a culture can be viewed as a unique tacit understanding to the group members.

According to Gibson (1997), organizational culture is a belief of employees and it build a system of belief, a set of values and expectation. Those belong to an organizational culture are symbols, language, ideology, rituals and myths, organization scripts created by the founder fathers or other leaders of the organization, the result of history in the past, based on symbols and functions as an abstraction of their behaviors.

According to Wallach (1983:26-29) quoted by J.N. Hooc, et al. (1991:12-19), types of culture could be divided into:

1. Bureaucratic culture is a culture whose condition requires structure, command and rules. Job is structured systematically. In general, bureaucratic unit tends to be oriented to maturity, stable, hierarchical,

procedural, established, solid, and conscious and has power. There is a clear limit between responsibility and power. Such a culture is suitable to companies with large market share in a stable market. Well-trained staff and a sound structure with efficient system and procedure make a bureaucratic culture success. Strong organizational culture is impossible to attract and retain creative and ambitious individuals.

2. Innovative culture is an attractive and dynamic culture. It is the best that an ambitious and entrepreneurial individuals occupy this place. Such a culture encourages work creativity and contains challenges and risks. It is also suitable to people with who like to work in companies with innovation and condition requiring challenges, entrepreneurship, taking risk, creativity and result-orientation. It is difficult to balance the time for family, job and play.
3. Supportive culture in one which is warm and comfortable to work. Such a culture puts abreast of familiar values, such as harmony, openness, friendship, cooperation and trust. The characteristics is friendly work condition, employees inclined to be fair and helping each other. Such a culture is inclined to justice, social and relationship orientation.

In the result of her study, Suryaputri (1998) stated that there was positive correlation between bureaucratic culture, innovative culture and supportive culture with job satisfaction of accountants in a public accounting firm.

Based on this study, the formulation of hypothesis is:

- H3: There is a negative correlation between bureaucratic culture and job satisfaction of junior accountants in a public accounting firm.
- H4: There is a positive correlation between innovative culture and junior accountants' job satisfaction in a public accounting firm.
- H5: There is a positive correlation between supportive culture and junior accountants' job satisfaction in a public accounting firm.

2.3. Work Satisfaction

Work satisfaction is one of the most important factors influencing life satisfaction because most of an individual's time is spent in the workplace (Riggio, 1990). Study on accountants' job satisfaction held by Albrecht et al. (1981), Gaertner and Ruhe (1981) and Sanders (1995) indicated that partners had higher job satisfaction than junior accountants, senior accountants and managers.

According to Stephen P. Robbins (2001), job satisfaction is as follows:

“Work satisfaction basically refers to one's entire attitude towards his or her job. One with high job satisfaction has positive attitude towards the job he or she carries out whereas one with low job satisfaction has negative attitude towards his or he job.

Job satisfaction is also influenced by an employee's function and position in an organization (Basset, 1995). An employees with high position is more satisfied because he has more autonomy; his job has more variation ; and

he has more freedom to make evaluation. It is more possible for an employee at low position to be dissatisfied and bored with his job with less challenge and less responsibility. It may apply to an employee at lower level with high education while getting a job incompatible with his competence and expertise.

The causes of junior accountants' job satisfaction are feeling of being unworthy, feeling of less participation in making decisions, role uncertainty in an organization, uncertainty about one's future and boredom.

According to Stephen P. Robbins (2001), the causes of job satisfaction are:

1. Challenging job.
Employees prefer the jobs offering and giving them a variety of task, freedom and feedback about the extent towards which they do.
2. Appropriate reward
Each employee wants good wage and the promotion policy he perceives to be fair and in line with his appreciation.
3. Conducive work condition
Each employee is concerned with good work environment for his personal comfort and to facilitate the accomplishment of good job.
4. Conducive peer-workers
Employees are concerned with friendly peer-workers conducive to the accomplishment of the job so that their job satisfaction increases.
5. Congruence between personality and job.
If personality such as talent and competence is congruent with one's job, it will increase his job satisfaction.

Patten (1995) study found that hypothesis stating that junior accountants in small public accounting firms had higher job satisfaction compared with those who were in the large ones was not supported by robust evidence.

