

The Effect of Time Budget Pressure and Ethics on Audit Quality Mediated by Independence, on Register Public Accountan Banten Region

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ABSTRACT

The auditing process is a systematic process carried out systematically to evaluate, obtain data objectively, the suitability between data, events with predetermined criteria and report to the parties in need. This study aims to determine the effect of time budget pressure and audit ethics on audit quality mediated by audit independence in KAP Banten region registered with the OJK. This type of research is quantitative research with primary data sources conducted on 83 respondents from public accounting firms in the Banten region. Research data management uses smartPLS. The results of the study obtained that time budget pressure on quality has a negative and insignificant effect. Audit ethics on audit quality has a positive and significant effect. The effect of time budget pressure on audit independence has a positive and significant effect. The effect of audit ethics on audit independence has a positive and significant effect. The effect of audit independence on audit quality has a positive and significant effect. The effect of time budget pressure on audit quality mediated by audit independence has an influence. The effect of audit ethics on audit quality mediated by audit independence has a positive and significant effect. Based on these data, the influence of time budget pressure and audit ethics on audit quality mediated by audit independence at KAP in the Banten region registered with the OJK has a positive impact.

Keywords: Time budget pressure, audit ethics, audit quality and audit independence

INTRODUCTION

Background

Time budget pressure is a condition where an auditor is consistently required to implement a strictly budgeted time efficiency (Zaputra, 2022), If the time budget pressure is low then the auditor will have more time to carry out his work this condition will help the auditor to focus more on the workload without being disturbed by time constraints. This condition has an impact on improving audit quality. Conversely, if the auditor's time budget pressure level is high it will decrease the audit quality, in other words, auditors who do not feel the burden of time budget pressure will affect the quality of the resulting audit ((Simangunsong, 2020)

Audit quality is complex because so many factors influence it, both from the auditor's and client's perspectives. Errors in the audit process originating from data errors or human error by a professional auditor, even in an audit process, will only evaluate the client's credibility based on the evidence provided by the client, and the auditor always believes in the explanation given by the client. Auditor deviations from client data constitute an ethical violation that can affect audit quality. Such as the PT Garuda Indonesia, Tbk scandal involving KAP Tanubrata Sutanto, Fahmi, Bambang, and Partners, where the violation in the Garuda Indonesia case not only impacted public trust but also violated ethical principles regarding integrity, objectivity, professional competence, confidentiality, and professional behavior (Oktaviana Dewi et al., 2023). Professions that do not comply with the Professional Standards of Public Accountants constitute an ethical violation because the code or rules of professional ethics contain guidelines for auditors to maintain their confidence in making decisions considered difficult.

Auditors under time pressure can compromise the quality of their work and independence. This pressure can encourage auditors to take shortcuts or reduce substantive testing, ultimately weakening their independence in auditing financial statements. Time-budget pressure on auditors can negatively impact their independence (Andriani et al., 2021). Another aspect that influences independence is auditor ethics, which serves as a strong moral foundation and maintains the professionalism of individuals, such as auditors, so they can act objectively without being influenced by personal interests or those of others (Aisyah et al., 2024). Ethics help auditors maintain integrity, perform their duties effectively, and avoid conflicts of interest, all of which are essential to maintaining public trust in their profession (Timor & Hanum, 2023).

However, unlike previous research, this study places independence as a mediating variable between the influence of time budget pressure on audit quality and as a mediating variable for the influence of audit ethics on audit quality.

Based on the above, this study takes the title "The Influence of Time Budget Pressure and Ethics on Audit Quality Mediated by Independence in Public Accounting Firms in the Banten Region".

Previous Research

Time budget pressure has a negative influence on audit quality, this is proven by the results of Azali's research (Azali, 2024) where time budget pressure has a negative influence on audit quality but this is different from (Gizta & Hasnarika, 2023) who stated that time budget pressure has a positive influence on audit quality because if time budget pressure is considered a demand to make efficiency on the time budget that has been prepared very tightly and rigidly so that it will improve audit quality in contrast to research (Zaputra, 2022) which found that time budget pressure has no effect on audit quality.

Auditors who have high ethical awareness will behave professionally and will be able to produce quality audit reports so that the auditor's professional ethics have a positive influence on the quality of audit reports, meaning that by applying the auditor's professional ethics, the quality of the audit provided will also be better (Rahayu & Suryanawa, 2020), this is proven by the results of research conducted by (Bertha, 2021), which states that professional ethics have a positive effect on audit quality. This is also supported by research conducted by (Kirana, 2021) and (Rahmadani et al., 2024). The results of this study are not always in line with other studies because in some conditions such as conflicts of interest, management pressure, time and cost pressures can give rise to high ethics but cannot change audit quality so that auditor ethics do not affect audit quality (Yoga et al., 2024).

