

## **LAPORAN PENELITIAN**

# The Influence of Integrity, Accountability and time Budget Pressure to Audit Quality



Disusun Oleh:

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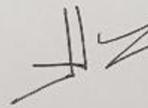
Anggota : Devi Purwitasari

**SEKOLAH TINGGI ILMU EKONOMI Y.A.I**  
**2017**

**LEMBAR IDENTITAS PENGESAHAN LAPORAN HASIL PENELITIAN**

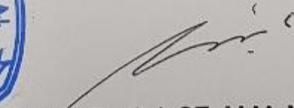
Judul Penelitian : The Influence of integrity, Accountability and Time Budget Pressure To Audit Quality  
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4. Lokasi Penelitian : Jakarta  
5. Kerjasama Lembaga :  
a. Nama Institusi : -  
b. Alamat :  
6. Lama Penelitian : 6 Bulan  
Dimulai bulan : Maret 2017  
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Ketua LPPM

  
( Dr. Sudjono., M.Acc )



Peneliti

  
( Wiwik Pratiwi, SE, M.M, M.Ak, Ak, CA, ACPA )

Menyetujui  
Ketua STIE Y.A.I



( Dr. Reschiwati, S.E., M.M., Ak., CA )

**FORMULIR PENILAIAN USULAN PENELITIAN  
GENAP 2016/2017**

Program Studi : Akuntansi S-1  
 Judul Penelitian : The Influence of integrity, Accountability and Time Budget Pressure To Audit Quality  
 Ketua Peneliti : Wiwik Pratiwi, SE, M.M, M.Ak, Ak, CA, ACPA  
 Bidang Ilmu : Ekonomi Akuntansi  
 Jumlah Tim Peneliti : 2 Orang  
 Jangka Waktu Penelitian : 6 Bulan  
 Biaya Penelitian : Rp 5.000.000,-

**KRITERIA PENILAIAN USULAN PENELITIAN**

No	Kriteria	Acuan	Nilai Maks	Nilai
1	Kejelasan Perumusan Masalah	- Kontribusi pada Keilmuan	15	15
		- Tinjauan Pustaka		
		- Perumusan Masalah		
2	Orientasi Penelitian	- Sesuai tema dengan Judul	25	15
		- Orisinalitas		
		- Kemuktakhiran		
3	Rekam Jejak ( Track Record) dari Peneliti Utama	- Kesesuaian penelitian dengan rekam jejak dari peneliti utama	5	10
4	Metode Penelitian	- Pola pendekatan ilmiah	15	15
		- Kesesuaian Metode		
5	Luaran Penelitian	Hipotesis Baru	10	10
		Metode Baru	10	5
		- Materi Baru	10	5
		- Informasi / Desain Baru		
6	Kelayakan Sumberdaya	- Peneliti	10	10
		- Teknisi		
		- Laboratorium dan Peralatan		
		- Rencana Jadwal Kerja		
Jumlah			100	85

Jakarta, 20 Maret 2017

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( Dr. Sudjono., M.Acc )





# SEKOLAH TINGGI ILMU EKONOMI Y.A.I PERPUSTAKAAN

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## SURAT KETERANGAN

No.: 21 /Perpus-STIE Y.A.I/Dos/VIII/2017

Yang bertanda tangan di bawah ini Kepala Perpustakaan STIE Y.A.I menerangkan bahwa pada tanggal 11 Agustus 2017 telah menerima laporan hasil penelitian dosen tetap STIE Y.A.I yang berjudul "THE INFLUENCE OF INTEGRITY, ACCOUNTABILITY, AND TIME BUDGET PRESSURE TO AUDIT QUALITY," dengan peneliti :

Ketua : Wiwik Pratiwi, S.E. M.M., M.Akt., Ak., CA, ACPA

Anggota : Devi Purwitasari (NIM 2013031074)

Selanjutnya laporan penelitian tersebut didokumentasikan di perpustakaan dan dapat diakses secara online melalui website Perpustakaan STIE Y.A.I (<https://lib-stie.yai.ac.id/index.php>).

Demikian surat keterangan ini dibuat untuk digunakan sebagaimana mestinya.

Jakarta, 11 Agustus 2017



Kepala Perpustakaan,  
Deby Husdafianti, S.S.

# CHAPTER I

## INTRODUCTION

### A. Research Background

Financial reporting is an important element for internal and external parties within the company as the information about the company's financial condition, then the data used as the basis for decision making (Singgih 2010).

The profession of public accounting is a profession of public confidence. To support professionalism as a public accountant then in carry out audit, the auditor should be based on Standards of Professional Accounting Public set by Institute of Accountant Indonesia (IAI), whichs the general standard, a field work standard and reporting standard. Where the general standard is a reflection of personal qualities that should be possessed by an auditor that requires auditors to have expertise and technical training sufficient in performing audit procedures. While the field work standard and reporting standard regulates auditors in terms of data collection and other activities carried out during the audit as well as require the auditors to draw up a report on the financial statements of the audit as a whole (Elfarini, 2007).

The purpose of auditing financial statements by an independent auditor in general is to express an opinion on the

fairness, in all material respects, the financial position, the results of the efforts, changes in equity, and cash flows in accordance with financial accounting standards in Indonesia was. The auditor's report is a means for the auditor to express an opinion, or when the circumstances require, to declare does not give an opinion. The auditors expressed an opinion or stating do not provide opinions, should state whether audit have been implemented based on Generally Accepted Auditing Standards that have been set for Indonesia Institute of Certified Public Accountants. Generally Accepted Auditing Standards that have been set for Indonesia Institute of Certified Public Accountants requires that the auditor stating whether, in the opinion, the financial statements are presented in accordance with financial accounting standards in Indonesia and if present, shows that there is an inconsistency in applying the accounting principles in the preparation of the financial statements of the period running compared to the application of the accounting principles in the following period (Institute of Certified Public Accountants, Indonesia (2011:110.1)).

Audited financial report can be used by decision-makers in the belief that the information contained in it relevance and reliable Boynton (2006:20-21) emphasizes the need of the importance of the profession of auditor in carrying out audit services because things as follows:

- a. *Conflict of interest*, since there are differences of interest between managers and owners of the company,
- b. *Consequence*, publication of financial statements is reliable information for users of financial statements, such as investors and creditors to undertake capital investment decision making
- c. *Complexity*, process accounting and accounting reporting standards are very complex, so it is necessary to conduct the audit function evaluation
- d. *Remoteness (distance and time)*: with the passage of time from the onset of the transaction as of the reporting date required audits of the financial statements.

A great trust from the community especially those users of the financial statements that have been audited against the services rendered public accountant notice requires that the quality of the work done. Standard of Professional Accountant Public which is standard at once in to the guidelines and rules that must be adhered to by the auditor in the general standard rounds 1, 2 and 3 which reads: "(1) an audit must be carried out by one or more who have expertise and sufficient technical training as an auditor, (2) in all matters related to the alliance, independence in mental attitude must be maintained by the auditor (3) in the audit performance and the preparation of report, the auditor is obliged to use professional skills closely and thoroughly. "(Indonesia Institute of Certified Public Accountants, 2011:210.1). In

addition, the standards quality control of public accountant firm has provided guidance to public accountant in carrying out quality control services produced by office with complying standards published by *Dewan Standar Profesional Akuntan Publik Institut Akuntan Publik Indonesia* (DSPAP IAPI). Quality control elements that must be applied by every public accountant on all types of services of auditing, attestation and consulting one of them is the independence which means convince all personnel at every level of the organization should maintain its independence. Professional standard and quality control standards that must be applied by the public accountant for the sake of maintaining the quality of the work performed.

Considering how important maintaining the audit quality in order to build public confidence towards the accuracy and validity of the audit of the financial statements published by the auditors, it certainly has become a liability for the public accountant maintain and improve the audit quality. However, the profession of auditor has become the spotlight of society in recent years. Ranging from the Enron case in the United States, and cases of financial reporting fraud that occurred in the country, such as the case of the double Bank Lippo financial reports, and the case of the mark-up of financial statements by management of PT Kimia Farma Tbk which makes the credibility and quality auditors are increasingly questioned, as well as other cases. Cases the financial accounting scandals have provided

evidence that neglect the audit quality of the work carries serious consequences for the business community (David Parsaoran's blog, 2012).

In addition to phenomena such financial accounting scandals, the quality of the resulting audit by public accountant is also the middle became the spotlight of the general public, as the case against a Public Accountant Justin Aditya Sidharta in 2006 was indicated making a mistake in the audit of the financial statements of PT. Great River International, Tbk. in such cases the Public Accountant Justin Aditya Sidharta had conspiracy with clients to inflate sales, accounts receivable, and other assets to hundreds of billion dollars. Therefore, the Minister of Finance of the Republic of Indonesia as of the date, November 28, 2006, has suspended permission for the practice of Public Accountant Justin Aditya Sidaharta for 2 years because it has violated the standard of professional accountant public. This phenomenon is only one of a few public accountant which proved to have violated standard of professional public accountant, many more cases of infringement on lately conducted by public accountant.

So from that audit quality is very important because with the high audit quality will be generated a reliable financial reports as the basis for decision making. In addition the presence of fears of a new outbreak of financial scandals can erode public confidence towards

the financial report of the public accountant and audit (Online Law, 2007).

Audit Quality in the public sector is the probability of a government auditor or examiner can find and report the aberration that occurred on an instance or the Government (either the Centre/Area). Implementing the audit on Government Agency aims to ensure public of accountability by Government, good government and the as well as a company's owned the country (Nurlaeli, 2010). Mardiasmo (2009) explains that there are some weaknesses in the audit of Government in Indonesia, among others is no indicator performance adequate as a based to measure the performance of government, both the central and the area government. It is uasually experienced by the public organization because in the form of public service that is not easy to measured.

Audit quality is important because a high audit quality will be generated a reliable financial reports as a basis in decision making. Lee, Liu, and Wang (1999) stated the audit quality is the probability that the auditors will not report the audit report with an opinion without reasonable exceptions for financial statements containing mistake of material. Thus the auditor must ensure there is no mistake of materials when conducting audit process before giving opinion.

An auditor in carrying out audit not just for the benefit of clients, but also to other parties interested parties against the financial

statements of audit. Other parties the company, which usually consists of several parties such as: owners of the company, employees, investors, creditors, government agencies, non-profit organizations, and communities (Simamora, 2000:8).

The first factor, which may affect audit quality is Integrity. The principle of integrity requires the auditor to have a personality based on an element of honesty, courage, wisdom, and responsibility for building trust to provide a basis for making a reliable decision (Pusdiklatwas BPKP, 2008: 21). Research on integrity has been done before. Maburri and Winarna (2010), showed that the integrity of auditors positively affect the audit quality results in the local government environment. Similarly, the results of Ayuningtyas (2012), that the integrity has a significant effect on the quality of examination results. This indicates that the higher the integrity of the auditor sector.

Justine Francesca Santoso (2013), in research that integrity has a negative effect on audit quality. This may be due to the lack of auditor's courage at the time of the audit, lack of wisdom from the auditor in determining and making decisions, and the auditor negligent in carrying out the responsibilities.

Auditors are required to maintain the trust that they have got from the client that is by maintaining as accountability. Accountability of public auditors largely determined by the audit quality make the

report (Utami, 2003). De Angelo(1981) defines audit quality as a probability which a auditor discovered and reported about the existence of a breach in the system accounting clients.

Accountability is a form of psychological encouragement that makes a person try to account for all actions and decisions made to environment (Tetclock, 1984) as cited by Diani and Ria, 2007). Messier and Quilliam (1992), as cited by Diani and Ria (2007) revealed that the accountability possessed by an auditor can improve the cognitive process of auditors in decision making. Elisha and Icuk (2010) examine accountability in terms of three aspects: motivation, dedication to the profession, and social obligations affecting audit quality either partially or simultaneously.

According to Reni Febriyanti (2014) stating that auditor accountability does not affect the audit quality. Conditions that occur due to less effective and efficient service audit on the audit quality results submitted.

Waggoner (1991) in Hutabarat (2012), if the allocation of time to the assignment is not enough, then the auditor may compensate with their work quickly and simply complete tasks that are important only so that it might produce an ineffective performance. With no effective performance conducted by auditor to time budget pressure, then this will affect the audit quality conducted by the auditor.

Soobaroyen (2005) in Hutabarat (2012) found that time budget pressure caused the auditors of audit program important parts of the left and consequently causing a decrease in the audit quality. The importance of time budget pressure on audit quality is a time budget with low pressure will be able to reduce implementation time pressures in performing the duties of the audit so that audit task can be done with more carefully and thorough so that audit quality is maintained properly.

Research conducted Nataline (2007) which showed that the auditors who increasingly feel the existence of leeway in carrying out its work will impact positively to the results of audit quality, in contrast with the increasingly narrow time will reduce the audit quality. Research Josoprijonggo, Maya D (in Nataline, 2007) stated that the time constraints of the audit had a significant negative influence on audit quality, that is the higher level of the time constraints of the audit, then the audit quality will be declined.

The demands of quality reports with a limited time was the pressure for auditors. In this studies, Azad (1994) found that the depressed conditions/time, auditors tend to behave in a dysfunctional. For example, do premature sign off, to believe in the explanation and presentation of the client, as well as a failed investigate relevant issues, which in turn can low produce on audit quality report. Research

(Coram, 2003) indicates there is a decline in the audit quality on the auditor who experienced pressure due to the very tight time budget.

