

# Determinants of Reduced Audit Quality Behavior in Indonesia

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**Abstract:-** This research aims to examine and analyze the direct and indirect impact between locus of control, role conflict, and time pressure toward turnover intention and the reduced audit quality behavior. This is based on research problems on whether the locus of control, role conflict, and time pressure experienced by the auditors will have an impact to turnover intention and the reduced audit quality behavior. Survey method has been used in this research to auditors as an individual research analysis unit who working in CPA firm in Makassar, Surabaya, and Jakarta.

The sample selection was done by purposive sampling method that occurs when elements selected for the sample are chosen by the judgement of the researcher with the Structural Equation Modeling (SEM) as a technique for the hypothesis testing. The result of the research shows that locus of control, role conflict and time pressure directly impact turnover intention and audit quality reduction. Results of the other research shows that role conflict and time pressure impact indirectly (there is willing mediation to turnover intention) to reduced audit quality behavior. The result of this research are expected to provide empirical support to the development of literature about unethical behavior of the auditor and the need for guidance and clearly procedure of audit so the auditor could do their job efficiently. Besides that, CPA firm must to do an effective control of the audit conducted by the auditor.

**Keywords:-** [ locus of control, role conflict, time pressure, reduced audit quality behavior ].

## I. INTRODUCTION

For more than a decade, all research has proved consistently that auditors are sometimes inappropriate in conducting audits when get pressures (Kelley and Seller, 1982; Cook and Kelley, 1988; Kelley and Margheim, 1990; Otley and Pierce, 1995; Gundry and Liyanarachchi, 2007) and this continues to be a major problem for the auditor. In performing its duties, the auditor is usually confronted by potential role conflicts that arise because of a discrepancy between expectations conveyed to individuals within the organization with others inside and outside the organization (Tsai & Shis, 2005).

Role conflict within the individual can have a negative impact, such as increase of individual stress, the emergence of the turnover intention and the existence of reduced audit quality behavior (Jackson and Scholer, 1985; Pasewark and Strawser, 1996). Therefore it takes a solution to get out of the conflict pressure in order to improve auditor performance.

The inappropriate auditors performance as expected can be sourced by individual characteristics of auditor (Donnelly, 2003). In addition, factors that caused the auditor's stress consist of internal factors (characteristics of individual auditors) and external or situational factors (Bonner and Sprinkle, 2002). The internal factors studied consist of the locus of control, while the situational or environmental factors to be tested in this study are the time pressure and role conflict of the audit implementation.

Time pressure is a situational factor in this study. Time pressures are needed to determine the cost of the audit and to measure the effectiveness of the auditor's work. However, sometimes the time given to complete the auditor's work does not enough for the time required to completion. This may cause the reduced audit quality behavior. In other words, limited time pressure results in pressure for the auditor to perform the audit task (Margheim *et al.*, 2005). High time pressure will encourage reduced audit quality behaviors from the auditors.

Reduced audit quality behavior defined as act that auditor's do as long as audit duty that can reduce the effectiveness of collective evidence (Malone dan Roberts, 1996). Thus behavior gives a negative impact for result of the report, because audit's evidence completeness were collected as long as audit becomes uncertain rely in clarify of the auditor's opinion on client's financial reports. The reduced audit quality behavior could effect to the quality of audit report and at the end can decrease public trust or peoples at public accountant as a profession (DeZoort and Lord, 1997). Also as in the biggest auditing scandals that Enron and WorldCom's Scandal, those who draged Arthur Andersen, who placed auditing profession under the public's control. Those scandal was motivate research's interest for get a reason and support auditing profession (Fearnly *et al.*, 2002).

Willett and Page (1996) found that the biggest cause of decreased audit quality and auditor performance was influenced by time pressure factors. Improper allocation of audit time can result in behavior that will reduce audit quality. Setting audit targets that are too short or too long will have an

impact on the effectiveness of the audit. The results of Kermis and Mahapatra (1985); Kelley and Margheim (1990); McNamara and Liyanarachchi (2008) found that the reduced time allocation caused the auditor to experience stress or stress and the turnover intention and subsequent audit quality reduction behavior (Diana *et al.*, 2016). The results reveal that the relationship between time pressures with the turnover intention and the reduced audit quality behavior will increase significantly.

The influence of time pressures may result in the auditor failing to apply accounting principles, not *reviewing the* documents thoroughly and may reduce one of the auditing procedures below the acceptable level (Kelly and Margheim, 1990). However, Hirst (1983) also Moreno and Bhattacharjee (2003), revealed that there is no significant relationship between time pressures with auditor work stress and reduced audit quality behaviors (Mohd Nor, 2011; Svanberg and Ohman, 2016). This is because an experienced auditor can overcome the pressures of time faced in carrying out his work. The results of this study contradict Otley and Pierce's research results (1996) and this is due to differences in working environment conditions and the regulation of audit workings.