An auditor must be honest and independent, stating results objectively and impartially based on evidence. Auditor independence has a direct impact on audit quality (Herlian & Sofian, 2024) because independence is closely related to audit quality (Septiana & Jaeni, 2021). The creation of time budget pressure can also cause individual stress related to balancing performance with available timeframes, which will affect audit ethics and independence (Giovanni, 2022). Research by Wiyono & Widyawati, (2022) found that time budget pressure and audit ethics have a positive effect on audit quality. This study again directly discusses the influence of time budget pressure and audit ethics on audit quality.

Phenomenon

Peak season is a very challenging time or period for financial auditors, this period generally occurs from January to April after the balance sheet date, during this period the client must complete the annual financial statements to be audited before the specified time passes, on the other hand during this period the Auditor faces enormous pressure, especially in terms of time budget pressure, which can affect performance, audit quality (Handoko & Pamungkas, 2020). In 2017, the PCAOB (Public Company Accounting Oversight Board) stated that KAP Purwanto as a partner of Ernst & Young's (EY) in Indonesia was subject to a fine of US \$ 1 million (around Rp. 13.3 billion) to the United States regulator because it was declared to have failed in auditing its client's financial statements, at that time it was also stated that in 2011 the Ernst & Young's (EY) affiliate in Indonesia released an audit report with an unqualified status without sufficient evidence. It was stated that this occurred due to time constraints in issuing the audit report, resulting in insufficient audit evidence being obtained (Astuti et al., 2025).

Research purposes

Based on the problems raised in the research, the objectives of this research are:

1. There is an Effect of Time Budget Pressure on Audit Independence

2. There is an Influence of Audit Ethics on Audit Independence
3. There is an Influence of Independence on Audit Quality
4. Time Budget Pressure Influences Audit Quality
5. Audit Ethics Influences Audit Quality
6. Independence Mediates the Effect of Time Budget Pressure on Audit Quality
7. Independence Mediates the Effect of Audit Ethics on Audit Quality

LITERATURE REVIEW

Time Budget Pressure

According to Panggabean, (2020), time budget pressure is the time budget experienced by an auditor in carrying out their work, where there is a limited time to complete audit tasks within the time budgeted and determined by the audit firm. Pressure arises when the time allocated to complete a job or project is limited and an individual or team feels the need to meet that deadline (Anggoro & Septemberizal, 2023)

Time budget pressure refers to a situation where auditors are constrained by strict time constraints to complete their audit assignments. Auditors who commit fraud are driven by time budget pressure imposed by superiors on their subordinates (Olivia & Halimatusyadiah, 2024). Auditors face time constraints when conducting audits, which are external factors. Time pressure refers to the limited time allocated for conducting an audit, forcing auditors to strive to complete their assignments on time (Anggoro & Septemberizal, 2023).

Time pressure can negatively impact auditors. This negative impact is that time pressure can cause stress, fatigue, and anxiety in auditors. Auditors can also experience a decline in work quality, errors, or negligence due to time pressure. Job stress is a state of tension that creates a physical and psychological imbalance that affects an auditor's emotional, thought processes, and condition. A beneficial impact is expected to motivate auditors to complete their work with the best possible enthusiasm. However, stress can have detrimental effects on auditors, thus necessitating professional skepticism. An auditor's professional skepticism is a critical and cautious attitude in evaluating audit evidence and questioning the reliability of information provided by clients. Audit standards require auditors to be cautious in evaluating client management without sufficient evidence (Fadillah et al., 2025) This study uses four indicators as instruments to measure time budget pressure ((Safaruddin et al., 2022) (1) Auditor Time Limitations, (2) Time Efficiency (3) Performance Improvement, (4) Target Fulfillment

Audit Ethics

Ethics are the moral principles and values that govern the behavior of an individual or group regarding what is right and wrong. Ethics play a vital role in developing a sense of honesty, sincerity, equality, transparency, and trustworthy relationships within an individual (Ahmet & Sen, 2021). Auditor ethics can serve as an important foundation in carrying out their duties, encompassing moral norms, values, and adherence to professional ethical standards. Auditors who uphold a high level of ethics tend to maintain independence, avoid conflicts of interest, and make decisions based on objective facts (Lubis et al., 2023). Ethics within a company can build trust between the company, employees, customers, and other stakeholders. In the business sector, ethics typically encompasses values and norms that govern individual and organizational behavior in a business context, such as honesty, transparency, social responsibility, fairness, and respect for individual rights (Amalia et al., 2024)

