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# LOCUS OF CONTROL, SELF EFFICACY, AND TIME BUDGET PRESSURE IN AUDIT JUDGMENT: THE MODERATING ROLE OF TASK COMPLEXITY

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## Abstract

This research uses task complexity as a moderating variable to empirically evaluate the effects of locus of control, self-efficacy, and time budget pressure on audit judgment. This study collected answer from auditors who worked for KAP in Bali. The collected data was analyzed using IBM SPSS Statistics in order to assess validity, reliability, and hypotheses. The results of the research show that locus of control, self-efficacy, and time budget pressure have a significant impact on audit judgment. The results of the moderation test show that task complexity affects the link between audit judgment and time budget pressure, but it has no effect on the relationship between self-efficacy and locus of control.

**Keywords**: Time Budget Pressure; Audit Judgment; Self Efficacy; Locus Of Control; Task Complexity.

## *Abstrak*

*Penelitian mempunyai tujuan guna melakukan uji serta memberi bukti empiris perihal dampak locus of control, self efficacy, serta time budget pressure pada audit judgment dengan task complexity selaku variabel moderasi. Penelitian ini dilaksanakan pada auditor yang bekerja di KAP di Bali dan diperolehnya respon dari auditor sebagai partisipan penelitian. Data yang didapat diolah memakai IBM SPSS Statistics guna menguji validitas, reliabilitas, serta pengujian hipotesis. Temuan penelitian menampilkan bahwa self efficacy, locus of control, serta time budget pressure memiliki pengaruh signifikan pada audit judgment. Di samping itu, temuan uji moderasi menunjukkan bahwa task complexity tidak memoderasi keterkaitan diantara locus of control serta self efficacy pada audit judgment, namun memoderasi dampak time budget pressure pada audit Judgment.*

***Kata Kunci:*** *Audit Judgment; Locus Of Control; Self Efficacy; Time Budget Pressure; Task Complexity.*

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## INTRODUCTION

Whether in the public or private sector, financial statements are the main tool used by different stakeholders to evaluate an entity's financial performance. Financial statements must be produced openly and in compliance with accepted accounting rules as a source of data to aid in decision-making. However, in practice, the quality and reliability of financial statements still face challenges, particularly due to the risk of misstatements, which may arise either from errors or deliberate manipulation. Regulations based on UU No. 40 Tahun 2007 concerning Limited Liability Companies and OJK Circular Letter No. 16/SEOJK.04/2021 require public companies to prepare audited financial statements to ensure accuracy and compliance with accounting standards. In this context, auditors play a crucial role as independent parties providing professional assessments of the fairness of financial statements, thereby enhancing stakeholder confidence in the information presented.

Auditors have the responsibility to ensure ensure there are no significant misstatements in the financial statements they review. that could influence the decision-making process of financial statement users. In carrying out this duty, auditors do not solely rely on technical skills but must also uphold a high level of integrity and professionalism in every decision they make. One crucial aspect of the audit process is audit judgment, which refers to the professional consideration used by auditors to assess the fairness of financial statements based on available evidence and applicable standards. Audit judgment becomes increasingly important when auditors are faced with complex tasks, limited information, and a high degree of uncertainty in the evaluation and decision-making process.

Audit judgment refers to the professional judgment employed by auditors in assessing the fairness of financial statements based on relevant training, expertise, and experience. This process is carried out by considering the facts and scope of the audit to ensure that the decisions made are accurate and accountable (IAPI, 2021). Audit judgment is a critical aspect of the audit process that determines the quality and accuracy of financial statements. Auditors are expected to provide objective professional assessments in various audit situations. However, in practice, audit decisions are often influenced by various external and internal factors that may impact the accuracy of the resulting judgment. Therefore, understanding all factors that affect audit judgment is essential for the auditing profession, particularly in ensuring the quality and credibility of financial statements.

The empirical phenomenon related to the lack of audit judgment quality is clearly reflected in the case of PT WanaArtha Life. In 2019, the financial statements of WanaArtha Life, which had been audited by KAP Crowe, were found not to reflect the company’s true financial condition. As a result, OJK imposed a suspension of the practicing license of the responsible auditor for failing to detect serious issues in the financial statements (OJK, 2023). This case highlights the importance of understanding the factors influencing audit judgment to prevent similar errors in the future.

The locus of control (LoC) is one of the main elements that might affect audit judgment. LoC is the notion that one has control over the results of one's activities (Rachman, 2022). When making conclusions based on analysis and the evidence

they have collected, auditors who have an internal LoC are often more confident, whereas auditors with an external LoC are more influenced by external factors such as external pressures or instructions from others. This factor plays a role in audit judgment, where auditors with an internal LoC exhibit greater independence in their assessments, while those with an external LoC are more susceptible to environmental influences.