Role conflicts relate to negative work outcomes, such as low job satisfaction, decreased job performance, and the turnover intention. Research on role conflict within the scope of the CPA firm produces similar, but still contradictory, but positively correlated evidence with the desire to move the workplace (Gregson, 1992) and the existence of the reduced audit quality behavior (Mohd Nor, 2011). Similarly, Fried *et al.* (1998) argue that role conflict negatively affects performance or in terms of audit scope of the reduced audit quality, but Rebele and Michaels (1990), Fogarty *et al.* (2000) and Fisher (2001) suggest that role conflict has no effect on audit quality or specifically implies a reduced quality audit behavior.

The locus of control is a characteristic of personality that describes a person's level of belief about the extent to which they can control the factors that affect their success or failure (Rotter, 1966). The higher the locus of individual external control, the greater the likelihood that the individual is engaging in reduced audit quality behavior. Individuals with external control locus are more vulnerable and the strategy chosen to solve a problem tends to be reactive. The behavior is performed by the auditor to manipulate the audit process in order to achieve the target performance of individual auditors.

The results of Reed *et al.* (1994), Gable and Dangelo (2010), Donnelly *et al.* (2003) and Chen and Sylverthorne (2008) show that the locus of external control has a positive and significant influence on reduced audit quality behavior, job satisfaction, organizational commitment and turnover intention change. In addition, auditors with high locus of external controls consider job stress to be a factor outside the auditor's controls, thus increasing the opportunity to perform

the turnover intention and can lead to reduced audit quality behaviors (Rotter, 1966, Hyatt and Prawit, 2001). In other words, the external control locus will generally perform better when control is imposed upon them (Spector, 1988; Rotter, 1990). While the results of research conducted by Malone and Roberts (1996) found a non-significant relationship between the locus of external control with reduced audit quality behavior. Similarly, the results of research Paino *et al.* (2011) found that there was no indirect relation between the locus of control and the turnover intention.

Based on the above background, there are still different research results among the research conducted and the phenomenon of reduced audit quality behavior more and more occur, thus motivating the interest of researchers to conduct this research. The question in this study is whether the locus of control, time pressure, role conflict affect directly and indirectly to reduced audit quality behavior. Therefore, the purpose of this study is to recognize the direct or indirect influence (mediation) between locus control variables, role conflict, and time pressure on turnover intention and reduced audit quality behaviors. The originality of this paper lies in examining the effect of mediation of turnover intention variables by adding locus control variables to reduced audit quality behaviors, and research sites in Indonesia that have conditions and characteristics that are different from those of other countries.

## II. LITERATURE REVIEW

### A. Role Theory

Role theory suggests that individuals will experience conflict when two or more simultaneous pressures are occurring simultaneously aimed at a person, and role theory reveals that role is one of the parts played out in the overall structure of the group, is also a particular behavior produced by an individual rather than a social context (Baron & Greenberg, 1993).

### B. Attribution Theory

Attribution theory is also directed to develop an explanation by assessing others differently, depending on what meaning can be attributed to a particular behavior (Robbins and Judge, 2013). Each person's behavior is certainly based on various causes or motives that underlie the occurrence of such behavior. Explanations of the causes or motives are described using attribution theory (Gibson *et al.*, 1995). This theory describes ways of assessing a person's behavior whether from internal or external (Robbins and Judge, 2013).

This theory also indicates that expected performance in the future is due to the cause of success or failure in the execution of the previous task. This theory is used to assess the attribution of external auditor behavior in relation to work stress, personality traits, and an auditor's locus of control. Based on attribution theory, the locus of control is divided into two, they are the internal locus of control and the external one.

### C. Contingency Theory

The contingency approach is an approach done by adding a *intervening* or *moderating* variable in a relationship between the factors causing the turnover intention with the reduced audit quality behavior. Individual development generally expects whether success in existing situations will be contingent with their own personal behavior or controlled by outside forces. Individuals who tend to associate *outcomes* with their own efforts or believe that events under their control are called internal factors. While external factors make them believe that they can not control events or *outcomes* (Spector *et al.*, 1982). Internal and external factors will have different effects on their lives.

Research with contingency approach aims to examine the contextual factors that affect the relationship between control systems with organizational performance and contextual factors that are generally outside the accounting domain so that it involves multidisciplinary. Research in auditing through contingency approach aims to see the relationship between contextual variables with the system design of an organization and to evaluate the effectiveness of the relationship between the factors that affect the reduced audit quality behavior by using the variable of turnover intention as intervening variable.

### D. Reduced Audit Quality Behavior

Reduced audit quality behavior is defined as the actions performed by the auditor during audit assignments that may decrease the effectiveness of audit evidence collected (Malone and Robert, 1996). In addition, Herrbach (2001) defines reduced audit quality behavior as a poor execution of auditing procedures that reduces the level of evidence collected for auditing, so that the evidence collected is unreliable, false or inadequate both quantitatively and qualitatively.