The application of professional ethics serves as a guideline that provides boundaries for accountants, prioritizing basic principles such as objectivity, confidentiality, professional behavior, technical standards, responsibility to the public interest, integrity, competence, and professional due care. By prioritizing professional ethics, accountants are expected to avoid unethical actions, including fraudulent practices that can harm many parties (Nafiisa et al., 2023). Auditors are required to remain independent and ethical while working in a public accounting firm. Because auditing is a profession that requires public trust, they must act objectively and maintain integrity when conducting audits. This can be seen in every audit assignment, where auditors are required to comply with the rules stipulated in the professional code of ethics. The purpose of this code of ethics is to minimize the risk of error and maintain a professional attitude when facing conflicts of interest between responsible parties (Wiyanto et al., 2025). The public accountant code of ethics serves as a guideline for the ethical attitudes and actions of a public accountant.

Ethical standards are essential for the audit profession because auditors hold a position of trust and face potential conflicts of interest. A code of ethics or ethical code of the audit profession provides guidance for professional auditors in defending themselves from temptation and making difficult decisions. If an auditor succumbs to such pressure or demands, it constitutes a violation of the profession's commitment to ethical principles (Timor & Hanum, 2023). Auditor ethics are regulated by the Indonesian Institute of Certified Public Accountants (IAPI) in the 2021 Code of Ethics for Public Accountants (KEPAP). The aim is to prevent competition that could encourage dishonest practices among accountants. The Code of Ethics for Public Accountants (KEPAP) was issued to regulate auditor behavior in conducting audits to prevent ethical violations. Professional ethics encompass standards of conduct for members of the profession designed to be practical and realistic, yet as idealistic as possible. Professional ethics in this study uses the instrument used by Halim, (2015) in (Setyana et al., 2021) which uses three measuring instruments including Professional Responsibility, Integrity and Objectivity.

Audit Quality

Audit quality is the result of the process of evaluating financial information in accordance with auditing standards and is able to detect and explain the presentation of unfair financial information as a result of errors or fraud, thereby ensuring internal control and being able to provide continuous conformity. Audit quality is a function of the auditor's ability to detect material misstatements (technical ability) and report errors (auditor independence). Determining audit quality is usually through the process of examining financial statements carried out by auditors who have good quality. Audit quality is defined as the probability of an auditor in discovering and reporting an error or fraud that occurs in a client's accounting system.

Audit quality is reflected in input orientation, which encompasses the firm's personal competence in carrying out engagements, consultations, supervision, appointments, professional development, promotions, and inspections. Process orientation encompasses independence, compliance with audit standards, audit control, and auditor competence. Output orientation encompasses auditor performance, acceptance and continued cooperation with clients, and due professional care. Follow-up on audit recommendations encompasses the client's management supporting the implementation of the auditor's recommendations, the client's internal regulations enabling implementation of the audit recommendations, the client's corporate culture enabling implementation of the auditor's recommendations, and the client's physical facilities enabling implementation of the auditor's recommendations.

Based on the Public Accountant Professional Standards (SPAK), an audit conducted by an auditor is considered qualified if it meets the provisions or auditing standards. Auditing standards cover the professional qualities of independent auditors, the judgments used in conducting audits and preparing audit reports. According to the regulation of the Minister of State for Empowerment of State Apparatus Number PER/05/M.PAN/03/2008, the measurement of audit quality for financial reports must use the State Financial Audit Standards (SPKN). Researchers state that no single characteristic measure can represent audit quality as a whole because audit quality has multiple dimensions. According to the BPK Audit Management Guide, audit quality standards have at least three instruments consisting of: (1) strategic quality, meaning that audit results must provide information to report users in a timely manner; (2) technical quality related to the presentation of findings, conclusions and opinions or audit suggestions, namely the presentation must be clear, consistent, accessible and objective; (3) process quality, which refers to the audit activity process from planning, implementation, reporting to audit follow-up (Rondonuwu et al., 2022).

