Audit Quality Improvement and the Role of Risk: Audit as a Moderator

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Abstract
The audit process used by the auditor directly impacts audit quality. The auditor's attitude and cognitive abilities are crucial for finishing the Audit and play a significant part in the decision-making process. Different auditing techniques and procedures can also be adjusted to situations that are not typical. Hence, additional research needs to be done on audit quality to maintain it at a high level in the future under all circumstances. This study investigates how audit quality affects the moderating factors of audit skepticism, planning, and Risk. In this study, 265 Indonesian auditor respondents served as the sample. A quantitative strategy that is put to the test via path analysis is a research method. The SmartPLS 3 testing tool was used to conduct statistical testing. The findings indicated that professional Skepticism impacted audit quality. Moreover, Audit Planning affects the quality of the Audit. It has been demonstrated that audit risk strengthens the link between professional Skepticism and audit quality. The association between audit planning and audit quality is not strengthened because audit risk produces various outcomes. As a result, the auditor must adjust for audit risk and consider it when preparing the Audit. It tries to raise the caliber of audits. The usage of information technology, which plays a significant role in the audit process, might be considered in a future study.

Keywords: Audit Quality, Audit Risk Skepticism Audit, Audit Planning
JEL: M41

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Introduction

The audit firm Tanubrata, Sutanto, Fahmi, Bambang & Partners (members of the international audit organization BDO), which examined the financial report of the Garuda Indonesia transportation services company in 2018, was investigated by the Indonesian Ministry of Finance in 2018 through the Financial Professional Development Center. The analysis revealed two significant problems with audit standards and KAP quality control systems. Audit Standard 315, for example, regulates the identification and evaluation of material misstatement risks by understanding entities and their environment. Audit Standard 500, on the other hand, governs audit evidence, and Standards Audit 560, on the other hand, regulates how the auditor takes into account subsequent events in their Audit. The firm's licenses for audit practices were suspended due to this issue.

The Covid-19 outbreak has also caused various adjustments to the auditor's workflow; as direct audits cannot be performed for a while, a remote audit is used instead. Simply put, a remote audit is conducted away from the client's facilities. Many organizations have conducted remote audits, including the British government, which published an Operator Compliance Audit by the Office of the Traffic Commissioner and the Elliot Group (Operator Compliance Audits - Approach To Conducting Audits Remotely During the Covid-19 Pandemic, 2020). Private and public organizations have conducted remote audits in Indonesia in the meantime. The process for implementing an audit using a remote audit is precisely the same as an audit procedure generally; the only difference is who does the Audit (face-to-face). In order to reduce the number of in-person meetings during an international crisis (in the modern period, it is a pandemic), auditors perform more of their audits utilizing technology (Pozzoli et al., 2022). RSM Indonesia demonstrates how it conducts its Audit in a webinar hosted by the Public Accounting Profession Committee (2021) by going through each step of the audit process and using direct audits alone to do inventory checks. Using technology, engaging with clients, providing free access to client data, conducting direct audits, and adhering to health regulations all help this audit process. Client portals, video conferencing, the cloud, data analytics, and paperless audit software are all used in this audit process. The Elliot group offers a method for auditors to use when conducting remote audits, including taking into account accuracy, completeness, relevance, and reliability and being aware of computer network security attacks (hackers). These laptop cameras activate during team meetings, flexible schedules, and the potential for permanent changes. Tysiac, 2020; Gad et al., 2022). Flexibility, improved communication, and a quick audit time are benefits of using this technique. However, some operations require physical inspection (Alaerts, 2020; Shneyder, 2020).

Direct observation was not possible during the recent remote audit procedure, making it challenging to speak with the auditee. The lack of direct personal engagement created the potential for fraud. There may also be further issues with networks, computers, and information systems. Combined with the erratic nature of the Internet network, it can make the audit process more difficult and time-consuming (Obal & Gao, 2020; Albiter et al., 2020). Although the pandemic's restrictions can lower audit quality, auditors must conduct the audit procedure professionally despite these obstacles. Consider a scenario in which the audit quality declines. If so, the effect will be a decline in public confidence in the accounting profession, lowering the credibility of public accountants' audit findings. Skepticism is necessary when conducting an audit since the final effect of this decline in audit quality could lead to the demise of the audit profession (Mardijuwono & Subianto, 2018). Research from Mardijuwono & Subianto (2018) and Samagaio (2022) is cited in this writing, showing how professional audit skepticism affects audit quality.
On the other hand, audit skepticism frequently denotes a lack of auditor confidence in the audit procedure, which may result in false assertions (Quadacker, 2014). Also, Triono's research findings from 2021 confirm the finding from earlier research findings that skepticism has no impact on audit quality. Audit quality indicators distinguish this study from earlier research found in the cited sources.