In their study, Nurahma and Indriantoro (2000) found that there was no significant difference between the junior accountants' job satisfaction in small public accounting firms and in the large ones.

Meanwhile, Huda (2000) found in his study that the junior accountants' job satisfaction in the large public accounting firms was higher than that of in the small ones.

The result of Maryani and Supomo (2001) study revealed that there was significant relationship between job satisfaction and individual performance.

Based on those studies, the formulation of hypothesis is:

H6: There are significant differences between junior accountants' job satisfaction in large public accounting firms and that of in the small ones.

H7: There is significant correlation between job satisfaction and individual performance.

2.4. Individual Performance

Individual performance is one of the factors capable of increasing the effectiveness of an organization. According to Anthony et.al (1997:54) performance measurement is defined as " The activity of measuring the performance of an activity or the entire value chain."

It may come to a conclusion that performance measurement is an action of measuring various activities in the value chain found in an organization. The result of the measurement, in turn, is used as feedback expected to give information about the implementation performance on a plan and the point on which a company needs some adjustments in planning and controlling its activities.

Performance improvement is determined by various aspects influencing job satisfaction such as the attractiveness or unattractiveness of a job accomplished by an employee, supervisors' leadership attitudes and competence, support and cooperation of peer-employees, the amount of compensation they receive, the availability of career promotion chance.

The influence of job satisfaction on performance became clear since Iffaldano and Muchinsky (1986) found not significant correlation between both variables. Meanwhile, Ostroff (1992) provided empirical evidence that job satisfaction had significant correlation with performance improvement, but by performance the study meant organizational performance, not the individual one. Despite individual performance in turn improving organizational performance, it was possible that the performance of both levels (individual vs. organizational) was conflicting.

Based on those studies, the formulation of hypothesis is:

H8: There are significant differences between individual accountant performance in small public accounting firms and that of in the large ones.

3. RESEARCH METHODOLOGY

3.1. Design

This study is the empirical one designed in the correlational forms to examine the correlation between supervisory action and organizational culture to individual junior accountants' performance with job satisfaction as an intervening variables.

To investigate whether there was difference in supervisory action, job satisfaction, and junior accountants' individual performance in the large public accounting firms and that of in the small one.

3.2. Data Collection

The sampling method of this study was purposive sampling. The object of this study was limited to staff accountants working for Public Accounting Firms in DKI Jakarta with tenure three or less than three years.

The data of this study was collected by distributing questionnaire to junior accountants working in public accounting firms in DKI Jakarta. The questionnaire was distributed directly to the respondents and the other was given by means of contact persons.

The measurement used in this study was Likert's 5-point and 4-point scales, and single global rating, i.e. one uni-dimensional question asking the condition of job satisfaction level the respondents perceived.

3.3. Definition of Operational Variables and Measurement

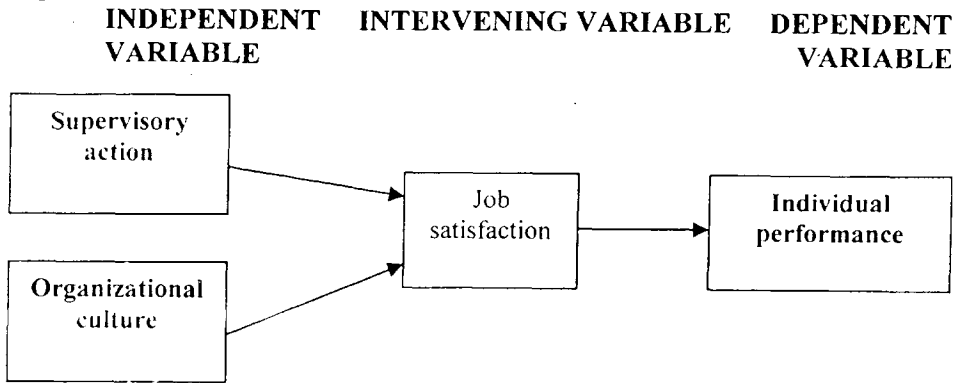
The definition of operational variables gave limitation and explanation about the variables used in this study. The definition of operational variables were as follows:

1. Dependent variable (Y), i.e.:
 - * Individual performance is a description of one's self in actualizing himself in a job.
2. Intervening variable
 - * Job satisfaction basically refers to one's attitude toward his job entirely.