Audit Independence

Audit independence is the auditor's honesty in presenting audit results objectively and impartially based on evidence. Auditor independence is closely related to audit quality ((Septiana & Jaeni, 2021). The more independent an auditor is, the more honest and independent they are. A more independent auditor is likely to improve audit quality. Auditors possess two aspects of independence: independence of thought and independence of appearance. Decision-making by an individual can impact the strengths and policies within a group or organization (Laoli & Ndraha, 2022). Decision-making is a crucial process for the sustainability of organizations and companies. Effective decisions made by individuals help organizations or companies achieve their goals, address problems, and effectively face challenges.

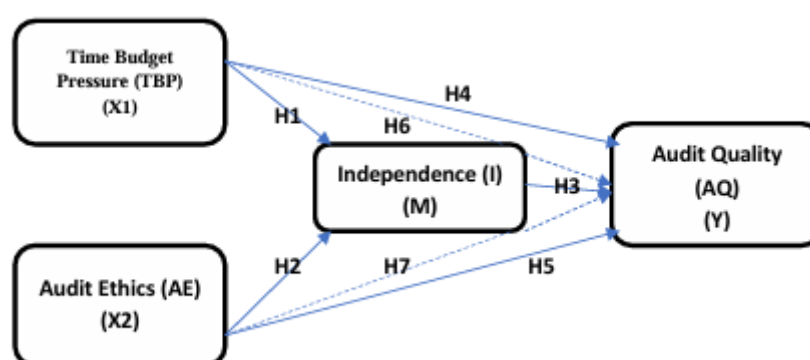
Independence is a behavior in audit activities carried out by auditors that is independent or has no interest in management (UTAMA 2025). Auditors must uphold their independence so they can conduct audits well.

Auditors must have a neutral and unbiased attitude and avoid conflicts of interest in planning, implementing, and reporting the work done. If the auditor's independence is disturbed, it can affect the quality of the audit results. Independence means that public accountants are not easily influenced. However, in reality, auditors still find it very difficult to maintain their independence. This is because of the following: (1) As an independent auditor, the auditor is paid by his client for his services. (2) As a service seller, the auditor has a desire to satisfy his client. (3) Maintaining his independence will lose his client.

The general requirement for auditor independence is to prohibit involvement in audit activities if an entity is experiencing unresolved problems. Public accountants are not permitted to take sides with anyone's interests. Public accountants are obliged to be honest not only to management and company owners, but also to creditors and other parties who place their trust in audits that contain clear information from the results of examinations carried out by auditors on audited financial statements in accordance with auditing standards. According to (Arbadi and Sulistyowati 2024) the indicators used to measure independence include (1) Independence in the audit program (2) Independence in Verification, (3) Independence in reporting (N(Natsir et al., 2023).

Framework

Below is the Framework of Research for this study.



Picture 1. Framework

RESEARCH METHODOLOGY

Population

A population is a collection of all elements in the form of events, things, or people with similar characteristics that become the focus of a researcher's attention and are therefore viewed as a research universe (Paramita et al., 2021). The population in this study was 12 Public Accounting Firms (KAP) in the Banten region registered and active with the Financial Services Authority (OJK)

Sample

In this study, the sampling technique used was total sampling or saturated sampling. A saturated sample is a type of sample in which all members of the population are studied. The sample includes managing partners, supervisors, senior auditors, and junior auditors. This is done when the population size is relatively small or the researcher wants to obtain complete data from each member of the population. (Sugiyono 2020)

Types of research

This research is quantitative, using numbers and statistics in data collection and analysis. Respondents were auditors working at public accounting firms (KAP) in Banten. The following criteria were used:

1. Respondents were auditors with at least one year of experience, as auditors with at least one year of experience

have sufficient auditing experience and therefore possess sufficient ethics and independence.

2. Respondents were auditors with at least a bachelor's degree in accounting, as auditors who have completed their education and earned a bachelor's degree in accounting possess adequate auditing competency.

Definition of variables

The dependent variable is often referred to as the dependent variable. The dependent variable is the variable that is influenced or affected by the presence of the independent variable. This variable is the primary focus of a study. The nature of a problem and the objectives of the study are reflected in the dependent variable used (Paramita et al., 2021). In this study, the dependent variable is Audit Quality (Y). An intervening variable is a variable that theoretically influences the relationship between the independent and dependent variables, but cannot be observed or measured. This variable is an intervening or intermediate variable located between the independent and dependent variables, so the independent variable does not directly influence the change or emergence of the dependent variable. In this study, the mediating variable is audit independence (M). The independent variable is the variable that influences or causes changes in the dependent variable. This variable is often also called a predictor or exogenous variable (Paramita et al., 2021). In this study, the independent variables are Time Budget Pressure (X1) and Audit Ethics (X2).

