

## The Role of Independence in Moderating Auditor Competence and Time Budget Pressure on Audit Quality

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Corruption in Indonesia remains persistent, with audit quality facing scrutiny due to frequent financial scandals involving auditors. Audits are vital for ensuring accurate financial reporting, but poor independence, competence, and time pressure often compromise results. Major cases have highlighted violations of audit standards, eroding public trust in the profession. To restore credibility, auditors must uphold professionalism, competence, and adhere to ethical and procedural standards. This research aims to examine and analyze the moderating role of auditor independence on the relationship between auditor competence and time budget pressure on audit quality in Indonesia. The sample of this research was 48 of junior and senior auditors at a Public Accounting Firm in Medan. The data analysis technique used the Smart PLS program version 4.1.0.2. The result of this research, it can be seen that auditor independence does not moderate the relationship between auditor competence and audit quality as well as the time budget pressure and audit quality. However, Auditor Competence has a significant effect on Audit Quality directly but, Time Budget Pressure does not affect the Audit Quality.

**Keywords:** Auditor; Audit Quality; Competence; Corruption; Independence; Time Budget Pressure.

**JEL Classification:** M42.

## **INTRODUCTION**

The eradication of corruption in Indonesia from year to year has not shown any seriousness as reflected in the Level of Efforts to Eradicating Corruption according to Transparency International (TI) (2025) which shows that Indonesia's Corruption Perception Index (CPI) in the last 30 years has not left the red zone. Furthermore, the development of business entities is also colored by many legal cases involving accounting cases where the violation cases were carried out by auditors who were considered not to have provided quality audit results (Hafiz and Halim, 2020).

Audit is a process carried out to ensure the fairness of financial reports that have been made by management and in accordance with the accounting standards applicable in Indonesia (Kristianto et al., 2020). The purpose of the audit is to ensure that the company's bookkeeping and management systems are free from misrepresentation or fraud. From the existence of an audit of the company's financial statements, internal and external parties expect a free and impartial assessment of the information presented by the company's management in the financial statements (Karismanda et al., 2020).

Audit quality is the behavior of an auditor when auditing the financial statements of a company that adheres to GAAP, where the auditor detects and reports violations of the accounting system of the audited entity. The assessment of the audit quality of a company can be determined from the size of its KAP (Gazali and Amanah, 2021); (Rufiah et al., 2021); (Hafiz and Halim, 2020)

Financial Reports and Audits have a very close relationship, because audits have a role in the independent delivery of financial statements to show fair operations or are in accordance with accounting standards (Anggraini and Sapariyah (2019). Quality audit results can affect the sustainability of a business, because they can make financial reports trustworthy and can be used as decision-making and can increase the profitability of a company. Likewise, poor audit quality can cause business failure because the auditor is wrong in providing audit results (Widhianingsih et al., 2024).

The public accounting profession is considered an independent party, so the public accounting profession is required to improve its performance in order to produce audit products that can be relied on by stakeholders (Valentino et al., 2024). The auditor profession, which is currently in demand for its trust by many groups behind the rampant cases of corruption, accounting manipulation and other corporate scandals, has now been doubted by Fahmi and Syahputra (2019). The function of the auditor, which should provide additional information assurance, is starting to be questioned. A public accountant in carrying out an audit of financial statements does not solely work for the interests of his clients, but also for other parties who have an interest in the audited financial statements (Hamdani et al., 2020).