Independent variables (X) consisting of:

- Leadership and mentoring
Leadership is a process of influencing an individual or a group of individuals to achieve objectives under a given situation. Mentoring deals with a process of directing to accomplish an activities or a certain job.
- Job condition
Job condition is related to an environmental condition of a job in a given time.
- Assignment
Assignment is a process of delegating a certain task from the supervisor to the subordinates.
- Organizational Culture
Organizational culture is a general perception of the members of an organization, in such a way that each employee belonging to the organization has a set of values, a system of belief, and behaviors in compliance with the organization. Organizational culture is a part of the life of an organization influencing the behavior, attitudes and effectiveness of all employees.

Figure 1



3.4. Method of Data Analysis

3.4.1. Analysis of Demography

The returned questionnaire and demographical information were analyzed by means of descriptive statistics.

3.4.2. Outlier Test

The Outlier Test could be carried out by analyzing it against *univariate outlier*. If the observed data had $z\text{-core} \geq 3.0$ it would be categorized into outliers. (Hair et al. , 1998).

3.4.3. Normality Data Test

The normality data test use of Kolmogorov-Smirnov's one sample. The test was performed to examine the distribution of the data. If the values was significant greater than .05, the data distribution was normal and if it was less than .05, the data were distributed in an abnormal way (Santoso, 2001).

3.4.4. Validity Test

To test the instrument validity, statistical test so called *Factor Analysis* was made by examining The significance of *factor loading* used in this study was 0.35. if the *factor loading* indicated a value greater than 0.35, the data were valid (Hair at al., 1998).

3.4.5. Reliability Test

The reliability test was accomplished by examining the result of Cronbach's Alpha coefficient. If the value of Cronbach's Alpha coefficient was the same or greater than 0.5, the instrument was considered to be reliable (Santoso, 2001).

The outliers test, normality of data, validity, and reliability was accomplished use SPSS 10.01

3.4.6. Multicollinearity Test

The multicollinearity test could be detected through the covariance matrix determinant. The value of covariance matrix determinant was near zero indicated that there was a problem with multicollinearity. Conversely, if it was very far from zero, it could be concluded that there was no problem with multicollinearity so that the data were worth of using (Tabachnick & Fidell, 1998). The data processing was performed by using AMOS 4.01 software against the value of determinant of matrix covariance of the sample.

3.4.7. Model Fit Test Against Full Structural Equation Model Analysis

The Model Fit Test was accomplished by using goodness of fit criteria. The following was the presentation of some fit and cut-off value index used to test whether the model was accepted or rejected presented in Table 1

Table 1
Goodness of Fit Indexes

Goodness of Fit Index	Cut-off Value
χ^2 Chi-square	Expected to be low
Significance probability	$\geq .05$
RMSEA	≤ 0.08
GFI	≥ 0.09
AGFI	≥ 0.90
CMIN/DF	≤ 2.00
TLI	≥ 0.95
CFI	≥ 0.95

Sources: Hulland et.al., 1996; Browne & Cudeck, 1993; Arbuckle, 1997; Baumgartner & Homburg, 1996.

The processing result of multicollinearity and fit model test using AMOS 4.01 software for full structural equation model.

3.5. Hypothesis Test

3.5.1. Steps of SEM Modeling

Before testing the hypothesis, there were several steps in making SEM model, i.e.:

1. Evaluating goodness of fit criteria

In this step, the model fit was evaluated by analyzing various goodness of fit criteria. Thus, the first thing to do was to evaluate whether the data satisfied the SEM assumptions.

2. Analyzing path coefficient significance

The analysis of the significance of path coefficients was accomplished through the significance of *regression weight*.

3.5.2. Hypothesis Test

This examination was intended to test the hypothesis in order to get the description of the relationship between independent variables and the dependent variable. The test of hypothesis 1, Hypothesis 3, Hypothesis 4, Hypothesis 5, and Hypothesis 7 proposed in the previous chapter, was conducted by means of path analysis of the data processing of the research model.

The result of the data processing accomplished by means of AMOS 4.01 software by comparing the Critical Ratio (CR) value and P value of each inter-variable relationship with the predetermined significance limitation was 1.96 at significance level .05.