In addition to auditor skepticism, meticulous planning is seen to provide high-quality audits (Dresdner & Fischer, 2020; Christensen et al., 2016). According to an earlier study, the integrity of the audit process depends on audit efforts that include key details concerning audit preparation (Xiao et al., 2020). This phrase implies that audit planning, an auditing endeavor, is crucial in influencing the audit process and producing high-quality audits. The findings of studies by Haryanto et al. (2022), Julianto et al. (2016), Azizi & Muliartha (2018), and Haryanto et al. (2018) support the idea that audit planning affects audit quality. The originality of this research may stem from the fact that audit planning research that enhances audit quality is uncommonly conducted since audit planning performed by different audit firms may vary.

Considering audit risk during the audit process can signify high audit quality (Le et al., 2022). The Audit's goal is to lower this audit risk to a minimal level that the auditor can tolerate. This Risk entails an unpredictability that the auditor must deal with because it is possible that the evidence they have gathered will not be able to catch a substantial misstatement, which will affect the Audit's overall quality. The auditor chooses an acceptable level of Risk for the Audit and designs the Audit to accomplish that level of Risk. Audit risk should be considered in all aspects of the audit process. Based on the assertion made by Sardhast & Rashedi (2018) that Risk Based Audit is genuinely needed to be employed as an auditor's talent to attain audit quality that moves dynamically, researchers design Audit Risk as one of the factors investigated as a moderator. However, the complexity of audit risk is used to test whether the considered audit risk strengthens or weakens the direct relationship between skepticism and Audit planning on audit quality, as is the case with Primary and Merkusiwati (2015), who explained that Audit Risk does not affect Audit quality. In addition, the fundamental aspects of this study are designed to see the direct effect on audit quality. This research has novelty value because it is the first to examine the moderating role of Audit Risk. This investigation will ascertain the following in light of the explanation above: Do professional skepticism and audit quality interact? 2. Does Audit Planning Impact the Quality of the Audit? 3.) Is there a link between audit quality and Risk that moderates the auditor's professional skepticism? The fourth question is: Does audit risk moderate the impact of Audit planning on audit quality?

Literature Review

Agency Theory

This study applies agency theory to audit quality. The practice of the corporate base that has been adopted up to this point is supported by agency theory. When a party (principal) employs a different party (agent) to deliver a service and, in doing so, delegated authority to produce audit quality in this study, agency connections are established (DeAngelo, 1981). According to agency theory, an independent auditor is a middleman between an agent and a principal with opposing interests. In addition to reducing agency expenses brought on by managers' self-serving behavior, independent auditors also work to prevent management fraud in preparing financial reports, and testing is necessary to increase their dependability. Typically, external financial account users
assess the Audit's quality (Habbash & Alghamdi, 2017; Huang et al., 2020; Le et al., 2021). The auditor serves as a third party in agency theory that aids in understanding the conflict of interest between the principal and the agent.

An independent auditor can prevent fraud in management-prepared financial reports. With an independent auditor, it is hoped that there will not be any fraud in the management-prepared financial reports and that the agents' performance can be assessed, resulting in the production of a pertinent information system that will aid creditors and investors in making informed investment decisions. In terms of agency, the auditor also has a stake in upholding his viewpoint and working with high-caliber audit specialists to produce high-caliber audits. In addition, the auditor faces challenges related to these agency interests (Persakis & Iatridis, 2015). Management requested the auditor to perform an audit for the principal's benefit (Lai, 2019). Managers, on the other hand, are the ones who pay for and support audit services. Thus, agency issues will likely lead to the auditor's dependence on his client. The issue of auditor dependency runs counter to the idea that the auditor should be an impartial third party while conducting audits and giving comments on the client's financial statements. The loss of an auditor's independence might result from the auditor's reliance on giving in to management's requests in the hopes that his work with the client will be continued.

