

The Effect of Skepticism, Time Pressure, and Remote Audit During the COVID-19 Pandemic on Audit Quality: A Study of Auditors' Perception

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ABSTRACT

This study aimed to determine the impact of professional skepticism, audit time pressure, and remote audit during the COVID-19 pandemic on audit quality and the effect of remote audits on the relationship between professional skepticism and audit quality. The study was conducted through a questionnaire survey to The Audit Board of The Republic of Indonesia (BPK RI) auditors and analyzed using Smart PLS quantitative analysis methods. The results showed that professional skepticism, audit time pressure, and remote audit affected audit quality. Meanwhile, the remote audit does not moderate the relationship between professional skepticism and audit quality, classified as predictor moderation.

KEYWORDS:

Audit quality; remote audit; skepticism; time pressure; COVID-19

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INTRODUCTION

Audit quality is vital in the whole audit process to improve the reliability and quality of information. Therefore, information resulted from the audit can benefit the stakeholders. They view the audited information as reliable information, which means that the audit is expected to increase the information quality in decision making (Arens, Elder, & Beasley, 2014). Johnstone, Gramling, and Rittenberg (2016) mention that ensuring audits conducted in a quality manner is essential to meet user expectations about the role of auditors. In government, quality audit results will benefit better, accountable, transparent, economical, efficient, and effective management of state finances (BPK RI, 2017).

Quality audit means an audit carried out following the code of ethics and professional standards and applicable regulations (Institut Akuntan Publik Indonesia, 2018) that allow auditors to find and report violations (DeAngelo, 1981). Audit quality means an audit done as per examining principles to assure that the audited financial statements are as per the guidelines and that there are no material errors (Johnstone et al., 2016).

The COVID-19 pandemic affects audit quality. Research by Albitar, Gerged, Kikhia, and Hussainey (2021) also Akrimi (2020) revealed that the pandemic significantly affected audit quality, i.e., on aspects of audit fees, audit procedures, assessment of going concerned, low degree of reliability, and sufficiency of audit-evidence, limited audit human resources, also reductions in audit staff salaries. Pasupati and Husain (2020) stated that the pandemic made the audit challenging to be carried out by the auditors, resulting in audit delays.

Audit delay, a delay in the completion and submission of audit reports, decreases audit quality. It affects stakeholder decision-

making because a longer audit delay is associated with lower information value (Lee, Whitworth, & Hermanson, 2015). The effect of the COVID-19 pandemic on the quality of audits is caused by various policies implemented by the government, including social distancing, work from home, and lockdown. These make it difficult for the auditor to verify the findings obtained during the audit because the auditor only relies on the explanation given by the client regarding the findings obtained by the auditor (Suwandi, 2021).

In collecting and evaluating evidence, auditors must have an attitude of professional skepticism, which is a demeanor that incorporates a questioning mind and caution over conditions that show the chance of misstatement because of error or fraud, as well as an essential evaluation of the audit evidence (Porter, Simon, & Hatherly, 2008; Boyle & Carpenter, 2015). The research resulted by Kusumawati and Syamsuddin (2018) also Nugrahaeni, Samin, and Nopiyanti (2019) indicated that professional skepticism significantly impacted audit quality. Research by Popova (2013), Hussin, Iskandar, Saleh, and Jaffar (2017), also Beasley, Carcello, and Hermanson (2001) also show a positive effect of skepticism on audit quality, that is, in the form of success in detecting violations during the evaluation of evidence. However, some studies reveal the opposite results, where professional skepticism does not significantly affect audit quality. This was revealed by Nandari and Latrini (2015), Peytcheva (2014), also Asmara (2019), where skepticism did not significantly affect audit quality.

In conducting audits, auditors often encounter obstacles such as limited audit time, which creates time pressure. Time pressure means the audit time has been set to complete the audit on schedule (Amiruddin, 2019). The auditor has a time limit to per-

form the audit program (Umar, Sitorus, Surya, Shauki, & Diyanti, 2017). The effect of time pressure on audit quality has been suggested in previous studies by Svanberg and Öhman (2013), Gundry and Liyanarachchi (2007), also Coram et al. (2003, 2004). Research by Santoso and Achmad (2019) also Sari and Lestari (2018) reveals that time pressure affects audit quality. Time pressure has opposite consequences, which implies that the higher the time pressure, the lower the audit quality. Wijaya and Yulyona (2017) also Nugroho (2018) explain that budgetary and time pressure does not significantly affect audit quality, which means that auditors complete their work according to the specified time and continue to increase the quality of the audit. The research by Arisinta (2013) also Meidawati and Assidiqi (2019) specify that time pressure positively influences audit quality. In this case, auditors are motivated to complete their work using time as efficiently as possible to achieve a quality audit.