Data analysis techniques

Data processing in this study uses Structural Equation Modeling (SEM) Partial Least Squares (PLS) is an analysis technique used to examine complex relationships between variables in a model. SEM PLS integrates components of the structural version and the measurement version, which allows researchers to examine the relationship between latent variables (variables that are not measured directly) and indicators (variables that can be measured without delay). At the data processing stage using this software includes.

1. Evaluation of the Measurement Model (Outer Model) This model aims to test the validity and reliability of the indicators used to measure latent variables which include. Indicator Reliability (Outer Loading), Construct Reliability (Composite Reliability or Cronbach's Alpha), Convergent Validity (Average Variance Extracted/AVE), Discriminant Validity.
2. Evaluation of the Structural Model (Inner Model) Evaluation of the structural model aims to assess the relationship between latent constructs in the model, including Path Coefficients, Determination Coefficient (R^2). In general, data quality testing uses a convergent validity test, which aims to correlate item scores (component scores) with construct scores, resulting in factor loading values. The general rule of thumb is that a factor's prevalence is considered high if it has a correlation value greater than 0.70. However, if the research is in the early stages of development, a factor loading of 0.5 to 0.6 is considered sufficient (Ghozali, 2017). Convergent validity values that do not meet this threshold can be eliminated from the research structure.
3. The next stage is the inner model or better known as the Hypothesis Test (Partial Test or T), a hypothesis is a specific prediction statement. The hypothesis explains concretely (not theoretically) what is expected from the proposed hypothesis (Setiawan, 2020). A hypothesis can be accepted if the partial test has the following values: (1) If $t \text{ count} > t \text{ table}$ or $P \text{ value} < \alpha = 0.05$ (5%) or there is a partial influence of the independent variable on the dependent variable, but if $t \text{ count} < t \text{ table}$ or $P \text{ value} > \alpha = 0.05$ (5%) then there is no partial influence of the independent variable on the dependent variable (Wati, Yusrizal, et al., 2024).

RESULTS AND DISCUSSION

Result

Measurement Model (Outer Model)

Validity

Based on the data processing, the results of the convergent validity test were obtained as presented in Table 1. In Table 1, it can be seen that all statement items in each indicator in each variable have an average variance extracted (AVE) value > 0.50 , thus it can be concluded that all indicators are declared valid in the convergent validity test.

Table 1 Average Variance Extracted

Variabel	Average Variance Extracted (AVE)	Remark
Time Budget Pressure	0,639	Valid
Audit Ethics	0,723	Valid
Independence	0,679	Valid
Audit Quality	0,705	Valid

Source: Data processed by SmartPLS

Using the Heterotrait Monotrait Ratio (HTMT) model, discriminant validity results can be seen with a value used of less than 0.90. This means that the correlation between different items (heterotrait) is lower than the correlation between the same items (monotrait), so it can be concluded that the discriminant validity test is acceptable. The results of this data processing can be seen in Table 2 below

Table 2. Discriminant Validity – Heterotrait Monotrait Ratio (HTMT)

Variabel	Audit Ethics	Independence	Audit Quality	Time Budget Pressure
Audit Ethics				
Independence	0,733			
Audit Quality	0,880	0,878		
Time Budget Pressure	0,668	0,685	0,675	

Source: Data processed by SmartPLS

Realibility

The quality of the research data was tested based on the results of the composite reliability test with the results stated in table 3. In table 3, it can be seen that all statement items in each variable have composite reliability with a Cronbach's alpha value, composite reliability (rho_a) and composite reliability (rho_c) > 0.70, with each value greater than 0.7, each variable is considered consistent/reliable.

Table 3. Composite Realibility/Cronbachs Alpha

Variabel	Cronbach's alpha	Composite realibility (rho_a)	Composite realibility (rho_c)
Time Budget Pressure	0,940	0,944	0,950
Audit Ethics	0,919	0,924	0,934
Independence	0,935	0,937	0,948
Audit Quality	0,932	0,933	0,944

Source: Data processed by SmartPLS

Testing using SEM-PLS software can also measure how much endogenous constructs can be explained by exogenous constructs by calculating the coefficient of determination (R Square) for the dependent variable. The value of the coefficient of determination (R Square) is in the range of 0 to 1. The results of the R-Square calculation in this study are presented in table 4 with the value of the audit independence variable of 0.535. A value of 0.50-0.75 is said to be moderate. While in the audit quality variable the R-Square value is 0.791 or in the strong category, because the R2 value is above 0.75.