Reduced audit quality behavior occurs when auditors are not properly performing the audit procedures required to complete their tasks. Reduced audit quality behavior is a serious problem as this behavior will not only have a negative effect on individual auditors, it also threatens the validity of the audit opinion, thus affecting the overall performance of the Firm and the users' economic decisions of the audit report. Although the audit quality reduction behavior does not necessarily lead to a CPA firm to give an unqualified audit opinion, the audit risk surely increase if the audit work is not properly executed (Coram and Woodliff, 2003), in the sense that the probability of CPA firm to give an inappropriate opinion would be higher. This is because the auditor may reach a conclusion may be considered sufficient but on the other hand not enough evidence is gathered during the audit engagement.

The reduced audit quality will have an impact in reduced public confidence in the accounting profession and will reduce the credibility of the audit result. Therefore, it is necessary to prevent or minimize the reduced audit quality behavior by

coordinating and motivating public accountants that their role is enormous in the business environment.

### E. Locus of Control

The locus of control is the individual's perspective on an event whether the individual can or can not control the events that occur to him (Rotter, 1966). Therefore, the locus of control is divided into two categories, they are the internal locus of control and the external locus of control. The internal locus of control refers to a person's perception that something that happens is caused by control or self-action and tends to work more effectively in the environment. Individuals who have an internal locus of control, have a high work ethic, are steadfast in facing all kinds of difficulties both in their lives and in their work. Although there is a feeling of worry in him but the feeling is relatively small compared to his spirit and courage in facing all the problems he faces (Lee *et al.*, 1990).

### F. Role Conflicts

Role conflicts arise because of the presence of two distinct orders received simultaneously (Wolfe and Snoko, 1962). In addition, role conflict occurs if a person has a conflicting role, as an employee or member of an organization that must comply with applicable norms and regulations and must be loyal to the organization, as well as professional members who must adhere to the ethics code and professional performance standards (Siegel and Marconi, 1989). Employees working in CPA firm environments have a standard work structure, and the disruption to workflow coordination and information on the task progress will lead to role conflict. In addition, it will have further impacts such as increasing the desire to move the workplace and even performing reduced audit quality behavior (Fisher, 2001; Viator, 2001).

### G. Time Pressure

Time pressure is a condition that indicates the auditor is required to perform efficiently against the time target that has been prepared or the existence of very tight and rigid time restrictions. An accountant is always faced with complex tasks, and has a different level of difficulty, but is confronted with a limited time. This can create some pressure for the auditor. An auditor is required to have the ability to deal with this pressure and be able to complete all the work for a limited time (Margheim *et al.*, 2005).

Time pressure is considered the main problem faced by auditors (DeZoort and Lord, 1997; Bowrin and King, 2010; Svanberg & Ohman, 2016). Therefore, the ability to overcome time pressures is a prerequisite for persistence in the auditing profession (Margheim *et al.*, 2005). Time pressure occurs when a public accounting firm allocates an insufficient number of hours for the auditor to complete certain audit procedures (Margheim *et al.*, 2005). This limited time is due to limitations on resources allocated for audit engagement (DeZoort and Lord 1997). Limited resources, possibly caused by factors such as limited employee or cost constraints.

**III. RESEARCH METHODS**

The population in this study are all auditors working at CPA firm in Makassar, Surabaya and Jakarta. The unit of analysis in this study is the auditor at all levels of organizational hierarchy involved in the implementation of the audit program for audit of corporate financial statements conducted by CPA firm with minimum 2 (two) years of audit experience. This criterion is taken because in general, auditors with minimum 2 (two) years of audit experience in CPA Firm have been given responsibility for executing audit program.

The sample selection in this study was conducted by *purposive sampling method*, which the elements selected for the sample are chosen by the judgement of the researcher.

This research uses quantitative analysis with the *Structural Equation Modeling (SEM)* approach method to analyze direct influence, while indirect influence use Sobel test. Data analysis with SEM was chosen because this statistical analysis is a technique *multivariate* that combines multiple regression and factor analysis to estimate a series of interdependence relations simultaneously (Hair *et al.*, 2009).