The impact of the COVID-19 pandemic has affected all sectors, including the audit sector. One of the obstacles brought by the COVID-19 pandemic in the auditing field is auditors' limited mobility and physical access to complete their audits. Due to the limited mobility, auditors resort to remote audits, which have become a common practice for auditors. Belzunegui-Eraso and Erro-Garcés (2020) mention that innovative organizations are working through teleworking in response to the pandemic threat.

Auditors must not lower their professional skepticism in remote audits during the COVID-19 pandemic. In research conducted by Levy (2020), it is stated that during a pandemic, the level of uncertainty becomes higher, thus leading to more complex and less reliable accounting estimates. In addition, the pandemic has significant consequences for the audit process, including new risks in terms of fraud (Diab, 2021). For this

reason, the auditor must do sufficient professional skepticism and remain vigilant of management bias in preparing his report estimates (Diab, 2021; Levy, 2020). However, according to Nastase and Ionescu (2011), auditors have several benefits through remote auditing, i.e., flexible work locations, better work-life balance, and reduced travel time. This can optimize the performance of auditors to produce quality audits.

Based on the audit quality phenomena above, the conditions during the COVID-19 pandemic, and the research gap of the previous studies, this study aims to explore the effect of professional skepticism, audit time pressure, and remote audit during the COVID-19 pandemic on audit quality. The study also aims to determine the effect of remote audits on the relationship between professional skepticism on audit quality.

LITERATURE REVIEW

Agency Theory

Agency theory discusses problems that arise from conflicts of interest between principals and agents (De Villiers & Hisao, 2018). Agency theory occurs when each party maximizes its interests so that managers act differently from the owners' interests. For this reason, the need for an audit arises, where the position of the auditor is to determine whether the financial statements prepared by the manager are appropriate and increase the credibility of the information in it (Messier, Glover, & Prawitt, 2006). Based on the agency theory, principals will require quality audits. Through a quality audit, the information received will have reliability and reveal errors and fraud that agents may carry out. DeAngelo (1981) states that finding and reporting violations are one form of audit quality.

Audit Quality

DeAngelo (1981), Pinello, Volkan, Franklin, Levatino, and Tiernan (2019), Tjun Tjun, Marpaung, and Setiawan (2012), also Hu (2015) define audit quality as an audit that allows the auditor to find violations or material misstatements and report these violations. In carrying out the audit, the auditors must comply with auditing standards, the audit code of ethics, and the methodology or guidelines determined by the audit authority (Lee, Su, Tsai, Lu, & Dong, 2016). In Kusumawati and Syamsuddin's (2018) research, audit quality is defined as a management instrument to assess or confirm activity through systematic and independent testing to determine whether the company's provisions have been implemented effectively and activities are carried out with quality in order to achieve company goals.

The Center for Audit Quality (2014) defines audit quality indicators (AQI) into four elements: (a) company leadership and tone at the top; (b) knowledge, experience, and workload of professional staff or auditors; (c) monitoring and quality control; (d) reliable, valuable and timely reports. Research conducted by Pinello et al. (2019) on the 28 AQIs framework supports that AQIs can improve transparency and audit quality. Knechel and Shefchik (2014) describe the audit quality framework, which consists of inputs (independence, knowledge, experience, and professional skepticism of auditors), processes (audit processes, materiality, risk assessment, and quality control), and outcomes (financial statement's restatements, litigation against auditors, accuracy of audit reports, quality of financial statements, and regulatory reviews).

Professional Skepticism

Porter et al. (2008) also Boyle and Carpenter

(2015) outline expert skepticism as an attitude that includes questioning thoughts and caution over conditions that suggest the opportunity of a misstatement due to mistakes or fraud and a vital evaluation of audit evidence. Tuanakotta (2011) states that professional skepticism will assist auditors in critically assessing the risks faced and taking these risks into account in various decisions. Professional skepticism should be applied by the auditor in planning and performing the audit by acknowledging that there may be erroneous financial statements (Kusumawati & Syamsuddin, 2018). A study conducted by Popova (2013) shows that auditors will be more sensitive to the presence of fraud with an attitude of skepticism when evaluating audit evidence. Hussin et al. (2017) reveal that skepticism occurs when there is doubt about the reliability of the information acquired so that further investigation will be carried out on the information. Chiang (2016) mentions that not having professional skepticism can lead to failure in recognizing problems or failure to act upon problems that have been found.