3.5.3. Test of independencies (t-test)

The objective of this study was to test the hypothesis to get the description of the differences of supervisory action implementation, job satisfaction, and individual performance of junior accountants on a large public accountant firm and the small one.

The test of Hypothesis 2, Hypothesis 6, and Hypothesis 8 proposes in the previous chapter was carried out by using Independent Sample T-Test or t-test because of the interval measurement scale and data distribution was normal.

If the result of the t-test was less than .05, there was significant differences in the implementation of supervisory action, job satisfaction and individual performance of junior accountant in a large public accountant firm and that was in the small one. Conversely, if the result was greater than .05 there was not significant differences in the supervision action implementation, job satisfaction and individual performance of junior accountant in the large public accountant firm and that was in the small one.

4. DATA ANALYSIS

4.1. Questionnaire Returned and Respondents' Demographics

The data used in this study were primary data obtained by distributing questionnaire in small public accounting firms and in the large ones operating in DKI Jakarta. In this study, questionnaire was distributed to 400 respondents with enumeration as 200 questionnaires sent to large public accounting firms and the other to small public accounting firms. In particular, the total questionnaires on distribution were 400 through contact persons and distributed directly to the addresses of the targeted respondents.

The span of time for returning the questionnaire was 1 (one) month. The questionnaire returned to the researcher were 282 of the 400 at distribution. Thus, the response rate was 70.5%. The questionnaire accepted from the large

public accounting firms were 142, thus the response rate was 71% while those accepted from the small ones were 140, thus the response rate was 70%.

Of the 282 questionnaires, 4 from large public accounting firms and 2 from the small ones could not be used in the data processing because of incompleteness. Thus, the questionnaire eligible to data processing were 138 from the large accounting firms and 138 from the small ones. The illustration of the distribution process and acceptance of the questionnaires in this study could be seen in the Table 2.

(insert Table 2)

The demographics of the respondents taking part in this study could be seen in Table 3. From 276 samples used to analyze the data, 148 (53.6%) respondents were male and 128 (46.4%) were females. The respondents working <1 year were 54 (19.6%), working for 1 to 2 years 133 persons (32.2%). As many 56 respondents (20.3%) have ever worked for other public accounting firms, while 220 respondents (79.7%) had never worked for other public accounting firms. For education level, 33 (12%) were respondents with D3 for final education, 242 (87.7%) respondents with S1, and 1 (0.4%) respondent. For the number of staff, the average number of staff was 20 to 50 persons working for small public accounting firms and 50 to more than 100 persons working for the large ones. (see Table 3)

(insert Table 3)

4.2. Outlier Test

This univariate outlier test was held per variable construct using SPSS 10.01 software. Based on the outlier test for large accounting firms and for the small ones indicated that there was z-score value ≥ 3.0 , meaning that there were *univariate outliers*.

4.3. Data Normality Test

The data normality test was accomplished by using Kolmogorove-Smirnov's (KS) one sample. The result of the normality test could be seen in Table 4.

(insert Table 4)

From the result of data normality test for both large public accounting firms and the small ones, significant values were found for supervisory action, innovative culture and individual performance greater than 0.005, indicating that the data distribution was normal. Meanwhile, for job satisfaction, bureaucratic culture and supportive organizations, the data distribution was abnormal. It was possible that the respondents less understood the questions.

4.4. Data Quality Test

The result of data validity and reliability for both large public accounting firms and the small ones can be seen in Table 5.

(insert Table 5)

1. Validity Test

The result of the validity test for the large public accounting firms and for the small ones gave factor loading value greater than 0.35. It meant that 59 questions asked to the respondents were valid.

2. Reliability Test

The result of reliability test for three aspects of supervisory action, three aspects of organizational culture and individual performance for the large public accounting firms and the for the small ones. Cronbach's Alpha value greater than 0.50 was found, indicating that the data used in this study was reliable.

4.5. Multicollinearity Test

The value of determinant of sample covariance matrix resulted 1.6569 +0.006. The value identified the value far from zero, meaning that there was no problem with multicollinearity so that the data were worth of using in the study.