Based on the explanation above about the research background, the author hopes this study could give more knowledge spesificially about some factors that influence of audit quality. Therefore, Author give the title for this research: **“THE INFLUENCE OF INTEGRITY, ACCOUNTABILITY, AND TIME BUDGET PRESSURE TO AUDIT QUALITY (IN SOME PUBLIC ACCOUNTANT FIRMS IN CENTRAL JAKARTA)”**.

## **B. Problem Identification**

Based on the research background, Author formulates the problem as follows :

1. Supposedly there is an influence of Integrity to Audit Quality.
2. Supposedly there is an influence of Accountability to Audit Quality.
3. Supposedly there is an influence of Time Budget Pressure to Audit Quality.
4. Supposedly there is an influence of Competence to Audit Quality.
5. Supposedly there is an influence of Ethical Auditor to Audit Quality.
6. Supposedly there is an influence of Independency to Audit Quality.
7. Supposedly there is an influence of Professionalism to Audit Quality.
8. Supposedly there is an influence Experience Auditor to Audit Quality.

9. Supposedly there are influences of Integrity, Accountability, Time Budget Pressure, Competence, Ethical Auditor, Independency, Professionalism, and Experience Auditor to Audit Quality.

### **C. Scope Of Research**

By discussing issues related research audit quality which has a specific purpose, and there are factors that affect the Audit Quality in the identification of problems listed above, the researchers limited the study on independent variable consisting of Integrity, Accountability, and Time Budget Pressure which has an influence on the Audit Quality. The period data of this research captured in 2017. The sample used in this research is Public Accountant Firms in Central Jakarta.

### **D. Problem Statement**

Based on the theoretical background that mentioned before, so the problem which will be research are:

1. Does Integrity influence Audit Quality?
2. Does Accountability influence Audit Quality?
3. Does Time Budget Pressure influence Audit Quality?
4. Do Integrity, Accountability, and Time Budget Pressure influence Audit Quality simultaneously?

### **E. Research Objectivity**

According to the problem statement in previous paragraph, the purposes of this research are:

1. To analyze the influence of integrity on audit quality
2. To analyze the influence of accountability on audit quality
3. To analyze the influence of time budget pressure on audit quality
4. To analyze the influence of independent variables (integrity, accountability, and time budget pressure) on audit quality (dependent variable)

### **F. Research Contribution**

The research contributions from this research are:

#### **1. Theoretical Aspect**

The result of this research can be expected to extend the perception and knowledge to the financial report user along with director of public accountant office in understanding the influences of integrity, accountability, and time budget pressure to individual auditor quality.

#### **2. Practical Aspect**

- a. This research has a purpose to give a positive information which can be useful for the auditor about the influence of integrity, accountability, and time budget pressure to audit quality.

- b. This research also has a purpose as one of graduate requirement for the researcher from Accounting S1 Program at Sekolah Tinggi Ilmu Ekonomi Y.A.I
- c. For The Collection of Accounting Library, Aside from being beneficial for various parties, the result of this research is also expected to contribute to increase the number of existing accounting library collection.

## CHAPTER II

### LITERATURE REVIEW AND HYPOTHESIS

#### A. Theory

##### A.1. Agency Theory

Indah (2010) explains the conflict between management as an agent with owning as principal. Principal wants to know all the information including management activities, related to investment or the funds in the company. This is done by requesting an accountability report on the agent (management). Based on these reports principal assess the performance of management. But what usually happens is the tendency of management to perform actions that make the report look good, so that its performance is considered good. To minimize or minimize fraud committed by management and make financial reports made more reliable management required testing.

Agency Theory explains the conflict between management as an agent with the owner of the fund as principal due to the asymmetry of information between the two. Management has a lot of information about the company while the principal is not so when the principal wants to know all the information including management activities related to investment in the company, this

is done by requesting accountability report on the agent (management). Thus it takes a third party (auditor) to understand the conflict of interest that arises between the agent and the principal. Where principal as an investor cooperates and signed a contract work with agents array management companies to invest their finances. With the existence of an independent auditor is expected not to happened fraud in the financial statements made by management. At the same time can evaluate the performance of agents that will produce a relevant information system useful for the investor in making rational decisions for investment (Rahmawati 2013).

Based on this principal conduct tests conducted by an independent party that is independent auditors to reduce or minimize fraud committed by management when making financial statements. Users of financial statement information will consider the auditor's opinion before using the information as a basis for economic decision making. The economical decisions of users of the auditor's report include giving credit or loans, investments, mergers, acquisitions. Users of financial statement information will more trust the information provided by a credible auditor. So with the existence of an independent auditor is expected not to happen cheating in financial statements made by management.

## **B. Audit Quality**

### **B.1. Definition Audit**

The audit said comes from the latin "*Audire*" which means United Kingdom language to hear. The meaning is "hearing about the account's balances" i.e. listening to the suitability of your account. According to history, in ancient times when a business organization owners feel is a mistake, then listened to the testimony of certain people. Then if the owner of the business organizations suspect cheating, then will designate a specific person to check the accounts of the company. The designated auditor "*hear*" then "*heard*" statement (exhortations) regarding the truth of the account records of the company by the parties concerned (Gondodiyoto, 2007:28).

Auditing is a service provided by the auditors in examining and evaluating the financial statement presented by the client company. This examination is not intended to find fault or to find cheating, although in practice it's possible discovery of errors or fraud. Examination of the financial statements is intended to assess the fairness of the financial statements, based on generally accepted accounting principle (Agoes, 2007:1-3).

Arens, Elder, Beasley and Jusuf (2010:4) defining auditing as follows:

*“Auditing is the accumulation and evaluation of evidence about information to determine and report on the degree of correspondence between the information and established criteria. Auditing should be done by a competent, independent person”.*

"Auditing is a systematic process to obtain and evaluate evidence objectively regarding statements about economic activities and events with the aim to establish the degree of conformity between the statements with the criteria that have been set, as well as the delivery of its results to the users concerned". (Mulyadi (2011:9))

Own audit in a broader sense is defined as a systematic process to obtain and evaluate evidence objectively about definitive assertions the activities and events of the economy to determine the degree of conformity between the definitive assertions about the criteria has been set, as well as inform the results to the user concerned (Taylor and Glezen, 1991) in (Simanjuntak, 2008).

According to Alvin a. Arens et al. (2012:104) on the basis of section PSA 02 (AU 110) stated: "General purpose audit financial statements by an independent auditor is the giving of

opinions over the reasonableness of which the report has been presented fairly, in all material things, business results, financial position and cash flows in accordance with Generally Accepted Accounting Principles in Indonesia"

### **B.1.1 Type of Audit**

According to Arens et al (1995:16) there are three main types of audit, namely:

#### **1. Operational Audit**

Operational audit were conducted to evaluate the efficiency and effectiveness of each part of the procedures and methods of organization. At the end of the operational audit, management usually expect the suggestions to improve the operation.

#### **2. Compliance Audit**

The audit obedience was carried out to determine whether the audited parties follow the procedure, rules and conditions set by the authorities are too high.

#### **3. Financial Statement Audit**

Audit of the financial statements was conducted to determine whether the financial statements has been declared in accordance with certain criteria, criteria which are valid is Generally Accepted Accounting Principles.

### **B.1.2 Audit Process**

According to Mulyadi (2009:56) there are several stages in the implementation of the audit process, namely:

1. Acceptance of the audit assignment there are six steps that must be taken in considering admissions auditor from prospective clients, namely:
  - a. Evaluating integrity management.
  - b. Identify the special circumstances and the incredible risk.
  - c. Assess the competencies to perform the audit.
  - d. Evaluate the independent
  - e. Determine the ability to use incredible detail
  - f. Create an audit letter assignment.
2. Audit Planning in eight stages, i.e.
  - a. Understand the client's business and industry.
  - b. Carry out analytical procedures.
  - c. Consider the initial level of materiality.
  - d. Considering the risk of default.
  - e. Considering the various factors which influence against the starting balance, if the assignment of the client in the form of an audit the first year.
  - f. Preliminary audit strategies against definitive asertions about significant

g. Review of information related to obligations

h. Understanding the internal control structure of the customer.

3. Implementation of the audit testing

## **B.2. Definition Auditor**

Abdul Halim (2008:15) is as follows: "Auditor is an independent and competent expressed an opinion regarding the appropriateness or consideration in all matters significantly to definitive assertions about or entity with predefined criteria".

Mulyadi (2009:130) defines an auditor is as follows: "the Auditor is a professional accountant who sell of services to the general public, especially in the field of examination of financial statements made by its clients. These checks especially in go to meet the needs of creditors, prospective lenders, investors, potential investors and government agencies ".

Based on the above understanding then it can be inferred the auditor is professional accountants who are independent and competent in stating opinion or considerations regarding suitability in all matters significantly to the examiner and as a definitive assertions about the financial statements to determine the financial statements presented fairly, in all material respects, the financial position and the results of the efforts a company or organization.

### **B.2.1 Auditor Opinion**

According to Professional Standard of Public Accountant as March 31, 2011 (PSA 29, SA Section 508) and Arens (1012: 68-69), there are five types of audit opinions, which are:

- a. Unqualified opinion, it is issued when the following conditions have been met:
  - 1) All statement – financial position, comprehensive income, retained earnings, and cash flows – are included in the financial statements.
  - 2) The three general standards have been followed in all respect on the engagement.
  - 3) Sufficient appropriate evidence has been accumulated, and the auditor has conducted the engagement in a manner that enables him or her to include that the three standard of field work have been met
  - 4) The financial statements are presented in accordance with US Generally Accepted Accounting Principles
  - 5) There are no circumstances requiring the addition of an explanatory paragraph or modification of the wording of the report.

- b. Unqualified Opinion with Explanatory Paragraph or Modified Wording, a complete audit took place with satisfactory results and financial statements that are fairly presented, but the auditor believed that is important or required to provide additional information.
- c. Qualified Opinion, the auditor concludes that the overall financial statements are fairly presented, but the scope of the audit has been materially restricted or applicable accounting standards were not followed in preparing the financial statements
- d. Adverse or Disclaimer Opinion, the auditor concludes that the financial statements are not fairly presented (adverse), he or she is unable to form an opinion as to whether the financial statements are fairly presented (disclaimer), he or she is not independent (disclaimer).

### **B.2.2 Type of Auditor**

According to Sukrisno Agoes and Jan Husada (2012:54) States that the auditor be 7 different types, namely:

#### **1. Public Accountant Firm**

The independent auditor is the auditor of the professionals who provide services to the general public especially in the field of auditing financial statements their client made. The audit particularly indicated to

satisfy the needs of users of financial information, such as investors, creditors, prospective investors, potential creditors, and government agencies. Public Accountants who have gained permission from the Minister of finance to provide services as provided for in the regulation of the Minister of finance number: 17/FMD.01/2008 about public accounting services. (Boyton and Kell (2001:22))

## 2. Auditor Internal

An Auditor who works within the company the duty to determine whether policies and procedures set by the top management has been followed, determine the efficiency and effectiveness of the Organization's activities, as well as procedures to determine the reliability, of the information produced various parts of the organization. Internal Auditing is an assessment conducted by the company's employees are trained, regarding the accuracy, reliable, efficiency and usability of records (accountant) firms, as well as internal control contained in the companies (Fonorow, 1989).

## 3. Operational Audit (Management Audit)

According to Agoes (2004:1), management audit, operational audit also called functional audits, systems

audit is an examination of the operating activities of a company, including accounting policy operational policy and 26 have been determined by management to determine whether the operations already carried out effectively, efficiently, and economically. Management audit aims at producing an improvement in the management of the activity object that is received by making recommendations on better implementation of the way and efficient.

#### 4. *Badan Pemeriksa Keuangan (BPK)*

*Badan Pemeriksa Keuangan* is countries within the system of higher institutions attempt to Indonesia which has the authority to examine the financial management and responsibility of the State. According to the Constitution, the BPK is free and independent institutions. BPK members elected by the House of representatives having regard to consideration of the regional representative council and promulgated by the President. In the meantime, the fundamental values held by BPK RI is as follows:

- a. Independence
- b. Integrity
- c. Professionalism

5. *Badan Pemeriksa Keuangan dan Pembangunan (BPKP)*

*Badan Pemeriksa Keuangan dan Pembangunan* is a non Government Agency of the Republic of Indonesia in charge of carrying out the task of the Government in the field of off-budget supervision and development.

6. Inspectorate General (*Itjen*)

In the Department of the Ministry of the Republic of Indonesia, the Inspectorate General (*Itjen*) is the auxiliary elements are there in each Department /Ministry in charge of carrying out the scrutiny against the execution of tasks in the Environment Department.

7. *Badan Pengawas Daerah (Bawasda)*

*Badan Pengawas Daerah* is an agency or functional institutions that exist in the environment in Indonesia at both the provincial or district/city. Implementation of the task based on the skills or skills in the area of supervision and are independent. *Badan Pengawas Daerah* set up to monitor the use of the budget of the local Government of the province and regency/city in order to support improvements to local government agencies.

### **B.3. Definition Audit Quality**

According to De Angelon (1981) in Abdul Halim (2014) the audit quality is:

Audit quality is probability combination of competent auditors to found violation in client's accounting system and to report their findings independently, audit quality is measured by two formative indicators, namely: (a) auditor's reputation where MacMillan et al. (2004) showed that reputation is public perceptions about auditor past performance regarding to audit quality and standards of professional conduct that are consistent in auditing process and (b) industry specialist auditors where Mayhew and Wilkins (2003) stated that auditors are that often assigned to specific industries become very adept to identify and addressing the produce a correct disclosure and higher audit quality.