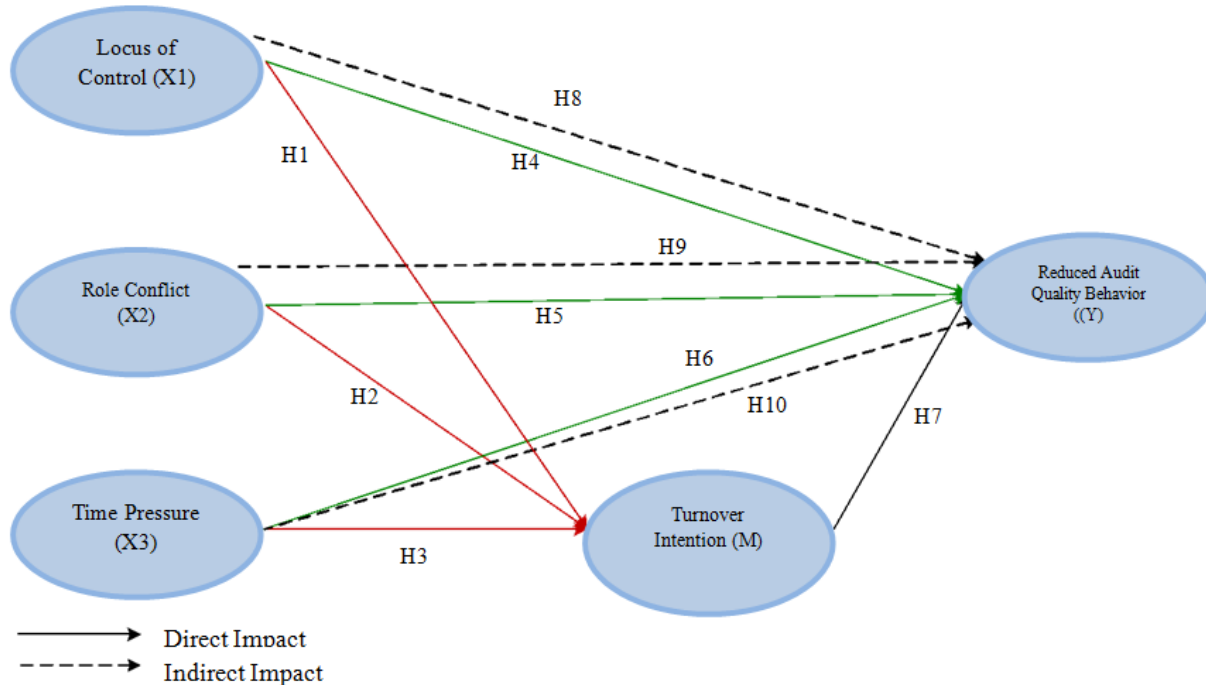


Fig 1:- Conceptual Framework

Based on the explanation and framework above, the hypothesis formulation in this study is as follows:

- H1 : There is a significant direct impact between the locus of control on the turnover intention.
- H2 : There is a significant direct impact between the role conflict on the turnover intention.
- H3 : There is a significant direct impact between time pressures on the turnover intention.
- H4 : There is a significant direct impact between the locus of control on reduced audit quality behavior.
- H5 : There is a significant direct impact between role conflict on reduced audit quality behavior.
- H6 : There is a significant direct impact between time pressures on reduced audit quality behavior.
- H7 : There is a significant direct impact between turnover intention on audit quality behavior.
- H8 : There is an impact of mediation on the turnover intention toward the impact between locus of control and reduced audit quality behavior.

- H9 : There is an impact of mediation on the turnover intention toward the impact between role conflict and reduced audit quality behavior.
- H10 : There is an impact of mediation on the turnover intention toward the impact between time pressure and reduced audit quality behavior.

**IV. DISCUSSION**

*A. Test Assumption Data*

Assumptions that must be met before the SEM analysis is the assumption of normality, the absence of outlier and linearity. Assumption of data normality using *Kolmogorov Smirnov test*. Based on the test it can be seen that the three residuals (U1, U2 and U3) have significant values > 0.05 (U1 = 0.20, U2 = 0.20, and U3 = 0.20), then it can be stated that assumption of normality test data is met.

The existence of outlier is done by reviewing the distance of mahalonobis (Md). Mahalanobis distance is



evaluated by using *chi-square value* of 349,807 (by looking at the number of questions included in the model). From Mahalanobis distance to the furthest observation point with value  $Md = 94,371$ . When compared with a value of 349,807, the value of  $Md < 349,807$ ; it was concluded that all observation points were not outliers. The linearity test is done by assuming the *linearity of the Curve Fit*. The linearity test results show that all linear models are significant for  $Sig > 0.05$  to conclude that the linearity assumption has been met.

**B. Goodness of Fit in SEM**

The theoretical model on research conceptual framework is said to be *fit* if supported by empirical data. The test results of *goodness of fit overall model*, in accordance with the results of SEM analysis is to determine whether the hypothesis model is supported by empirical data.

Criteria	Cut-of value	Model Results	Description
Chi-Square	Small	1.375.576	Good Model
p-value	$\geq 0.05$	0.328	
CMIN / DF	$\leq 2,00$	1,017	Good Model
GFI	$\geq 0.90$	0.855	Marginal Model
AGFI	$\geq 0.90$	0.829	Marginal Model
TLI	$\geq 0.95$	0.996	Good Model
CFI	$\geq 0.95$	0.997	Good Model
RMSEA	$\leq 0,08$	0,008	Good Model

Table 1. Test Results Goodness of Fit Overall Model

The *Goodness of Fit Overall* test result based on Table 1 shows that SEM model in this research is suitable to use, so that interpretation can be made for further discussion.