Several factors that affect audit quality are Independence, competence, and time budget pressure. These factors must always be considered and prioritized by auditors to maintain the quality of the audit reports provided by the auditor, so as to minimize and avoid various errors, fraud, and violations in carrying out audits (Odom, 2023). Currently, several major cases that have occurred in Indonesia involve auditors at Public Accounting Firms (KAP), including in the cases of PT. Garuda Indonesia, PT. Asian One Air, and PT Asuransi Adisarana Wanaartha (PPP.Kemenkeu, 2019); (beritamimika.com, 2023); (cnbcindonesia.com, 2023)

From these cases, it is clear that auditors with their competence have not been able to accurately assess the substance of transactions for accounting treatment related to the recognition of receivables and other income at once at the beginning which is considered to violate Audit Standard (SA) 315. They have not been able to assess the accuracy of accounting treatment so that they have violated Audit Standard (SA) 500, and the auditors have not independently provided an audit opinion in the form of unqualified (WTP). In fact, a public accountant must carry out their duties professionally, be careful with technical procedures, and be careful (Aprilia et al., 2023). From this case, the

competence and independence of the KAP in carrying out its duties are crucial to maintain the integrity of the legal process and ensure that the audit results can be used as a fair basis for decision making (Harahap and Pulungan, 2019); (Hafiz et al., 2023).

The rampant financial scandals that have occurred both at home and abroad have had a major impact on public trust in the public accounting profession, and the big question for the public is why these cases involve the public accounting profession, even though they should be independent third parties who provide guarantees for the relevance and reliability of financial reports, because this profession has an important role in providing information that can be trusted and relied on by other parties who are interested in financial reports (Lubis and Salisma, 2023).

An auditor must have competence in conducting an audit, where the auditor's competence can be measured by the level of formal and non-formal education. The more certificates they have and the more people participate in training or seminars, the more they can do their job (Sihombing et al., 2021). Roland and Yuliansari (2019); Zam et al. (2021); Saifudin et al. (2022) state that competence is an ability and experience possessed by auditors in understanding the criteria and determining the evidence needed in order to strengthen the conclusions they draw. Auditor competence is related to professionalism as a result of formal education and activities that can support the work of an auditor.

The next factor that influences audit quality according to Simangunsong (2020) states Time Budget Pressure which is a condition where the auditor gets pressure from his workplace to be able to complete his duties according to the time that has been set. Time budget pressure is used to demand that auditors carry out time efficiency against the time budget that has been prepared, this is related to the existence of very strict time restrictions (Saifudin et al., 2022); (Safitri et al., 2022).

In this factor, auditors are required to carry out and complete audit tasks quickly and accurately with a time no later than four months after the end of the financial year. This causes auditors to be under pressure but must still carry out audits in accordance with predetermined standards and use time efficiently so that time constraints do not become pressure that affects auditors in the audit judgment making process. However, research conducted by Valentino et al., (2024) states that good time budget pressure in the audit process can support auditors to be able to assess and detect potential fraud so as to provide quality audit results and good.

## **LITERATURE REVIEW**

### **Audit Quality**

According to De Angelo (1981), audit quality is a condition where an auditor will find and report violations in his client's accounting system. In carrying out an audit, the auditor must act as someone who is competent in the fields of accounting and auditing. Audit quality also means how to detect audits and report material misstatements in financial statements. Then Rahayu (2020) defines audit quality as all possibilities where the auditor when auditing the client's financial statements can find violations that occur in the client's accounting system and report them in the audit report, where in carrying out his duties the auditor is guided by audit standards and the relevant public accountant code of ethics.

The quality or otherwise of the auditor's work will affect the auditor's final conclusion and indirectly will affect the accuracy or otherwise of the decisions to be taken by parties outside the company, so that auditors are required to have a sense of responsibility (accountability) in every job they do and have a professional attitude (Tjahjono & Adawiyah, 2019). An auditor must work professionally by prioritizing high independence, competence, and experience in order to get good audit quality. Audit quality is important because with good audit quality, financial reports will be produced that can be trusted as a basis for decision making (Fachruddin & Tjg, 2020). Factors Affecting Audit Quality

according to Oklivia & Marlinah (2014); Fachruddin & Handayani (2017); Tandiontong (2018) state that the factors within the auditor that affect Audit Quality are: Competence, Independence, Work experience, Time Budget Pressure, and Audit Fees. Meanwhile, the indicators used according to IAPI (2018); Pairingan et al. (2018) are Auditor Competence, Auditor Ethics and Independence, Use of Key Engagement Personnel Time, Engagement Quality Control, Results of Quality Reviews or External and Internal Party Inspections, Engagement Span of Control, KAP Organization and Governance, and Reward Policy