According to Arens, et al (2011:105) defines audit quality as follows:

Audit quality means how tell an audit detects and report material misstatements in financial statement. The detection aspect is are flection of auditor competence, while reporting is a reflection of ethics or auditor integrity, particularly independence.

Audit quality is very important to make that profession accountable to clients, the public and the rules. The audit quality

refers to the standard regarding quality or size criteria in the implementation as well as associated with the goal to be achieved with regard to the procedure. (Boynton, et al (2006:7))

*“Good audit quality require both competence (expertise) and independence. These qualities have direct effects on actual audit quality, as well as potential quality are a function of their perceptions of both auditor independence and expertise” (AAA Financial Accounting Standard Committee, 2000)*

### **B.3.1 Standard Audit Quality**

Audit quality is measured based on the standards of the professional public accounting (SPAP): 150.7 include:

#### 1. General Standards

- a. Auditing implemented by one or more who have expertise and training enough tennis as an auditor.
- b. In all things related to the Alliance, independence in mental attitude maintained by the auditor.
- c. Audit and the preparation of report, auditor is obliged to use professional skills carefully and thoroughly.

#### 2. Field Work Standards

- a. Do the job as well as possible plans
- b. Suvervisi Assistant properly

- c. Understand internal control to plan the audit determines the nature, time and environmental testing to be performed.
- d. The audit evidence is competent enough to express an opinion on the financial audit of the top.

### 3. Reporting Standards

- a. Compatibility with SPAP
- b. Compliance with SOP
- c. Informative Disclosure in the financial statements
- d. Not permitted to reveal secret client

Audit quality are conducted in accordance with auditing standards and capable to detect errors in financial reporting and report the errors that were found. To obtain a audit quality results, the auditor must perform the task in accordance with the professional code of ethics and auditing standards that have been set. Auditing standard is a standard that must be met by the authorization of auditors at the time of carrying out audit assignments.

#### **B.4. Measures to Improve The Audit Quality**

Institute Accounting Indonesia (IAI) stated that audited the auditor is said to be qualified, if generally accepted auditing

standards and the standards of quality control. The steps can be done to improve the audit quality are:

1. Improve professional education.
2. Maintain an attitude of independence in mental attitude.
3. In carrying out the audit job, using professional skills carefully and thoroughly.
4. Planning of the audit work well.
5. Understand the client's internal control structure is fine.
6. Acquire sufficient audit evidence and competent.
7. The audit report made in accordance with the conditions of the client or in accordance with the results of the findings.

#### **B.5. Indicator Audit Quality**

The model presented by Eunike (2007) and Elfarini (2011) in this study serve as indicators for the audit quality namely:

1. Audit Report, Report all client errors
2. Understanding, understanding of accounting information systems
3. Commitment, commitment in completing the audit and based on the principles of auditing and accounting.

## C. Integrity

### C.1. Definition Integrity

According to *Kamus Besar Bahasa Indonesia (KBBI: 2008)*, sense of integrity is the quality, properties, and conditions that describe the unified whole, so has the potential and ability to radiate authority and honesty.

Integrity is a quality that informing the public's trust and was benchmark for members in the test all decision. Integrity requires an auditor to be honest and transparent, brave, courage and responsible in carrying out the audit. Four elements were required to build trust and provide the basis for a reliable decision-making (Pusdiklatwas BPKP, 2005).

"Integrity is the ability of people to realize what has been pronounced or promised by that person become a reality". (Mulyadi, 2007:145).

Integrity is the uncompromising adherence to a code of moral values, and avoid deception, expediency, duplicity, or superficiality of any kind. The importance of integrity comes from the idea that the profession is "call" and require professionals to focus on the idea that they are doing a public service. Integrity maintaining high achievement standards and conduct competencies means having intelligence, education, and training to be able add value through performance (Mutchler, 2003).

Integrity can receive the error was unintentional and honest differences of opinion, but it can't accept cheating principle. With high integrity, then the auditor can improve quality of the results of examination (Sukriah, Akram and Inapty,2013).

## **C.2. The Importance of integrity in life**

To become successful then the required integrity, because with the integrity of the purpose or goal in life can be achieved. Here below some reasons why integrity is indispensable in life:

a. Integrity is one of the keys to achieve success.

Like the meaning of integrity is a way someone can usually be consistent against holds values that exist. If someone is holding fast to values or principle then can success he achieved. In the world of work badly needed course integrity, can be seen an awful lot of people that high office and achieve success in the world of work because it has good integrity.

b. Integrity makes people able to lead and be led.

In this life there is no doubt the two positions that lead and led. For led, if linked with integrity then the ability to remain faithful to the man who led it. People who have integrity is a private person who has good quality, and quality is a private person can learn from others as well as a personal being able to cooperate with others.

c. Integrity can make a person gain confidence.

The meaning of trust related to words that are transformed into reality by the actions that are done honestly. Because with honesty then gets the trust of others. With honesty as well then at any time will gain the trust of others and not just getting the confidence in terms of the words alone but also gain in terms of responsibility.

d. Integrity can earn a good reputation.

Then someone with integrity not only has a good image in the eyes of the people, but will also have a good reputation. Because if someone has good integrity then that person will adjust the words or actions that he did. The good word will produce a good image while the words and actions of good will produce a good reputation in the eyes of others.

### **C.3. Indicator Integrity**

According to Hendarjatno and Budi Rahardja (2003:118) elements of integrity are:

1. Honestly, consistency between speech and behavior so that it can be trusted and acting without a hidden purpose
2. Resolute, obedient in principle, can't be bribed or invited to cheat, carrying out duties diligently, and resistant in the face of disagreement and distrust

3. Has a strong self-control, able to control or monitor actions and thoughts based on principles and beliefs
4. Has a great self-esteem, able to behave according to the moral values that are believed.

#### **C.4. Relation Between Integrity with Audit Quality**

The principle of integrity requires auditors to have a personality that is grounded by the elements of honesty, courage, wisdom, and is responsible for building trust to provide a basis in taking a decision which is reliable (Pusdiklatwas, BPKP 2008:21). Research on the integrity of the never done before. Mabruri and Winarna (2010), showed that the integrity of the auditor of the positive effect of the audit quality results in the local government environment. Similarly, results of research Ayuningtyas (2012), that may effect the integrity of the quality inspection results. This suggests that the higher the integrity that is owned by the public sector auditors at the time of carrying out the assignment of professional audit will drive the increasing quality of the inspection results.

### **D. Accountability**

#### **D.1. Definition Accountability**

The notion of accountability according to Business and economic Journals cited by Abdullah and Herlin Arisanti (2010)

"Accountability is the obligation of the parties the mandate holder (Board/agent) requests to provide accountability, presenting the report, and reveal all activities and activities that became responsibilities to the giver of the mandate (society/ principal) who has the right and authority to hold accountable".

Mahmudi (2010) the notion of accountability is as follows: "obligations (auditor) to manage resources, reporting, and reveal all activities and activities related to the use of public resources to the giver of the mandate (principal)".

Mardisar. D, and Sari (2007) stated that the quality of work auditors can be influenced by a sense of answers that an auditor in completing the audit work. Therefore accountability is very important thing that should be owned by an auditor in carrying out improvements.

Diani and Ria 2007, definition of accountability as a form of psychological encouragement that makes someone trying to account for all the actions and decisions taken to its environment. In the public sector, accountability can be defined as a form of liability account for success or failure of the implementation of the Organization's mission in achieving the goals and objectives that have been set previously, through a media accountability carried out periodically (Stanbury, 2003).

### **D.1.1 Form of accountability**

According to Mardiasmo (2009:21) accountability of public is composed of two types namely:

#### 1. Vertical Accountability

Vertical accountability is the accountability over the activities of the parties to a higher position.

#### 2. Horizontal Accountabilities

Horizontal accountability is the accountability to the public.

### **D.1.2 Auditor Accountability**

Accountability is a responsibility which should be exercised by auditors. roles and responsibilities of Auditors organized in Standard of Professional Accountant Public (*SPAP*) set by the Institute of Accountant Indonesia or Statement of Auditing Standards (*SAS*) issued by the Auditing Standards Board (*ASB*). As for the roles and responsibilities of the auditor are:

a) Responsibility to detect and report fraud, confusion, and irregularities.

In Section 316 *SPAP* detection against errors and irregularities can be confusion and the collection and processing of accounting data, error estimation, accounting principle interpretation mistakes about the

number, classification and presentation of financial statements presentation of how misleading and misusing assets.

- b) Responsibility of maintaining an attitude of independence and avoid conflicts.

SPAP Section 220 must be honest, free from the obligations of the client and don't have the interests of clients to the management or owners.

- c) Responsibility to communicate useful information about the nature and results of the audit process.

SPAP Section 341 stated that the results of the evaluation conducted indicates a threat to the survival of the company, the auditor is obligated to evaluate management plans to improve the condition. When it turns out to be unsatisfactory, the auditor may not provide opinion and needs to be disclosed.

- d) Responsibility to find unlawful acts from the client

SPAP Section 317 provides an important sense of violation of laws or regulations by the effort financials auditing report. Determination of an offence is not the competence of the auditor but the results of the assessment of legal experts. The indications are that the direct influence of the material against the financial

statements so that the auditor perform to audit procedures designed specifically so that sufficient confidence whether obtained legal violations have been committed.

## **D.2. Indicator Accountability**

According to Mardisar dkk (2007) suggests that there are some indicators that becomes the performance assessment an auditor to find out the extent to which Accountability will affect the audit quality that will be generated by the auditor, the indicators are:

1. Motivation, motivation in completing the audit
2. Ability to think, think objectively
3. Confidence, responsibility for work

## **D.3. Relation Between Accountability with Audit Quality**

Research conducted by Mardisar et al. (2007) conducted a study on the influence of accountability and knowledge of the quality of the work the auditor concludes that for the complexity of the interactions between high job accountability with influence knowledge are significant to the quality of the work of an auditor if supported with a high audit knowledge. The higher the accountability that is owned by the auditor then can be sure the audit quality produced can be accounted for so that the audited financial statements and reports on audit results generated

provide trust and reliability to the users of the financial statements in the decision.

Devotion to the profession is a commitment that is formed from a professional in a person, without any coercion from anyone, and consciously responsible for profession. A person who executes a job are sincere then the job results will tend to be better off than someone who was forced to do it with Nugrahaningsih (2005) said that the accountant has a duty to maintain the highest ethical standards of conduct to the organization where they took refuge, their profession, their own personal and community where the accountants have a responsibility to become competent and trying to maintain the integrity and brought them (in Alim dkk., 2007).

If an accountant will realize how great role for the community and for profession, will have a conviction that by doing the job as well as possible, would contribute a very large for the community and the profession. Then will feel obliged to provide the best for the community and the profession by doing job with as best as possible.

## **E. Time Budet Pressure**

### **E.1. Definition Time Budget Pressure**

Time Budget Pressure is normal and picture control systems auditor. The pressure generated by a time budget pressure consistently related to dysfunctional behavior. Time budget pressure is the state that showed the auditor is required to perform efficiency against the time budget was compiled or contained a discussion of the time budgets are very tight and stiff (Sososutikno, 2003)

Soobaroyen and Chengabroyan (2005) found that the time budget pressure often leads to the auditor the audit section of the program leave important and consequently causing a decrease in the audit quality. Auditors often work within a limited time, for every public accountant firm needs to make time budget in auditing activities.

Time budget needed to determine and measure the performance auditor (Simamora, 2000). However, time budget is often incompatible with the realization of the above work done, dysfunctional behavior has occurred as a result of which causes poor audit quality. In time budget pressure, there is a tendency to perform actions such as reducing the required audit procedure, reducing the accuracy and effectiveness of the audit evidence collection, which in turn can lower the audit quality.

“A time budget for an audit is constructed by estimating the time required for each step in the audit program for each of the various levels of auditors and totaling these estimated amounts. Time budgets serve other functions in addition to providing a basis for estimating fees. The time budget communicates to the audit staff those areas the manager or partner believe are critical and require more time. It also is an important tool of the audit senior. It is user to measure the efficiency of the staff and to determine at each stage of the engagement whether the work is progressing at a satisfactory rate” Whittington (2001:205)

## **E.2. Indicator Time Budget Pressure**

According to the journal of Nirmala&Cahyonowati (2013), Lestari (2010) and Basuki&Mahardani (2006) that there are some indicators that becomes the performance assessment an auditor to find out the extent to which time budget pressure will affect the audits quality that will be generated by the auditor, the indicators are:

1. Audit Tenure, limited time of assignment, completion of tasks with a predetermined time, and leniency audit time.
2. Independence, focus tasks with time constraints
3. Timeliness, efficiency in the audit process

4. Management, performance appraisal from superiors, inflexible time budget, time budget is the absolute decision of the boss

### **E.3. Relation Between Time Budget Pressure with Audit Quality**

The time of the audit assignment allocation of time usually determined the beginning of the assignment. The Auditor can receive the audit assignment multiple times. In this case the direction of public accountant setting the same audit time allocation for the first assignment or the second assignment. The time of the audit, the auditor can first be said to experience the time constraints of the audit, because the auditor should learn in advance the characteristics of the client company, how his system. While the time the audit assignments for the second, and so on, the auditors no longer need to learn.