Audit Time Pressure

Bowrin and King (2010) define time pressure as a person's notion of their potential to perform a task within a designated time restrict, where a well-timed the entirety of duties is a crucial dimension of task overall performance. Time pressure is one variable that affects audit performance, which is constantly faced by auditors when conducting audits and issuing audit reports because of the predetermined timeline (Lee, 2012). Time pressure is pressure on the audit time target that has been set to complete the audit on time (Amiruddin, 2019) therefore imposing a time limit for the auditor to perform the audit program according to the schedule (Umar et al., 2017).

BPK RI (2017) in SPKN mentions that the

Audit Report (Laporan Hasil Pemeriksaan, LHP) must be timely so that the information submitted is maximally useful. Research by Coram et al. (2003) also Kelly and Cook (1991) show that time pressure is a problem often encountered by auditors. Wijaya and Yulyona (2017) explain that time pressure occurs when the time limit for completing a task is determined and creates difficulties in completing work within such a time frame. Auditors often experience time pressure as they must conclude the audit results within the stipulated time frame (Hussin et al., 2017).

Remote Audit

The implementation of remote audits is the same as remote work. As defined by Mungkasa (2020), remote work is an activity that can be done outside the office physically, either partially or entirely, at a location far from the office, using telecommunications and information media as work tools. In ISO 19011:2018, it is stated that remote audit refers to the use of technology to collect information, interview auditees, etc. when face-to-face methods cannot be performed (International Organization for Standardization, 2018). Furthermore, it is mentioned that virtual audits are carried out when an organization performs work or provides services using an online environment that allows people, regardless of their physical location, to carry out the audit process. International Accreditation Forum (2015) defines remote audit (assessment) as the assessment administered by the Conformity Assessment Body (CAB) from locations that do not require physical presence. A remote audit is defined as the method through which the auditor combines information and verbal exchange era for the cause of accumulating, recording, sharing, and analyzing audit data, additionally engaging with the auditee independently of the auditor's bodily place (Teeter, Alles, & Vasarhelyi, 2010;

Castka, Searcy, & Fischer, 2020). The remote audit also enables the segregation of audit duties between head office and audit team individuals (Eni, 2016).

Framework and Hypothesis

Some previous studies revealed a positive correlation between auditors' professional skepticism and audit quality. Kusumawati and Syamsuddin (2018) also Nugrahaeni et al. (2019) state that professional skepticism directly affects audit quality, where an appropriate measure of audit quality lies in the auditor's conduct when conducting audits, one of which is professional skepticism. The research conducted by Popova (2013) and Beasley et al. (2001) show that an attitude of skepticism will increase sensitivity in detecting fraud during the evaluation of evidence. There is a significant positive link between professional skepticism and the auditor's assessment of the risk of material misstatement (Hussin et al., 2017). Finding and reporting violations is a form of audit quality (DeAngelo, 1981) and professional skepticism is important in conducting audits, thereby impacting audit quality (Boyle & Carpenter, 2015).

H1: Professional skepticism has a positive effect on audit quality

Kelly and Cook (1991) also Coram et al. (2003) reveal that time pressure is a matter often faced by auditors, which can make auditors experience a dysfunctional behavior to reduce audit quality (Gundry & Liyanarachchi, 2007). Further research by Coram et al. (2004) also Svanberg and Öhman (2013) show that time budget pressure affects reduced audit quality (RAQ), both in terms of accepting dubious evidence or by not testing or cutting the selected sample. Moreover, the research conducted by Deviani and Badera (2017), Santoso and Achmad (2019), also Sari and Lestari (2018) indicates that time pressure affects the quality of the audit. Time

pressure has a negative effect, which means that the higher the time budget pressure, the lower the audio quality. Bowrin and King (2010) explain that time budgets are associated with stress and auditor work-related behaviors that can reduce audit quality, increasing the likelihood that the audit will fail. H2: Time pressure has a negative effect on audit quality

One of the obstacles in auditing practices during the COVID-19 pandemic is auditors' limited mobility and physical access when performing their audit duties. Such obstacles would lead to the practice of remote audit, creating an option for auditors in carrying out their duties. Albitar et al. (2021) state that social distancing and the implementation of work from home (WFH) require audit companies to develop digital programs so that audits can be carried out through remote access (Eni, 2016; Bierstaker, Burnaby, & Thibodeau, 2001). Remote audit means collecting evidence electronically and interacting with the auditee from the auditor's physical location online (Teeter et al., 2010). This is a challenge for auditors regarding evidence reliability, quality, and suitability (Appelbaum, Budnik, & Vasarhelyi, 2020; IAPI, 2020).

