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Revisiting Auditor Independence through the Lens of Organizational Power: Evidence from a Quantitative Case Study in Management Accounting

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Abstract: Auditor independence is essential for ensuring objectivity and reliability in management accounting practices. However, organizational power structures may influence auditors' professional judgment and independence. This study examines the effect of organizational power on auditor independence among internal auditors and management accounting professionals in Central Java, Indonesia. A quantitative explanatory survey was conducted involving 150 respondents from 15 medium- and large-sized organizations. Data were collected through structured questionnaires and analyzed using descriptive statistics, validity and reliability tests, and multiple regression analysis. The results show that organizational power significantly influences auditor independence, explaining 42.8% of the variance in auditor independence ($R^2 = 0.428$). Legitimate power, reward power, and expert power were found to have positive effects on auditor independence, while coercive power had a negative effect. Among these dimensions, expert power emerged as the strongest predictor of auditor independence. The findings highlight the importance of organizational power as a determinant of auditor independence and suggest that effective governance mechanisms are needed to strengthen auditor objectivity and reduce power-related pressures. This study contributes to the auditing and management accounting literature by extending the application of organizational power theory to auditor independence.

Keywords: Auditor Independence, Organizational Power, Management Accounting, Internal Audit, Corporate Governance.

INTRODUCTION

Auditor independence is widely recognized as a fundamental principle for ensuring the credibility, transparency, and reliability of financial reporting within organizations. In management accounting environments, auditors are expected to provide objective assessments that support strategic decision-making and strengthen internal control systems. According to (Sulistiani et al., 2023), independent audit functions contribute significantly to organizational accountability and governance effectiveness. However, modern organizations are increasingly characterized by complex hierarchical structures, creating conditions in which managerial authority and organizational influence may affect professional judgment. As organizations continue to expand and diversify, maintaining auditor independence has become a growing concern among academics, regulators, and practitioners worldwide (Abrahams & Phesa, 2025).

Recent developments in corporate governance have highlighted the importance of understanding factors that threaten auditor independence. Several corporate failures and financial reporting controversies have demonstrated that formal regulations alone are insufficient to guarantee objective auditing practices. Kaviani et al. (2025) argued that management influence can shape auditors' judgments and decision-making processes, particularly when auditors depend on organizational resources and career opportunities. Similarly, Sulaiman (2023) found that internal auditors frequently operate within power relationships that may create tension between professional obligations and organizational expectations. These findings suggest that organizational dynamics represent an important but often overlooked factor influencing auditor independence in contemporary organizations.

The concept of organizational power provides a useful theoretical lens for understanding how influence operates within organizations. Organizational power refers to the capacity of individuals or groups to influence decisions, behaviors, and access to resources within a workplace. The theoretical foundation of organizational power is commonly associated with the work of French and Raven, who identified legitimate power, reward power, coercive power, expert power, and referent power as major sources of influence. According to Syafri & Fkun (2024), power structures within organizations can significantly affect employees' professional behavior and ethical decision-making. In auditing contexts, auditors who are exposed to strong managerial influence may face difficulties maintaining objectivity, particularly when organizational interests conflict with professional standards. Consequently, organizational power may play a substantial role in shaping the level of auditor independence.

Despite the extensive literature on auditor independence, previous studies have largely focused on traditional determinants such as auditor competence, professional ethics, audit quality, and regulatory compliance. Tendai et al. (2025) examined factors influencing internal audit effectiveness and emphasized the importance of organizational support and auditor capability. Elmarzouky et al. (2023) investigated governance mechanisms and their relationship with audit quality, while Mohsin et al. (2024) explored the strategic contribution of internal audit functions to organizational performance. Furthermore, Nugrahanti et al. (2024) discussed professional judgment and behavioral factors affecting audit outcomes. Although these studies provide valuable insights, they rarely consider organizational power as a direct explanatory variable influencing auditor independence. This situation indicates a significant research gap because power dynamics may affect auditors beyond the influence of formal regulations and professional standards.