Waggoner et.al (1991) stated that the allocation of a limited time making time work tasks are becoming increasingly narrow. It allows auditors missed some of the tasks was supposed to do or simply completing tasks that are considered important and the task more potluck make performance resulting in a not maximum. Many studies mention that time budget pressure negative influence to the audit quality including research in Bandung and Priyo (2007) which stated that the complexity of auditing and time budget pressure had a negative influence to the audit quality. These results are in line with

research that Andini (2011) revealed that time budget pressures negative effect on the audit quality.

From the description above with this so researchers can conclude that time budget pressure is a form of pressure against time budget work program an auditor in carrying out the task of audit so that it can interfere with the work program an auditor in conducting the audit task.

## **F. Previous Research**

Some previous research associated with integrity, accountability, time budget pressure and audit quality has been done.

### **1. Muhammad Alifzuda Burhanudin (2016)**

In this study, which was made for the dissemination of population questionnaire is auditors working in public accountant in the special region of Yogyakarta. The population used in this study were 134 auditor working on 10 Public Accountant Firms in Yogyakarta. And techniques used is convenience sampling. This research used the one dependent variable (audit quality) and two independent variables (accountability and independence). Methods of analysis used to test the hypothesis is a method of data analysis linear regression a linear multiple regression and simple to test the hypotheses that have been proposed. These results support the hypothesis 1 i.e. There is a positive influence and significant accountability to audit quality on the public accountant. These

results support the hypothesis of 2 i.e. There is a significant and positive influence on the independence of the auditors to audit quality on KAP in Yogyakarta. These results support the hypothesis of 3 i.e. There is a positive and significant influence accountability and independence of the auditors to audit quality simultaneously.

## 2. Elisha Muliani Singgih et al (2010)

This study used simple random sampling where conducted by determination of sample counted with Slovin formula, so that the amount of sample 95 respondents. From 200 questionnaire distributed, returned was 136 questionnaire, and 11 not complete, so that only 125 questionnaire could be process. Data Analysis conducted with multiple regression. The result proved that independency, experience, due professional care and accountability influenced audit quality simultaneously. Beside that, this study proved that independency, due professional care and accountability influenced audit quality partially, but experience didn't influence audit quality.

## 3. Komang Pariardi Arianti et al (2014)

This research aimed to determine the effect of integrity, objectivity, and accountability on audit quality in Local Government. This research was conducted a Inspectorate Buleleng regency government as internal auditors. The independents variable in this research were the integrity, objectivity, and accountability.

Dependent variable was the audit quality. This research was a quantitative approach. The data used was primary data. Respondents in this research were employees of the Inspectorate Buleleng. The sampling technique used was total sampling technique with 46 respondents. Methods of collecting data using a questionnaire survey distributed to respondents. Scale interval scale measurement data. Data were analyzed by using multiple regression analysis with SPSS version 19.0. The results of this research shows that (1) Integrity positive effect on audit quality, (2) objectivity positive effect on audit quality, (3) accountability positive effect on audit quality, (4) integrity, objectivity, and accountability together positive effect on audit quality.

#### 4. Lina Herlina (2011)

The research methods are using descriptive methods and verification. With a population of 12 public accounting firm with a number of respondents were 24 auditors, with a sample size of 12 public accounting firms, the sampling is using saturated sample, where the entire population sampled. Collection data using observation, library research, questionnaires and interviews. The results showed that the integrity of the auditor significant effect on the audit quality with the positive direction, which means the higher the auditor's integrity a audit quality to be good as well as to the competence of auditors have a significant effect on audit quality in a

positive direction, which means that the higher the quality of the competence of an auditor to be good. The coefficient of determination indicates that jointly provide the integrity and competence of the auditors on audit quality distribution of 83,4%, while the remaining 16,6% is influenced by other factors such as professionalism, independence, objectivity, experience and skepticism.

#### 5. Yoga Dutadasanovan (2013)

The population in this study are all auditors who worked on the *Badan Pemeriksa Keuangan (BPK)* of Central Java province of Indonesia which consists of 128 auditor. Sampling technique was purposive sampling which produces as many as 47 sample auditor. Methods of data analysis using descriptive analysis and path analysis with the 0.05. The independent variable in this study was the time budget pressure and independence. While the dependent variable in this study is audit quality. The results of this study indicate that the variables of time budget pressure and the independence of the partially affect the audit quality. Independence can be intervening variables to influence indirectly the time budget pressure on audit quality. The value of R square shows that time budget pressure and the independence of being able to explain the audit quality of 55.6% and 44.4% the rest is explained by other variations outside the model. The value of R square shows

that time budget pressure was only able to explain independence amounted 18.7% and the rest are 81.3% explained by other variables outside of the model.

#### 6. Andini Ika Setyorini (2011)

This study aims to examine the effect of audit complexity, time budget pressure, and auditor experience on audit quality by moderating variable understanding of information systems. The population in this study were senior auditors and junior auditors in the public accountant firm in Semarang, with a total population of 230 auditors. The samples are taken using simple random sampling method, so the number of samples obtained from the calculation formula of determining the total sample of 70 respondents. Primary data collection method used is questionnaire method. Of the 230 questionnaires distributed there are 76 questionnaires returned and used as a sample. The data analysis technique used in this test is multiple regression and regression interactions. Results of hypothesis testing in this study show that, the variable complexity and time budget pressure negative effect on audit quality, but with the moderating variable understanding of the interaction of information systems change the direction to be positive. Meanwhile, the variable has positive experience of auditors on audit quality as well as the existence of moderating variable interaction

understanding of information systems auditor experience variables remain positive effect on audit quality.

#### 7. I Made Dwi Kresna Ratha (2015)

This study was conducted to determine the effect of due professional care, accountability, the complexity of the audit, and time budget pressure on audit quality in the public accountant firm in Denpasar. Source of data in this study are primary data in the form of answers the questionnaire to auditor on public accountant firms in Denpasar and secondary data in the form of the number auditor on public accountant firms in Denpasar and the list of names public accountant firm. Method of determining the sample in this study using purposive sampling and the method that meets the criteria as much as 50 samples. Data analysis techniques in this study using multiple linear regression analysis, where the results showed a variable due professional care, accountability positive effect on audit quality, while the variable complexity of the audit and the time budget pressure negatively affect audit quality.

**Table 2.1**  
**Previous Research**

<b>Researcher</b>	<b>Variable</b>	<b>Sample Test</b>	<b>Result</b>
Muhammad Alifzuda Burhanudin (2016)	<p><b>Variable</b></p> <p><b>Independent:</b> Accountability and Independence Auditor</p> <p><b>Variable</b></p> <p><b>Dependent:</b> Audit Quality</p>	<p><b>Sample:</b> The population used in this study was 134 auditors working at 10 Public Accountant Firm in Yogyakarta.</p> <p><b>A Test:</b> Simple linear regression and multiple linear regression</p>	<p>The result is positive and significant influence accountability and independence to audit quality simultaneously.</p>
Elisha Muliani Singgih et al (2010)	<p><b>Variable</b></p> <p><b>Independent:</b> Independence, Experience, Due professional care and Accountability</p> <p><b>Variable</b></p> <p><b>Dependent:</b> Audit Quality</p>	<p><b>Sample:</b> 200 questionnaire distributed, returned was 136 questionnaire, and 11 not complete, so that only 125 questionnaire could be process. In Auditor at KAP "Big Four" di Indonesia</p> <p><b>A Test:</b> Multiple regression model</p>	<p>Independence, experience, due professional care and accountability influenced audit quality simultaneously. but experience didn't influence audit quality.</p>

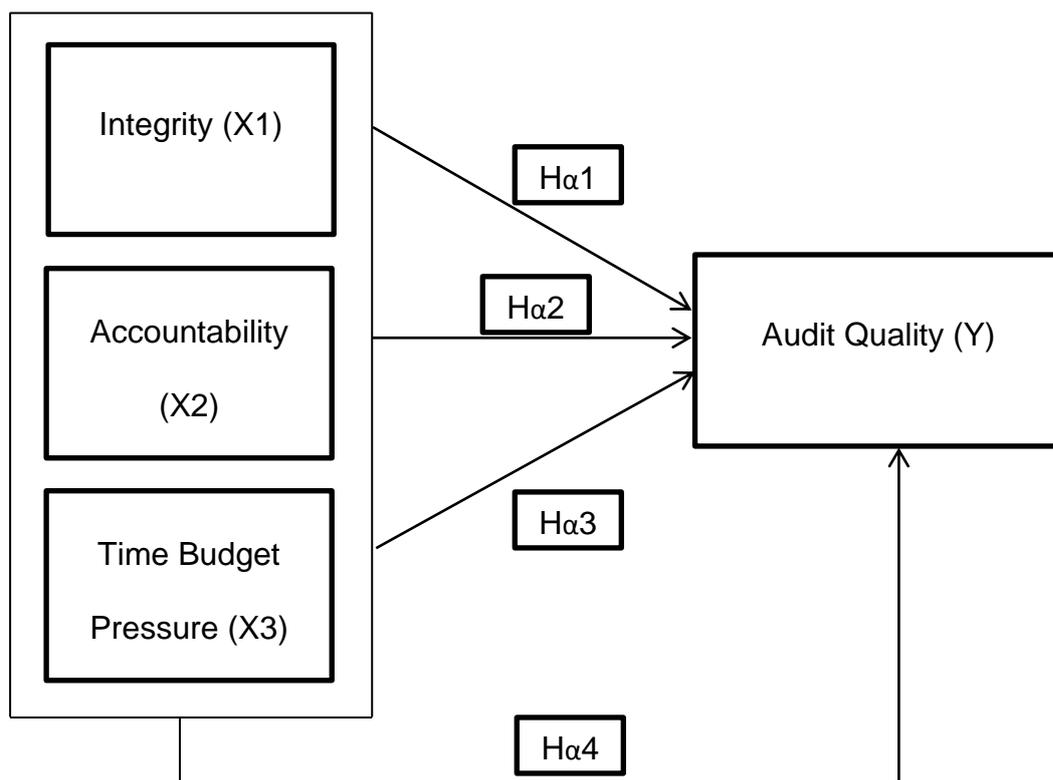
<p>Komang Pariardi Arianti et al (2014)</p>	<p><b>Variable</b> <b>Independent:</b> Integrity, Objectivity, and Accountability <b>Variable</b> <b>Dependent:</b> Audit Quality.</p>	<p><b>Sample:</b> The sampling technique used was total sampling technique with 46 respondents in this research were employees of the Inspectorate Buleleng <b>A Test:</b> Multiple regression analysis</p>	<p>The integrity, objectivity, and accountability together positive effect on audit quality</p>
<p>Lina Herlina (2011)</p>	<p><b>Variable</b> <b>Independent:</b> Integrity and Competence <b>Variable</b> <b>Dependent:</b> Audit Quality</p>	<p><b>Sample:</b> a population of 12 public accountant firm with a number of respondents were 24 auditors, with a sample size of 12 public accountant firms <b>A Test:</b> Multiple regression analysis</p>	<p>The integrity of the auditor significant effect on audit quality with the positive direction, which means the higher the auditor's integrity a audit quality to be good as well as to the competence of auditors have a significant effect on audit quality in a positive direction,</p>

			which means that the higher the quality of the competence of an auditor audit to be good.
Yoga Dutadasano van (2013)	<p><b>Variabel</b></p> <p><b>Independent:</b> Time budget pressure and Independence.</p> <p><b>Variabel</b></p> <p><b>Dependent:</b> Audit Quality</p>	<p><b>Sample:</b> Auditors who worked on the <i>Badan Pemeriksa Keuangan</i> (BPK) of Central Java province of indonesia which consists of 128 auditor</p> <p><b>A Test:</b> Multiple regression analysis</p>	The results of this study indicate that the variables of time budget pressure and the independence of the partially affect audit quality
Andini Ika Setyorini (2011)	<p><b>Variable</b></p> <p><b>Independent:</b> Audit complexity, Budget pressures of time, and Audit Experience</p>	<p><b>Sample:</b> population in this study were senior auditors and junior auditors in the public accountant firm in Semarang, with a total population of 230 auditors</p>	The variable Audit complexity and time budget pressures negative effect on audit quality, variable Experience positive effect on audit quality but with the moderating variable

	<p><b>Variable</b></p> <p><b>Dependent:</b> Audit Quality</p>	<p><b>A Test:</b> Multiple regression and regression interactions</p>	<p>understanding of the interaction of information systems change the direction to be positive.</p>
<p>I Made Dwi Kresna Ratha (2015)</p>	<p><b>Variable</b></p> <p><b>Independent:</b> Due professional care, Accountability, Audit complexity and Time budget pressure</p> <p><b>Variable</b></p> <p><b>Dependent:</b> Audit Quality</p>	<p><b>Sample:</b> the method that meets the criteria as much as 50 samples in the public accounting firm in Denpasar</p> <p><b>A Test:</b> Multiple linear regression analysis</p>	<p>variable due professional care, accountability positive effect on audit quality, while the variable complexity of the audit and time budget pressure negatively affect audit quality</p>

## G. Theoretical Framework

This framework describes the influence of Integrity, Accountability, and Time Budget Pressure to Audit Quality.



## H. Hypothesis

The formulation of the hypothesis proposed in this study aims to examine whether Integrity, Accountability, and Time Budget Pressure influence of Audit Quality.

Based on these ideas, the hypothesis proposed in this study are as follows:

Hα1: There is influence of Integrity to audit quality

H $\alpha$ 2: There is influence of accountability to audit quality

H $\alpha$ 3: There is influence of time budget pressure to audit quality

H $\alpha$ 4: There is influence of integrity, accountability, and time budget pressure to audit quality.