### **Auditor Competence**

Ramadhan et al. (2018) defines competence as the ability of an auditor to apply the knowledge and experience he has in conducting an audit so that the auditor can conduct the audit carefully, precisely, intuitively, and objectively. According to the first general standard SA section 210 in SPAP (2001) states that the audit must be carried out by one or more persons who have sufficient technical expertise and training as an auditor. While the third general standard SA section 230 in SPAP (2001) states that in carrying out the audit and preparing its report, the auditor must use his professional skills carefully and thoroughly.

Roland & Yuliansari (2019); Zukhruf (2020) stated that competence means that an auditor must have the ability, expertise and experience in understanding the criteria and in determining the evidence needed to support the conclusions he will draw. Then Zam et al. (2021) stated that competence is related to expertise, knowledge, and experience. Therefore, a competent auditor is an auditor who has adequate knowledge, training, skills, and experience to be able to successfully carry out each audit job. Furthermore, according to Kustina & Suadyani (2023), auditor competence is an auditor who has good and accurate knowledge and experience and can conduct audits objectively, carefully, and thoroughly. Then Then

Based on several definitions of auditor competence above, it can be concluded that someone who carries out an audit of a company's financial statements must be someone who is competent in that field. Namely someone who has adequate knowledge, expertise, experience, and skills in the field of auditing in order to be able to conduct audits objectively so as to produce good audit quality and in accordance with applicable standards.

Auditor Competency Indicators According to Zukhruf (2020) include indicators of professional knowledge and skills towards audit quality which can be described as Knowledge, Professional Skills, Attitudes, and Education or ongoing professional training.

### **Time Budget Pressure**

According to Wahyuni et al. (2018) the definition of time budget pressure is the allocation of time determined by the client to the auditor in the audit process in order to avoid time fraud and games played by the auditor in collecting evidence to support the results of the examination. then Abdillah et al. (2020) time budget pressure or time budget pressure is a condition that indicates that the auditor is required to be efficient with the time that has been set. The completion time of an audit task that has been set sometimes makes an auditor feel pressured. Auditors who receive this time budget pressure can behave deviantly. The auditor's deviant behavior will have a serious impact on the quality of the audit judgment. The auditor will do deviant things to be able to complete the audit task according to the time that has been set.

According to Sari & Lestari (2018) time budget pressure is pressure that arises from limited resources available in completing work, in this case interpreted as the time given to complete the task. Based on several opinions above, it can be concluded that time budget pressure is a condition where the auditor is required to be efficient with the time given to complete the task. Time Budget Pressure Indicators according to Oktavinarni

(2018); Tibe & Dewi (2019) include Time planning, Time effectiveness, client pressure, peer review, non-audit services.

### **Auditor Independence**

Independence is the attitude of an auditor who is impartial, has no personal interests, and is not easily influenced by interested parties in providing professional services as an auditor, and upholds honesty so that the opinions or conclusions given by the auditor are based on high integrity and objectivity (Taman et al., 2018)

According to the opinion of Harahap & Pulungan (2019) Independence can be interpreted as a mental attitude that is free from influence, not controlled by other parties or does not depend on others. Independence also means honesty in the auditor in considering facts and objective considerations that are impartial in the auditor in formulating and stating his opinion. So it can be concluded that the auditor must have an independent attitude in every audit process that is passed, by being neutral, impartial, not under the influence and pressure of other parties in making decisions.

In the Public Accountant Professional Standards (SPAP) section 220 SPAP (2001) in a study conducted by Kristianto et al. (2020) states that independent means not easily influenced. In this regard, an auditor in carrying out an audit must generally be honest, free from the influence of his client and have no interests with the client, either towards management or the owner because this is contrary to the principles of integrity and objectivity of the auditor.