Another important component is self-efficacy, or the auditor's belief in their own capacity to do audit duties. Tumurang et al. (2019) define self-efficacy as a person's confidence in their capacity to carry out activities, accomplish objectives, and make wise judgments. When it comes to auditing, auditors that have a high level of self-efficacy are more confident in handling complex tasks and are capable of overcoming challenges during the audit process. Conversely, low self efficacy may lead auditors to doubt their decisions, which could potentially affect the quality of audit judgment.

Time budget pressure, or the pressure auditors face from having to do allocated audit duties under severe time limitations, is another important consideration (Karimullah & Yuyetta, 2021). This pressure can impact audit judgment, as auditors are required to work efficiently within a limited timeframe to complete audit tasks while maintaining the quality of their examination results. Under high time pressure conditions, auditors must ensure that their decisions remain accurate and accountable, despite working within significant time pressured (Dewi et al., 2023).

Task complexity also acts as a moderating factor in the link between audit judgment and the previously listed parameters. Task complexity is a measure of a task's degree of difficulty, which influences an auditor's ability to process information and make audit decisions (Sanusi et al., 2018). This complexity involves the amount of information that needs to be considered, the coordination required, as well as individual limitations in terms of knowledge and available resources. Furthermore, Andryani et al. (2019) stated that task complexity reflects tasks that are unstructured, difficult to comprehend, and often ambiguous.

Various previous studies have presented diverse findings regarding the factors influencing audit judgment. Sari & Ruhiyat (2017) found that LoC has a significant positive effect on audit judgment, whereas Cicilia & Sofian (2022) stated otherwise. In the context of self efficacy, Yowanda et al. (2019) revealed that self efficacy positively affects audit judgment, but Karimullah & Yuyetta (2021) found no significant influence. Meanwhile, a study by Abdillah et al. (2020) indicated that time budget pressure negatively impacts audit judgment, whereas Jati & Suprasto (2018) found that its effect is positive but not significant. Regarding task complexity as a moderating variable, Rakhman et al. (2021) stated that task complexity does not moderate the effect of LoC on audit judgment. Conversely, a study by Virlianda & Jaeni (2022) found that task complexity moderates the relationship between self efficacy and audit judgment, where the more complex the task, the clearer the impact of self efficacy on audit judgment. On the other hand, Putri et al. (2018) found that task complexity actually weakens the effect of self efficacy on audit judgment. Concerning the relationship between time budget pressure and audit judgment, Nirmala & Latrini (2017) demonstrated that task complexity strengthens the effect of time budget pressure on audit judgment, as more complex tasks amplify the

impact of time pressure on the quality of an auditor's judgment.

Based on the discussion above, this study aims to analyze the influence of locus of control, self efficacy, and time budget pressure on audit judgment while considering the moderating role of task complexity. Additionally, this study seeks to bridge the research gap regarding the inconsistencies in previous findings on the relationships among these variables.

## LITERATURE REVIEW

### Attribution Theory

Heider (1958) created the idea of attribution, which states that both internal (inside oneself) and external (environmental) elements may affect a person's conduct. This theory may be used to auditing to describe how auditors make decisions that are impacted by both external and internal variables, including task complexity and internal elements like LoC, self-efficacy, and time budget pressure.

### Agency Theory

The connection between the principle (shareholders) and the agent (managers), in which the agent takes choices on behalf of the principal, is explained by agency theory, which was first put out by Jensen & Meckling (1976). When the agent doesn't always behave in the principal's best interest, conflict may occur and agency expenses can result. This theory applies to audit judgment as, in their capacity as agents, auditors must make sure that their choices are impartial and unaffected by variables like LoC, self-efficacy, and time budget pressure.

### Audit Judgment

Audit judgment is the subjective assessment process carried out by auditors in evaluating financial information obtained during the audit process to produce decisions that align with professional standards. According to Nasution & Östermark (2012), it is the assessment process performed by auditors in making decisions related to audit tasks, which involves understanding relevant information and applying professionalism, particularly in situations that involve social pressure or specific workplace conditions.

### Locus Of Control

The term "LoC" or locus of control refers to an individual's sense of control over their life's circumstances. According to Sari & Ruhiyat (2017), LoC reflects the extent to which individuals feel they can influence these outcomes through personal actions. Meanwhile, Cicilia & Sofian (2022) define LoC as the degree to which a person believes that their behavior and actions affect events in their life, whether determined by their own efforts or external factors beyond their control.