**C. SEM Analysis Results**

Structural Equation Modeling (SEM) is the technique for the hypothesis testing in this study. The results of the relationship analysis between the variables are presented below.

No	Relation of	Coefficient	P-value	Description
1	Locus of Control (X1) → Turnover Intention (M)	0.169	0.032 **	Significant
2	Role Conflict (X2) → Turnover Intention (M)	0.202	0.010 **	Significant
3	Time Pressure (X3) → Turnover Intention (M)	0.176	0.033 **	Significant
4	Locus of Control(X1) → Reduced Audit Quality Behavior (Y)	0.196	0.017 **	Significant
5	Role Conflict (X2) → Reduced Audit Quality (Y)	0.128	0.089 *	Significant
6	Time Pressure (X3) → Reduced Audit Quality Behavior (Y)	0.303	0.003 ***	Significant
7	Turnover Intention (M) → Reduced Audit Quality Behavior (Y)	0.263	0.023 **	Significant

Table 2. Results of Hypothesis Testing of Direct Impact in SEM Model

\* Level of Significance with  $\alpha = 0.10$  (10%)

\*\* Level of Significance with  $\alpha = 0.05$  (5%)

\*\*\* Level of Significance with  $\alpha = 0.01$  (5%)

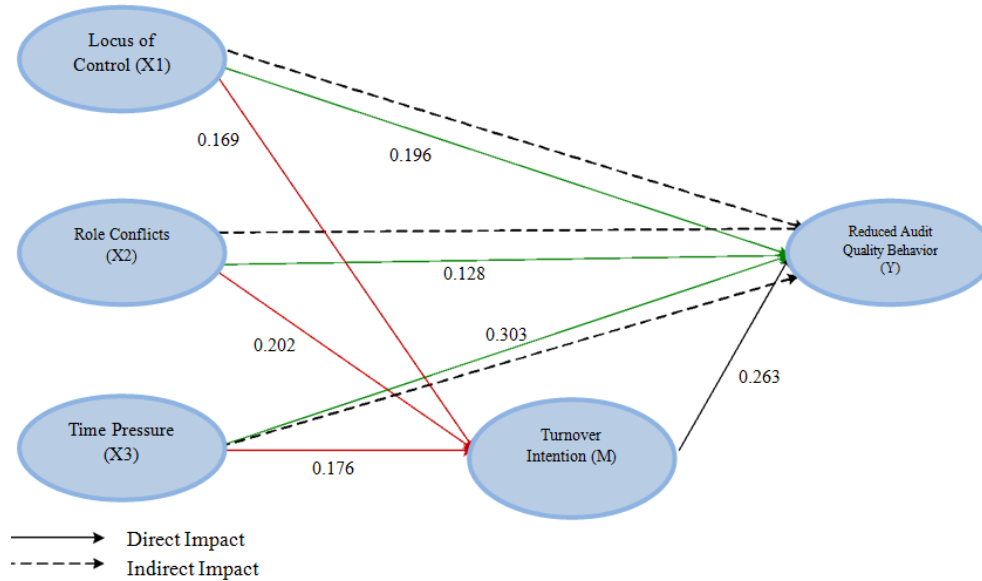


Fig 2:- Test Results of Direct Impact Hypothesis in SEM Model

Based SEM model analysis testing in table 2 and Figure 2 above, on the direct impact between locus of control on the turnover intention testing, the value of coefficient is *inner loading* 0,169, with *p-value* equal to 0,032. Since *p-value* <0.05, there is a significant direct impact between the locus of control to the turnover intention so that hypothesis 1 is accepted. Since the *inner loading* coefficient is positive, it indicates that the relationship is positive. That is, the higher the locus of control, will result in a higher desire to turnover intention.

In testing the direct impact of locus of control on the reduced audit quality behavior, the value of *inner loading* coefficient is 0,196, with *p-value* equal to 0,017. Because *p-value* <0.05, there is a significant direct impact between the locus of control on the reduced audit quality behavior so that hypothesis 4 is accepted. Since the *inner loading* coefficient is positive, it indicates that there is positive relationship of both. That is, the higher the locus of control, the higher reduced audit quality behavior.

In testing the direct impact between role conflict on the turnover intention, the value of *inner loading* coefficient is 0.202, with *p-value* of 0.010. Because *p-value* <0.05, there is a significant direct impact between role conflict on the turnover intention so that hypothesis 2 is accepted. Since the *inner loading* coefficient is positive, it indicates that the relationship is positive. That is, the higher the role conflict will result in a higher turnover intention.

In testing the direct impact between role conflict on reduced audit quality behavior, the value *inner loading* coefficient is 0,128, with *p-value* equal to 0,089. Because *p-value* <0.1, there is a significant direct impact between role conflict on the reduced audit quality behavior so that hypothesis 5 is accepted. Since the *inner loading* coefficient is positive, it indicates that there is positive relationship of both. This means that the higher the role conflict, the higher the reduced audit quality behavior.