In a study conducted by Oktavinarni (2018) defines independence as a mental attitude that is not dependent on others, is not controlled and is not influenced by other parties. Independence according to Boyton (2003) in a study conducted by Gyer et al. (2019) is the basis of the auditing profession where the auditor will be neutral and objective towards an entity in conducting a financial statement audit.

Based on several definitions of auditor independence above, it can be concluded that auditor independence is a mental attitude in the auditor in the form of a neutral attitude that is impartial and not influenced by either the client or other parties in expressing his opinion so that it will not change the results of the audit report which is actually objectively based on existing facts.

#### **Auditor Independence Indicators**

According to Oktavinarni (2018); Astakoni et al. (2021) stated that there are four indicators in measuring auditor independence, namely: Length of Relationship with Client (Audit Tenure), Pressure from Clients, Review from Fellow Auditors (Peer Review), and Provision of Non-Audit Services.

### **Hypotheses Development**

#### **The Influence of Auditor Competence on Audit Quality**

The third general standard (SA section 230, Sukrisno Agoes, 2012:35) states: "In carrying out the audit and preparing its report, the auditor must use his professional skills carefully and thoroughly". Auditor competence is an auditor with sufficient and explicit knowledge and experience so that he can conduct an audit objectively, carefully and thoroughly. A highly educated auditor will have a lot of knowledge about the field he is working in, so that he can understand various problems in depth.

Not only in terms of knowledge, but the auditor must also have experience in his field of work. That way the auditor can know what problems he will face and how to find each answer to the problem and with adequate experience from an auditor, it shows that the auditor is an expert in his field of work. So that it makes it easier and wiser for the auditor to follow the complex developments in the audit environment of his client and can carry out the audit well and also produce good audit quality.

So it can be concluded that a high level of expertise will produce high quality audit quality. This is reinforced by the results of research by Lorensky et al. (2021); Valentino et al.



(2024) which state that competence affects audit quality. So it can be understood that the audit must be carried out by someone who has sufficient knowledge and training to become an auditor. However, research conducted by Pratiwi (2020) Because each auditor must be able to adapt to the auditing system when he audits a company with different company characteristics so that competence can change at any time.

H1: Auditor competence has a direct effect on the audit quality of Auditor in Indonesia

### **The Influence of Time Budget Pressure on Audit Quality**

According to Safitri et al. (2022) Time pressure can affect audit judgment, because the KAP gives the auditor a time limit to complete the audit process. An auditor needs time to make adjustments in conducting an audit, therefore the limited time given makes it impossible for the auditor to obtain detailed data and requires an understanding in checking which items need to be examined to find something hidden.

Time budget pressure is a condition that indicates where the auditor is required to carry out time efficiency against the time budget that has been prepared. The existence of a time budget in this audit process is one way to measure the level of efficiency of the auditor's work. If an auditor can carry out his audit work efficiently, this can indicate that the auditor's performance is good.

Sometimes auditors get clients who give too little time to conduct audits, even though there are clients whose financial reports are submitted late, even though the audit procedure takes quite a long time. This situation often creates pressure on the auditor, where they must be able to complete their tasks according to the budgeted time. Auditors who experience time budget pressure will reduce compliance in carrying out audit procedures so that they can be completed on time. If the audit procedure is not followed, the audit quality will decrease, so it can be concluded that the effect of time budget pressure on audit quality is negative, the higher the auditor's time budget pressure, the lower the audit quality, and vice versa, the lower the auditor's time budget pressure, the higher the audit quality. The results of research conducted by Ahmad et al. (2020) stated that time budget pressure has a negative and significant effect on audit quality. This is also supported by research by Saifudin et al. (2022) which has a negative effect on audit quality. This shows that the higher the time budget pressure received by an auditor, the lower the audit quality produced by the auditor.