LoC has a favorable impact on audit judgment, according to Manurung & Hasbi (2023), which means that auditors who have a strong internal LoC are able to make more correct audit conclusions. The results from Sari & Ruhiyat (2017), which show that auditors with an internal LoC often make more accurate audit choices, are in line with this outcome. However, Cicilia & Sofian (2022) and Herlambang et al. (2023) discovered that LoC had no significant impact on audit judgment. These

findings highlight the uncertainty in auditor behavior when their LoC lies between internal and external, leading them to face a dilemma in relying on personal abilities or external factors in making audit decisions.

**H1: Locus of Control has an effect on audit judgment**

**Self Efficacy**

Sanusi et al. (2018) define self-efficacy as a person's confidence in their capacity to plan, carry out activities, and accomplish desired results. This idea influences how people focus their efforts in order to reach their objectives. When it comes to auditing, auditors who have a high level of self efficacy are more certain of their ability to finish audit duties and provide more correct audit judgment outcomes.

The conviction in one's own capacity to manage, complete activities, and achieve desired outcomes is known as self-efficacy. This idea affects how people focus their efforts in order to accomplish their goals. High self-efficacy auditors are more certain of their ability to finish audit duties and provide more correct audit judgment outcomes in the auditing setting (Septiaji & Hasymi, 2021).

Virlianda & Jaeni (2022) and Yowanda et al. (2019) have shown that self-efficacy has a favorable and significant impact on audit judgment. This implies that even in challenging audit work environments, auditors with high levels of self-efficacy are able to draw more accurate findings. However, Karimullah & Yuyetta (2021) discovered that self-efficacy had no significant impact on audit judgment, suggesting that situational circumstances and outside influences might lessen an auditor's confidence in generating high-caliber audit conclusions.

**H2: Self efficacy has an effect on audit judgment**

**Time Budget Pressure**

According to Gundry & Liyanarachchi (2007), time budget pressure refers to the pressure auditors experience when they are required to complete an audit within a short and often inadequate timeframe. This pressure can lead to dysfunctional behaviors that reduce audit quality. According to Lee (2012), time budget pressure is the pressure auditors feel when they are required to complete audit tasks within a predetermined timeframe, which is often insufficient. This pressure may tempt auditors to compromise audit quality in order to meet deadlines, potentially leading to dysfunctional behaviors such as prematurely signing off audit procedures or accepting weak client explanations, thereby reducing overall audit effectiveness. According to study by Wijaksana & Dewi (2019) and Abdillah et al. (2020), time budget pressure significantly impairs audit judgment; that is, the more time pressure auditors have, the worse the caliber of audit conclusions they generate.

The quality of an auditor's conclusion is not always directly impacted by time pressure, as Jati & Suprasto (2018)demonstrated that time budget presure has a favorable but not significant influence on audit judgment. Time budget pressure, on the other hand, may actually improve the quality of audit judgment, according to Tibe & Dewi (2019) results, as auditors who are under time pressure often make better audit conclusions.

**H3: Time budget pressure has an effect on audit judgment.**

**Task Complexity**

According to Dewi & Wirasedana (2015), task complexity is the level of difficulty perceived by an individual when facing tasks that are hard to understand and require greater abilities to complete. This complexity arises not only due to the inherent nature of the task but also due to individual limitations in terms of knowledge and skills. Meanwhile, in the auditing context, Dewi et al. (2021) stated that a high level of complexity can lead accountants to exhibit dysfunctional behavior, which ultimately reduces the quality of audit judgment.

Furthermore, task difficulty does not substantially regulate the link between LoC and audit judgment, according to the results of a research by Rakhman et al. (2021) on task complexity as a moderator of LoC. However, this research keeps investigating if job complexity might shed further light on the connection between LoC and the caliber of auditors' choices.

**H4: Task complexity moderates the effect of LoC on audit judgment**

The degree of work complexity auditors encounter may affect the link between audit judgment and self-efficacy. Task complexity is seen to be a key moderating factor in this situation, having the ability to either amplify or diminish this association. According to Virlianda & Jaeni (2022) and Karimullah & Yuyetta (2021), task complexity has been shown to considerably modify the link between audit judgment and self-efficacy. This implies that the importance of self-efficacy in generating competent audit judgment becomes more significant when auditors encounter complicated audit assignments. However, Putri et al. (2018) discovered that task complexity actually lessens the impact of self-efficacy on the caliber of audit judgment since it might raise questions that make auditors less confident in their decision-making.