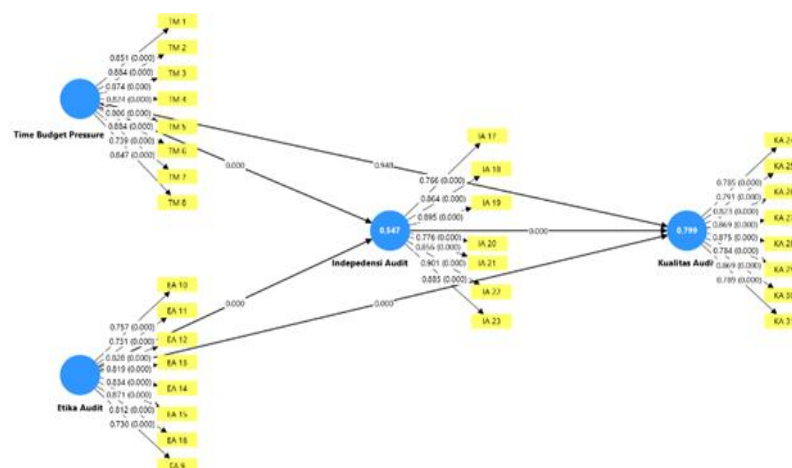
Table 4. Uji R Square

	R-square	R-square adjusted
Independence	0,547	0,535
Audit Quality	0,799	0,791

Source: Data processed by SmartPLS

Model Analysis (Inner Model)

An inner model or structural model using path analysis was conducted to test and evaluate the hypothesis. Based on the data processing of this study using the bootstrapping method, the resulting model is presented in Figure 2.



Source: SmartPLS Processed Data

Figure 2. SEM PLS Inner model Path Analysis Results

Hypothesis Testing

Based on Figure 2, a hypothesis table can be constructed, as presented in Table 4. This table can concretely (not theoretically) explain the expectations of the research, although not all studies have hypotheses. A partial test, or t-test, is conducted to determine the extent of the influence of the independent variables individually on the dependent variable, and the table value is at a significance level of 5%. The following are the results of the hypothesis test, or t-test, in this study:

Table 5. Hypothesis Testing – Direct effect

Hypotesis	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics ((O/STDEV))	P Values	Hipotesis
Time Budget Pressure - Independence	0,355	0,363	0,086	4,143	0,000	Significant
Audit Ethics - Independence	0,463	0,456	0,091	5,114	0,000	Significant
Independence - Audit Quality	0,493	0,504	0,104	4,734	0,000	Significant
Time Budget Pressure - Audit Quality	-0,006	-0,021	0,091	0,066	0,948	Not Significant
Audit Ethics - Audit Quality	0,485	0,480	0,081	5,964	0,000	Significant

Source: SmartPLS Processed Data

Based on the direct influence hypothesis table above, the following research results were obtained:

1. The effect of time budget pressure on audit independence has a P-Value of 0.000, this value is greater than 0.05, and a T-Statistic value of 4.143 or greater than 1.96, this indicates that time budget pressure has a significant effect on independence. The original sample (O) value of this hypothesis is 0.355, which is positive, indicating a positive effect.
2. The effect of audit ethics on audit independence has a P-value of 0.000, or less than 0.05, and a T-statistic of 5.114, or greater than 1.96. Therefore, it can be concluded that audit ethics has a significant effect on audit independence. The original sample (O) value is 0.463, or positive, indicating a positive significance.
3. The effect of audit independence on audit quality has a P-value of 0.000 or below the maximum rule of thumb of 0.05 with a T-statistic value of 4.734 or greater than 1.96 and a positive original sample (O) value of 0.493. Therefore, it can be concluded that this third hypothesis has a significant influence, with a positive original sample value of 0.493.
4. The hypothesis of the influence of time budget pressure on audit quality has a P-value of 0.948, or above 0.05, and a T-statistic of 0.066, far below 1.96. This proves that the fourth hypothesis has no significant effect. This also indicates a negative value from the original sample value (O) of -0.006.
5. The fifth hypothesis regarding the influence of audit ethics on audit quality has a P-Value of 0.000 < 0.05 and a T-Statistic value of 5.964 > 1.96, so it can be concluded that there is a significant influence between audit ethics on audit quality. Referring to the original sample value (O) of 0.485, it can be concluded that audit ethics on audit quality has a positive effect.