H2: Time budget pressure has a direct effect on the audit quality of Auditor in Indonesia

### **The Influence of Auditor Competence on Audit Quality Moderated by Auditor Independence**

In the 2011 Public Accountant Professional Standards (SA Section, 150) it is stated in the first general standard that the Audit must be carried out by one or more persons who have sufficient technical expertise and training as an auditor, while the third general standard states that in carrying out the audit and preparing its report, the auditor must use his professional skills carefully and thoroughly.

The second general standard states that in all matters relating to the engagement, independence in mental attitude must be maintained by an auditor. This standard requires the auditor to be independent, meaning not easily influenced, because he is carrying out work in the public interest. Thus, he is not allowed to side with anyone's interests, because no matter how perfect the technical expertise possessed by an auditor will provide full confidence that an auditor.

In a study conducted by Karismanda et al. (2020) showed that independence can moderate the influence of competence on audit quality. This illustrates that the competence of an auditor who has Knowledge, skills or expertise, attitudes possessed, abilities possessed in applying audit standards collectively, continuing professional education and training, which is reinforced by independent independence, independence in reality, independence in appearance, independence in the audit program, independence in reporting. Based on disclosing client fraud, mental attitude in providing

advice without being influenced, auditors should not have a relationship of interest with clients, and auditors should limit themselves to providing services outside the audit is something that can affect audit quality.

H3: Auditor independence moderates the relationship between auditor competence and audit quality of Auditor in Indonesia

### The Effect of Time Budget Pressure on Audit Quality Moderated by Auditor Independence

Independence is the auditor's attitude that is impartial, has no personal interests, and is not easily influenced by interested parties in providing opinions or conclusions, so that the opinions or conclusions given are based on high integrity and objectivity. According to Hadisantoso & Anto (2019), independence is an attitude that is free from persuasion, influence or control of the party being audited.

One of the factors that affects audit quality is Time Budget Pressure given by the client. Time Budget Pressure is pressure on the nature of the audit work carried out by the auditor and must be completed immediately according to the time given so that it can affect the quality of the audit

The Time Budget Pressure possessed by the auditor is closely related to independence. Auditors who have an obligation to uphold their ethical standards of behavior towards the organization where they work, their profession, society and themselves. Thus it can be concluded that if someone has a long work period, a good level of competence and is supported by a good understanding of Independence, it will have a very good effect on the Quality of the Audit produced. This pressure can affect audit quality, especially when auditors feel rushed to complete their tasks within a limited time. However, auditor independence plays an important role in moderating this influence. Auditors with a high level of independence are better able to maintain audit quality even when faced with time pressure, while auditors with low independence may be more susceptible to audit quality degradation due to such pressure.

H4: Auditor independence moderates the relationship between Time budget pressure and audit quality of Auditor in Indonesia.

### Conceptual Framework

The study framework model is depicted in Figure 1.