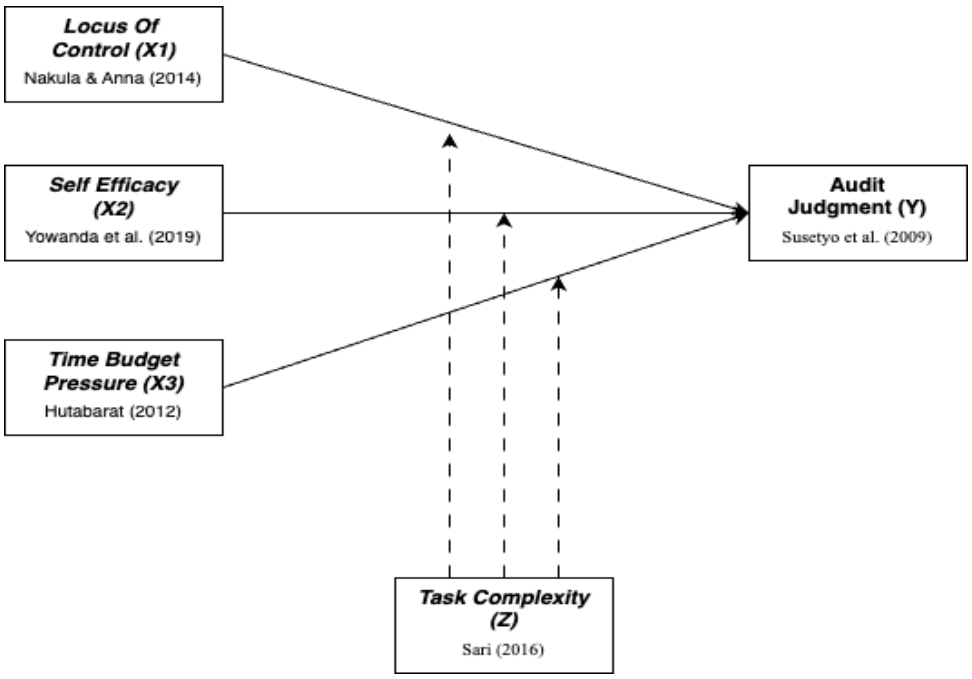
**H5: Task complexity moderates the effect of self efficacy on audit judgment**

One issue that auditors face is time budget pressure, which might affect the caliber of their audit judgment. As a result, it's critical to determine if task complexity influences the strength or weakness of the correlation between auditor decision-making quality and time pressure. Tandean et al. (2022) and Nirmala & Latrini (2017) claim that work complexity increases the impact of time budget presure on audit judgment. This suggests that when auditors are faced with complicated tasks that take longer to do, time pressure has a higher effect on the quality of audit judgment. The purpose of this research is to elucidate how job complexity might either reinforce or erode the correlation between auditors' quality of audit judgment and time pressure.

**H6: Task complexity moderates the effect of time budget pressure on audit judgment**

Based on the theoretical framework developed, the research model and hypotheses can be illustrated in the Figure 1.

**Figure 1. Research Framework Model**




## RESEARCH METHODOLOGY

This study used a quantitative method using a questionnaire survey as the primary instrument for data collection. In this study, the population includes all auditors working at Public Accounting Firms (KAP) in Bali. Based on the obtained data, there are 20 registered Public Accounting Firms listed by the (IAPI) Institut Akuntan Publik Indonesia (2024). The sample selection method uses non-probability sampling with a convenience sampling technique. A total of 100 questionnaires were distributed to Public Accounting Firms in Bali listed by the Institut Akuntan Publik Indonesia (2024), and 77 questionnaires were returned with complete responses.

To identify the kinds and indicators of the variables analyzed in this research, the variables must be operationalized. Furthermore, the goal of variable operationalization is to specify the measurement scale for every variable in order to do precise hypothesis testing using analytical tools. The operationalization of variables is presented as follows:

**Table 1. Variable Operationalization**

| Variable | Dimension | Scale |
|---|---|---|
| Audit Judgment (Y) (Susetyo et al., 2009) | Contingent Liabilities<br>Collectibility of Accounts Receivable | Ordinal |

| | Determination of Materiality Level | |
|---|---|---|
| LoC (X1)<br>(Nakula & Anna, 2014) | LoC Internal<br>LoC Eksternal | Ordinal |
| Self Efficacy (X2)<br>(Yowanda et al., 2019) | Strength<br>Generality<br>Magnitude | Ordinal |
| Time Budget Pressure (X3)<br>(Hutabarat, 2012) | Budget tightness<br>Budget attainability | Ordinal |
| Task Complexity (Z)<br>(Sari, 2016) | Task Difficulty Level<br>Task Structure | Ordinal |