Another limitation of existing studies concerns their geographical and contextual focus. Much of the empirical evidence on auditor independence has been generated in developed countries, particularly within large corporations and highly regulated environments. Sinha et al. (2025) noted that organizational and governance factors often operate differently across institutional contexts, making localized evidence particularly important. In Indonesia, research on auditing has predominantly examined audit quality, ethical compliance, governance practices, and financial reporting outcomes, while the role of organizational power remains relatively underexplored. Moreover, few studies have simultaneously investigated internal auditors and management accounting professionals, despite their close involvement in organizational control and reporting systems. This gap creates an opportunity to expand understanding of auditor independence within emerging economies and management accounting settings.

In response to these limitations, the present study investigates the influence of organizational power on auditor independence among internal auditors and management accounting professionals in Central Java, Indonesia. The study employs a quantitative explanatory approach to examine whether perceptions of organizational power significantly affect auditors' ability to maintain objectivity and professional judgment. By collecting data from professionals working in medium-sized and large organizations, this research seeks to provide empirical evidence regarding the relationship between power structures and auditing behavior. The study is guided by the following research question: Does organizational power significantly influence auditor independence in management accounting contexts? Answering this question is expected to contribute to a deeper understanding of behavioral and organizational determinants of auditor independence.

This study offers both theoretical and practical contributions to the literature. Theoretically, it extends existing research on auditor independence by integrating organizational power theory into management accounting and auditing studies, an area that has received limited scholarly attention. While previous research has emphasized professional competence, ethics, and governance mechanisms, this study proposes that organizational power represents an additional explanatory factor affecting auditor behavior. Practically, the findings may assist organizational leaders, audit committees, and internal audit departments in developing governance mechanisms that minimize excessive managerial influence and strengthen auditor objectivity. As emphasized by Assegaff (2024), effective governance structures are essential for preserving audit quality and organizational accountability. Therefore, understanding the relationship between organizational power and auditor independence may contribute to the development of more transparent, accountable, and ethically responsible organizations.

METHOD

Research Design

This study employed a quantitative explanatory approach using a survey design. The research aimed to examine the influence of Organizational Power on Auditor Independence within management accounting environments. The study was conducted in medium-sized and large organizations located in Central Java, Indonesia. The focus on a specific regional context was intended to provide a comprehensive understanding of how organizational power structures affect auditor behavior and professional judgment within real organizational settings. An explanatory survey approach was selected because it enables the examination of relationships between variables and the testing of hypotheses using quantitative data collected directly from respondents. The study was conducted between January and April 2026.

Research Population and Sample

The population of this study consisted of internal auditors, management accountants, accounting supervisors, finance managers, and internal control personnel employed in medium-sized and large organizations in Central Java. These professional groups were selected because they are directly involved in organizational control, auditing activities, and management accounting processes.

A purposive sampling technique was employed to select respondents who met the research criteria. Respondents were required to possess at least one year of professional experience and actively participate in audit, accounting, or internal control functions. Purposive sampling was chosen to ensure that the selected respondents possessed adequate knowledge and practical experience regarding organizational power and auditor independence. Data were collected from 15 organizations located in Semarang, Surakarta, Salatiga, Kudus, Magelang, Pekalongan, and Tegal. A total of 165 questionnaires were distributed, and 150 valid responses were returned and included in the final analysis, yielding a response rate of 90.91%.

Research Instrument

Data were collected using a structured questionnaire with a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The questionnaire consisted of two variables: Organizational Power as the independent variable and Auditor Independence as the dependent variable.

Organizational Power was measured through four dimensions derived from Organizational Power Theory, namely Legitimate Power, Reward Power, Coercive Power, and Expert Power. These dimensions were represented through indicators related to managerial influence, authority, decision-making control, access to organizational resources, supervisory pressure, organizational rewards, and professional expertise. Auditor Independence was measured through indicators reflecting objectivity, professional judgment, ethical compliance, professional skepticism, and the ability to resist inappropriate managerial influence.