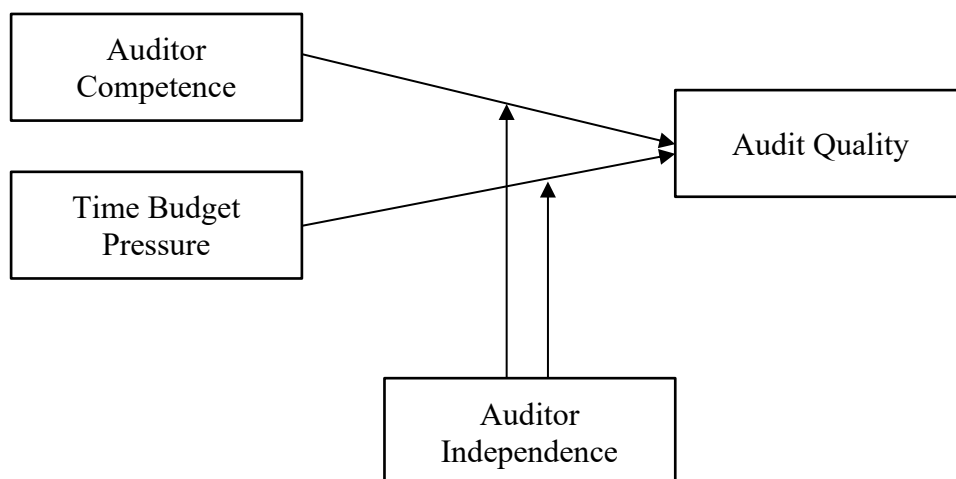


Figure 1. Research Framework

## RESEARCH METHOD

The research approach used is a quantitative approach with an associative method. Prena and Sudiartama (2020) stated that associative research is an assumption about the existence of a relationship between variables in a population that will be tested through the relationship between variables in samples taken from that population

The population of this research was 97 auditors with the was 48 of junior and senior auditors at a Public Accounting Firm in Medan. The data collection technique was carried out by conducting a direct survey by distributing questionnaires. The data used is primary data obtained from the results of the questionnaire that has been distributed directly to respondents to be filled in according to the instructions and then returned to the researcher for further analysis with the appropriate method to prove the hypothesis that has been set. The data analysis technique used the Smart PLS program version 4.1.0.2.

## RESULTS

This research produces a research model that describes the direct and indirect relationship between each variable. The following is a figure of this research model.

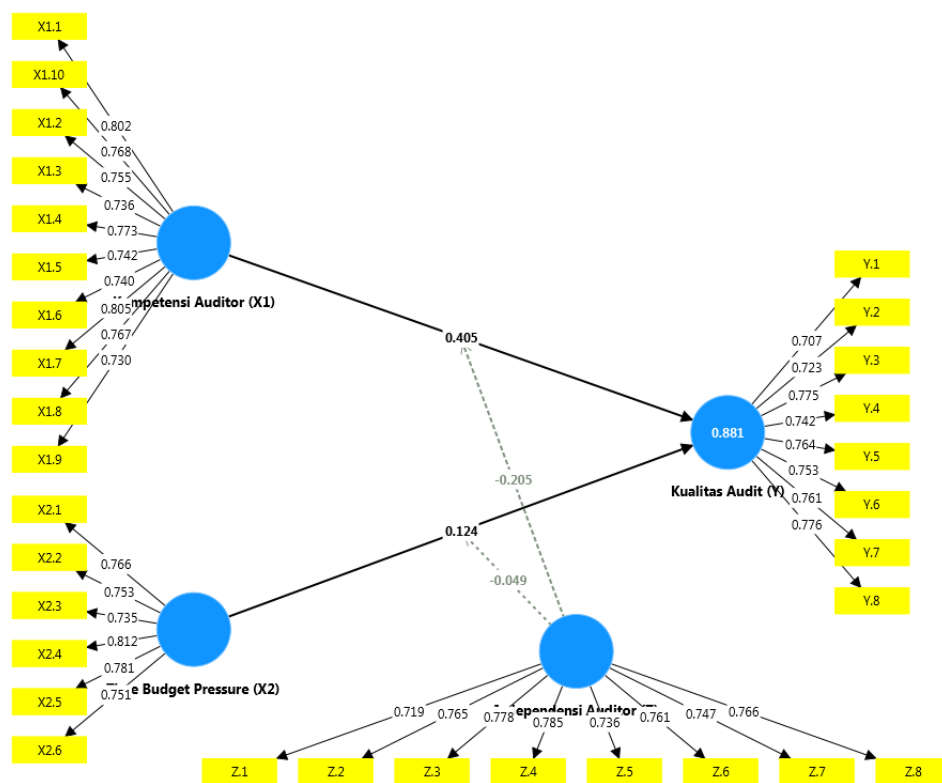


Figure 2. Research Model

Based on the data processing, the results can be used to answer the hypothesis in this study with the provision that the independent variable is stated to have an effect on the dependent variable if the p-value <0.05 (Sugiyono, 2020). The bootstrapping results in this study show the following:

### Direct Effect

	Original Sample	T-Statistic	P-Values
X1 → Y	0.405	2.785	0.005



X2 → Y	0.124	0.885	0.376
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Source: SEM-PLS data

According to the table above, it shows that the direct relationship between auditor competence and audit quality produces an original sample of 0.405 and a P-value of 0.005, which means that there is a positive and significant effect. Meanwhile, Time budget pressure shows that there is no direct influence on audit quality, as indicated by the P value of 0.376, which is greater than 0.05.