However, the remote audit also benefits the auditor by providing flexible work locations, better work-life balance, and less time travel (Nastase & Ionescu, 2011). The audit company benefits from the cost-saving in the office room, which also leads to increased profit. Dwidienawati, Tjahjana, Pradipto, and Gandasari (2020) stated that WFH provides work satisfaction to the employees. WFH provides flexibility to employees, less time spent, a balance between work and life, also less stress. Those can increase the auditor's work performance, resulting in a quality audit (Butarbutar & Pesak, 2021).

H3: Remote audit has a positive effect on audit quality

Limited mobility and physical access due to the COVID-19 pandemic caused the audit to shift to a remote audit (Litzenberg & Ramirez, 2020). These limitations affect auditors' level of professional skepticism in carrying out quality audits. IAPI (2020) views the implications for implementing remote audits, one of which is that obtaining evidence electronically presents a challenge for auditors to increase skepticism in testing the reliability of evidence. This is due to vulnerabilities in the reliability, quality, and suitability of evidence during remote audits (Appelbaum et al., 2020; IAPI, 2020).

Levy (2020) mentioned that accounting forecasts could be inherently more complex and much less dependable due to the higher level of uncertainty during the pandemic. In addition, the COVID-19 pandemic has considerable implications for the entire audit process, along with the emergence of new fraud risks (Diab, 2021). For this reason, the auditor must conduct a sufficient professional skepticism and remain vigilant for indications of management error, whether intentionally or not (Diab, 2021; Levy, 2020), while professional skepticism affects audit quality (Kusumawati & Syamsuddin, 2018). These studies show that the need for professional skepticism to achieve audit quality will be higher with remote audits, so remote auditing strengthens the relationship of professional skepticism to audit quality.

H4: Remote audit strengthens the relationship of professional skepticism to audit quality

The research framework and hypotheses are shown in Figure 1.

RESEARCH METHOD

This study is quantitative research to test the hypothesis of the significance of the relationship between the independent variables (i.e.,

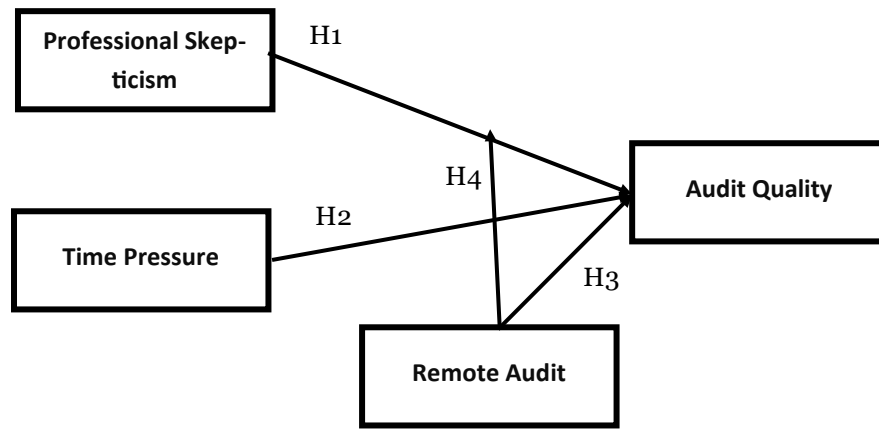


Figure 1. Research Framework

auditor professional skepticism, audit time pressure, and remote audit) and the dependent variable (i.e., audit quality) and the effect of moderating variables (i.e., remote audit) on variables that are independent of the dependent variable. A survey of 215 BPK auditors was conducted using a random sampling method to collect the data. The instrument used was a questionnaire with a five Likert Scale from 1 (strongly disagree) to 5 (strongly agree). Table 1 shows the operationalization of research variables.

This study analyzed the data using descriptive statistics to analyze data by describing the data that had been collected (Sugiyono, 2017) and Smart PLS (Partial Least Square) to test the hypothesis. PLS is useful for theory development when the model is complex and in the exploratory stage, relatively small sample size and processing of all types of data, including non-normal data distributions, explaining the relationship between variables and the use of latent construction measurements (Nitzl, 2016).