This research uses multiple linear regression analysis to evaluate the data and investigate how audit judgment is impacted by LoC, self-efficacy, and time budget pressure. The possibility that task difficulty acts as a moderating variable is also investigated using Moderated Regression Analysis (MRA). The following is the multiple linear regression equation used in this study:

$$\mathbf{Y = \alpha + \beta1.X1 + \beta2.X2 + \beta3.X3}$$

To test the moderating effect using Moderated Regression Analysis (MRA), the following regression model is used:

$$\mathbf{Y = \alpha + \beta1.X1 + \beta2.X2 + \beta3.X3 + \beta4.M + \beta5X1.M + \beta6X2.M + \beta7X3.M}$$

Description:

| | |
|---|---|
| Y | = Audit Judgment |
| α | = Constanta |
| β1, β2, β3,..... | = Regression Coefficients of Each Variable |
| X1 | = LoC |
| X2 | = Self Efficacy |
| X3 | = Time Budget Pressure |
| M | = Task Complexity (moderating variable) |

## RESULT AND DISCUSSIONS

### Respondent Characteristic

The demographic features of auditors in this research include gender, position, years of experience, and the greatest degree of education acquired, according to the questionnaire data collected from 77 respondents. The following table displays the characteristics of the respondents:

**Table 2. Respondent Characteristis**

| Characteristic | Category | Total | Percentage |
|---|---|---|---|
| Gender | Male | 29 | 38% |
| | Female | 48 | 62% |
| Position | Senior Auditor | 68 | 88% |
| | Manager Audit | 9 | 12% |
| Years of Experience | <2 years | 14 | 18% |
| | 2-5 years | 41 | 53% |
| | 5-10 years | 21 | 27% |
| | >10 years | 1 | 1% |
| Highest Education Level | S1 | 56 | 73% |
| | S2 | 15 | 19% |
| | D3 | 2 | 3% |
| | D4 | 4 | 5% |

*Source: Processed data (2024)*

This composition shows that respondents have relatively extensive work experience and a good level of education, reflecting their professional capacity in making audit judgments. The degree to which the research tool measures the desired variables is evaluated via validity testing. With a significance threshold of 5% ($\alpha = 0.05$), the validity test was performed on 77 respondents in this research. The degrees of freedom (df = N - 2), which are 75, were used to determine the r-table value, which came out to be 0.224. An instrument is considered valid if r-calculated > r-table and Sig. < 0.05. This test was conducted using Pearson Product Moment correlation with the assistance of IBM SPSS Statistics 26.

**Table 3 Summary of Validity Test**

| Variable | Number of Items | Range of R-Calculated | R Tabel | Description |
|---|---|---|---|---|
| *Audit Judgment* (Y) | 9 | 0.633 – 0.809 | 0.224 | Valid |
| *LoC* (X1) | 12 | 0.738 – 0.830 | 0.224 | Valid |
| *Self Efficacy* (X2) | 7 | 0.760 – 0.860 | 0.224 | Valid |
| *Time Budget Pressure* (X3) | 5 | 0.805 – 0.847 | 0.224 | Valid |
| *Task Complexity* (Z) | 5 | 0.792 – 0.850 | 0.224 | Valid |

*Source: Processed data (2024)*

All of the entries in Table 3 are deemed legitimate as the resulting coefficients exceed 0.224. This suggests that the factors analyzed in this study can be precisely measured using the research tool.

The consistency of the research tool when used repeatedly on the same topic is assessed via reliability testing. Reliability is categorized as poor if < 0.6, adequate if ≥ 0.7, and good if > 0.8. Based on the calculation results using Cronbach's Alpha through IBM SPSS version 26, all variables in this study meet the required reliability standards. Thus, the research instrument can be used consistently.

**Table 4 Reliability Test**

| Variabel | Cronbach Alpha | Description |
|---|---|---|
| Audit Judgment (Y) | 0.907 | Reliabel |
| LoC (X1) | 0.939 | Reliabel |
| Self Efficacy (X2) | 0.904 | Reliabel |
| Time Budget Pressure (X3) | 0.876 | Reliabel |
| Task Complexity (Z) | 0.882 | Reliabel |

*Source: Processed data (2024)*

Based on Table 4, all variables in this study have an acceptable level of reliability. This is indicated by a Cronbach's Alpha > 0.6, meaning that the research instrument is considered consistent and suitable for use.