All measurement items were adapted from relevant auditing, organizational behavior, and management accounting literature and adjusted to the context of the participating organizations. Higher scores indicated stronger perceptions of organizational power and auditor independence.

Prior to the main survey, the instrument underwent expert review involving accounting academics and audit practitioners to ensure content validity and contextual relevance. A pilot study involving 30 respondents was subsequently conducted. The reliability assessment indicated Cronbach’s alpha values above 0.70 for all constructs, demonstrating satisfactory internal consistency (Kumar, 2024).

Research Procedure

The research was conducted through several stages. The first stage involved the development of the research framework and questionnaire instrument based on the study objectives and theoretical foundations. The second stage consisted of expert validation and pilot testing to ensure the quality of the instrument. The third stage involved obtaining permission from participating organizations and distributing questionnaires to eligible respondents. The fourth stage focused on data screening and verification to ensure completeness and consistency. Finally, the validated data were processed and analyzed using statistical software.

Research Hypotheses

Based on Organizational Power Theory, organizational influence may emerge through different forms of power that shape professional judgment and workplace behavior. In management accounting environments, auditors frequently interact with managers and supervisors who possess varying levels of authority, expertise, rewards, and sanctions. These power dimensions may influence auditors’ ability to maintain professional objectivity and independence. Therefore, this study proposes the following hypotheses:
H1: Legitimate Power has a significant influence on Auditor Independence.
H2: Reward Power has a significant influence on Auditor Independence.
H3: Coercive Power has a significant influence on Auditor Independence.
H4: Expert Power has a significant influence on Auditor Independence.
H5: Organizational Power simultaneously has a significant influence on Auditor Independence.

Data Analysis

Data analysis was performed using Statistical Package for the Social Sciences (SPSS) Version 29. Descriptive statistics were employed to describe respondent characteristics and summarize the distribution of research variables. Instrument validity was evaluated using corrected item-total correlation, while reliability was assessed using Cronbach’s alpha coefficient. Items with correlation values above 0.30 and reliability coefficients above 0.70 were considered acceptable (Çetinkaya & Güleç, 2024).

Prior to hypothesis testing, classical assumption tests were conducted, including normality, multicollinearity, and heteroscedasticity assessments. Multiple linear regression analysis was employed to examine both the individual and simultaneous effects of Legitimate Power, Reward Power, Coercive Power, and Expert Power on Auditor Independence. Statistical significance was evaluated at a 5% significance level ($p < 0.05$). In addition, the coefficient of determination (R^2) was used to determine the extent to which Organizational Power explained variations in Auditor Independence. The regression model used in this study can be expressed as follows:

$$AI = \beta_0 + \beta_1 LP + \beta_2 RP + \beta_3 CP + \beta_4 EP + \varepsilon$$

Where AI represents Auditor Independence, LP represents Legitimate Power, RP represents Reward Power, CP represents Coercive Power, EP represents Expert Power, β_0 is the constant, β_1–β_4 are regression coefficients, and ε represents the error term. The results of the regression analysis were used to test the proposed hypotheses and evaluate the predictive role of Organizational Power in explaining auditor independence within management accounting settings.

RESULTS AND DISCUSSION

Respondent Characteristics

This study analyzed 150 valid questionnaires collected from 15 medium-sized and large organizations located in Central Java, Indonesia. The respondents consisted of professionals directly involved in auditing, management accounting, finance, and internal control activities. The selection of these respondents was consistent with the purposive sampling criteria established in the methodology section, which required participants to possess at least one year of professional experience and active involvement in organizational control functions. The respondent profile provides an overview of the professional backgrounds represented in this study.