The tests carried out using Smart PLS are the Outer Model Test or Measurement Model, the Inner Model Test or Structural Model, and Hypothesis Test. The Outer Model Test or Measurement Model consists of convergent validity, discriminant validity, and composite reliability. Convergent validity is related to the principle that the measures of a

construct should be highly correlated (Ghozali, 2021). The convergent validity test can be seen from the loading factor value for each construct indicator. The rule of thumb used to assess convergent validity is that the loading factor value must be more than 0.7 for confirmatory research and the loading factor value ranges from 0.6 to 0.7 for exploratory research, and the Average Variance Extracted (AVE) value must be greater than 0.5 (Ghozali, 2021). However, at the research stage of the scale development stage, the loading factor value of 0.5 - 0.6 is still acceptable (Ghozali, 2021).

Discriminant validity relates to the principle that quantifiers of different constructs should not be highly correlated by looking at the value of cross-loading for each variable must be greater than 0.70 (Ghozali, 2021). Composite reliability is used to prove the instrument's accuracy, consistency, and accuracy in measuring constructs (Ghozali, 2021). Measure the reliability of a construct with reflective indicators. This can be done in two ways: with Cronbach's Alpha and Composite Reliability, with a value greater than 0.7 for confirmatory research and 0.6 - 0.7 for exploratory research. Furthermore, the Inner Model or Structural Model Test is carried out by looking at the R² value. R² values of 0.75, 0.50, and 0.25 show that the model is robust, moderate, and weak (Ghozali, 2021). Subsequently, hypothesis

Table 1. Operational Research Variables

Variable	Dimension	Indicator
Audit Quality (Y) (Knechel & Shefchik, 2014; Pinello et al., 2019; Lee et al., 2016; De Angelo, 1981)	Input	Auditor experience Audit education that the auditor has attended
	Process	Compliance with standards Compliance with audit program Adequacy of quality control (supervision)
	Outcomes	Misstatement detection Misstatement reporting
Professional Skepticism (X1) (Arens et al., 2014; Kusumawati & Syamsudin, 2018; Boyle & Carpenter, 2015)	Questioning Mind	Auditor doubts in auditing evidence Critical evaluation of audit evidence
	Suspension of Judgment	Evaluating evidence from objective (not subjective) sources Confirmation
Time Pressure (X2) (Hussin et al., 2017; Bowrin & King, 2010; Umar et al., 2017)	Processing time pressure	The auditor views the audit time budget as an obstacle to the implementation or completion of certain audit procedures Auditors find it difficult to complete work within a predetermined time limit
	Report limit time pressure	Strict and continuous audit assignment schedule
Remote Audit (X3) (Teeter et al., 2010; Appelbaum et al., 2020; Castka et al., 2020)	Audit interaction and communication patterns	Patterns of communication and interaction with auditees Patterns of communication and interaction within a team
	Implementation of remote audit	Documentation for document review Observation techniques in the implementation of remote audit

testing is conducted by evaluating the model to determine the significance of the influence between variables through the bootstrap approach. In the resampling bootstrap method, the significance value used is t-value 1.96 (significance level = 5%).

RESULT AND DISCUSSION

Descriptive Statistical Test

Questionnaires are distributed to 215 respondents, and the demographic distribution is presented in Appendix 1. Based on the respondents' experience as auditors, they have more than six years of experience, and only 7.40% of them have less than five years of experience. In addition, 116 respondents were dominated by senior auditors (54.00%). Thus, respondents relatively have sufficient experience to convey their perceptions regarding auditing problems during the COVID

-19 pandemic.

Descriptive statistics are used to analyze the data by describing the data that has been obtained from the respondents by calculating the average (mean), standard deviation, maximum, and minimum. The results of the descriptive statistical test are shown in Table 2.

Outer and Inner Model Testing

Complete data on loading factors can be seen in Appendix 2. The results of the Convergent Validity Test show that there are six indicators that have a loading factor of less than 0.5 so they must be excluded from the model because they are not significant (Ghozali, 2021). The indicators released are 3 indicators of time pressure variables (X2.1, X2.4, and X2.5), remote audit variables (X3.3 and X3.6), also audit quality (Y1.9). After the indicators are removed from the model, all indicators have a loading factor

Table 2. Descriptive Statistical Test Results

Variable	N	Minimum	Maximum	Interval	Mean	Std. Deviation	Result
Professional Skepticism	215	6	30	4.8	26.209	3.231	Very High
Time Pressure	215	9	30	4.2	19.507	4.093	Medium
Remote Audit	215	16	30	2.8	24.735	2.612	High
Audit Quality	215	27	45	3.6	38.493	3.666	High

value of more than 0.5. The value of Average Variance Extract (AVE) generated for each variable can be seen in Table 3.