In testing the direct impact between time pressure on the turnover intention, the value of *inner loading* coefficient is 0.176, with *p-value* of 0.033. Because *p-value* <0.05, then there is a significant direct impact between time pressure on the turnover intention so that hypothesis 3 is accepted. Since the *inner loading* coefficient is positive, it indicates that there is positive relationship of both. That is, the higher the pressure time will result in the higher the turnover intention.

In testing the direct impact between time pressure on reduced audit quality behavior, the value of *inner loading* coefficient is 0,303, with *p-value* equal to 0,003. Because *p-value* <0.01, there is a significant direct impact between time pressure on reduced audit quality behavior so that hypothesis 6 is accepted. Since the *inner loading* coefficient is positive, it indicates that there is positive relationship of both. It mens that the higher the time pressure, the higher reduced audit quality behavior.

In testing the direct impact between the turnover intention to the audit quality reduction behavior, obtained *inner loading* coefficient value of 0.263, with *p-value* of 0.023. Since *p-value* <0.05, there is a significant direct impact between the turnover intention to reduced audit quality behavior so that hypothesis 7 is accepted. Since the *inner loading* coefficient is positive, it indicates that both are in positive relationship. That is, the higher the turnover intention, higher reduced audit quality behavior.

Relationship	VariablesMediation	Coefficient	Sig	Specification
Locus of Control (X1) → Reduced Audit Quality Behavior (Y)	Turnover Intention (M)	0.043	0.119	Not Significant
Role Conflict (X2) → Reduced Audit Quality Behavior (Y)	Turnover Intention (M)	0.054	0.051 *	Significant
Time Pressure (X3) → Reduced Audit Quality Behavior (Y)	Turnover Intention (M)	0.053	0.081 *	Significant

Table 3. Structural Model SEM : Sobel Test

\* Level of Significance with  $\alpha = 0.1$  (10%)

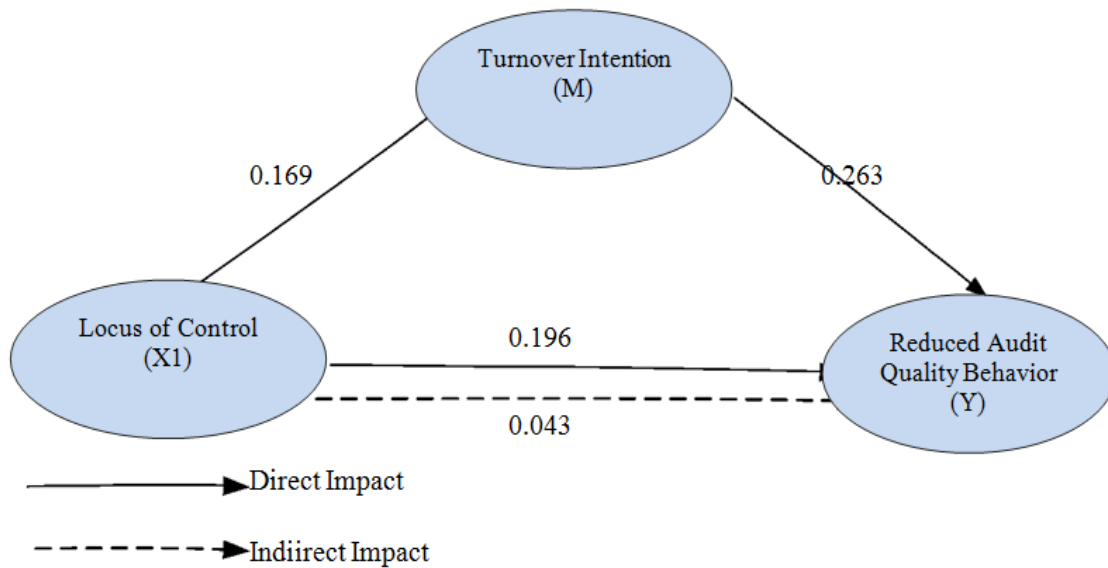


Fig 3:- Indirect Impact between Locus of Control on Reduced Audit Quality Behavior through the Turnover Intention

Based on Table 3 and Figure 3 shows that the indirect impact of locus of control (X1) on reduced audit quality behavior (Y) through a turnover intention (M) has a coefficient value of 0.043 with *p-value* equal to 0.119. Because *p-value* > 0.10 then hypothesis 8 is rejected so there is no indirect impact between the locus of control on the reduced audit quality behavior through the turnover intention. Thus, the turnover intention is not a mediating variable between the

locus of control and the reduced audit quality behavior. That is, the higher / lower the turnover intention, will not result in changes the higher / lower the impact of the locus of control on the reduced audit quality behavior.

Next, the testing of the indirect impact of role conflict on the reduced audit quality behavior through the turnover intention.