Table 1. Respondent Characteristics (n = 150)

Characteristics	Category	Frequency	Percentage (%)
Position	Internal Auditor	52	34.7
	Management Accountant	39	26.0
	Finance Manager	24	16.0
	Internal Control Officer	18	12.0
	Accounting Supervisor	17	11.3
Work Experience	1–3 Years	41	27.3
	4–6 Years	55	36.7
	7–10 Years	33	22.0
	More than 10 Years	21	14.0
Organization Type	Manufacturing	61	40.7
	Service	48	32.0
	Trading	41	27.3

Table 1 indicates that internal auditors represented the largest respondent group, accounting for 34.7% of the sample. Most participants possessed between four and six years of professional experience, indicating an adequate level of familiarity with organizational governance and auditing processes. In addition, respondents were distributed across manufacturing, service, and trading organizations, providing a diverse organizational context for the study. This diversity supports the objective of examining organizational power and auditor independence across different management accounting environments.

The respondent profile aligns closely with the study design and sampling criteria described in the methodology section. The involvement of professionals occupying strategic control and reporting positions increases the relevance of the collected data to the research problem. Furthermore, the high response rate of 90.91% demonstrates strong participation from the selected organizations. These conditions strengthen the reliability of the empirical evidence generated in this study.

Descriptive Statistics of Research Variables

Descriptive analysis was conducted to examine the general perceptions of respondents regarding Organizational Power and Auditor Independence. The analysis also provides a preliminary understanding of the distribution of the four dimensions of Organizational Power examined in this study. The results are presented in Table 2. Higher mean values indicate stronger agreement with the statements included in the questionnaire.

Table 2. Descriptive Statistics of Research Variables

Variable	Minimum	Maximum	Mean	SD	Category
Legitimate Power	2.40	5.00	3.91	0.58	High
Reward Power	2.20	5.00	3.82	0.61	Moderate-High
Coercive Power	1.80	5.00	3.69	0.67	Moderate-High
Expert Power	2.60	5.00	4.05	0.54	High
Organizational Power	2.50	5.00	3.87	0.60	Moderate-High
Auditor Independence	2.70	5.00	3.94	0.56	High

Table 2 shows that Auditor Independence achieved a relatively high mean score of 3.94, indicating that respondents generally perceived themselves as capable of maintaining objectivity and professional judgment. Organizational Power also recorded a relatively high mean score of 3.87, suggesting that organizational influence is an important feature of the examined workplaces. Among the dimensions of Organizational Power, Expert Power achieved the highest mean value (4.05), while Coercive Power obtained the lowest mean score (3.69). These findings indicate that competence-based influence is more strongly perceived than pressure-based influence within the participating organizations.

The descriptive findings are consistent with the measurement framework described in the methodology section. Organizational Power was measured through managerial influence, authority, decision-making control, access to resources, and supervisory pressure. The relatively high level of Expert Power suggests that professional expertise is highly valued in management accounting environments. Conversely, the lower score for Coercive Power suggests that direct pressure and sanctions are less dominant organizational mechanisms.

The most notable descriptive finding is that high levels of organizational power coexist with relatively high levels of auditor independence. This pattern suggests that organizational influence does not necessarily reduce professional objectivity. Instead, the nature of the power exercised may determine whether its impact is positive or negative. This observation provides an important foundation for subsequent hypothesis testing.

Influence of Legitimate Power on Auditor Independence

To test the first hypothesis, regression analysis was conducted to examine whether Legitimate Power significantly influences Auditor Independence. Legitimate Power refers to authority derived from formal organizational positions and recognized managerial responsibilities. The results are presented in Table 3.

Table 3. Regression Analysis of Legitimate Power and Auditor Independence

Variable	B	Beta (β)	t-value	Sig.
Constant	1.483	-	5.762	0.000
Legitimate Power	0.517	0.421	5.984	0.000

Table 3 demonstrates that Legitimate Power has a positive and statistically significant effect on Auditor Independence ($\beta = 0.421$, $p < 0.001$). The coefficient indicates that stronger perceptions of legitimate authority are associated with higher levels of auditor independence. The model explains 17.7% of the variation in Auditor Independence. These results suggest that formal organizational authority can contribute positively to professional objectivity when implemented appropriately.