**Normality Test**

A key presumption in linear regression analysis is that the sample has a normal distribution, which is ascertained using the normality test. The Kolmogorov-Smirnov Test is used in SPSS to administer this test. A regression model is deemed normal if the probability value is higher than 0.05, according Ghozali (2018). On the other hand, the distribution is considered non-normal if the probability value is less than 0.05. A normal or approximately normal error distribution indicates a good regression model, allowing statistical testing to be conducted validly. Table 5 indicates that the data in this research is normally distributed as the Asymp. Sig. (2-tailed) value is 0.200 > 0.05.

**Table 5 Normality Test**

**One-Sample Kolmogorov-Smirnov Test**

| | | Unstandardized Residual |
|---|---|---|
| N | | 77 |
| Normal Parameters[a,b] | Mean | .0000000 |
| | Std. Deviation | 1.49106180 |
| Most Extreme Differences | Absolute | .067 |
| | Positive | .054 |
| | Negative | -.067 |
| Test Statistic | | .067 |
| Asymp. Sig. (2-tailed) | | .200[c,d] |

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

*Source: Processed data (2024)*

**Multicollinearity test**

In a regression model, linear connections between independent variables are found using the multicollinearity test. If VIF is less than 10, a model is said to be free of multicollinearity; if VIF is more than 10, multicollinearity is indicated, which might compromise the reliability of the regression analysis.

**Table 6 Multicollinearity test**

**Coefficients[a]**

| Model | | Unstandardized Coefficients B | Unstandardized Coefficients Std. Error | Standardized Coefficients Beta | t | Sig. | Collinearity Statistics Tolerance | Collinearity Statistics VIF |
|---|---|---|---|---|---|---|---|---|
| 1 | (Constant) | 12.577 | 2.408 | | 5.224 | .000 | | |
| | LoC | .261 | .050 | .359 | 5.260 | .000 | .106 | 9.411 |
| | Self Efficacy | .309 | .076 | .258 | 4.076 | .000 | .124 | 8.076 |
| | Time Budget Pressure | -.336 | .079 | -.212 | -4.271 | .000 | .202 | 4.949 |
| | Task Complexity | .311 | .087 | .199 | 3.555 | .001 | .158 | 6.324 |

a. Dependent Variable: Audit Judgment

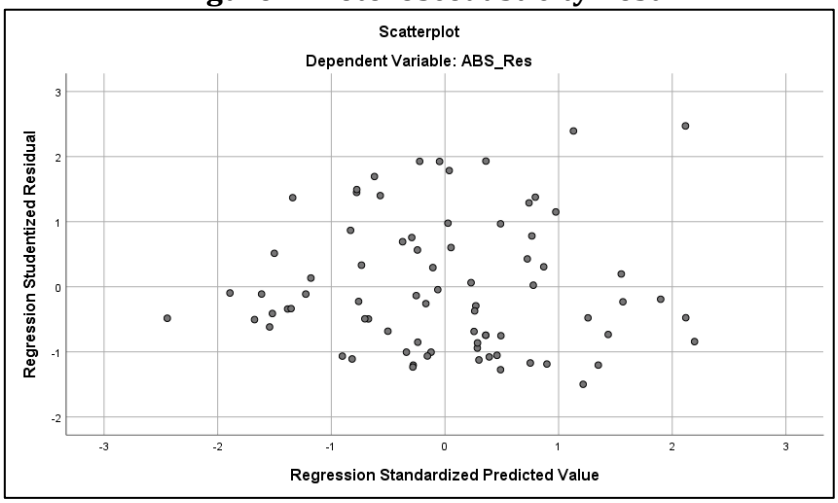
*Source: Processed data (2024)*

The result above shows that all variables have VIF values less than 10 and tolerance values more than 0.10. Therefore, it may be concluded that the regression model does not have multicollinearity issues.

**Heteroscedasticity Test**

To determine if there are variance differences among the regression model's residuals, the heteroscedasticity test is used. If the scatterplot displays randomly dispersed points above and below the zero axis on the Y-axis without any discernible pattern, the model is said to be heteroscedastic. This test is performed using SPSS to ensure that the regression model exhibits homoscedasticity, which is necessary for regression analysis.

**Figure 2. Heteroscedasticity Test**




*Source: Processed data (2024)*

The data points are dispersed randomly and do not create any particular pattern, according to the scatterplot findings. This suggests that there are no heteroscedasticity problems with the regression model.