4.6. Model Fit Test against Full Structural Equation model Analysis

The following goodness of fit index can see in Figure 2 and Table 6
(insert Figure 2 and Table 6)

The table indicated that all of the criteria used in this study had good value. This model was well-accepted. Thus, it meant that this test resulted in good confirmation of the factor-dimensions and the causality correlation among factors.

4.7. Hypothesis Test

Based on the result of data processing as shown in Table 7, this hypothesis test could be made by comparing CR value and P value at each correlation among variable using the specified significant limitation, i.e. 1.96 with significance level 5%.

(insert Table 7)

4.7.1. The correlation of Leadership and Mentoring Aspect in Supervisory Action with Job Satisfaction

From the result of data analysis in Table 7, it was found that C.R. value in the correlation of leadership and mentoring aspect in supervisory action with job satisfaction as 0.356 with P as 0.722. With this figure, the hypothesis was not accepted because C.R. value and P value did not meet the significance criteria, i.e. 1.96 and .05 respectively. Therefore, leadership and mentoring

aspect in supervision action scope in the public accounting firms had positive but insignificant correlation with the job satisfaction.

This result was inconsistent with that of Patten's (1995) that the junior accountants' job satisfaction was influenced by the three main aspects of supervisory action as specified by AECC in Issues Statement No. 4.

This finding was also different from that of Nurahma and Indriantoro (2000) study stating that the implementation of the main aspects of supervisory action, i.e. leadership and mentoring aspect, work condition aspect and assignment aspect suggested by AECC had positive and significant correlation with the junior accountants' job satisfaction in the large public accounting firms and in that of in the small ones. This finding was also different from Huda (2000) study stating that leadership and mentoring aspect, work condition aspect and assignment aspect had positive and significant correlation with the junior accountants' job satisfaction.

4.7.2. The Correlation between Work Condition Aspect in Supervisory Action with Job Satisfaction

The result of the data analysis in Table 7 indicated that C.R. value in the correlation of work condition aspect in supervisory action with job satisfaction was 2.309 with P to be 0.021. By this figure, the hypothesis was accepted, because C.R. and P values met the significance criteria, i.e. 1.96 and .05 respectively. Therefore, the work condition aspect in supervisory action in the public accounting firms had positive and significant correlation with the job satisfaction.

The result of this study was consistent with that of Patten's (1995) study that the junior accountants' job satisfaction was influenced by the main three aspects of supervisory aspects as suggested by AECC in Issues Statement No. 4.

The result of this study was consistent with that of Nurahma and Indriantoro (2000) study stating that the implementation of the three main aspects of supervisory action, i.e. leadership and mentoring aspect, work condition aspect and assignment aspect as suggested by AECC had positive and significant correlation with the junior accountants' job satisfaction in both large public accounting firms and that of in the small ones. This finding was also consistent with that of Huda (2000) study stating that leadership and mentoring aspect, work condition and assignment aspect had positive and significant correlation with the junior accountants' job satisfaction.

4.7.3. The Correlation between Assignment Aspect in Supervisory Action with Job Satisfaction

The result of data analysis shown in Table 7 revealed that C.R. value in supervisory action was 1.315 with P to be 0.188. With this figure, the hypothesis was not rejected, because C.R value and P values did not met the significance criteria, i.e. 1.96 and .05 respectively. Hence, the assignment aspect

in supervisory action scope in the public accounting firms did not have positive and significant correlation with job satisfaction.

The result of this study was inconsistent with that of Patten's (1995) study stating that the junior accountants' job satisfaction was influenced by the three main aspects of supervisory action as suggested by AECC in Issues Statement No. 4.

The result of this study was also different from that of Nurahma and Indriantoro (2000) study stating that the implementation of the three main aspects of supervisory action, i.e. leadership and mentoring aspect, work condition aspect and assignment aspect as suggested by AECC had positive and significant correlation with the junior accountants' job satisfaction in the large public accounting firms and that in the small ones.

The result of this study was also different from that of Huda (2000) study stating that leadership and mentoring aspect, work condition aspect and assignment aspect in supervisory action had positive and significant correlation with job satisfaction of the junior accountants.

The Difference of The Implementation of Supervisory Action over Junior Accountants in Large Public Accounting Firms and in The Small Ones.