## CHAPTER III

### RESEARCH METHODOLOGY

#### A. Type of Research

This study using causal – comparative research, the reason is because this research characterizing the problem in form of causal relations between two or more variables which is 4 variables (Sekaran and Bougie, 2010). In this research, we have 3 (three) independent variables: integrity, accountability, and time budget pressure and one dependent variable which is audit quality. Author conducted observations on the arising consequences and retrace the fact as a contributing factor. Causal comparative research is the type of research ex post factor which is the type of research on the data collected after the occurrence of a fact or event. Author can identify the truth and the incident as a dependent variable namely audit quality and doing the investigation to variables that affect independent variable namely integrity, accountability, and time budget pressure.

Based on the type of data that has been observed, this research is using an opinion research. Opinion research is a research of fact that obtained from respondent opinion (Writing a Thesis and Comprehensive Guidelines Faculty of Economy, 2011). Author would like to know the respondents opinion (auditors) about whether or not integrity, accountability, and time budget pressure have role in

influencing audit quality. To do opinion research, Author using primary data which is questionnaire that spread to the auditors who are working in certain public accountant firms in Central Jakarta.

## B. Variable Operational

Audit quality is the dependent variable. Meanwhile, the independent variable is the influence of integrity, accountability, and time budget pressure. In this study, the measurement scale used is Likert Scale developed by Likert Rensis. Likert Scale is designed to examine how strongly subjects agree or disagree with statements on a five-point scale (Sekaran and Bougie, 2010). Likert scale studies generally use five points, namely:

**Table 3.1.**

**Table of Research Value**

<b>The Answer Description</b>	<b>Research Value</b>
Strongly Disagree (SDA)	1
Disagree (DA)	2
Neutral (N)	3
Agree (A)	4
Strongly Agree (SA)	5

*Source: Data Processed (2017)*

According to Sekaran and Bougie (2010), operationalizing is the way to reduce an abstract concept to render them measurable in a tangible way. Operationalizing is done by looking at the behavioral

dimensions, facets, or properties. Measurement of each variable can be expressed as follows:

## 1. Independent Variables

### 1.1. Integrity (X1)

Integrity is the attitude of the honest, brave, wise and the responsibilities of the auditor in performing the audit. This invalid constructs measured using 5 items the questionnaire has been compiled on the basis of reference set by *Badan Pemeriksa Keuangan dan Pembangunan (BPKP)* in Sukriah, et al (2009) The indicators used to measure integrity are: honesty, courage and wise attitude of the responsibilities of the auditor. (Harvita Ayuningtyas: 2012)

### 1.2. Accountability (X2)

Accountability is the psychiatric or psychological boost which can influence someone to account for actions and the consequences there of to environment where now here the person doing the activity. Some indicators that can be used to measure a person's accountability is the motivation for someone to finish the job, how much effort and intellect are poured to finish the job, and the belief that work will be examined by superiors. (Afif Bustami: 2013)

### 1.3. Time Budget Pressure (X3)

Time budget is used to measure the level of efficiency in completing the work of the auditor. Timeliness in completing the auditing task is an important component in the assessment of the performance of the auditor. This then raises the pressure for auditors to completed work fits the time budgeted. It is this pressure that allows the auditor reduces the allegiance in following and run audit procedures. Time Budget Pressure was consistently related to dysfunctional behavior, which is a direct and serious threat to the audit quality because time budget pressure is the state in which the auditor is required to perform efficiency against the time budget was compiled or contained restrictions on time within a very tight budget and rigid. (Putri Arsika: 2013)

## 2. Dependent Variable

### 2.1 Audit Quality (Y)

Audit Quality is a form of reporting about the weakness of internal control and compliance with the provisions, the response of the responsible officials, distributing report of examination results, and pursuing the recommendations of the auditor in accordance with the regulations or standards that have been set. (Nataline: 2007).

Table 3.2.

Table of Operational Variable

Variable	Theory	Indicator	Sub-Indicator	Scale
Integrity (X1)	Hendarjatno and Budi Rahardja (2003)	Honestly	Consistency between speech and behavior so that it can be trusted	Interval
			Acting without a hidden purpose	
		Resolute	Obedient in principle	
			Can not be bribed or invited to cheat	
			Carrying out duties diligently	
			Resistant in the face of disagreement and distrust	
		Has a strong self-control	Able to control or monitor actions and thoughts based on principles and beliefs	
Has a great self-esteem	Able to behave according to the moral values that are believed			
Accountability (X2)	Mardisar dkk (2007)	Motivation	Motivation in completing the audit	Interval
		Ability to think	Think objectively	

		Confidence	Responsibility for work	
Time Budget Pressure (X3)	Nirmala and Cahyonowati  (2013), Lestari  (2010), Basuki and Mahardani  (2006)	Audit Tenure	Limited time of assignment	Interval
			Completion of tasks with a predetermined time	
			Leniency audit time	
		Independence	Focus tasks with time constraints	
		Timeliness	Efficiency in the audit process	
		Management	Performance appraisal from superiors	
Inflexible time budget				
Time budget is the absolute decision of the boss				
Audit Quality (Y)	Eunike  (2007), and Elfarini  (2011)	Audit Report	Report all client errors	Interval
		Understanding	Understanding of accounting information systems	
			Commitment	
		Based on the principles of auditing and accounting		

### **C. Research Object**

This study takes the object of auditors who work in the Public Accountants Firm which located in Central Jakarta, affiliated with an international firm, and having a business permit issued between 2008 until 2017 as respondents. In this study, Author selected auditors from various level such as: staff, junior, senior, and also partner level. The auditors from various level selected because each of them has different experience that can be summed up into a wide range of opinion which can be helpful to examine experience variable.

### **D. Data Source and Collection**

In this stretch, Author will describe the type of data and the source of data which related to the data collection method in this research.

#### **D.1. Type of Data**

Basically, the kinds of research data can be classified into three. The first is data subject or usually called self-report data, this type of data is in the form of opinions, attitudes, experiences or characteristics of one or a group of people who become the subject of research (the respondents). The second is physical data, this type of data in the form of a physical object or objects such as building or equipment. And the last one is the documentary data, this type of data is in the form of the

document that can be consists of invoice, journal, or reports etc (Sekaran, Uma and Bougie, Roger; 2010).

In this research, Author is using the self-report data because the opinion of the objects collected by questionnaire. The questionnaire consists of 40 statements and for each statement there are 5 optional answer (likert scale) with different point that already mentioned above.

## **D.2. Source of Data**

Source of research data can be classified into two kinds. The first is primary data. Source of primary data obtained directly by observing events, people, or the objects (original sources) using a questionnaire. And the second one is secondary data. The data source of secondary data is that the researcher obtained indirectly through an intermediary media (already obtained and recorded by others).

Secondary Data is generally in the form of evidence, record, or report which is finalized in the historical archive (data) that are published or not published, for example statistical bulletin, data from previous research, case studies, online data, etc (Sekaran,Uma and Bougie, Roger; 2010).

In this research, Author using the primary data source because this research administering questionnaire to some of the

auditors who work in Public Accounting Firms located in Central Jakarta.

### **D.3. Data Collection Methods**

The data used in this study is the primary data, a source of the data that obtained directly from the original source (not through any medium). Hence, the data collection method that can be used are survey methods and observation methods. Survey methods using interview and questionnaire in collecting data, while observation methods can be done with direct observation and mechanical observation.

This study is using survey method by spreading questionnaires to collect the data. Questionnaires were sent directly to some of the auditors who work in Public Accountant Firms located in Central Jakarta (the respondents) and were collected right after the questionnaire filled by the respondents.

### **D.4. Population**

Population and sample respectively are a group of thing which have connection between each other. Before we discuss about the sample, we first should define the target population. According to Sekaran and Bougie; 2010, population is a group of people, accident, or something that has spesific characteristic that the researcher will investigate.

Population in this research is all of the auditors who are working in Public Accountant Firm registered in Ikatan Akuntan Publik Indonesia (IAPI) which located in Central Jakarta.

Thus in this research, the population itself is counted to the number of 345 auditors from various levels in 23 public accountant firms in Central Jakarta.

#### **D.5. Sample Size**

After the population has been decided, now sample size can be calculated from the population above. According to Sekaran and Bougie (2010), sample is a subset or part of the population, where some of the population form the sample.

From the population of 345 auditors, Author chose the sample by the criteria of public accounting firm that have an affiliation with international public accountant firm which its permit issued between 2008 until 2017.

**Table 3.3.**  
**Sample Mapping**

No	Public Accountant Firm	Position		
		Partner	Senior Auditor	Junior Auditor
1	KAP Jansen, & Ramdan	1	4	10
2	KAP Joachim Poltak, Lian Michell, & Partner	-	7	8
3	KAP Kosasih, Nurdiyaman Tjahjo, & Partner	-	5	8
4	KAP Amachi, Arifin, Mandani, & Partner	1	6	9
5	KAP Tjahjadi & Tamara	-	4	7
6	KAP Paul Hadiwinata, Hidajat, Arsono, Ade Fatma, & Partner	-	5	8
7	KAP Doli, Bambang, Sulistiyanto, Dadang, & Ali	2	5	9
8	KAP Griselda Wisnu & Arum	1	7	8
Total		5	43	67
		115		

*Source: Data Processed (2017)*

## **D.6. Technic of Sampling**

Method of determination of the sample used is the selection of the sample aims (purposive sampling), with techniques based on considerations (judgement sampling) which is a type of selection samples are not random which information obtained using certain considerations (generally adapted to the purpose or research issues) (Indriantoro and Supomo, 2002:131) with the following criteria:

1. Sample is an auditor working on Public Accounting Firm that have an affiliation with international public accountant firm in Central Jakarta area which listed in *Ikatan Akuntan Publik Indonesia (IAPI)*.
2. Auditors who work in public accountant firms and never carry out work in the field Auditing.
3. Auditors who have at least one year of working experience, this is the case done because the auditor has been able to recognize and adapt with its working environment.

## **E. Data Analysis Method**

### **E.1. Descriptive Statistics**

Descriptive statistics to provide an overview or description of data viewed from mean, standard deviation, variance, maximum, minimum, sum, range, kurtosis, and skewness (Ghozali, 2013).

## **E.2. Data Quality Test**

### **E.2.1. Validity test**

Validity test is done to measure valid or not valid of a questionnaire. A questionnaire can be said to be valid if the question on the questionnaire is able to reveal something that will be measured by the questionnaire (Ghozali, 2013). A valid instrument will have higher validity, otherwise a less valid instrument will have lower validity. Instruments can be said to be valid if able to measure the desired and can reveal data of validity under study appropriately. Testing validity using bivariate correlation is done by calculating the correlation between the scores of each item with the total score of the variable. Validity test can be known by looking at  $r$  arithmetic, if  $r_{\text{count sig.}} < 0.05 = \text{valid}$  and  $r_{\text{count sig.}} > 0.05 = \text{invalid}$  (Ghozali, 2013).

### **E.2.2. Test Reliability**

Reliability test is actually a tool to measure a questionnaire that is an indicator of a variable or construct. A questionnaire is said to be reliable or reliable if one's answer to the statement is consistent or stable over time. To test the level of construct reliability in this study used

Cronbach Alpha test techniques . A construct is said to be reliable if the value of Cronbach Alpha  $> 0.60$  (Ghozali, 2013).

### **E.3. Classic Assumption Test**

To be able to perform multiple regression analysis it is necessary to test the classical assumption as a requirement in the analysis so that data can be meaningful and useful. The classical assumption test used is Normality test, Multicollinearity test, Heteroscedasticity test, while Autocorrelation test is not used because the research data is primary data in the form of questionnaire and not related to data model using time range.

#### **A. Normality test**

The normality test aims to test whether in the regression model, the annoying or residual variable has a normal distribution (Ghozali 2013). A good regression model is to have a normal or near-normal data distribution.

Test normality data can be done through 3 ways that is using Kolmogorof - Smirnov Test (K-S test), graphic histogram and P-Plot spread curve. For the K-S test, if the value of K -S> Test result is compared to the 0.05 significance level, the distribution of the data does not deviate from the normal curve of the normality test. While through the pattern of

spread of P - Plot and histogram graph, ie if the pattern of distribution has a normal line then it can be said the data is normally distributed.

#### B. Multicollinearity Test

Multicollinearity test is useful to know whether the proposed regression model found strong correlation between independent variables (Ghozali 2013). This multicollinearity test can be done in 2 ways by looking at VIF (Variance Inflation Factors) and tolerance values. If  $VIF < 10$  and tolerance values  $> 0.10$  then there is no symptoms of Multicollinearity (Ghozali, 2013).

#### C. Heteroscedasticity Test

The heteroscedasticity test aims to test whether in the regression model there is a variance inequality of the residual one observation to another observation. If the variance of a residual observation to another observation remains, then it is called Homoscedasticity and if different it is called Heteroscedasticity. A good regression model is Homoscedasticity or Heteroscedasticity (Ghozali 2013).

Basic analysis:

1. If there is a certain pattern, such as the existing dots form a certain pattern that is regular (wavy, widened and then narrowed)

2. If there is no clear pattern, and the points spread above and below the number 0 on the Y-axis, there is no heteroscedasticity.