Table 6. Hypothesis Testing – Indirect effect

Hypotesis	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics ((O/STDEV))	P Values	Hipotesis
Time Budget Pressure -> Independence -> Audit Quality	0,175	0,183	0,060	2,921	0,004	Significant
Audit Ethics --> Independence --> Audit Quality	0,228	0,229	0,064	3,575	0,000	Significant

Source: SmartPLS Processed Data

Based on the research hypothesis, in addition to the direct effect, there is also an indirect effect using independence as a mediating variable. Using the bootstrapping method, the following results were obtained:

1. The influence of time budget pressure on audit quality mediated by audit independence has a P-Value of 0.004 which is still smaller than the maximum limit of 0.05 with a T-Statistic value of 2.921 which is greater than the minimum value of 1.96. This can be concluded that independence is able to be a strengthening mediator in the influence of time budget pressure on audit quality, this is indicated by the positive value of the original sample value (O) of 0.175.
2. The seventh hypothesis or the second indirect hypothesis, tests the influence of Audit Ethics on audit quality mediated by audit independence with the results of the P-Values of 0.000 or still smaller than the maximum limit of 0.05 and the T Statistic value of 3.575 this value is greater than the minimum value of 1.96. This can be concluded if Independence is able to be a mediator strengthening the influence of time budget pressure on audit quality, this is indicated by the positive value of the original sample value (O) of 0.228

CONCLUSION

1. The The Effect of Time Budget Pressure on Independence auditor

A Based on the test results on the first hypothesis (H1), it shows a significant effect or the first hypothesis (H1) is accepted, this is in line with research conducted (Prabowo, 2020), this shows that the greater the time budget pressure, the greater the level of independence. This result is out of the ordinary where in general an auditor is more pressured, the lower the level of independence. As stated in Behaviorist theory (Azima, Batubara, and Deliani 2024) which states that the environment will influence behavior, but inappropriate emphasis can actually trigger a negative response. Behavioral theory shows that when someone faces time budget pressure, the auditor feels forced to speed up the audit process which can sacrifice their independence and objectivity.

Research references directly linking the influence of time budget pressure and independence are still difficult to find, so the author cannot compare the results with other studies. This research object can be used as a reference for further research.

2. The Influence of Audit Ethics on Audit Independence

Auditor ethics is a set of rules that require auditors to comply with applicable regulations to ensure a successful audit. The relationship between ethics and independence lies in the role of the code of ethics in encouraging auditors to maintain an independent attitude and not be influenced by the interests of any party (Dewi, Made Endiana, and Pramesti 2023). This aligns with the research findings, as presented in Table 5, which demonstrate that auditors can work optimally and their audit performance improves. This is consistent with the findings in this study, which show a significant positive effect.

Attribution theory forms the basis of this research to examine factors influencing auditor performance. Independence is closely related to the auditor's ability to gain public trust. Auditors must maintain independence in their mental attitude. This means that auditors must be independent (not easily influenced), as their work is intended to serve the public interest.

The results of this study, which demonstrate the influence of auditor ethics on audit independence, align with research by Cinthia Chen et al. (2021), which found that ethics have a positive and significant effect on auditor independence. The higher the ethics possessed by the auditors, the higher the independence possessed by the auditors. Researchers who have examined the direct link or influence of audit ethics on independence have not yet been found, therefore this study has not found any research gap in the influence of these two variables.

3. The Influence of Independence on Audit Quality

Based on the test results for the third hypothesis (H3), presented in Table 5, the value indicates a positive and significant effect, as hypothesized. Public Accountant Independence is an attitude expected of a public accountant, namely, not having personal interests in carrying out their duties when auditing financial statements (Irawati, 2021). If auditors are able to maintain ethical behavior in their work, they will produce a quality audit.

Agency theory assumes that auditors act as intermediaries to reduce conflicts between principals and agents by providing independent assessments of financial statements. Agency theory indicates that independence plays a crucial role in improving audit quality, as they can act with bias.

The results of research conducted by (Laksia & Sukirno, 2023) indicate that independence has a significant and positive effect. This aligns with research conducted by (Hutagaol, 2023) that auditor independence has a positive and significant effect on audit quality. This contrasts with research conducted by Saprudin and Wujarso (2020) and Anam, Tenggara, and Sari (2021), which found no significant effect between independence and audit quality. This is because measuring auditor independence is not derived from the auditor's mental attitude. Because independence itself is inherent in the auditor, it does not affect audit quality.