**Hypothesis Testing**

Multiple linear regression analysis was used in this study's hypothesis testing to investigate how LoC, self-efficacy, and time budget pressure affected audit judgment. SPSS version 26 was used for the testing, and the findings are shown in the table below:

**Table 7. Results of Multiple Regression Analysis**

**Coefficients[a]**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | | |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 12.577 | 2.408 | | 5.224 | .000 |
| | *LoC* | .261 | .050 | .359 | 5.260 | .000 |
| | *Self Efficacy* | .309 | .076 | .258 | 4.076 | .000 |
| | *Time Budget Pressure* | -.336 | .079 | -.212 | -4.271 | .000 |
| | *Task Complexity* | .311 | .087 | .199 | 3.555 | .001 |

a. Dependent Variable: Audit Judgment

*Source: Processed data (2024)*

The LoC variable has a positive regression coefficient of 0.261, a t-value of 5.260, and a significance level (Sig.) of 0.000 < 0.05, according to the test findings. According to these findings, LoC significantly and favorably influences audit judgment; that is, the greater the LoC, the better the auditors' audit choices. The self-efficacy variable has a t-value of 4.076, a significance level (Sig.) of 0.000 < 0.05, and a positive regression coefficient of 0.309. These findings demonstrate that self-efficacy has a favorable and substantial impact on audit judgment, meaning that the more confident an auditor is in their skills, the higher the caliber of audit conclusions they produce. The time budget pressure variable has a significance level (Sig.) of 0.000 < 0.05, a t-value of -4.271, and a negative regression coefficient of -0.336. Time budget pressure has a negative and considerable impact on audit judgment, as shown by the negative coefficient value. This means that the more time pressure auditors face, the worse the quality of audit choices they generate.

According to the results of the Moderated Regression Analysis (MRA) shown in Table 8, the Sig. value of X1Z at 0.665 > 0.05 indicates that task complexity does not moderate the relationship between LoC and audit judgment. Additionally, task complexity has no effect on the relationship between audit judgment and self-efficacy, with a significant value of X2Z at 0.940 > 0.05.

Nonetheless, the results of the moderation test indicate that task complexity moderates the relationship between time budget pressure and audit judgment, with an interaction coefficient (X3Z) of 0.058 and a Sig. value of 0.007 < 0.05. These findings suggest that job complexity increases the negative impact of time budget presure on audit judgment; in other words, the more complex the work, the more negatively time pressure affects the quality of audit judgments.

**Table 8. Results of Moderated Regression Analysis (MRA)**

| Coefficients[a] | | | | | |
|---|---|---|---|---|---|
| | Unstandardized Coefficients | | Standardized Coefficients | | |
| Model | B | Std. Error | Beta | t | Sig. |
| 1 (Constant) | 33.178 | 13.310 | | 2.493 | .015 |
| *LoC* | .222 | .230 | .306 | .964 | .338 |
| *Self Efficacy* | .129 | .465 | .108 | .278 | .782 |
| *Time Budget Pressure* | -1.345 | .424 | -.847 | -3.176 | .002 |
| *Task Complexity* | -.249 | .726 | -.159 | -.343 | .733 |
| X1Z | -.005 | .012 | -.209 | -.436 | .665 |
| X2Z | .002 | .024 | .041 | .075 | .940 |
| X3Z | .058 | .021 | .364 | 2.778 | .007 |
| a. Dependent Variable: Audit Judgment | | | | | |

*Source: Processed data (2024)*

**The Effect of LoC on Audit Judgment**

LoC has a positive regression coefficient of 0.261, a t-value of 5.260, and a significance level (Sig.) of 0.000 < 0.05, according to the findings of the hypothesis test shown in Table 7. According to these results, LoC significantly and favorably influences audit judgment; that is, the greater an auditor's LoC, the higher the caliber of audit judgment that is generated.

The study's findings are consistent with those of Sari & Ruhiyat (2017) and Manurung & Hasbi (2023), who claimed that LoC significantly and favorably influences audit judgment and that auditors with greater LoC levels make better and more correct audit conclusions.

**The Effect of Self Efficacy on Audit Judgment**

Based on the results of the regression analysis, Table 7 shows the significant and positive influence of self-efficacy on audit judgment, with a regression coefficient of 0.309, a t-value of 4.076, and a significance value (Sig.) of 0.000 < 0.05. These findings suggest that auditors with high levels of self-efficacy are more likely to think confidently about their audit judgment and make wiser choices.

The results of this study corroborate those of Yowanda et al. (2019), who asserted that self-efficacy has a beneficial effect on audit judgment. These findings suggest that auditors with high levels of self-efficacy are better equipped to manage challenges throughout the audit process and are more certain when making decisions. The more confident the auditor is in their abilities, the higher the quality of audit judgment they create.

