



Audit Time Budget, Auditor's Experience, and Professionalism Impact on Auditing Quality

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Abstract. The purpose of the study was to determine the factors that influence audit quality at the ITJEN Kemendikbudristek, and to describe the implementation of these factors at the Ministry of Education, Culture, Research and Technology. The research method uses descriptive analysis using psychological measurements (psychometry), as well as inferential analysis which is used to determine the truth of the hypothesis, in this analysis using a path analysis testing approach. The results of hypothesis testing are known if the time budget does not have a significant effect on the level of professionalism. While the length of work has a significant effect on the quality of audit results. However, it is immediately known if the Audit Time Budget has an influence on audit quality at the Ministry of Education and Culture.

Keywords: Audit Time Budget · Auditor's Experience · Professionalism · Quality of Audit Results

1 Introduction

Inspektorat Jendral (ITJEN) of the Ministry of Education, Culture, Research and Technology (Kemendikbudristek) is the Government Internal Supervision Apparatus (APIP), within the Ministry of Education, Culture, Research, and Technology. Responsible to the Minister of Education and Culture for realizing the implementation of quality and accountable State Universities (PTN) governance in Indonesia. The inability of ITJEN in carrying out its role will result in the implementation of governance that is not orderly, uncontrolled, inefficient, and ineffective. For this reason, it is interesting to research the influence of an Auditor's Experience, and Audit Time Budget on the Quality of Audit Results through Professionalism at the Inspectorate General of the Ministry of Education, Culture, Research, and Technology.

Research related to audit quality was conducted by ITJEN Kemendikbudristek. During Kemendikbudristek's efforts to improve the quality of education with the implementation of Merdeka Learning Campus Merdeka (MBKM), the problem of implementing orderly, controlled, efficient, and effective governance in achieving goals is a problem that is very much to be avoided. These problems will hinder efforts to improve the nation's competitiveness.

The quality of audit results can be influenced by several factors that can be easily divided into auditor specifications and completeness of the audit process [1–4]. The

intended auditor's specifications are the attributes inherent in the auditor. Starting from the attitude of professionalism, and long work. Meanwhile, the completeness of the audit process in question is independence, budget, and audit time given to the auditor. These four concepts are believed to be the dominant factors that affect the quality of audit results [1–4].

The professionalism of the auditor will have an impact on the quality of the audit produced by the auditor. The more professional the auditor is in carrying out his role, the more quality the audit results produced by the auditor will be. The level of professionalism is measured by the expertise of the auditor in carrying out his role, the ability of the auditor to meet the established professional ethics, and the implementation of the audit in preparing the report using his professional skills carefully and thoroughly.

Length of service shows the extent of experience the auditor has in carrying out audit activities. The level of experience will have an impact on the auditor's ability to overcome problems that are often encountered during audit activities. The ability to overcome the obstacles faced will determine the quality of the resulting audit [5].

Budget adequacy and audit time will also affect the quality of the resulting audit. Insufficient budget and time will result in poor quality audit results.

2 Literature Review

2.1 Quality of Audit Results

The audit quality of the ITJEN auditors of the Kemendikbudristek is a guarantee of the quality of the implementation of the work plan as well as the review of financial reports, providing suggestions and recommendations related to the results of supervision and evaluation of the results of the supervision by the scope of the Ministry of Education, Culture, Research and Technology Number 28 of 2021. Audit quality is a dynamic concept and the drivers and audit quality indicators may change from time to time and from place to place [1, 6–8].

The audit results are a tool for monitoring related to governance in the organization [6–11]. The governance in question includes inputs, processes, and results. Input in the form of an audit team that has a superior personality and good cultural characteristics. The process shows that auditing is running effectively under auditing standards which results in a reliable audit opinion [6–11]. The results of the audit can find a violation of governance rules. Related to ITJEN, audit quality is an analysis of quality in terms of the rules made by government officials. Audit quality is the implementation of audits carried out by standards to be able to disclose and report in the event of a violation by the client [1, 7, 10].