### Indirect Effect

	Original Sample	T-Statistic	P-Values
Z x X1 → Y	-0.049	0.347	0.728
Z x X2 → Y	-0.205	1.328	0.184

Source: SEM-PLS data

According to the table above, it Shows that Auditor Independence does not moderate the relationship between auditor competence on audit quality and also Time budget pressure on audit quality. Each Pvalue shows greater than 0.05, namely 0.728 and 0.184.

### R-Square

Based on data processing carried out with SmartPLS 4, the following R-Square data was obtained:

Variable	R-Square
Audit Quality	0.881

Source: SEM-PLS data

The table above shows that the R-Square structural model has strong criteria with a value of 0.881, which indicates that 88.1% of changes in audit quality values are influenced by independent model variables

## DISCUSSION

### The Influence of Auditor Competence on Audit Quality

From the results of the hypothesis testing analysis, it is known that Competence has a significant effect on Audit Quality at Public Accounting Firms in Medan City. In this study, Competence is measured by two indicators, namely general knowledge and professional skills. Based on this, it can be seen that the more competent an auditor is, the easier it will be to understand the information obtained, the faster they can analyze information and be able to overcome problems or difficulties faced so that it will make it easier for auditors to produce quality audit reports. Competence is one of the internal factors in an auditor that affects audit quality. So that auditors who have high competence are auditors who have been able to meet aspects such as knowledge, expertise, personal quality, and good education and training.

Auditor competence is assessed based on knowledge obtained from formal and non-formal education levels. Knowledge obtained from strata education levels will make auditors understand Audit Standards and Public Accountant Professional Standards with generally accepted accounting principles. When carrying out their duties, auditors must have a great curiosity, be broad-minded and be able to handle uncertainty and auditors must have the skills to write and present reports well.

The statement above refers to the Problem Identification in this study, namely the existence of cases of auditors who conduct audits but do not comply with Audit Standards (SA) and Public Accountant Professional Standards and the existence of cases that show a lack of competence from an auditor in examining financial statements and resulting in misrepresentation.

The results of this study are in line with previous research conducted by Mawadati and Diana (2022) which stated that Auditor Competence has a positive and significant

effect on audit quality. Likewise with research by Saifudin et al. (2022) dan Sihombing et al. (2021), which shows that auditor competence has a significant effect on audit quality. These findings indicate that the higher the ability of the auditor in carrying out his profession, the better the quality of the audit results produced. Therefore, auditors need to have adequate skills and field experience to ensure optimal audit quality.

However, there is a difference of opinion expressed by Karismanda (2020) where the test results show that the competency variable has no effect on audit quality. This illustrates that factors such as formal or non-formal knowledge, skills, and professional orientation are not always the main determinants in determining audit quality.

### **The Effect of Time Budget Pressure on Audit Quality**

The results of this research empirically prove that Time Budget Pressure does not significantly affect audit quality at Public Accounting Firms in Medan City. Time budget pressure is assessed based on time planning and time effectiveness. An auditor understands budget planning in the audit process and completes work that is considered important. The auditor is responsible for carrying out the audit according to the planned time. In carrying out the audit task, the auditor quickly and accurately examines the audit evidence because it adjusts the budgeted audit time. Time budget pressure is also an allocation of time given to the auditor in completing his audit. Although the auditor feels pressure, each auditor will maintain professionalism in producing audit quality. The time specified in each audit assignment is the result of an agreement between the client and the auditor, so that when the auditor faces time budget pressure, it will not have an impact on producing audit quality.