#### **E.4. Multiple Linear Regression Analysis Test**

Data analysis method used in this research is Multiple Regression Analysis. The analysis was chosen in this study because it has more than one independent variable. This test is performed to determine the direct description of the regression coefficient or the magnitude of the influence of each independent variable namely, Integrity (X1), Accountability (X2), Time Budget Pressure (X3) on the dependent variable namely Audit Quality (Y). Using multiple linear regression analysis can be formulated as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Explanation of the above models is as follows:

Y	= Audit Quality
X <sub>1</sub>	= Integrity
X <sub>2</sub>	= Accountability
X <sub>3</sub>	= Time Budget Pressure
a	= Constant
b <sub>1</sub> ,b <sub>2</sub> ,b <sub>3</sub>	= Coefficient Regression
e	= Error

## **E.5. Hypothesis**

### **A. Determination Test**

The coefficient of determination aims to measure how far the ability of the model in explaining the variation of bound variables. A small R<sup>2</sup> value can mean that the ability to explain the independent variables in explaining the dependent variable is very limited. While a value close to one means the free variables provide almost all the information needed to predict the variables variables bound. The weakness of the use of coefficient of determination R<sup>2</sup> is able to the dependent variable present in the model. Therefore many researchers recommend using an adjusted R<sup>2</sup> value when evaluating which regression model is good.

### **B. Simultaneous Significance Test (Statistic F-test)**

Test F basically indicates whether all independent or independent variables included in the model have influence effect on the dependent variable. Tests were performed using a significance level of 0.05 ( $\alpha = 5\%$ ) (Ghozali, 2013; 98). To test this hypothesis use statistic F-test with the following decision criteria:

1. Quick look; If the  $F_{\text{count}}$  is greater than 4 then  $H_0$  can be rejected at 5% confidence level. In other words we accept

the alternative hypothesis, which states that all independent variables simultaneously and significantly affect the dependent variable.

2. Compare the  $F_{\text{count}}$  of the calculation with the value of  $F$  according to the table. The value of  $F_{\text{count}}$  is greater than the  $F$  table value, so  $H_0$  is rejected and  $H_a$  is accepted.

### **C. Individual Parameter Significance Test (Statistic T-test)**

According to (Ghozali, 2013) statistical tests  $t$  basically indicate how far the influence of one independent variable individually in explaining the dependent variable. In the statistical T-test, the value of  $t$  count will compared with the value of  $t$  table. Testing is done by using a significant level of 0.05 ( $\alpha = 5\%$ ). A hypothesis can be rejected or accepted by looking at the following criteria:

1. If  $t_{\text{count}} > t_{\text{table}}$  or probability  $<$  level of significance (Sig  $<$  0.05), then  $H_a$  accepted and  $H_0$  rejected, independent variables affect the dependent variable.
2. If  $t_{\text{count}} < t_{\text{table}}$ , or probability  $>$  level of significance (Sig  $>$  0,05),  $H_a$  is rejected and  $H_0$  accepted, independent variable has no effect on dependent variable.

## CHAPTER IV

### ANALYSIS AND DISCUSSION

#### A. Research Object Description

##### 1. Dependent Variable (Y)

###### Audit Quality

To analyze dependent variable (Y) in this study which is Audit Quality, Author using 12 statements in the questionnaire. For each statement, there are 5 optional answers: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. Each option has each score. The lowest score is 1 (one) for Strongly Disagree option and the highest score is 5 (five) for Strongly Agree option.

##### 2. Independent Variable

###### a. Integrity (X1)

To analyze independent variable (X1) in this study which is Integrity, Author using 10 statements in the questionnaire. For each statement, there are 5 optional answers: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. Each option has each score. The lowest score is 1 (one) for Strongly Disagree option and the highest score is 5 (five) for Strongly Agree option.

###### b. Accountability (X2)

To analyze independent variable (X2) in this study which is Accountability, Author using 7 statements in the questionnaire.

For each statement, there are 5 optional answers: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. Each option has each score. The lowest score is 1 (one) for Strongly Disagree option and the highest score is 5 (five) for Strongly Agree option.

c. Time Budget Pressure (X3)

To analyze independent variable (X3) in this study which is Time Budget Pressure, Author using 11 statements in the questionnaire. For each statement, there are 5 optional answers: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. Each option has each score. The lowest score is 1 (one) for Strongly Disagree option and the highest score is 5 (five) for Strongly Agree option.

### **3. Data Descriptions**

The research object for this study is auditors who are working in Public Accountant Firm which listed in Ikatan Akuntan Publik Indonesia (IAPI), located in Central Jakarta, and having an affiliation with an international public accountant firm which its permit issued between 2008 until 2017.

In previous chapter, Author stated that this study is using survey method. The questionnaires are spread personally or directly to auditors who work in some Accountant Public Firms in Central Jakarta. The questionnaires are spread in July 2017. The

amount of questionnaire sent are 115 questionnaires. 5 (five) questionnaire were not returned and 10 (ten) of them were not completely answered. Finally, the total amount questionnaire that can be used are 100 questionnaire. The validity and reliability test has done before the questionnaire spread to the real object research.

**Table 4.1.**

**Public Accountant Firms List**

<b>No</b>	<b>Public Accountant Firms</b>	<b>International Affiliation</b>	<b>Regional</b>
1	KAP Jansen, & Ramdan	Affilica International	Central Jakarta
2	KAP Joachim Poltak, Lian Michell, & Partner	The Leading Edge Alliance, Inc	Central Jakarta
3	KAP Kosasih, Nurdiyaman Tjahjo, & Partner	Crowe Horwarth International	Central Jakarta
4	KAP Amachi, Arifin, Mandani, & Partner	Listed in OAI Prima Net	Central Jakarta
5	KAP Tjahjadi & Tamara	Morison International Limited	Central Jakarta
6	KAP Paul Hadiwinata, Hidajat, Arsono, Ade Fatma, & Partner	PKF International	Central Jakarta

7	KAP Doli, Bambang, Sulistiyanto, Dadang, & Ali	BKR International	Central Jakarta
8	KAP Griselda Wisnu & Arum	Audit Alliance	Central Jakarta

*Source: Data processed by the author (2017)*

From Table 4.1 above, we can see Author spread the questionnaires to 8 Public Accountant Firms.

**Table 4.2.**

**Questionnaire Distribution**

<b>Description</b>	<b>Amount</b>	<b>Percentage</b>
Questionnaire Sent	115	100%
Questionnaire Received	110	97%
Not Returned Questionnaire	5	4.3%
Questionnaire cannot be processed	10	8.7%
Questionnaire can be processed	100	87%

*Source: Data processed by the author (2017)*

From Table 4.2 above, we can see that the amount of questionnaires sent are 115 questionnaires with distribution as below:

**Table 4.3.**  
**Questionnaire Distribution in Each Firm**

<b>No</b>	<b>Public Accountant Firms</b>	<b>Amount</b>
1	KAP Jansen, & Ramdan	15
2	KAP Joachim Poltak, Lian Michell, & Partner	15
3	KAP Kosasih, Nurdiyaman Tjahjo, & Partner	13
4	KAP Amachi, Arifin, Mandani, & Partner	16
5	KAP Tjahjadi & Tamara	11
6	KAP Paul Hadiwinata, Hidajat, Arsono, Ade Fatma, & Partner	15
7	KAP Doli, Bambang, Sulistiyanto, Dadang, & Ali	15
8	KAP Griselda Wisnu & Arum	15

*Source: Data processed by the author (2017)*

The amount of questionnaire received by us are 110 questionnaires which means there are 5 questionnaires that not returned to us. From the 110 questionnaires, Author only proceed 100 questionnaires because the remain 10 questionnaires we'e not completely answered. The distribution of 100 questionnaire used are as below:

**Table 4.4.**  
**Questionnaire Can Be Processed from Each Firm**

<b>No</b>	<b>Public Accountant Firms</b>	<b>Amount</b>
1	KAP Jansen, & Ramdan	15
2	KAP Joachim Poltak, Lian Michell, & Partner	15
3	KAP Kosasih, Nurdiyaman Tjahjo, & Partner	10
4	KAP Amachi, Arifin, Mandani, & Partner	10
5	KAP Tjahjadi & Tamara	10
6	KAP Paul Hadiwinata, Hidajat, Arsono, Ade Fatma, & Partner	15
7	KAP Doli, Bambang, Sulistiyanto, Dadang, & Ali	15
8	KAP Griselda Wisnu & Arum	10
TOTAL		100

*Source: Data processed by the author (2017)*

From 100 questionnaires received, Author can summarized respondents' data as shown by the tables below:

**Table 4.5.**  
**Respondents' Age**

		Age			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	"20-29"	81	81.0	81.0	81.0
	"30-39"	10	10.0	10.0	91.0
	"40-49"	8	8.0	8.0	99.0
	">50"	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

*Source: Data processed by the author (2017)*

From the Table 4.6 above, we can see that there are 81 auditors participated in this research with age around 20 – 29 years old with percentage of 81%, 10 auditors with age around 30 – 39 years old with percentage of 10%, 8 auditors with age around 40 – 49 years old with percentage of 8%, and 1 auditor with age above 50 years old with percentage of 1%.

Age of the employees also influence integrity, accountability, and time budget pressure to audit quality. It is said that generally the older auditor is, the more experience they have in solving various cases. Yet organisation for Economic Co-operation stated that young people are usually having a wider idea on how to solve a case and they tend to be more creative and have such an unlimited way of thinking which usually called “thinking out of the box” than the older ones.

Thus, age matter also important to be mentioned and known. In this case, the number of young auditor in the age of 20-29 years old is much greater than the other with the percentage of 81%, therefore Author hopes that young auditor can help to give various idea with the maximum of effort that they have to the older auditor on how to do integrity, accountability, and time budget pressure in order to audit quality.

The next table below will shows us about respondents' gender that participated in this research:

**Table 4.6.**  
**Respondents' Gender**

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	"Male"	60	60.0	60.0	60.0
	"Female"	40	40.0	40.0	100.0
	Total	100	100.0	100.0	

*Source: Data processed by the author (2017)*

The results of the genders available in Table 4.4 can be concluded that the number of male auditors is 60 (60%) and the number of female auditors is 40 people or (40%). This shows that the auditors who work at the Public Accounting Firm in Central Jakarta are the most male compared to women. Because to work

as an auditor it takes a lot of time to be in the public accounting firm where the work.

The next table below will shows us about respondents' position that participated in this research:

**Table 4.7.**  
**Respondents' Position**

		Position			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	"Partner"	1	1.0	1.0	1.0
	"Manager"	3	3.0	3.0	4.0
	"Supervisor"	9	9.0	9.0	13.0
	"Senior Auditor"	41	41.0	41.0	54.0
	"Junior Auditor"	46	46.0	46.0	100.0
	Total	100	100.0	100.0	

*Source: Data processed by the author (2017)*

Table 4.7 above shows that there 5 positions that include in this research, they are the partner, manager, supervisor, junior auditor and senior auditor. From the table, there 1 partners who participated in this research with percentage of 1%, 3 managers who participated in this research with percentage of 3%, 9 supervisors with percentage of 9%, 41 senior auditors with percentage of 41%, and 46 junior auditors with percentage of 46%. None of them positioned as director. Unfortunately, Author couldn't reach the enough number of partner position because when the

research being held, most of them were not in the office. The partner position will give more satisfied respond due to they are giving opinion for the audit process. From the result above, we also succeed to manager, supervisor, senior and junior auditor. Among them, manager, supervisor and senior auditors will probably more independence because they are have longer working experience. It doesn't mean that the junior auditor is not independence. The longer experience they get, the more problems and threats they encounter and one of them may be could impair their independence. Junior auditors still lack of experience, the problems and threats they encounter also not many as the senior auditors had so we assume they are will be more independence.

All of the position of people who are working in public accounting firm are most likely to have their own chances to commit fraud because each of them has different duties in doing their job including their role in implementing integrity, accountability, and time budget pressure inside their firm. Thus, since each case has a different approach of solving it, in effort to audit quality each of the position, from junior auditor to partner, has to understand clearly the case that they need to solve and there also have to be a good communication between each position to one another.

Table below will show us the data of auditors' working experience.

**Table 4.8.**  
**Respondents' Audit Experience**

<b>Auditexperience</b>				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	"<3 years"	46	46.0	46.0
	"3-10 years"	50	50.0	96.0
	"10-20 years"	4	4.0	100.0
	Total	100	100.0	

*Source: Data processed by the author (2017)*

The table above shows us auditors who participate in this research come from different level experience. Mostly of them has experience less than 3 years with total amount 46 auditors with percentage of 46%. 50 auditors have working experience between 3 until 10 years with percentage of 50%, and 4 auditors have working experience between 10 until 20 years with percentage of 4%.

We also can find the respondents' education degree as shown below:

**Table 4.9.**  
**Respondents' Education Degree**

Educationdegree				
	Frequency	Percent	Valid Percent	Cumulative Percent
"D3"	6	6.0	6.0	6.0
"S1"	85	85.0	85.0	91.0
Valid "S2"	8	8.0	8.0	99.0
"S3"	1	1.0	1.0	100.0
Total	100	100.0	100.0	

*Source: Data processed by the author (2017)*

The table above shows that 85% or 100 auditors (85 auditors) who participated in this research has Bachelor degree title, 6 auditors with Associate degree percentaged to 6%, 8 auditors percentaged to 8% have Master degree title, and only one person has the doctoral degree which percentaged to 1%.

Most auditor positions require at least a bachelor's degree in accounting or a related field. Some employers prefer to hire applicants who have a master's degree, either in accounting with a concentration in audit or business administration with a concentration in accounting. It's simply because those people must have learnt various of audit scope from how to prevent, detect, and how to do various audit techniques so that they can help the company to improve of audit quality.