4. The Effect of Time Budget Pressure on Audit Quality

Based on the results of testing the fourth hypothesis (H4), Table 5 shows an insignificant effect of time budget pressure on audit quality. This may occur because tight time budget pressure often causes auditors to omit important parts of the audit program, which consequently leads to a decline in audit quality. These results align with Siagan's (2020) research, which found that time budget pressure has a negative but insignificant effect on audit quality. Auditors tend to prioritize information deemed important under time budget pressure, resulting in planned testing not being fully implemented (Kelley, 2021). These results are inconsistent with the hypothesis that indicates a significant and positive effect. These results also deviate from research by Ossy et al. (2024), which showed that time budget pressure has a positive effect on audit quality. This positive effect can be achieved by reducing the total sample size and allowing auditors to spend additional hours on audits, allowing them to complete a larger portion of their audit work program.

Agency theory provides a framework for understanding how time pressure can affect audit quality. Auditors, as agents, have an incentive to meet the time pressure imposed by the principal (management) to maintain good relationships. This can cause auditors to sacrifice audit quality for the sake of time demands. Time budget pressure on auditors is related to the auditor's time budget, which can be either tight or rigid when carrying out their audit assignments. Therefore, auditors cannot avoid this when carrying out their duties. When auditors are faced with conditions of small or large time budget pressure, the auditor's performance in completing the audit results will remain the same. Even under pressure, auditors must maintain audit quality because time budget pressure is an unavoidable part of every assignment

5. The Effect of Audit Ethics on Audit Quality

Based on the results of the fifth hypothesis (H5) test in Table 5, the results indicate that audit ethics influences audit quality. This aligns with research conducted by Alsughayer (2021), which found that audit ethics positively impacts audit quality. Therefore, this fifth hypothesis is accepted. Auditor ethics are behavioral norms that govern the relationship between auditors and clients, auditors and colleagues, auditors and the public, and especially with themselves (Siahaan et al. 2020). Qualified auditors must adhere to the established Code of Ethics.

The application of sound auditor ethics can positively impact audit quality. Auditors are better able to make fair decisions, and actions are based on truth and actual conditions. Attribution theory assumes that auditor ethics is a form of individual behavior that is a determinant of audit quality because it is an internal factor that motivates an individual to perform an activity. Auditors with good ethics when obtaining financial statement information will certainly comply with established standards. The higher the ethics possessed, the higher the quality of the audit produced, so that the report provided is of high quality, however, this research is not in line with the research conducted by (Priscilla & Arsjah, 2024) which found that there was no significant influence between audit ethics and audit quality.

6. The Influence of Time Budget Pressure on Audit Quality Mediated by Audit Independence

Based on the results of indirect testing using bootstrapping, as presented in Table 6, independence significantly mediates the effect of time budget pressure on audit quality. Therefore, the sixth hypothesis (H6) is accepted. These results align with research conducted by Richard Andrew (2023), which states that auditor independence can mediate. In other words, independent auditors are able to maintain their objectivity and integrity, thereby continuing to produce quality audits.

Attribution theory explains how individuals understand the causes of behavior and events. When facing time budget pressure, auditors attribute this pressure to external factors such as client demands, which can affect independence. Independence is crucial for maintaining audit quality. If auditors feel pressured by time, they may tend to make less objective decisions, which can reduce audit quality.

7. The Influence of Audit Ethics on Audit Quality Mediated by Audit Independence

Based on the test results for the seventh hypothesis (H7), as presented in Table 7, independence plays a significant mediating role in the influence of audit ethics on audit quality. These results align with research conducted by Komang (2021), which states that independence can mediate the effect of auditor ethics on audit quality. This means that audit quality can be determined not only by the auditor's strong commitment to the code of ethics but also by their commitment to upholding independence. This also

indicates the extent to which auditors are able to withstand client pressure to maintain ethical and impartial behavior.

Attribution theory, the basis of this research, states that auditors are often faced with situations where they must make decisions that can affect audit results. When auditors face pressure from clients or the work environment, it can cause auditors to neglect ethical principles they should uphold, such as integrity and objectivity.

Suggestion

Based on the conclusions above, the suggestions that can be given in this study are:

1. For other researchers to be able to continue research by emphasizing aspects that influence Independence with a broader research object. Because there are still few studies that make Independence a dependent variable.
2. For academics, it is hoped that this research can be used as a source of learning or reading that can be used to increase knowledge related to the discussion of Audits.
3. For Public Accounting Firms (KAP), it is recommended to pay attention to several aspects to anticipate the effects of time budget pressure.

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