Table 3. AVE Value Test Results

Variable	AVE
Professional Skepticism	0.732
Time Pressure	0.665
Remote Audit	0.698
Audit Quality	0.615
Moderation of Professional Skepticism	1.000

The results of the discriminant validity test were carried out using cross-loading and the Fornell-Larcker Criterion. The discriminant validity test using the Fornell-Larcker Criteria was carried out by comparing the square root of the AVE for each construct with the correlation between constructs in the model. Table 4 shows that the AVE root of each construct is higher than the AVE root of a construct or variable with other constructs. Thus, all constructs in the estimated model meet discriminant validity criteria. A construct reliability test was then conducted, measured by two criteria, namely Cronbach's alpha and composite reliability. The value of Cronbach's Alpha and composite reliability

Table 4. Fornell-Larcker Criterion

Variable	Professional Skepticism	Professional Skepticism	Time Pressure	Audit Quality	Remote Audit
Professional Skepticism	0.855				
Moderation of Professional Skepticism	0.056	1.000			
Time Pressure	-0.067	0.051	0.815		
Audit Quality	0.505	0.106	-0.241	0.784	
Remote Audit	0.362	0.237	0.007	0.556	0.835

results from processing using Smart PLS is presented in Table 5. Table 5 shows that the value of Cronbach's alpha and composite reliability for all variables is above 0.7. Thus it can be stated that all the variables used in the study are reliable.

Table 5. Reliability Test Results

Variable	Cronbach's Alpha	Composite Reliability
Professional Skepticism	0.925	0.942
Time Pressure	0.778	0.853
Remote Audit	0.856	0.902
Audit Quality	0.909	0.927
Professional Skepticism	1.000	1.000

The inner test (structural model) aims to show the strength of the estimate between latent variables or constructs by knowing the R-square (R^2) value (Ghozali, 2021). The results of the R^2 value test using Smart PLS is 0.464, or R^2 Adjusted is 0.452. This shows that 45.2% of Audit Quality is influenced by Professional Skepticism, Time Pressure, and Remote Audit, while other factors influence 54.8%.

Hypothesis Testing

Hypothesis testing using bootstrapping algorithm with the Smart PLS program with the significance of 5% is 1.96. The t-table is compared with the t-count or t-statistics. The results of hypothesis testing can be seen in Table 6. The original sample shows a value of 0.331 for Professional Skepticism on Audit Quality, which means that there is a positive influence between Professional Skepticism on Audit Quality. The effect of Professional Skepticism on Audit Quality is 33.1%, while other variables' influence is 66.9%. The t-statistic value shows a value of 3.065, so the t-statistic value is greater than the t-table ($3.065 > 1.96$), and the P-value is 0.002, smaller than 0.05. This shows that Professional Skepticism has a significant effect on Audit Quality. Thus, professional skepticism positively affects audit quality, and the H1 is accepted.

One form of audit quality is that the auditor can detect an error or fraud using the auditor's professional skepticism in the form of a critical attitude and questioning mind when evaluating audit evidence. In addition, with professional skepticism, an auditor suspends judgment until obtaining objective evidence and information and conducts testing and analysis before concluding. Thus, the resulting audit will provide an adequate confidence level, which has implications for good audit quality.

This study's results align with previous research conducted by Kusumawati and Syamsuddin (2018) also Nugrahaeni et al. (2019), which state that professional skepticism has a significant direct effect on audit quality. Research by Popova (2013), Hussin et al. (2017), and Beasley et al. (2001), reveal that there is a significant relationship between professional skepticism and the detection of fraud also material misstatement which is a form of audit quality. Otherwise, research by Nandari and Latrini (2015) reveals that skepticism does not significantly affect audit quality. Asmara (2019) states that due professional care through critical thinking about audit evidence has no significant effect on audit quality.