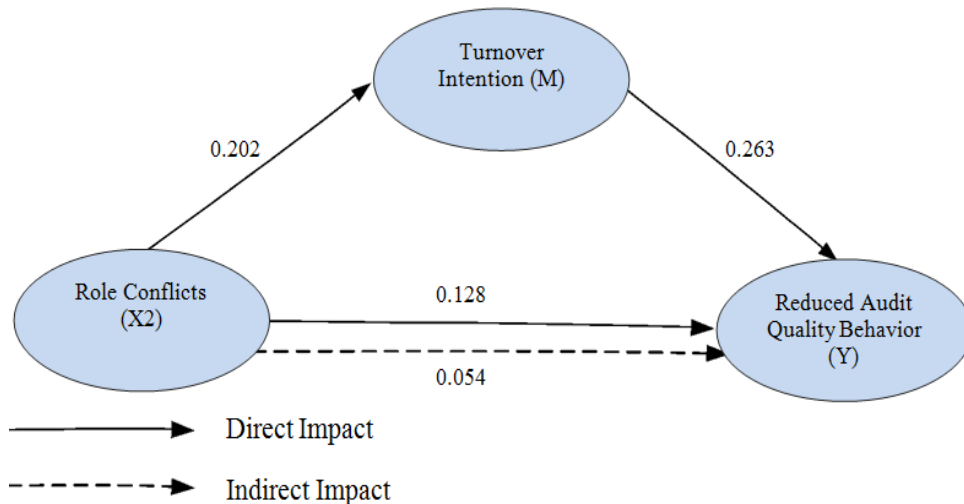


Fig 4:- Indirect Impact between Role Conflict on Reduced Audit Quality Behavior Through the Turnover Intention

Based on Table 3 and Figure 4 shows that the indirect effect of role conflict (X2) on reduced audit quality behavior (Y) through the turnover intention (M) has a coefficient value of 0.054 with *p-value* of 0.051. Since *p-value*<0.10 then hypothesis 9 is accepted so that there is an indirect impact between role conflict on the reduced audit quality behavior through the turnover intention. Thus, the turnover intention is

a mediating variable between role conflict and reduced audit quality behavior. That is, the higher the turnover intention, the higher the change of the impact of role conflict on reduced audit quality behavior.

Next is testing the indirect impact between time pressures on reduced audit quality behavior through the turnover intention.

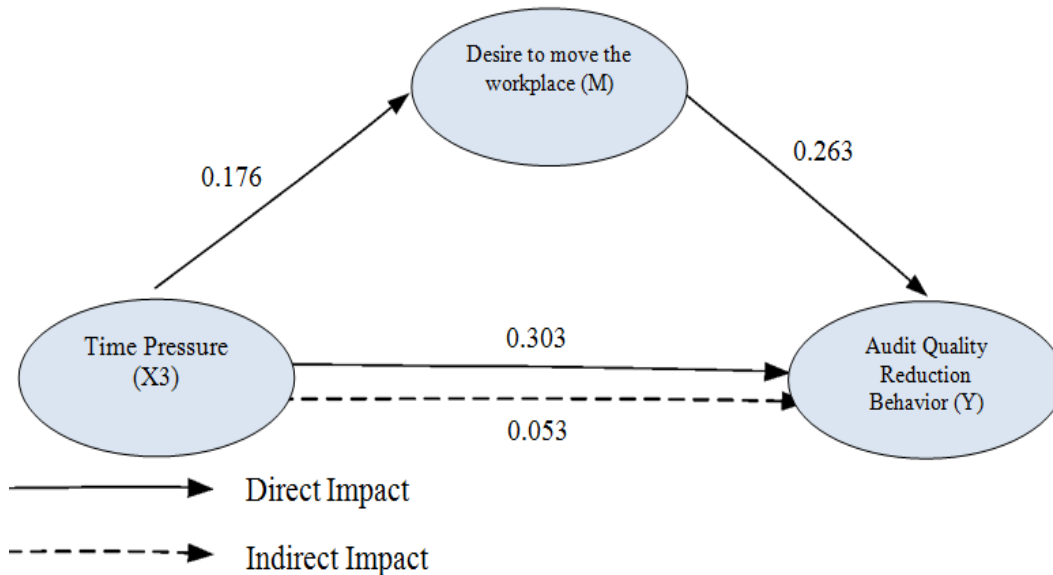


Fig 5:- The Indirect Impact of Time Pressure on Audit Quality Reduction Behavior Through the Desire to Move the Workplace

Based on Table 3 and Figure 5, it shows that indirect impact of time pressure (X3) on reduced audit quality behavior (Y) through the turnover intention (M) has a coefficient value of 0.053 with *p-value* of 0.081. Since *p-value*<0.10 then hypothesis 10 is accepted so there is an indirect impact between the time pressures on the reduced audit quality behavior through the turnover intention. Thus, the turnover intention is a mediating variable between time pressure and reduced audit quality behavior. That is, the higher the turnover intention will result a higher change in the impact between time pressure to reduced audit quality behavior.