**The Effect of Time Budget Pressure on Audit Judgment**

With a regression coefficient of -0.336, a t-value of -4.271, and a significance value (Sig.) of 0.000 < 0.05, Table 7 illustrates the negative and substantial impact of time budget pressure on audit judgment. These results suggest that the quality of audit judgment produced by auditors decreases with increasing time pressure. The quality of audit judgment might therefore be hampered by time budget presure, which in turn affects the dependability of audited financial statements.

The study's findings are in line with those of Wijaksana & Dewi (2019), who discovered that time pressure significantly impairs audit choices, and Abdillah et al. (2020), who claimed that time budget pressure has a detrimental influence on audit judgment. These results suggest that the quality of audit judgment produced by auditors decreases with increasing time budget pressure.

**Task Complexity Moderates the Effect of LoC on Audit Judgment**

The interaction between LoC and task difficulty (X1Z) has a regression coefficient of -0.005, a t-value of -0.436, and a significance value of 0.665 > 0.05, according to the Moderated Regression Analysis (MRA) data shown in Table 8. These findings suggest that the impact of LoC on audit judgment is not substantially mitigated by work complexity. Consequently, the degree of work complexity an auditor encounters does neither increase or decrease its impact on audit judgment, even if the auditor has a high LoC.

This study's findings support those of Rakhman et al. (2021), who claimed that task complexity had no moderating influence on the impact of LoC on audit judgment. The association between LoC and audit judgment may be strengthened theoretically by task complexity, however in our investigation, task complexity had no significant impact on either enhancing or diminishing this relationship.

**Task Complexity Moderates the Effect of Self Efficacy on Audit Judgment**

The findings of the MRA test show that the association between audit judgment and self-efficacy is not moderated by task difficulty. Table 8 illustrates this, with a significance level of 0.940 > 0.05 and an interaction coefficient (X2Z) of 0.002. Consequently, it can be said that task complexity has no effect on how strongly or weakly self-efficacy and audit judgment are related.

The findings of Virlianda & Jaeni (2022) and Putri et al. (2018), who claimed that task complexity moderates the link between self-efficacy and audit judgment, are not consistent with the findings of this research. In contrast to other research, this study shows that task difficulty does not act as a moderating variable, i.e., task complexity has no impact on the influence of self-efficacy on auditors' audit judgment.

**Task Complexity Moderates the Effect of Time Budget Pressure on Audit Judgment**

The results of this study show that task complexity significantly moderates the relationship between audit judgment and time budget pressure (Table 8 of the MRA results), with a significance value (Sig.) of 0.007 < 0.05, a t-value of 2.778, and an interaction coefficient (X3Z) of 0.058. These findings imply that the impact of time budget pressure on audit judgment is increased by work complexity. The time pressure auditors face tends to have a bigger influence on their audit judgments as work complexity rises.

These findings are consistent with the studies of Nirmala & Latrini (2017) and Tandean et al. (2022), which stated that when auditors face increasingly complex tasks, time pressure becomes more significant in determining the quality of audit judgment. Auditors working under high task loads and time pressure tend to face greater challenges in producing accurate judgments.

## CONCLUSION

This study aims to analyze the effects of locus of control, self efficacy, and time budget pressure on audit judgment, with task complexity as a moderating variable. A number of important conclusions were drawn from the data analysis results. It was shown that LoC significantly and favorably or has a positive influences audit judgment; that is, auditors who have a high LoC are more likely to provide audit judgments of a better caliber. Furthermore, self efficacy also has a positive and significant effect on audit judgment, indicating that auditors with higher levels of self-efficacy are more likely to make accurate audit judgments. However, too much time pressure may result in lower-quality auditor findings, which has a negative and significant effect on audit judgment.

Moreover, task difficulty was not observed to modulate the link between LoC and self-efficacy on audit judgment, suggesting that task complexity has no effect on the strength or weakness of the relationship between these two variables and audit judgment. However, the negative impact of time budget pressure on audit judgment is exacerbated by task complexity. This suggests that as audit assignments get more complex, time and financial pressure have a bigger influence on the quality of audit judgment produced by auditors.

The findings of this study have implications for audit practices, where auditors need to consider psychological factors such as LoC and self efficacy in audit decision-making. Additionally, organizations must effectively manage time pressure to prevent its negative impact on auditors' judgment, especially in tasks with high levels of complexity.

There are certain drawbacks to this research, especially with respect to the small sample size which is confined to auditors working for Bali's Public Accounting Firms (KAP). Thus, it is advised that future studies broaden the geographic scope and take into account other factors that might affect audit judgment.

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