The original sample shows a value of -0.219 for Time Pressure on Audit Quality, which means time pressure negatively affects audit quality. The higher the time budget pressure, the lower the audit quality. The effect of time pressure on audit quality is 21.9%, while other variables influence 79.1%. The t-statistic value shows a value of 3.647, so the t-statistic value is greater than the t-table ($3.647 > 1.96$), and the P-value is 0.000 smaller than 0.05. This shows that Time Pressure has a significant effect on Audit Quality. Thus, H2, which states that time pressure has a negative effect on audit quality, is accepted.

In obtaining good audit quality, the auditor shall perform the audit procedures according to the audit program and based on standards

Table 6. Hypothesis Testing Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Professional Skepticism on Audit Quality	0.331	0.337	0.108	3.065	0.002
Time Pressure on Audit Quality	-0.219	-0.216	0.060	3.647	0.000
Remote Audit on Audit Quality	0.442	0.416	0.093	4.737	0.000
Moderation of Professional Skepticism on Audit Quality	-0.008	0.011	0.144	0.059	0.953

and guidelines. Thus the auditor can provide reasonable assurance on the results of the audit. Audit time pressure arises due to limited time for the auditor to perform the audit procedures that have been designed to affect the achievement of audit quality. Time pressure can lead the auditor to reduce audit quality. The results of this study are in line with previous research.

The study of Coram et al. (2004) shows that time budget pressure reduces audit quality both in terms of accepting dubious evidence and by not testing or cutting the selected sample. Research conducted by Santoso and Achmad (2019), Sari and Lestari (2018), also Deviani and Badera (2017) show that time budget pressure has a negative and significant effect on audit quality, which means that the higher the time budget pressure, the lower the audit quality. Otherwise, research by Wijaya and Yulyona (2017) also Nugroho (2018) state that time pressure has no significant effect on audit quality, so the auditor can complete the requested work within a certain period and continue to improve audit quality.

The original sample shows a value of 0.442 for Remote Audit on Audit Quality, which means remote audit positively affects audit quality. The effect of Remote Audit on Audit Quality is 44.2%, while other variables influence 55.8%. The t-statistic value shows a value of 4.737, so the t-statistic value is more significant than the t-table ($4.737 > 1.96$), and the P-value is 0.000 smaller than 0.05. This shows that Remote Audit has a significant effect on Audit Quality. Therefore, this study accepts and supports H3 stating that Remote Audit has a positive effect on audit quality.

During the Covid-19 pandemic, remote audits are performed by auditors at their respective homes or places of residence on a teleworking basis (Belzunegui-Eraso & Erro-Garcés, 2020). This benefits the auditor as it

saves time and energy; work can be performed optimally. Moreover, auditors can maintain a better work-life balance and reduce stress levels, thereby improving their auditor performance. The optimization and performance improvement affects the quality of the resulting audit.

Nastase and Ionescu (2011) state there are several benefits for auditors through remote auditing, i.e., a flexible work location, a better balance between work and life, and reduced travel time. Dwidienawati et al. (2020) state that WFH provides job satisfaction for employees by providing flexibility, less time spent, a good work-life balance in place, and does not cause stress. These things can improve the performance of auditors so that in carrying out their duties, they can produce quality audits (Butarbutar & Pesak, 2021). Other research shows concerns about the decline in audit quality due to remote audits because the remote audit is a challenge for auditors in terms of the reliability, quality, and suitability of evidence (Appelbaum et al., 2020; IAPI, 2020).

The original sample shows a value of -0.008 for the moderating effect of Professional Skepticism on Audit Quality, which means that there is a negative effect for moderating Professional Skepticism on Audit Quality with a small value. Moderation of Professional Skepticism on Audit Quality is 0.8%, while other variables influence 99.2%. The t-statistic value shows a value of 0.059, so the t-statistic value is smaller than the t-table ($0.059 < 1.96$), and the P-value is 0.953 greater than 0.05. This shows that Remote Audit does not moderate the effect of Professional Skepticism on Audit Quality. Therefore, H4 is rejected.

Before testing the hypothesis with remote audit as a moderator, the results showed that professional skepticism significantly affected audit quality. With remote audit as the mod-

erating variable, the results of hypothesis testing indicate that remote audit does not affect the relationship of professional skepticism to audit quality, so remote audit is classified as a moderating predictor, which only acts as an independent variable. The study results are not in line with Levy (2020) and IAPI (2020), which explain that remote audit poses a challenge regarding the reliability, quality, and suitability of evidence. Because accounting estimates will be inherently more complex and much less dependable, auditor skepticism needs to be improved to produce a quality audit.