In addition, these findings are also in line with the results of research conducted by Chen & Silverthorne (2008) which revealed that one aspect of the personality of an accountant, the locus of control, has an important role in predicting or can lead to job stress and declining performance in CPA firm Taiwan. In addition, Paino *et al.* (2012) revealed that there is no significant indirect correlation between the locus of control with the turnover intention.

The results of the study found that the locus of control had a positive and significant impact on the turnover intention, and the locus of control had a positive and significant impact on the reduced audit quality behavior. A high degree of locus of control will have an impact on the high level of turnover intention and reduced audit quality behavior. This finding is in line with the research proposed by Donnelly *et al.* (2003) stating that auditors with internal locus of control handle the work stress so that reducing audit quality behavior, while auditors with external locus of control have a positive effect on reduced audit quality behavior. In addition, auditors who intend to leave the company and the presence of an external control locus will tend to engage in reduced audit quality behaviors (Malone and Roberts, 1996).

Other studies have shown that there is a significant positive correlation between the locus of control and the desire to behave unethically in achieving personal goals (Gable and Dangelo, 2010; Corner, 1985). Such unethical behavior reflects the work done by an auditor with a personality of the locus of external control, so that they may appear to adjust to other auditors who have locus of internal control. Such unethical behavior in the context of reduced audit quality behavior as an effort to achieve the goal of individual performance. In other words, the locus of external control has a positive relationship to reduced audit quality behavior (Donnelly *et al.*, 2003).

The results of the study found that the role conflict had a positive and significant impact on the desire to move the workplace and reduced audit quality behavior. These findings are consistent with the results of the Jackson and Schuler's (1985) study, which reveals that auditors who perceive the



role of conflict is likely to be involved in the reduced audit quality behavior. In other words, when a person experiences a role conflict, it can lead to dissatisfaction with his role, decreased job performance, high tension in work, and the emergence of the turnover intention. It will ultimately affect its performance to be ineffective (Rizzo et al., 1970), so it will engage in reduced audit quality behavior (Mohd Nor, 2011). In role theory states that the individual becomes dissatisfied and his performance may decrease if the expected behavior does not match the expectations of the individual (Kahn *et al.*, 1964 and Rizzo *et al.*, 1970).

The results of the study found that time pressure had a positive and significant impact on the turnover intention and reduced audit quality behavior. High time pressure will have an impact on the high turnover intention and reduce audit quality behavior. This finding is in line with the concepts advanced by Otley and Pierce (1996a) which suggest that high time pressures in the CPA firm may affect auditor behavior. In addition, Kelly *et al.* (1999), reveals that time pressures are a pressure on the audit time targets that have been prepared to complete the audit on time, so that the time pressure will result in reduced efficiency and effectiveness of the audit (Lau and Buckland, 2001). Kelley and Margheim (1990) and Kermis and Mahapatra (1985) suggest that time pressures may affect the auditor's desire to have a turnover intention and ultimately lead to a reduced audit quality behavior.

The results of the study found that the desire to move the workplace had a positive and significant impact on reduced audit quality behavior. The high degree of the turnover intention will have an impact on the high level of reduced audit quality reduction behavior. This finding is in line with Malone and Roberts (1996) and Donnelly *et al.* (2003) study which explains that auditors who have a desire to move to work have a positive relationship with reduced audit quality behavior.

## V. CONCLUSION

Based on the results of the study it is known that there is a significant direct impact between the locus of control, role conflict and time pressure on the turnover intention. In addition, the turnover intention also directly affects the reduced audit quality behavior. In the test of indirect impact (through mediation of turnover intention), there is a significant impact between role conflict and time pressure on reduced audit quality behavior. Where as, the mediation impact of turnover intention results in a non-significant impact between the locus of control on the reduced audit quality behavior.

Auditors who feel the existence of role conflict tend to decrease or ineffectiveness work performance, so it can cause the turnover intention and/or conduct reduced audit quality behavior. The findings also reinforce the results of previous studies which suggesting that role conflict is related to negative work outcomes, for example, the decline in work performance and the high degree of turnover intention. In role

theory it has been stated that the individual becomes dissatisfied and his performance may decrease if the expected behavior is not in accordance with individual expectations. Similarly, time pressures are a pressure on the audit time targets that have been prepared to complete the audit on time, so that the time pressure will result in reduced efficiency and effectiveness of the audit and may affect the auditor's turnover intention and ultimately lead to audit quality reduction behavior.

The contingency approach explains that there are a number of possibilities that cause differences between the results of the study. Similarly, research conducted on the variables that impact on audit quality reduction behavior, where the desire to move the workplace as a variable intervening with the aim to see the effectiveness of the relationship between the locus of control, role conflict and time pressure with audit quality reduction behavior.

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