The quality of audit results can be seen from the extent to which the accuracy of the information is provided by the auditor. The quality of audit results is a combination of the possibility of the auditor finding violations and independently reporting these findings [2, 3, 12].

Audit quality indicates the auditor's ability to find and eliminate material misstatements and manipulations in the financial statements in compliance with applicable auditing standards.

When the auditor is from ITJEN Kemendikbudristek means protecting state assets, and state investment for the development and progress of education in Indonesia [13]. It can be concluded that the quality of the results of the internal audit is the possibility that the auditor when auditing the financial statements can find violations in the accounting system and report them to the audited financial statements, wherein carrying out these duties the auditor is guided by the relevant standards and professional codes of ethics.

Based on Regulation Badan Pemeriksa Keuangan Republik Indonesia Nomor 01 Tahun 2007 mengenai Standar Pemeriksaan Keuangan Negara (SPKN), audit quality is measured based on the following things:

1. The quality of the process (accuracy of audit findings, skepticism), and the magnitude of the benefits derived from the work of the examiner does not lie in the audit findings reported or recommendations made. But lies in the effectiveness of the settlement pursued by the entity being examined. In addition, the audit must be carried out carefully, according to procedures while maintaining an attitude of skepticism.
2. Quality of results (recommendation value, clarity of report, benefits of audit), the management of the audited entity is responsible for following up on recommendations and creating and maintaining a process and information system to monitor the status of follow-up on the examiner's recommendations.
3. Quality of follow-up on audit results, auditors are required to recommend that management monitor the status of follow-up on the examiner's recommendations. Continuous attention to material audit findings and their recommendations can help the examiner to ensure the realization of the benefits of the examination carried out.

2.2 Professionalism

Auditors are required to have special skills based on education, skills, and understanding related to the field of auditing. Auditors must have the skills and skills to examine reports and be responsible for carrying out their duties carefully, diligently, and thoroughly. Accuracy includes considerations regarding the completeness of the audit documentation, the adequacy of audit evidence, and the completeness of the audit report. As professionals, auditors should not act recklessly or with bad intentions, but neither are they expected to always be perfect [14, 15].

Auditor professionalism has a relationship with the quality of the audit results provided. A professional auditor will be able to carry out audits objectively by providing good and quality audit results [16]. Professionalism goes beyond skills or knowledge to include values [17].

Even when faced with ethical conflicts, he will try to make decisions according to policy, namely with the behavior expected by the auditee or the College [17, 18]. Even if auditors do not understand their professional responsibilities, they may choose to act unethically to ensure a positive performance evaluation or simply not harm the auditee. Conversely, if the auditor is more committed to professional values, he is more likely to withstand pressure from the auditee or the College, defending professional values above personal or auditee goals [19].

Professionalism is important and must be applied by every ITJEN Kemendikbudristek auditor in carrying out his professional work to achieve an informative audit quality

result. This will have an impact on the views of all parties in trusting the financial statements, if the auditor is no longer able to use his professional attitude, then the report from the audit results can no longer be trusted and has a negative impact on the quality of the audit.

8 principles must be obeyed by public accountants in the professional code of ethics, namely professional responsibility, integrity, objectivity, and competence [20]. The definition of the 4 indicators are:

1. Professional responsibility. Each member must exercise moral and professional judgment in all activities he undertakes.
2. Integrity. Each member shall fulfill his/her professional responsibilities with the highest possible integrity.
3. Objectivity. Each member must maintain objectivity and be free from conflicts of interest in fulfilling their professional obligations.
4. Competence. Each member must carry out his professional services with care, competence, and diligence and should maintain professional knowledge and skills

2.3 Auditor's Experience

Experience can be interpreted as something that has happened, felt, or experienced. This experience is related to financial statement audits in terms of length of time and number of assignments handled [3, 21, 22]. The more experienced will increase the ability to be able to produce various information in explaining audit findings. [5].