(insert Table 8)

The result of T-test for leadership and mentoring aspect, work condition aspect and assignment aspect in Levene's Test for Quality of Variance was greater than .05, i.e. 0.904; 0.906; 0.491 so that Equal Variance Assumed could be chosen. The result of the data analysis as presented in Table 8 gave P value to be 0.984; 0.504; 0.505, meaning that there was no significance between leadership and mentoring aspect, work condition aspect and assignment aspect in supervisory action over the junior accountants in both large and small accounting firms.

Thus, this hypothesis was accepted. The result of this study was consistent with that of Patten (1995) and Nurahma and Indriantoro (2000) studies stating that there was no significant difference between junior accountants in the large public accounting firms and in the small ones.

4.7.5. The Correlation between Bureaucratic Culture and Job Satisfaction

From the data analysis appearing in Table 7, it was found that CR value in correlation between bureaucratic culture with job satisfaction was $-.291$, where P was 0.771. By this figure, the hypothesis was not accepted, because C.R. value and P values did not satisfy the significance criteria, i.e. 1.96 and .05. Thus, the bureaucratic culture had negative and insignificant with job satisfaction.

The result of this study was inconsistent with that of Suryaputri's (1998) study stating that bureaucratic culture had positive and significant correlation with job satisfaction.

4.7.6. The Correlation Between Innovative Culture with Job Satisfaction

From the result of the data analysis presented in Table 7, it was revealed that C.R. value in the correlation of innovative culture with job satisfaction was -1.218 where P was 0.223. So, this hypothesis was not accepted, because C.R. value and P value did not meet the significance criteria, i.e. 1.96 and .05. Hence, innovative culture has negative and in significant correlation with job satisfaction.

The result of this study was inconsistent with that of Suryaputri's (1998) study stating that innovative culture had positive and significant correlation with job satisfaction.

4.7.7. The Correlation between Supportive Culture with Job Satisfaction

The result of data analysis shown in Table 7 indicated that C.R. value in the correlation of supportive culture variable with job satisfaction was 1.916 with P to be .055. Therefore, this hypothesis was not accepted because C.R. value and P value did not satisfy the significance criteria, i.e. 1.96 and .05. So, it came to the conclusion that supportive culture had positive and significant correlation with job satisfaction.

4.7.8. The Difference between Junior Accountants' Job Satisfaction in The Large Public Accounting Firms and in The Small Ones

(insert Table 9)

The result of T-test for job satisfaction in Lavene's Test for Quality of Variance < .05 was .004 so that Equal Variance not Assumed was chosen. From the result of data analysis presented in Table 9, it was found that P was .094, meaning that there was no significant correlation between job satisfaction in the large public accounting firms and in the small ones. Hence, this hypothesis was not accepted. This study was consistent with Patten's (1995), Nurahma and Indriantoro's (2000) studies stating that there was no significance difference between job satisfaction of the junior accountants in the large public accountants and the small ones. This result, however, was inconsistent with that of Huda's (2000) study stating that job satisfaction of the junior accountants in the large public accounting firms was higher than in the small ones.

4.7.9. The Correlation between Job Satisfaction with Individual Performance

The data analysis appearing in Table 7 revealed that C.R. value in the correlation of job satisfaction with individual performance was 1.8071 with P to be .071. By this figure, the hypothesis was not accepted, because C.R. value and P values did not meet the significance criteria, i.e. 1.96 and .05. Therefore, job satisfaction had no significant correlation with individual performance.

The result of this study was inconsistent with that of Maryani and Supomo's (2001) study stating that job satisfaction had significant correlation with individual performance.

4.7.10. The Difference between Individual Performance of Junior Accountants in Large Public Accounting Firms and that of those Are in the Small Ones

(insert Table 10)

The result of T-test for individual performance at Levene's Test for Quality of variance $< .05$ was .016 so that Equal Variance Not Assumed was chosen. In the data analysis as shown in Table 10, it was found that P was .001, meaning that there was significant correlation between individual performance of the junior accountant in both large and small public accounting firms. Thus, this hypothesis was rejected and there was difference in individual performance of the junior accountants in both large and small public accounting firms. It might be so because the accountants in the small accounting firms worked late in the night, their burden of the junior accountants was too hard, and the other factors compared with that of the large accounting firms so that the individual performance of junior accountants in the small ones was higher than in the large ones.