Audit Quality

Audit quality is "a method to ensure that generally accepted auditing standards are followed in every audit; audit Companies employ unique audit quality control procedures that assist in fulfilling these criteria consistently in each assignment" Arens (2012). Likewise, the comprehension of Quality in An Audit is a methodical procedure used to collect and assess evidence about claims made about economic activities and events in a neutral manner. The audit results are then communicated to interested parties of the users. Finding audits and disclosing significant financial statement inaccuracies constitute audit quality. While reporting represents ethics or auditor integrity, particularly independence, the detection aspect reflects the auditor's skill. Because this information serves as the foundation for those who use financial statements to make business decisions and because the general public believes auditors from large KAPs offer audit services of a better caliber, the auditor is accountable for supplying high-quality information (Lai et al., 2014).

Werastuti (2013) discovered proof that audit outcomes from audit firms outside the Big 4 have a wider bid-ask spread than the Big 4. According to the experts' definitions above, the authors can conclude that audit quality is everything that enables the auditor to identify accounting system violations during the auditing of a client's financial statements and disclose them in the audited financial statements while being guided by the applicable auditing standards and the public accountants' code of ethics. When conducting an audit, the auditor must decide the appropriate audit objectives and the evidence needed to support those objectives. To do this, the auditor uses the audit process, a transparent methodology for organizing an audit, to demonstrate that the requirements for the evidence gathered have been stated and met. The effectiveness of the auditor's work is also apparent in the decisions made.

Professional Skepticism is the mindset of an auditor when performing audit assignments; this mindset comprises a mind that constantly queries and assesses audit evidence critically and independently (Che et al., 2021; Donelson et al., 2020; Mardijuwono & Subianto, 2018; Zarefar et al., 2016). An auditor may not presume that the organization's management under examination is dishonest, but they may also not presume that their honesty is unquestionable. To acquire a
reasonable certainty that serious misstatements or significant inaccuracies in data will be found, whether due to mistakes, fraud, unlawful acts, or regulatory violations, an auditor must adopt a professional skepticism attitude during an inspection (Rapley et al., 2021). Achieving quality audit results depends on the auditor applying professional Skepticism appropriately during each inspection. As a result, the third hypothesis (3) is suggested. Six notable characters exhibit the traits of an editor's professional Skepticism, according to Hurtt et al. (2010). The first thing is the inquisitive mind, which seeks explanations as compelling evidence when forming an excellent opinion. By gathering more information, judgment suspension develops into the essential maturity of judgment. Since a strong sense of curiosity characterizes the quest for information, learning something new makes people happy. In the fourth character, impersonal understanding, the auditor tries to understand other people's behaviors and intentions. Auditors can choose to act on their findings depending on their confidence level. The last characteristic is the ability to make decisions more objectively based on the information acquired.

H1. Professional Skepticism has associated with Audit Quality

Every time an auditor wishes to conduct an audit, whether a financial, performance, or Audit with a specific objective, audit planning is a crucial stage (Picket, 2012). Creating a comprehensive implementation strategy and identifying the anticipated audit scope are both components of audit planning or an audit plan (Boynton, 2006). When planning the Audit, the auditor must approach issues like managerial integrity, mistakes and irregularities, and unlawful activities with professional Skepticism. The auditor is required to create an audit plan for each assignment. The audit plan's goal is to guarantee that the audit objectives are met in a reliable, efficient, and productive way. The auditor determines the objectives, scope, methodology, and resource allocation when preparing audit assignments. For each audit assignment, the auditor is required to create a plan (AAIPI, 2014). The process can go smoothly and successfully if adequate planning is done before an audit. That makes sense because excellent planning will ensure a successful audit procedure. According to Azizi and Muliartha's (2018) research, audit planning has a favorable and significant impact on audit quality. Moreover, Julianto et al. (2016) reported in their research that audit planning variables favorably impacted audit quality.