## B. Descriptive Statistics Results

Descriptive statistics are used to view the general picture of data that has been collected in this study. The description can be seen from the results that are studied in the table below:

**Table 4.10**  
**Descriptive Analysis Test Results**

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
TI	100	27	50	42.56	4.715
TAC	100	17	35	29.54	3.119
TTBP	100	29	52	38.19	6.053
TAQ	100	31	60	50.04	5.852
Valid N (listwise)	100				

*Source: Data processed using SPSS version 20 (2017)*

From table 4.10 shows that the amount of data in the analysis is as much as 100 respondents.

1. The highest value of the Integrity independent variable is 50 and the lowest rate is 27. While the average score is 42.56, it's value shows that the Integrity is quite high. For standard deviation value is 4.715. which is smaller than mean shows that Integrity variable data normally distributed.
2. The highest value of the Accountability independent variable is 35 and the lowest rate is 17. While the average score is 29.54, it's value shows that the Accountability is quite high. For standard

deviation value is 3.119. which is smaller than mean shows that Accountability variable data normally distributed.

3. The highest value of the Time Budget Pressure independent variable is 52 and the lowest rate is 29. While the average score is 38.19 it's value shows that the Time Budget Pressure is quite high. For standard deviation value is 6.053. which is smaller than mean shows that Time Budget Pressure variable data normally distributed.
4. The highest value of The Audit Quality dependent variable is 60 and the lowest rate is 31. While the average score is 50.04, it's value shows that the Audit Quality is quite high. For standard deviation value is 5.852. which is smaller than mean shows that Audit Quality variable data normally distributed.

## **C. Data Quality Test Results**

### **1. Test Validity**

Measurement of validity in this study using SPSS 20, validity test is measured by comparing the value of pearson correlation with  $r_{table}$ . If  $r_{count}$  (pearson correlation)  $>$  of  $r_{table}$  then statement item declared valid, and if  $r_{count} <$  from  $r_{table}$  then statement item declared invalid. The  $r_{table}$  value can be of degree of freedom ( $df = n-2$ ), where  $n$  is the number of respondents with  $\alpha = 0.05$ . In this research the value of  $r_{table}$  in can is 0.1966, the value is in can of ( $df = 100-2 = 98$ ) with a significant level of 0.05. Or it can be seen from

the sig (2-tailed) dimensions of each less than 0.05. The results of the validity test can be seen in the table as follows:

a. Validity Test of Integrity (X1)

**Table 4.11**  
**Result of Validity Test of Integrity**

No	Indicator	Pearson Correlation	R <sub>table</sub>	Information
1	Intg1	0.636	0.1966	Valid
2	Intg2	0.664	0.1966	Valid
3	Intg3	0.725	0.1966	Valid
4	Intg4	0.785	0.1966	Valid
5	Intg5	0.730	0.1966	Valid
6	Intg6	0.756	0.1966	Valid
7	Intg7	0.685	0.1966	Valid
8	Intg8	0.560	0.1966	Valid
9	Intg9	0.576	0.1966	Valid
10	Intg10	0.797	0.1966	Valid

*Source: Data processed using SPSS version 20 (2017)*

Table 4.11 shows that the indicator used to measure the integrity variable (X1) in this study is expressed as a valid item. It is found that the integrity variable indicator (X1) used in this study all possessed a value of greater than 0.1966 that is  $r_{table}$  for a sample of 100.

## b. Validity Test of Accountability (X2)

**Table 4.12****Result of Validity Test of Accountability**

No	Indicator	Pearson Correlation	$R_{table}$	Information
1	AC1	0.562	0.1966	Valid
2	AC2	0.717	0.1966	Valid
3	AC3	0.840	0.1966	Valid
4	AC4	0.728	0.1966	Valid
5	AC5	0.584	0.1966	Valid
6	AC6	0.706	0.1966	Valid
7	AC7	0.651	0.1966	Valid

Source: Data processed using SPSS version 20 (2017)

Table 4.12 shows that the indicator used to measure the variable accountability (X2) in this study is expressed as a valid item. It is found that the accountability variable (X2) indicator used in this study all possessed a value of greater than 0.1966, which is  $r_{table}$  for a sample of 100.

## c. Validity Test of Time Budget Pressure (X3)

**Table 4.13****Result of Validity Test of Time Budget Pressure**

No	Indicator	Pearson Correlation	$R_{table}$	Information
----	-----------	---------------------	-------------	-------------

1	TBP1	0.558	0.1966	Valid
2	TBP2	0.340	0.1966	Valid
3	TBP3	0.626	0.1966	Valid
4	TBP4	0.768	0.1966	Valid
5	TBP5	0.582	0.1966	Valid
6	TBP6	0.829	0.1966	Valid
7	TBP7	0.680	0.1966	Valid
8	TBP8	0.589	0.1966	Valid
9	TBP9	0.652	0.1966	Valid
10	TBP10	0.477	0.1966	Valid
11	TBP11	0.557	0.1966	Valid

Source: Data processed using SPSS version 20 (2017)

Table 4:13 shows that the indicators used to measure the variable Time Budget Pressure (X3) in this study is expressed as a valid item. It was found that the Time Budget Pressure (X3) variable indicators used in this study all possessed a ratio of greater than 0.1966, which is  $r_{table}$  for a sample of 100.

d. Validity Test of Audit Quality (Y)

**Table 4.14**

**Result of Validity Test of Audit Quality**

No	Indicator	Pearson Correlation	$R_{table}$	Information
1	AQ1	0.813	0.1966	Valid
2	AQ2	0.817	0.1966	Valid
3	AQ3	0.811	0.1966	Valid
4	AQ4	0.673	0.1966	Valid
5	AQ5	0.627	0.1966	Valid

6	AQ6	0.645	0.1966	Valid
7	AQ7	0.729	0.1966	Valid
8	AQ8	0.763	0.1966	Valid
9	AQ9	0.675	0.1966	Valid
10	AQ10	0.683	0.1966	Valid
11	AQ11	0.696	0.1966	Valid
12	AQ12	0.594	0.1966	Valid

Source: Data processed using SPSS version 20 (2017)

Table 4.14 shows that the indicator used to measure the audit quality variable (Y) in this study is expressed as a valid item. It is found that the indicators of audit quality variables (Y) used in this study all possess a value  $r_{\text{count}}$  greater than 0.1966 ie  $r_{\text{table}}$  for a sample of 100.

## 2. Test Reliability

Test Reliability carried out on items that are declared valid. Reliability testing is used to test the consistency of respondents' answers to all proof of question. A construct or variable is reliable if it gives Cronbach's Alpha is  $> 0.60$  (Ghozali, 2013).

Reliability is a tool for measuring a questionnaire that is an indicator of a variable or construct. A questionnaire is said to be reliable or reliable if an answer to a statement is consistent or stable over time (Ghozali 2013: 47)

a. Reliability Test of Integrity (X1)

**Table 4.15**

### **Result of Reliability Integrity**

Reliability Statistics	
Cronbach's Alpha	N of Items
.859	10

Source: Data processed using SPSS version 20 (2017)

Based on Table 4:15 that the integrity variable has Cronbach Alpha ( $\alpha$ ) of 0.859 that is greater than 0.60. Means that the integrity variable is said to be reliable.

b. Reliability Test of Accountability (X2)

**Table 4.16**  
**Result of Reliability Accountability**

Reliability Statistics	
Cronbach's Alpha	N of Items
.808	7

Source: Data processed using SPSS version 20 (2017)

Based on Table 4:16 that the accountability variable has Cronbach Alpha ( $\alpha$ ) of 0.808 is greater than 0.60. Means the accountability variable is said to be reliable.

c. Reliability Test of Time Budget Pressure (X3)

**Table 4.17**  
**Result of Reliability Time Budget Pressure**

Reliability Statistics	
Cronbach's Alpha	N of Items

.832	11
------	----

Source: Data processed using SPSS version 20 (2017)

Based on table 4:17 that time budget pressure variable has Cronbach Alpha ( $\alpha$ ) of 0.832 is greater than 0.60. Means that the time budget pressure variable is said to be reliable.

#### d. Reliability Test of Audit Quality (Y)

**Table 4.18**

**Result of Reliability Audit Quality**

Reliability Statistics	
Cronbach's Alpha	N of Items
.904	12

Source: Data processed using SPSS version 20 (2017)

Based on table 4:18 that audit quality variables have Cronbach Alpha ( $\alpha$ ) of 0.904 is greater than 0.60. Means that the audit quality variable is said to be reliable.

## D. Classic Assumption Test Results

### 1. Normality Test

The normality test is used to test whether in a regression model, the dependent variable and the independent variable or both

have a normal distribution or not. A good regression model is the normal or near-normal distribution of data. Normality test for the variables in this study using Kolmogorov-Smirnov statistical test and Normal P-Plots standardized residual. Normality test data in view of both the value Kolmogorov Smirnov greater 0.05 and Normal P-Plots standardized residual approaching the diagonal line then the data is normally distributed.

**Table 4.19**  
**Normality Test Results**

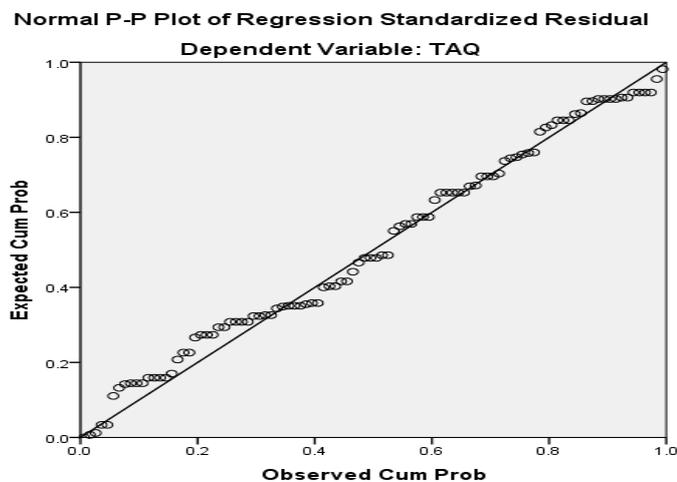
One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		100
Normal Parameters <sup>a,b</sup>	Mean	0E-7
	Std. Deviation	3.40653634
	Absolute	.073
Most Extreme Differences	Positive	.057
	Negative	-.073
Kolmogorov-Smirnov Z		.732
Asymp. Sig. (2-tailed)		.658

a. Test distribution is Normal.

b. Calculated from data.

*Source: Data processed using SPSS version 20 (2017)*

Based on table 4:19 shows that the results of normality test for this research variable shows a significance number of 0.658 which means above 0.05. So it can be concluded that the data obtained is normally distributed.



**Picture 4.1**

Based on Picture 4.1 Normal P-Plot can be seen that the points are scattered close to the diagonal line. This means that the data used in this study is normally distributed.

## 2. Multicollinearity Test

Multicollinearity test is needed to know whether there are independent variables that have similarities with other independent variables in one linear regression model. The multicollinearity test is performed by (1) looking at tolerance value  $> 0.10$  and (2) VIF value  $< 10$  then no symptoms of Multicollinearity. Below is the result of multicollinearity testing:

**Table 4.20**

### Multicollinearity Test Results

Model	Collinearity Statistics	
	Tolerance	VIF

1	(Constant)		
	TI	,382	2,616
	TAC	,397	2,521
	TTBP	,873	1,145

Descriptions:

Tolerance: Total variance in each variables that cannot explain by other predictor

VIF: Score to predict whether there is correlation among independence variable

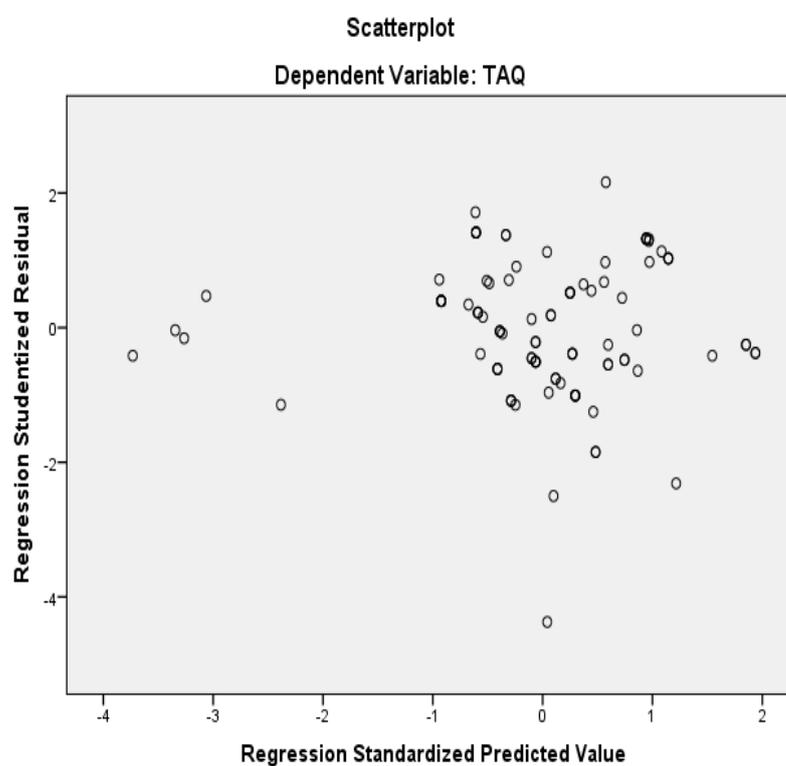
Source: *Data processed using SPSS v.20 (2017)*

Based on table 4:20 above shows that the tolerance value of each variable is greater than 0.10 and the result of VIF value calculation is less than 10 each variable, which is shown with the tolerance value for the integrity 0.382, accountability 0.397, and time budget pressure 0.873. In addition VIF value for integrity 2.616, accountability 2.521, and time budget pressure 1.145. A regression model is said to be free from multicollinearity problems if it has a VIF value of less than 10. Thus, it can be concluded that the regression equation model does not contain multicollinearity and can be used in this study.