5. CONCLUSION, LIMITATION AND RECOMENDATION

5.1. Conclusion

This study was intended to find empirical evidence on the correlation of supervisory action suggested by AECC in Issues Statement No. with junior accountants' job satisfaction in both large and small accounting firms. In addition, this study was also intended to find the difference in supervisory action, job satisfaction and individual performance of junior accountants in large and small public accounting firms. According to the data collected from this study, it could be concluded that:

1. Leadership and mentoring aspects suggested by AECC had positive but insignificant correlation on junior accountants in the public accounting firms with C.R. value to be .356 and P to be .722. The result of this study was inconsistent with that of Patten (1995), Nurahma and Indriantoro, and Huda's (2002) studies.
2. Work condition aspect in supervisory action suggested by AECC had positive and significant correlation with job satisfaction of junior accountants in the public accounting firms with C.R. to be 2.309 and P to be .021. The result of this study was consistent with that of that of Patten (1995), Nurahma and Indriantoro, and Huda's (2002) studies.
3. Assignment aspect in supervisory action suggested by AECC had positive and but insignificant correlation with job satisfaction of junior

accountants in public accounting firms with C.R. value to be 1.315 and P to be .188.

4. There was not significant difference between leadership and mentoring, work condition and assignment aspect in supervisory action on junior accountants in both large and small public firms with probability value .984 ; .554 and .505. The result of this study was consistent with that of that of Patten (1995), Nurahma and Indriantoro , and Huda's (2002) studies.
5. Bureaucratic culture had negative and insignificant correlation with job satisfaction of junior accountants in public accounting firms with C.R. value to be -.291 and P to be .771. The result of this study was inconsistent with that of Suryaputri's (1998) study.
6. Innovative culture had negative and insignificant correlation with job satisfaction of junior accountants in public accounting firms with C.R. value to be -1.218 and P to be .223. The result of this study was inconsistent with that of Suryaputri's (1998) study
7. Supportive culture had positive and insignificant correlation with job satisfaction of junior accountants in public accounting firms with C.R. value to be 1.916 and P to be .055. The result of this study was inconsistent with that of Suryaputri's (1998) study.
8. Job satisfaction had no significant correlation with individual performance junior accountants in public accounting firms with C.R. value to be 1.807 and P to be .071. The result of this study was inconsistent with that of Maryani and Supomo's (2201) study.
9. There was no significant difference between job satisfaction in both large and small public accounting firms with probability value .094. The result of this study was consistent with that of Patten (1995), Nurahma and Indriantory's (2000) studies but inconsistent with that of Huda's (2001) study.
10. There was significant difference between individual performance in the large and small public accounting firms with probability value to be .001, meaning that individual performance in the public accounting accountants in small public accounting firms was higher than that of the junior accountants in the large ones.

5.2. Limitations

This study contained the some limitations, namely:

1. The sample used in this study was not in random, i.e. by using purpose sampling, so the result of this study was less capable of be used as the basis of generalization.
2. The data of this study were taken by using questionnaire so that the respondents' perception given the research has not been certain to

reflect the real condition. The respondents' perception would be different if the data obtained from interviews or involved directly in the activities in the public accounting firms.

3. This study only used a single question to measure the job satisfaction of the junior accountants, therefore it was possible that the result was less accurate because job satisfaction was influence many factors in addition to supervisor actions.
4. There were some questionnaire which were not returned so that it reduce the potential data which in turn it was possible it to influence the result of this study.
5. The time of study was from September to December which was busy days for accountants, so the response obtained from this questionnaire was different. Therefore, the response of the questionnaire could not reflect the real condition
6. Job satisfaction, bureaucratic culture and supportive culture were not distributed in a normal way because the respondents less understand the proposed questions.

5.3. Recommendations

The following was some recommendations suggested to the further study after considering the result of this study:

1. For the further study, the questionnaire distribution should not be performed on busy days for accountants (September to December) so that the result of the study can reflect the real condition.
2. The sample of the study should be extended, and not limited to junior accountants, but also involve senior accountants and supervisors.
3. The further study may re-explore other various variables which are possible to influence job satisfaction and individual performance out of this under this study.

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