The hypothesis is not accepted because of professional skepticism that has become fundamental for auditors in carrying out audits. Porter et al. (2008) also Boyle and Carpenter (2015) explain that professional skepticism is an attitude that includes a questioning mind and caution over conditions that indicate the possibility of misstatements due to errors or fraud, as well as a critical assessment of audit evidence.

In the remote audit, auditors experience obstacles, including restrictions on direct physical access to audit evidence and confirmation of key personnel, which cannot be carried out face-to-face. However, the remote audit does not change the attitude of professional skepticism of auditors in conducting audits. This is because professional skepticism is fundamental for auditors in conducting audits to produce quality audits. Auditors, even though they carry out remote audits during the COVID-19 pandemic or face-to-face audits during normal conditions without a pandemic, will always be skeptical of the information and audit evidence submitted by the auditee.

CONCLUSION

During the COVID-19 pandemic situation, professional skepticism positively affects audit quality significantly. The results of this research are consistent with other research conducted in normal situations. For this reason, it is recommended for BPK RI auditors to continuously develop an attitude of professional skepticism in conducting audits so that they can obtain good audit quality. BPK also needs to support increasing professional skepticism for its auditors, which can be done through training and education, also enforcement of regulations about professional skepticism. The existence of the COVID-19 pandemic also continues to show a significant negative influence on time pressure on audit quality. In this case, it is suggested that BPK RI auditors need to be able to manage time well in conducting audits to minimize time pressure that can reduce audit quality. BPK management also needs to rearrange the audit schedule and timeframe to match the workload and available resources, so that time pressure during audit implementation can be minimized. BPK can also consider using IT to assist its auditors in conducting audits, reducing time pressure.

Implementing audits during the COVID-19 pandemic shows that remote audits positively affect audit quality significantly. In other words, the more often remote audit is applied, the higher the audit quality will be. This indicates that remote audit is not an obstacle for the auditor but an advantage so that the auditor can optimize the remote audit they carry out. In this implementation, it is necessary to have good supervision to maintain the quality of the audit. This study also shows that remote audit does not moderate the relationship between professional skepticism on audit quality. The remote audit does not strengthen or weaken the effect of professional skepticism on audit quality. Therefore, the implementation of remote au-

dits can be considered by BPK because it does not reduce auditors' professional skepticism about achieving audit quality.

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APPENDICES

Appendix 1. Respondents Demographic

Information	Number	Percentage
Gender		
Man	145	67,4%
Woman	70	32,6%
Total	215	100,0%
Age		
20 – 25 Years	2	0,9%
26 – 35 Years	70	32,6%
36 – 45 Years	121	56,3%
> 45 Years	22	10,2%
Total	215	100,0%
Graduate		
Associate Degree	0	0,0%
Bachelor Degree	113	52,6%
Master Degree	99	46,0%
Doctoral degree	3	1,4%
Total	215	100,0%
Position		
Junior Auditor	68	31,6%
Senior Auditor	116	54,0%
Supervisor	27	12,6%
Head Auditor	1	0,5%
Non Auditor	3	1,4%
Total	215	100,0%
Work Experince		
≤ 5 years	16	7,4%
6 – 10 years	35	16,3%
11 – 15 years	123	57,2%
> 15 years	41	19,1%
Total	215	100,0%

Appendix 2. Loading Factor Indicator Value

Indicators	Skepticism (X1)	Time Pressure (X2)	Remote Audit (X3)	Audit Quality (Y)	X1*X3	Results
X1.1	0,881					Valid
X1.2	0,881					Valid
X1.3	0,910					Valid
X1.4	0,879					Valid
X1.5	0,720					Valid
X1.6	0,849					Valid
X2.1		0,316				Invalid
X2.2		0,585				Valid
X2.3		0,924				Valid
X2.4		0,365				Invalid
X2.5		0,274				Invalid
X2.6		0,837				Valid
X3.1			0,819			Valid
X3.2			0,717			Valid
X3.3			0,310			Invalid
X3.4			0,861			Valid
X3.5			0,891			Valid
X3.6			0,495			Invalid
Y1.1				0,631		Valid
Y1.2				0,807		Valid
Y1.3				0,826		Valid
Y1.4				0,847		Valid
Y1.5				0,779		Valid
Y1.6				0,793		Valid
Y1.7				0,718		Valid
Y1.8				0,820		Valid
Y1.9				0,496		Invalid
X1 * X3					0,884	Valid