This means that even though the higher the time budget pressure, it does not significantly affect audit quality. This is due to the time budget given by each KAP to complete its audit tasks, even though the auditor is under pressure, they must still conduct audits according to predetermined standards and use time effectively and efficiently. Thus, the time budget does not become a pressure that affects auditors in the process of producing audit quality.

Simangunsong (2020) also showed the results of his research which stated that the higher the time budget pressure, the less negative effect it will have on audit quality and research of Rosmini and Hakim (2021) Widhianingsih (2024) also showed that the time budget pressure variable did not affect audit quality. Thus, this shows that the level of time budget pressure, whether low or high, does not affect audit quality. Increasing or decreasing time budget pressure has no impact on the quality of audit results. Time budget pressure is something that cannot be avoided by auditors because it is part of the responsibility to complete work on time.

Meanwhile, the results of this study differ from the findings of Rosini and Hakim (2021) which shows that time budget pressure has a significant effect on audit quality. Likewise, the research of Valentino et al. (2024) which states that audit quality is significantly influenced by time budget pressure.

### **Auditor Independence Moderates the Relationship between Auditor Competence and Audit Quality**

The results of the research test state that Auditor Independence does not moderate the effect of Auditor Competence on audit quality because the results of the hypothesis test show that the path coefficient value (-0.049) is negative and the p-value ( $0.184 > 0.05$ ). This shows that auditor independence is unable to moderate auditor competence on audit quality.

This study supports research conducted by Elen and Sari (2019) and Oktadelina et al. (2021) which also states that no matter how good the auditor's independence is, it will not affect the auditor's competence on audit quality. The competence of an auditor based on the knowledge gained by the auditor through formal or non-formal education greatly affects audit quality, while auditor independence based on disclosing client fraud,

mental attitude in providing advice without being influenced, cannot significantly affect audit quality. This results in independence not moderating the effect of competence on audit quality.

This study is not in line with Khairunita (2020) and Karismanda (2020) which show that the results of the moderation test indicate that independence can moderate the effect of competence on audit quality. These findings indicate that the existence of a moderating variable in the form of independence can strengthen the effect of objectivity on audit quality. This illustrates that an auditor's competence, which includes knowledge, skills, expertise, attitudes, and the ability to apply audit standards comprehensively, supported by ongoing professional education and training, will have an even greater impact on audit quality when strengthened by independence.

### **The Effect of Time Budget Pressure on Audit Quality is Moderated by Auditor Independence**

In this study, auditor independence also does not moderate time budget pressure on audit quality because the results of the hypothesis test show that the path coefficient value (-0.049) is negative and the p-value ( $0.728 > 0.05$ ). It can be seen that auditor independence is unable to moderate time budget pressure on audit quality, which shows that this effect is not statistically significant. Thus, although independence is theoretically expected to moderate this relationship, the results of the study indicate that independence does not have a significant moderating role in relation to time budget pressure on audit quality. This indicates that the auditor independence factor is not a key variable in moderating time budget pressure that affects audit quality in the sample or conditions of this study.

This study is different from the study conducted by Jati and Suprasto (2020) which found that auditor independence can reduce the negative effect of time budget pressure on audit quality. In the study, it was emphasized that when auditors are able to maintain independence in accordance with the Indonesian Accountant Code of Ethics Article 1 paragraph 2, they will be able to reduce the negative impact of time budget pressure on decreasing audit quality. The study also shows that the two components of independence that most support auditors in dealing with time budget pressure are freedom from personal relationships that can affect the audit, and freedom to access information and resources needed during the audit process

## **CONCLUSION**

The result of this research, it can be seen that auditor independence does not moderate the relationship between auditor competence and audit quality as well as the time budget pressure and audit quality. However, Auditor Competence has a significant effect on Audit Quality directly but, Time Budget Pressure does not affect the Audit Quality of Auditor in Medan.

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#### DECLARATION OF CONFLICTING INTERESTS

The authors have declared no potential conflicts of interest concerning the study, authorship, and/or publication of this article.

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