H2. Audit planning has associated with Audit Quality

Risk in auditing refers to the auditor's level of Skepticism regarding the reliability of the evidence, the efficiency of the client's internal control system, and the veracity of the financial statements fair presentation when the Audit is finished by the planned procedures and with the required professional standards. It is backed by the assertion made by Arens and Loebbecke (2011) that the audit risk is reduced in proportion to the number of opinions the auditor submits or issues based on the actual circumstances of the audit object. In order to increase audit quality and the sensitivity of audit risk considerations, it may be interpreted that the proper actual conditions are represented in terms of audit independence and the preparation of audit stages (Salih & Flayyih, 2020). Sutisman et al. research 's findings from 2021 concur with Arens and Loebbecke's (2011) findings that the audit risk strategy has been shown to attenuate the impact of audit independence and competence on audit quality. Gong et al. research 's from 2021 discovered that audit effort, which reflects the auditor's professional demeanor, can enhance audit quality. Focused audit planning can highlight audit risk factors to boost the efficiency of high-quality audits (Yakimova & Bevzyuk, 2019).
In contrast to earlier research findings, it is discovered that audit risk is also a factor driving the deterioration in audit quality. It is brought on by how closely the Audit tends to match the risk environment in each organization, depending on the risk assessment level (Asseldonk & Velthuis, 2014). About the perspective on audit risk indicators, it includes the following values: 1. client business risk, 2. identification of material misstatement risks, 3. response to evaluated material misstatement risks, and 4. assessed material misstatement risks (Allaham et al., 2017; Mawutor et al., 2019., Nazmi et al., 2017).

H3. Audit Risk moderates the relationship between Professional Skepticism and Audit Quality.
H4. Audit Risk moderates the relationship between Audit Planning and Audit Quality.

Methods

The study's population is the total number of public accounting companies registered with the Financial Services Authority in Indonesia. Based on the reputation of Indonesian auditing firms, this population was chosen. The Financial Services Authority's oversight procedures have all been adhered to by audit firms that have registered with them. The study's total sample, which included 265 respondents, was calculated using a sample calculator. Data is acquired by sending questionnaires based on the auditors' professional skepticism and their opinions on the audit quality. Both primary and secondary data were gathered and used in this investigation. The auditor's responses provided primary data, and written documentation provided secondary data. An instrument in the form of a questionnaire, adopted from numerous prior studies and will be changed according to research needs, was used to collect the data required for this investigation. SmartPLS 3 was the statistical analysis program used in this investigation. This study assessed the degree to which the model can explain fluctuations in the dependent variable using a coefficient of determination test (R2). A T-test was also used in this investigation to determine the importance of the effect.

The audit quality indicators (AQ) for this study can be accessed by: delivering useful audit reports, satisfying clients, fostering confidence in using the audit results, and enhancing audit quality (Le et al., 2022; Alajar et al., 2017). Moreover, the following item was used to quantify professional skepticism (Hurtt, 2010): 1. The questioning mind; 2. The suspension of judgment; 3. The pursuit of knowledge; 4. The pursuit of knowledge; 5. The understanding of others; 6. The confidence in oneself; and 7. The determination of oneself. Measurement of Audit Planning (PLAN) adapted from Boynton (2002) comprises the following factors: 1.) size and complexity of the entity; 2.) audit area; 3.) evaluated risks of material misstatement and capabilities; and 4.) competency of each member of the engagement team in performing audit work. According to research (Le et al., 2022; Allaham et al., 2017; Mawutor et al., 2019; Nazmi et al., 2017), audit risk (RISK) refers to the following: 1. client's business risk; 2. identify risks of material misstatement; 3. respond to assessed risks of material misstatement; and 4. assess risks of material misstatement.

Result and Discussion

According to the validity test results, the convergent and discriminant validity tests in this study yielded valid results. A value of AVE and Communality > 0.5 and outer loadings > 0.7 suggest convergent validity. Audit Quality (AQ), Professional Skepticism (SKP), Audit Planning (PLAN),
and Audit Risk (RISK) have the following AVE and community values: 0.649, 0.663, and 0.786. Although Table 1 below shows the values of the outer loading in this study:

### Table 1. Outer Loadings

<table>
<thead>
<tr>
<th></th>
<th>AQ</th>
<th>SKP</th>
<th>PLAN</th>
<th>RISK</th>
</tr>
</thead>
<tbody>
<tr>
<td>AQ1</td>
<td>0.845</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AQ2</td>
<td>0.796</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AQ3</td>
<td>0.773</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AQ4</td>
<td>0.759</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AQ5</td>
<td>0.889</td>
<td>0.868</td>
<td>0.841</td>
<td>0.873</td>
</tr>
<tr>
<td>SKP1</td>
<td>0.873</td>
<td></td>
<td></td>
<td>0.793</td>
</tr>
<tr>
<td>SKP2</td>
<td>0.777</td>
<td></td>
<td></td>
<td>0.788</td>
</tr>
<tr>
<td>SKP3</td>
<td>0.773</td>
<td></td>
<td></td>
<td>0.843</td>
</tr>
<tr>
<td>SKP4</td>
<td>0.777</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SKP5</td>
<td>0.779</td>
<td>0.788</td>
<td>0.815</td>
<td></td>
</tr>
<tr>
<td>SKP6</td>
<td>0.779</td>
<td>0.801</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SKP7</td>
<td>0.788</td>
<td></td>
<td>0.815</td>
<td>0.882</td>
</tr>
<tr>
<td>PLAN1</td>
<td>0.841</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLAN2</td>
<td>0.884</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLAN3</td>
<td>0.887</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLAN4</td>
<td>0.893</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RISK1</td>
<td>0.873</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RISK2</td>
<td>0.793</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RISK3</td>
<td>0.788</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RISK4</td>
<td>0.843</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RISK5</td>
<td>0.866</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data processed 2022

Based on the study's AVE root values and cross-loadings, the results of the discriminant validity test could also be seen. Table 2 displays the outcomes of the AVE roots. These two conditions have been met in this study, according to statistical tests:

### Table 2. AVE Roots

<table>
<thead>
<tr>
<th></th>
<th>AVE</th>
<th>AQ</th>
<th>SKP</th>
<th>PLAN</th>
<th>RISK</th>
</tr>
</thead>
<tbody>
<tr>
<td>AQ</td>
<td>0.648</td>
<td>0.803</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SKP</td>
<td>0.652</td>
<td>0.668</td>
<td>0.815</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLAN</td>
<td>0.765</td>
<td>0.659</td>
<td></td>
<td>0.876</td>
<td></td>
</tr>
<tr>
<td>RISK</td>
<td>0.621</td>
<td>0.544</td>
<td>0.671</td>
<td>0.655</td>
<td>0.882</td>
</tr>
</tbody>
</table>

Source: Data processed 2022

Although the cross-loading data is adequate and displays a value that the standards have established, namely > 0.7, the reliability test was evaluated using Cronbach's Alpha and Composite Reliability values. The Cronbach's Alpha values for each AQ, SKP, PLAN, and RISK are 0.738, 0.935, 0.905, and 0.889, respectively. The Composite Reliability values for each AQ, SKP, PLAN,
and RISK are 0.857, 0.931, 0.926, and 0.869, respectively, demonstrating that the reliability value has satisfied the requirements > 0.7. As a result, table 3 below displays the value of R2:

### Table 3. R-square

<table>
<thead>
<tr>
<th></th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>AQ</td>
<td>0.665</td>
<td>0.668</td>
</tr>
</tbody>
</table>

Source: Data processed 2022

The influence test results from this study are described in Table 4 below.

### Table 4. Hypotheses Testing

|                                  | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | Description       |
|----------------------------------|---------------------|-----------------|-----------------------------|-----------------|-------------------|
| SKP → AQ                         | 0.120               | 0.115           | 0.072                       | 1.665           | Supported         |
| PLAN → AQ                        | 0.131               | 0.122           | 0.083                       | 2.899           | Supported         |
| Moderating Effect RISK* (SKP → AQ) | 0.149               | 0.137           | 0.074                       | 1.893           | Supported         |
| Moderating Effect RISK* (PLAN → AQ) | 0.277               | 0.122           | 0.065                       | 1.003           | Not Supported     |

Source: data processed 2021

According to the findings of testing hypothesis 1, there is a correlation between professional Skepticism and audit quality. The Audit will be of higher quality if the auditor is competent and has experience in both accounting and auditing. It backs up the previously discussed hypothesis and the study findings by Che et al. (2021). According to Tuannakotta (2016), low professional Skepticism is one reason why audits fail. The auditor's sensitivity to probable fraud or red flags, warning indications that point to accounting errors and fraud, is dulled by low Skepticism. The Audit Firm may encounter issues with audit quality if auditors ignore their professional Skepticism, leading to public mistrust of their work (Donelson et al., 2020; Mardijuwono & Subianto, 2018; Zarefar et al., 2016).