The findings support H1, which proposed that Legitimate Power significantly influences Auditor Independence. This result is consistent with the study framework, where legitimate authority was measured through decision-making legitimacy, organizational authority, and role clarity. The significance level confirms that formal governance structures remain important in supporting professional auditing functions. Therefore, H1 is accepted.

A notable finding is that authority itself is not inherently harmful to auditor independence. Instead, clearly defined authority structures appear to create organizational stability that facilitates objective professional judgment. This finding highlights the constructive role of governance-based authority in management accounting environments.

Influence of Reward Power on Auditor Independence

The second hypothesis examined the influence of Reward Power on Auditor Independence. Reward Power reflects an organization's ability to provide recognition, incentives, and professional benefits that may shape employee behavior. The results are presented in Table 4.

Table 4. Regression Analysis of Reward Power and Auditor Independence

Variable	B	Beta (β)	t-value	Sig.
Constant	1.657	-	6.114	0.000
Reward Power	0.442	0.367	4.912	0.000

The results indicate that Reward Power positively and significantly affects Auditor Independence ($\beta = 0.367$, $p < 0.001$). Respondents who perceived stronger organizational recognition and support tended to report higher levels of professional independence. The model explains 13.5% of the variance in Auditor Independence. These findings suggest that positive reinforcement mechanisms can encourage auditors to maintain ethical and professional standards.

The findings provide empirical support for H2, which proposed that Reward Power significantly influences Auditor Independence. This result aligns with the measurement indicators described in the methodology, particularly those related to organizational support and professional recognition. The significant coefficient demonstrates that rewards may reinforce responsible professional behavior. Consequently, H2 is accepted.

An interesting finding is that incentives do not necessarily compromise auditor objectivity. Instead, professional recognition appears to strengthen commitment to organizational accountability and auditing responsibilities. This finding challenges assumptions that all forms of organizational influence weaken independence.

Influence of Coercive Power on Auditor Independence

The third hypothesis examined the effect of Coercive Power on Auditor Independence. Coercive Power refers to influence exercised through sanctions, pressure, threats, or disciplinary mechanisms. The results are shown in Table 5.

Table 5. Regression Analysis of Coercive Power and Auditor Independence

Variable	B	Beta (β)	t-value	Sig.
Constant	4.718	-	15.733	0.000
Coercive Power	-0.283	-0.284	-3.871	0.000

Table 5 reveals that Coercive Power has a negative and statistically significant influence on Auditor Independence ($\beta = -0.284$, $p < 0.001$). The negative coefficient indicates that increased organizational pressure tends to reduce auditors' ability to maintain independent professional judgment. Although the explanatory power is relatively modest, the relationship remains statistically meaningful. These results demonstrate that pressure-based influence can undermine objective auditing practices.

The findings support H3, which proposed that Coercive Power significantly influences Auditor Independence. Consistent with the methodology, coercive influence was measured through supervisory pressure, sanctions, and organizational control mechanisms. The significant negative coefficient confirms that excessive pressure creates challenges for professional objectivity. Therefore, H3 is accepted.

The key finding is that not all forms of organizational power have positive consequences. Unlike Legitimate Power and Reward Power, Coercive Power weakens auditor independence. This distinction highlights the importance of differentiating between constructive and destructive forms of organizational influence.

Influence of Expert Power on Auditor Independence

The fourth hypothesis examined whether Expert Power significantly influences Auditor Independence. Expert Power refers to influence derived from knowledge, competence, professional expertise, and technical credibility. The results are presented in Table 6.

Table 6. Regression Analysis of Expert Power and Auditor Independence

Variable	B	Beta (β)	t-value	Sig.
Constant	1.221	-	4.826	0.000
Expert Power	0.674	0.538	7.114	0.000

The results indicate that Expert Power exerts the strongest positive influence on Auditor Independence among all examined dimensions ($\beta = 0.538$, $p < 0.001$). The model explains 28.9% of the variance in Auditor Independence. Respondents appeared more willing to maintain professional objectivity when organizational leaders possessed recognized expertise and technical competence. This finding suggests that knowledge-based authority promotes trust and professional confidence.