Experience is a process of learning and increasing the potential for behavioral development from both formal and non-formal education or it can also be interpreted as a process that leads a person to a higher pattern of behavior. [20].

Experience represents how workers interact with their jobs on a day-to-day basis on an individual level [21–23]. The second-hand meeting is the process of discussing the audit results with the Audit Company partners. [9] Experienced auditors have broad knowledge and a more developed thought structure compared to inexperienced auditors.

Auditor's Experience can affect audit quality, they find that the more experience the auditor has, the more auditors can find allegations in explaining audit findings. Concluded that an employee with high work experience would be superior in several ways, including detecting errors, understanding errors, and finding the cause of errors. So experience is very important for professions that require very high professionalism, such as public accounting because it will significantly affect how the quality of the auditor's work.

There are several things to determine whether or not an employee is experienced as an indicator of work experience, namely:

1. Length of time/period of work. A measure of the length of time or period of work that a person has taken can understand the tasks of a job and have carried it out well.
2. The level of knowledge and skills possessed. Knowledge refers to concepts, principles, procedures, policies, or other information required by employees. Knowledge also includes the ability to understand and apply information to job responsibilities. While skills refer to the physical abilities needed to achieve or carry out a task or job.

3. Mastery of work and equipment. A person's level of mastery in the implementation of technical aspects of equipment and work techniques [27].

2.4 Audit Time Budget

The time budget relates to the budget to control the amount of time (hours) assigned to overall audit work. While the time limit relates to the budget for completing each point of audit work within a certain time limit.

Furthermore, [24] explains that the audit time budget shows the time budget made due to the limited resources allocated to carry out the audit. These resources are limited for various reasons. For example, profitability problems, personnel limitations, and cost constraints. Thus, the audit time budget is important for planning and controlling the audit task. However, a tight audit time budget can interfere with the auditor's efforts to ensure audit quality. In addition, increasing competition in the audit market is a major cause of tight audit time budgets to maximize efficiency and control costs. This perspective reflects the orientation of negative effects in audit practice in general and in particular on audit quality. Negative effects include early sign-off of audit procedures, actual time not reported, feelings of failure, burnout, job dissatisfaction, and unwanted turnover.

While positive effects include a focus on the task and relevant information, decreased attention to irrelevant information, increased motivation to increase work efficiency, and increased job satisfaction [25]. The audit time budget is very helpful for KAP in planning, allocating personnel, evaluating audits, determining audit fees, and streamlining the performance of each stage of the audit. However, tight audit time budgets can put pressure on auditors to meet them [25].

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When faced with a tight time budget, auditors will respond in two ways, namely functional behaviors and dysfunctional behaviors. Functional behaviors include auditors working harder and filling all the time properly, using more efficient audit techniques, and requesting and obtaining additional time from their superiors. While dysfunctional behaviors include auditors doing a superficial review of documents, accepting weak client explanations, reducing work on any of the audit steps below the accepted level, not expanding the examination when there are questionable items, and giving opinions when all required audit procedures have not been performed. completely. Tight time budgets can affect auditor behavior, namely failing to examine accounting principles, conducting superficial document reviews, accepting weak client explanations, and reducing work on any of the audit steps below the accepted level [26, 27].

3 Research Methods

The first method is descriptive analysis using psychological measurements (psychometry). The second method is inferential analysis which is used to find out the truth of

the hypothesis, in this analysis using a path analysis testing approach. The use of these two research methods is inseparable from the setting of research objectives. The first objective is to describe the variables studied. While the second objective is to analyze the effect of exogenous variables on endogenous variables.

The sampling technique of Cluster Random Sampling was chosen by the researcher, based on the characteristics of the population which were divided into groups within the ITJEN Kemendikbudristek. Through this sampling technique, it does not cause a loss of characteristics and variations from each group (cluster) that makes up the research population.