The auditor must apply his professional abilities with extreme caution when conducting an audit and writing a report. The auditor must use professional Skepticism when using this (Mardijuwono & Subianto, 2018). Good audit quality will be produced by auditors who utilize professional Skepticism as a foundation for performing audits and who do not readily believe in the evidence discovered. The findings of this study are consistent with the attribution theory, which describes how a person explains the reasons for his or her behavior or that of others. These reasons may be internal—for example, traits, character, or attitudes—or external—for example, the pressure of particular situations or circumstances that influence individual behavior. External forces in the form of regulatory requirements, which call for the auditor to use his skills carefully and thoroughly to carry out Professional Skepticism and produce good audit quality, are internal forces (personal characteristics such as ability, effort, and fatigue), such as opposed to external...
forces (environmental characteristics such as rules and weather). In this case, the attitude of Skepticism is external forces (Bowlin et al., 2015).

By conducting audit procedures and asking inquiries, the auditor has a professional skepticism attitude, refusing to be quickly persuaded by less compelling audit evidence based merely on the assumption that management and connected parties are truthful and have integrity. An attitude of professional Skepticism is defined as the auditor making a critical assessment, with a questioning mind about the validity of the audit evidence obtained, being alert to audit evidence that contradicts or raises doubts regarding the reliability of documents, and providing responses to questions and other information obtained from management and related parties. This definition is found in ISA No. 200 and Auditing Standards in Indonesia (SA 250). Hence, professional Skepticism in this study is defined as an attitude of an auditor that involves a critical appraisal of audit evidence and a questioning mind, as per the professional norms of public accountants in Indonesia.

According to hypothesis 2, audit planning has an impact on audit quality. These findings suggest that audit quality is strengthened by audit planning. A well-planned audit may improve quality. By carefully preparing the Audit, the auditor will carry out the procedures accurately and on schedule. For Audit planning to effectively and efficiently influence the implementation of audits of financial statements and have the desired level of assurance that will help the auditor detect material client errors, it is also defined as the development of a cost-effective audit program to obtain sufficient competent evidence. Given the significance of audit planning in determining the attainment of audit quality, this planning concentrates on five dimensions: obtaining background information on the client, determining the materiality level, evaluating the Risk, reviewing the preliminary analysis, and comprehending the internal control structure (Ussahawanitchakit, 2012).

A thorough planning process is necessary before beginning an audit to ensure that operations operate smoothly. Inadequate planning of audit assignments may result in the publication of false financial reports (Azizi & Muliartha, 2018). The auditor's audit plan quality significantly impacts how well the Audit is implemented. Planning the Audit is essential for determining the Audit's time, cost, scope, and several other factors. The scope of the Audit, as well as the implementation strategy for the Audit, are both determined at this point. Since it determines whether the audit assignment will be successful, this stage is critical. It was found that Indonesia had used the ATLAS technology to help with the planning stages of the Audit during the entire outbreak. To continue employing technology and practicing auditing techniques even during a pandemic. According to the study's conclusions, Indonesian audit planning need to have been done systematically. The results of hypothesis 2 are consistent with hypothesis 4, which demonstrates that audit risk does not act as a moderating factor in the link between audit planning and audit quality. ATLAS software, frequently used in remote audit activities, forms the basis of audit planning. When the auditor uses this software to conduct remote audits, the results are more complicated overall, and the database storage is more efficient.

Based on the results of the testing of hypothesis 3, it is determined that Audit Risk plays a moderating function in the link between the Skepticism of auditor professionals toward Audit Quality. The findings of this study suggest that a high audit risk level will subject auditors to more challenging jobs and may impact the improvement of audit quality. The findings of this study corroborate those of Arrens & Loebbecke (2011) and Gong et al. (2021), who found that auditors' professional Skepticism can be improved by taking audit risk into account. The professionalism of
the auditor in taking the duty of carrying out the audit implementation reflects the seriousness of
the auditor in developing an advanced audit procedure.