### 3. Heteroscedasticity Test

The heteroscedasticity test was performed to test whether in the regression model there was a variance inequality of the residual one observation to the other. If the variance of the residual from one observation to another observes remains, then it is called Homoscedasticity and if different is called Heteroscedasticity (Ghozali, 2013: 139).

In this study, to see the existence of Heteroscedasticity can be done by looking at the pattern of scatterplot graph between the predicted value of bound variable (ZPRED) with residual (SRESID), if the graph obtained form a certain pattern regular (wavy, widened then narrowed), scatterplot graph can be said Heteroscedasticity has occurred.



**Picture 4.2**

From the output of SPSS above shows that the points spread randomly, did not form a certain clear pattern, and spread either above or below the number 0 on the Y axis. So from the results of this test can be concluded no Heteroskedastisitas in this study.

#### 4. Multiple Linear Regression Analysis Test

Multiple Linear Regression Analysis Test is used to describe that independence variable explain variance in the dependence variable.

**Table 4.21**  
**Multi-Regression Test**

Coefficients <sup>a</sup>		
Model	Unstandardized Coefficients	
	B	Std. Error
(Constant)	2.063	3.608
1 TI	.192	.119
TAC	1.207	.177
TTBP	.108	.061

a. Dependent Variable: TAQ

Source: Data processed using SPSS v.20 (2017)

From the table above, the coefficient regression for Integrity is 0.192, coefficient for Accountability is 1.207, and coefficient for Timr Budget Pressure is 0.108. Now, we can make a multi-regression from the result above. The multi-regression for this research is:

$$Y = 2.063 + 0.192X1 + 1.207X2 + 0.108X3$$

or

$$AQ = 2.063 + 0.192INTG + 1.207AC + 0.108TBP$$

That equation can be Interpreted as follows:

- Coefficient constanta 2.063 interpret that Y audit quality will be increase 2.063 with assumption X1, X2, and X3 constant.
- Coefficient regression X1 Integrity 0.192 define that if X1 increase one unit and the rest variable stay the same, so Y audit quality will be increase 0.192. it indicated that if variable Integrity increase by 0.192 then audit quality will has the same increase by 0.192, while the rest variable have constant value 2.063.
- Coefficient regression X2 Accountability 1.207 define that if X1 increase one unit and the rest variable stay the same, so Y audit quality will be increase 1.207. it indicated that if variable Accountability increase by 1.207 then audit quality will has the same increase by 0.192, while the rest variable have constant value 2.063.
- Coefficient regression X3 Time Budget Pressure 0.108 define that if X1 increase one unit and the rest variable stay the same, so Y audit quality will be increase 0.108. it indicated that if variable Time Budget Pressure increase by 0.108 then audit quality will has the same increase by 0.192, while the rest variable have constant value 2.063.

## **E. Hypothesis testing**

### **E.1. Determination Coefficient (R<sup>2</sup>)**

The coefficient of determination ( $R^2$ ) essentially measures the extent of the model's ability to explain the variation of the dependent variable. The coefficient of determination is between zero and one ( $0 < R < 1$ ).

**Table 4.22**

**Determination Coefficient Test**

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.813 <sup>a</sup>	.661	.651	3.459

a. Predictors: (Constant), TTBP, TAC, TI

b. Dependent Variable: TAQ

Source: Data processed using SPSS v.20 (2017)

Table 4:22 shows the results of determination coefficient test ( $R^2$ ) with an adjusted value  $R^2$  of 0.651 or 65.1%. This indicates that the competence, independence, and ethics of the auditor can explain 65.1% of audit quality variables, while the remaining 34.9% is influenced by others factor that do not include in this research like competence, independence, ethics auditor, size of clients, fee audit etc.

**E.2. Test of Simultan Significance (Statistic F-Test)**

F-test basically indicates whether all independent variables included in the model have a mutual influence on the

dependent variable.

**Table 4.23**  
**Statistical Results F- Test**

ANOVA <sup>a</sup>					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	2240.996	3	746.999	62.421	.000 <sup>b</sup>
1 Residual	1148.844	96	11.967		
Total	3389.840	99			

a. Dependent Variable: TAQ

b. Predictors: (Constant), TTBP, TAC, TI

Source: Data processed using SPSS v.20 (2017)

Table 4:23 shows the value of the F value of 62.421 and the significance level of 0.000 below the 0.05 value means that all independent variables, ie integrity, accountability, time budget pressure simultaneously have an effect on audit quality.

### **E.3. Individual Parameter Significance T-test (Statistic T-test)**

T test is the test used to determine whether the independent variable partially or individually affect the dependent variable. The value of significance <0.05 then the independent variables affect the dependent variable.

**Table 4.24**  
**T-Test (Partial Test)**

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	2.063	3.608		.572	.569
TI	.192	.119	.155	1.610	.111
TAC	1.207	.177	.643	6.821	.000
TTBP	.108	.061	.112	1.764	.081

b. Dependent Variable: TAQ

Source: Data processed using SPSS v.20 (2017)

Based on table 4:24 can be concluded about the hypothesis test of each independent variable to the dependent variable as follows:

A. The integrity variable has a probability significance value of 0.111 higher than 0.05 so it can be concluded that integrity has no effect on audit quality. So it can be known the result of the hypothesis is Ha1 rejected.

B. The accountability variable has a probability significance value of 0.000 lower than 0.05 so it can be concluded that accountability has a significant effect on audit quality. So it can be known the result of the hypothesis is Ha2 accepted.

C. The time budget pressure variable has a probability significance value of 0.081 higher than 0.05 so it can be concluded that time budget pressure has no effect on audit quality. So it can be known the result of the hypothesis is Ha3 rejected.

## **F. Discussion**

This study examines the influence of integrity, accountability and time budget pressure on audit quality at public accounting firm in Central Jakarta. Based on the result of analysis on simultaneously test of integrity variable, accountability and time budget pressure have an effect to audit quality but only accountability variable have an effect to audit quality, while variable integrity and time budget pressure have no effect to audit quality.

### **A. The influence of integrity to audit quality**

The result of research of integrity variable has significance value equal to 0.111 higher than 0,05 with regression coefficient 0,192. This means Ha1 is rejected or integrity has no effect to audit quality. Based on the distribution of respondents' answers,

the integrity measured in the form of honesty, courage, wisdom and sense of responsibility of the auditor may improve the quality of the audit, but there may be sensitive statements that may lead to significant disadvantages. This can be seen from the respondent's answer giving a neutral or hesitant opinion on statements 5 and 9. The results of this study are consistent with Justine's (2013) study of integrity has no effect on audit quality. This is due to the close relationship with the client so that the auditor can report the client's mistake, and the pressure from the client that causes the auditor's integrity to decrease as auditor honesty and responsibility, which will decrease the audit quality.

#### **B. The influence of accountability to audit quality**

The result of research of accountability variable has a significance value of 0.000 smaller than 0.05 with regression coefficient 1.207. This means  $H_{a2}$  is accepted, or accountability has an effect to audit quality.

Tetlock (1984) in Diani Mardisar and Ria (2007), define accountability as a form of encouragement psychology that makes a person try to account for all actions and decisions taken to the environment.

The roles and responsibilities of the auditor are regulated in the Standards of Professional Accountant Public (SPAP) established by IAI or Statement of Auditing Standards (SAS)

issued by the Auditing Standards Board (ASB). The roles and responsibilities of the auditor are:

- a. Responsibility for detecting and reporting fraud, errors, and irregularities.
- b. Responsibility to maintain independence and avoid conflict.
- c. Responsibility communicates useful information about the nature and outcome of the audit process.
- d. Responsibility for finding unlawful acts from clients.

### **C. The influence of time budget pressure to audit quality**

Result of research of time budget pressure variable has significance value equal to 0,081 bigger than 0,05 with regression coefficient 0,108. This means that  $H_{a3}$  is rejected, or time budget pressure has an effect on audit quality. Time budget pressure is a condition that indicates that the auditor is required to make efficiency on the time budget that has been prepared or there is a very tight and rigid budget time discussion (Sososutikno, 2003). The pressure generated by tight time budgets is consistently related to dysfunctional behavior.

In practice, time budgets are used to measure levels Efficiency of the auditor in completing the audit work. Punctuality In completing the audit task is an important component in the assessment Auditor performance. This then causes pressure for the auditor to Finish his work on a budgeted time. This pressure

which allows the auditor to reduce its compliance in following and running an audit procedure.

Research (Prasito and Priyo, 2007) shows the result that Time budget pressure negatively affects audit quality. As well Research (Simanjuntak, 2008) shows that time budget pressure Making the auditor likely to take action that causes the decline audit quality. Time budget pressures faced by professionals in The auditing field can cause high levels of stress and Affect the attitudes, intentions, and behavior of auditors (Dezoort, 2002) and reduce Their attention to the qualitative aspects of the indications of misstatement Shows the potential for fraud over financial reporting (Braun, 2000).

#### **D. The influence of integrity, accountability, and time budget pressure to audit quality**

The value of double correlation coefficient between variable integrity, accountability, and time budget pressure (X) to audit quality (Y) has positive relation with r value is 0.813 which mean has strong relation. Thi is indicates that the relation between integrity, accountability, and time budget pressure will strongly increasing audit quality.

The result of Annova test, can be concluded that significant  $F 0.000 < 0.05$  while  $F$  calculation  $62.421 > F$  table 2.76

which mean integrity, accountability, and time budget pressure simultaneously and significantly have impact on audit quality.

Coefficient determination R square is 0.651 which mean simultaneously integrity, accountability, and time budget pressure influence audit quality 65.1% while the rest of 34.9% influenced by others factor like competence, independence, ethics auditor, size of client, fee audit etc.

## **CHAPTER V**

### **CONCLUSION AND SUGGESTION**

#### **A. Conclusion**

This study aims to determine the Influence of Integrity, Accountability, Time Budget Pressure to Audit Quality at Public Accounting Firm in Central Jakarta. The statistical test and the result of this research is the result of data processing using Statistical Product and Service Solutions (SPSS). Based on the results of the research it can be concluded as follows:

1. From the result of T test (partial) indicated Integrity variable (X1) has positive and not significant effect on audit quality. This proves integrity does not affect to audit quality. An auditor still lacks integrity attitudes, due to close client relationships that allow

auditors to report on client errors, as well as client pressure resulting in auditor integrity declining as auditor honesty and responsibilities, which in turn will decrease audit quality

2. From the result of T test (partial) indicated Accountability variable (X2) has a positive and significant effect on audit quality. The higher the accountability of an auditor, the audit quality generated by the auditor can be accounted for so that the audited financial statements are expected to be more qualified so that the trust of users of the financial statements and the public also increases.

If the auditor has the motivation or drive to complete a job then the work will be done seriously, so that the auditor will devote all the effort and thinking power, so the job is done on time. The results of this study have been successful in supporting research conducted by Mardisar et al. (2007), Cloyd (1997), and Tetlock and Kim (1987).

3. From the result of T test (partial) indicated Time budget pressure variable (X3) has positive and not significant effect on audit quality. Time budget pressure is a factor affecting auditor performance. For Public Accountant Firm, time budget pressure is an unavoidable condition in the face of competition climate among public accountant. Public accountant must be able to allocate time properly in determining the audit costs. The increasingly large audit

due to the time allocation is too long so the client will bear a large audit fee as well. This can lead to the possibility of clients choosing to use other more competitive public accountant firm services.

In time budget pressure, there is a tendency to perform actions such as reducing the required audit procedures, reducing the accuracy and effectiveness of collecting audit evidence that may ultimately reduce audit quality.

4. Based on influence of integrity, accountability, and time budget pressure to audit quality. Research test is accepted on level significant 0.05. The conclusion is the whole variable integrity (X1), accountability (X2), and time budget pressure (X3) simultaneously has significant influence to audit quality.

Based on table 4.22 (Chapter IV) result of coefficient determination, can be determine that R square 0.651 which mean simultaneously integrity, accountability, and time budget pressure influence audit quality 65,1% while the rest of 34.9% influenced by others factor that do not include in this research like competence, independency, ethics auditor, fee audit etc.

## **B. Suggestion**

This research in the future will be able to present the results of the research. From a different point of view:

1. For further research it is advisable to expand the population so that this research is not only taken from the Central Jakarta area, and in order to obtain research results with higher generalization level.
2. Further research is suggested to add variables that affect audit quality. Where audit quality can be influenced by several factors, both internal and external factors. Internal factors, for example: audit structure, control system, and individual behavior. External factors such as the high level of competition.
3. The next study should prepare more cost and time in conducting empirical research in order to further improve data acquisition of respondents.
4. Next Researchers are suggested to obtain data in the form of interviews from several auditors who become research respondents in order to get more real data and can come out of questionnaires that may be too narrow or less describes the real situation.