4 Results and Discussion

Experience is seen as an important component of audit quality. This is an intuitively satisfying finding given the particular nature of government accounting and auditing in research [21]. As expected, the auditor's response to the Audit Time Budget is recognized as a component of audit quality, as is the exercise of professional care [6, 21].

The results of the study begin by explaining the description of the implementation and the existence of variables based on respondents' responses to the distributed questionnaires. The measurement uses a psychological scale by paying attention to the standard deviation and standard deviation of the results of questionnaire collection.

Based on the results of the questionnaire distribution, it is known that the budget time given to the auditors in carrying out their duties is generally following the required budget time.

The experience shown by the length of work shows that basically, most auditors feel they have experience in carrying out their roles. The level of professionalism of the auditors in carrying out their roles is also in the category of a high level of professionalism. The quality of the audit results produced shows that the audits produced are in the quality category (Table 1).

The results of hypothesis testing are known if the time budget does not have a significant effect on the level of professionalism. While the length of work has a significant effect on the quality of audit results.

Table 1. Descriptive Analysis

Size	Audit Time Budget	Size	Auditor's Experience	Size	Professionalism	Size	The quality of audit results
Quite Appropriate	19,59%	currently	19,59%	currently	6,19%	Quality Enough	16,49%
In accordance	80,41%	long	80,41%	high	93,81%	Quality	83,51%

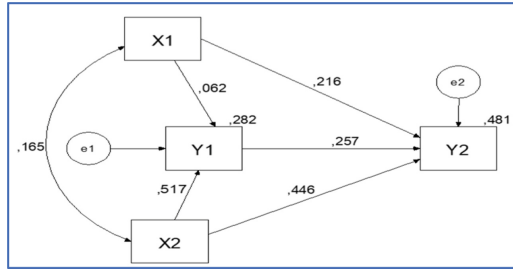


Fig. 1. Path analysis

Table 2. Influence Decomposition

Variable	Indirect				Total
	Direct	Via X1	Via X2	Via Y1	
X1	0,047		0,016	0,008	0,071
X2	0,199	0,016		0,060	0,275
Y1	0,066	0,008	0,060		0,135
Total Decomposition					0,481

The length of work has a significant effect on the level of professionalism and audit results. The level of professionalism has a significant effect on the quality of audit results. Length of work affects the quality of audit results more than other variables (Fig. 1).

Path analysis shows a positive causality relationship between each of the variables studied. The Y1 model has a model effectiveness rate of 28.2% and the Y2 model has a model effectiveness rate of 48.1%.

The results of the decomposition show that the length of work affects the effectiveness level of the quality of the audit results by 27.5% from the overall model effectiveness level of 48.1% (Table 2).

Auditors who have more experience stored in their memory can easily develop a good understanding of the audit process. Auditors who have experience will be better at making decisions.

5 Conclusions and Suggestions

The results showed that there was an effect of Auditor’s Experience, and Audit Time Budget on the Quality of Audit Results through Professionalism at the Inspectorate General of the Ministry of Education, Culture, Research, and Technology. The quality of the audit results will be largely determined by the experience of the auditor who carries out the audit. The audit results have been determined and reported the audit results based on the adequacy of the available evidence to interested parties.

The more experienced, the auditor can generate more assumptions in explaining audit findings. A person with more experience in the substantive field has more things stored

in his memory and can develop a good understanding of events. Meaningful work is a fundamental aspect of spirituality in the workplace, which consists of having the ability to feel the deepest meaning and purpose of one's work. Inexperienced auditors will make more mistakes than experienced auditors, and in the end, this can affect audit quality. A professional auditor must have sufficient experience in his duties and responsibilities. Experienced auditors will be a good consideration to make quick decisions in their work. Experienced auditors should be aware of abnormal errors and certainly, an auditor would not do the same for relevant information. In fact, in this case, there will be skepticism about the evidence and information obtained.

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