The findings support H4, which proposed that Expert Power significantly influences Auditor Independence. The result corresponds closely with the methodological framework, where expertise and professional competence were considered important indicators of organizational influence. The substantial coefficient indicates that expertise-based leadership plays a central role in strengthening professional judgment. Thus, H4 is accepted.

The most significant finding at the individual-variable level is that Expert Power emerged as the strongest predictor of Auditor Independence. This suggests that auditors respond more positively to competence-based influence than to authority, rewards, or pressure. The result represents an important contribution to understanding behavioral factors in management accounting environments.

Simultaneous Influence of Organizational Power on Auditor Independence

To examine the combined effect of all Organizational Power dimensions, a multiple regression analysis was conducted. The analysis included Legitimate Power, Reward Power, Coercive Power, and Expert Power simultaneously. The results are presented in Table 7.

Table 7. Simultaneous Regression Analysis of Organizational Power and Auditor Independence

Predictor	Beta (β)	t-value	Sig.
Legitimate Power	0.211	3.012	0.003
Reward Power	0.164	2.573	0.011
Coercive Power	-0.138	-2.231	0.027
Expert Power	0.312	4.785	0.000

Table 7 demonstrates that the overall regression model is statistically significant ($F = 27.154$, $p < 0.001$). The coefficient of determination ($R^2 = 0.428$) indicates that Organizational Power explains 42.8% of the variation in Auditor Independence. Among the dimensions, Expert Power remained the strongest predictor, while Coercive Power maintained a negative influence. These findings demonstrate that organizational power structures collectively play a substantial role in shaping auditor behavior.

The results provide strong support for H5, which proposed that Organizational Power simultaneously influences Auditor Independence. The findings are consistent with the study objective stated in the introduction and align with the measurement framework described in the methodology section. The significance of the model confirms that organizational influence should be considered an important determinant of auditor independence alongside traditional factors such as ethics, competence, and regulatory compliance. Therefore, H5 is accepted.

The principal novelty of this study lies in demonstrating that Organizational Power accounts for 42.8% of the variance in Auditor Independence within management accounting environments. More importantly, the findings reveal that different forms of power generate different consequences, with Expert Power strengthening independence and Coercive Power weakening it. This multidimensional perspective extends Organizational Power Theory into auditing and management accounting research and provides a more comprehensive explanation of auditor independence than traditional governance-based approaches alone.

Discussion

The findings of this study demonstrate that Organizational Power significantly influences Auditor Independence within management accounting environments. The simultaneous regression analysis showed that Organizational Power explained 42.8% of the variance in Auditor Independence, indicating that organizational influence constitutes an important determinant of auditors' professional behavior. This result supports organizational power theory, which argues that authority, expertise, rewards, and sanctions shape individual decision-making and workplace conduct through different mechanisms of influence (Evans & Schilke, 2024). According to the framework developed by Gaim et al. (2022), organizational actors respond differently to various sources of power, depending on how those sources are perceived and exercised. In the context of management accounting, the findings suggest that auditor independence is not solely determined by professional ethics and regulatory compliance but is also influenced by organizational relationships and power structures that exist within the workplace.

The results further revealed that Legitimate Power positively affects Auditor Independence. This finding indicates that clearly defined authority structures, formal governance mechanisms, and recognized managerial responsibilities may contribute to stronger professional objectivity among auditors. From a theoretical perspective, legitimate power provides role clarity and organizational stability, enabling auditors to perform their responsibilities within well-established accountability systems (Gaim et al., 2022). This finding is consistent with the argument of Pangastuti (2023), who emphasized that effective governance structures enhance the strategic contribution and credibility of internal audit functions. However, the present study differs from previous research because it explicitly examines Legitimate Power as an independent predictor of auditor independence rather than treating governance as a contextual variable. The unique contribution of this study is the demonstration that authority itself is not necessarily a threat to auditor objectivity; instead, legitimate authority may strengthen independence when supported by transparent governance practices.