The statistical findings indicate that the effect of audit risk moderation in the auditor's
Skepticism of audit quality is significant at 1.893. These findings are more valuable than the direct
link between auditor skepticism about audit quality and audit risk. The findings of this study
demonstrate that audit risk reinforces the link between professional Skepticism and audit quality.
By including audit risk in the mindset of audit professionals, the real world of auditing can consider
these outcomes when assessing the level of professional Skepticism. The findings of this study
also demonstrate the complexity of ISA No. 200 and the Indonesian Auditing Standards (SA 250).
It is predicated on the idea that Indonesian auditors have a professional approach to considering
audit risk (Pickett, 2015). Aside from these factors, audit quality, bolstered by audit risk, is crucial
to serving as the foundation for the future professional conduct of auditors.

The auditor must take audit risk management into account when planning the Audit. When
designing audit methods and planning audits, auditors must consider audit risk management
(Yakimova & Bevzyuk, 2019). The auditor must efficiently and effectively design audit methods
by considering audit risk management. When an auditor is tasked with conducting an audit, the
caliber of the tasks he completes is more correlated with his caliber as a person than the caliber of
the accounting firm where he is sheltered. The auditing firm's processes are the foundation for the
auditor's job. The audit procedures the auditor did on the associated claim (account balance
assertion) were more restricted, and the level of dependability of the audit evidence required was
lower, the more effective the management of detection risk. In contrast, the auditor follows a more
extensive range of audit processes and is more proficient in assessing the audit evidence required
by the auditor, the lower the management of detection risk.

The findings of this investigation indicate differences from earlier exposures. According
to the researcher's analysis based on the results of testing hypothesis 2, the rejection of hypothesis
4 is connected to that analysis. Because of the ATLAS software's function, normative audit
planning is done with a singular focus on the software's use. On the other hand, the program does
not include a component that considers audit risk, which significantly impacts audit dependability.
Aside from this, audit planning that considers audit risk has a minimal impact on audit quality.
Hence, hypothesis 4 is disproved, demonstrating the ineffectiveness of audit risk in modifying the
link between audit plans and audit quality. Based on the results of testing Hypothesis 4, this
research can profit from literacy analysis, which directly affects how audits are implemented in
Indonesia. As a result, while planning an audit, audit risk is considered in addition to the software's
actual material value. The presentation of Zaicenau et al. (2015), which asserts that the application
of information systems tends to be simple for auditors to use so that it can minimize subjectivity
in auditing processes, lends credence to the researcher's analysis. The researcher further
hypothesizes that respondents in this study still consider audit risk in various audit assignment
activities but that this consideration occurs apart from the audit plan, preventing a statistically
significant impact of audit risk on audit quality.

Conclusion

The study's findings suggest that Skepticism has an impact on audit quality. Audit Planning also
impacts Audit Quality. The findings of this study further suggest that the association between
professional Skepticism and audit quality is moderated by audit risk. Diverse evidence, however,
indicates that the relationship between audit preparation and audit quality needs to be strengthened
The research findings demonstrating that the relationship between audit planning and audit quality is not strengthened by audit risk increases the researcher's analysis in two stages. Since the first level is based on software usage, audit planning does not consider audit risk. The second level abandons the division of opinions regarding audit planning and Risk such that the two factors examined separately affect audit quality. The outcomes of these discoveries play a part in the necessity for every audit plan in the field of auditing practice to include additional factors, in this case, audit risk, to develop a better and more intricate audit quality. The study's findings add to the body of knowledge by showing that Audit planning and professionalism directly impact audit quality. Auditors can use this research as reference material to raise audit quality; audit risk must be raised to support quality improvement. Future studies can also consider utilizing information technology to gather comprehensive data about auditor attitudes. This study was restricted to Indonesia; it is advised to broaden its scope for future study to learn more about a more complicated generalization of auditors that deviates from the various auditing requirements in each nation. The findings of this study suggest that a comparative study be conducted to enhance audit quality. It is anticipated that it will be possible to establish a globally recognized, universally designed unit connected to audit quality.

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