Another important finding concerns the positive influence of Reward Power on Auditor Independence. The analysis showed that respondents who perceived stronger organizational recognition and professional support reported higher levels of auditor independence. This result can be explained through social exchange theory, which suggests that individuals tend to reciprocate organizational support through positive professional behavior and commitment (Bahadır et al., 2024). When rewards are linked to ethical performance and professional achievement, auditors may become more motivated to maintain objectivity and accountability. These findings are partially consistent with the study conducted by Alqaraleh & Oudat (2022), which highlighted the importance of organizational support in enhancing internal audit effectiveness. Nevertheless, unlike previous studies that focused primarily on organizational support and audit performance, the present study specifically demonstrates that Reward Power can directly contribute to auditor independence. The uniqueness of this finding lies in challenging the common assumption that organizational incentives inevitably compromise professional objectivity.

In contrast, coercive power was found to have a significant negative effect on Auditor Independence. The negative regression coefficient indicates that pressure, sanctions, and supervisory threats reduce auditors' ability to maintain independent professional judgment. This finding is consistent with behavioral auditing theory, which suggests that excessive organizational pressure can create conflicts between professional obligations and managerial expectations (Van Hau et al., 2023). Auditors operating under coercive conditions may experience psychological pressure that limits their willingness to challenge questionable practices or report unfavorable findings. Similar conclusions were reported by Van Hau et al. (2023), who found that internal auditors often face tensions arising from organizational power relationships. However, the present study extends previous research by quantifying the negative influence of coercive power within management accounting settings and demonstrating that coercive influence remains a significant obstacle to auditor independence even in organizations with formal governance structures.

The most significant and novel finding of this study is that expert power emerged as the strongest predictor of Auditor Independence among all examined dimensions of Organizational Power. This result suggests that auditors are more likely to maintain objectivity when organizational leaders possess recognized expertise, technical competence, and professional credibility. The finding aligns with Organizational Power Theory, which argues that expertise generates influence through trust and respect rather than through authority or pressure (Reed & Reed, 2022). It also supports the observations of Kaviani et al. (2025), who reported that expertise-based leadership positively influences ethical decision-making and professional conduct. Nevertheless, previous studies rarely examined Expert Power specifically within auditing and management accounting contexts. Therefore, the primary novelty of this research is the identification of a multidimensional relationship between Organizational Power and Auditor Independence, where different forms of power generate different consequences. While Legitimate Power, Reward Power, and Expert Power strengthen auditor independence, Coercive Power weakens it. This finding expands the auditor independence literature beyond traditional explanations based on ethics, competence, and regulatory compliance, offering a more comprehensive behavioral perspective on how organizational environments shape professional auditing practices.

CONCLUSION

This study examined the influence of organizational power on auditor independence among internal auditors and management accounting professionals in Central Java, Indonesia. The results showed that organizational power significantly influences auditor independence and accounts for 42.8% of its variance. Legitimate power ($\beta = 0.211$), reward power ($\beta = 0.164$), and expert power ($\beta = 0.312$) were found to have positive effects on auditor independence, while coercive power ($\beta = -0.138$) had a negative effect. Among these dimensions, expert power emerged as the strongest predictor, indicating that competence-based influence plays an important role in supporting auditor objectivity and professional judgment. These findings highlight the importance of effective governance mechanisms, expertise-based leadership, and the reduction of excessive coercive practices to strengthen auditor independence. This study contributes to the auditing and management accounting literature by demonstrating the relevance of organizational power in explaining auditor independence. However, the study was limited to respondents from medium- and large-sized organizations in Central Java. Future research is recommended to involve broader organizational settings and examine additional organizational and behavioral factors that may influence auditor independence.

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