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Analysis of Factors Affecting the Quality of Internal Audits in the Indonesian Government Sector: A Case Study of the Inspectorate of the Ministry of the State Secretariat

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ABSTRACT

Purpose: This study aims to analyze the effects of competence, independence, time-budget pressure, and workload on the quality of internal audits within the Inspectorate of the Ministry of the State Secretariat.

Research Method: This study employed a quantitative approach with a causal design. Primary data were collected through a questionnaire distributed to all 41 internal auditors using census sampling. The data were analyzed using multiple linear regression with IBM SPSS Statistics 31.

Results and Discussion: The study indicates that competence and independence have a significant positive effect on the quality of internal audits, whereas time budget pressure has a significant negative effect. Workload shows a negative relationship but does not have a significant effect. These findings suggest that the quality of internal audits is determined more by the auditors' professional capacity and the effectiveness of assignment execution.

Implications: The research findings provide input to strengthen the competencies, independence, and time management of APIP personnel to improve the quality of internal audits.

Originality: This study expands the application of Agency Theory by examining the determinants of internal audit quality at APIPs within central government ministries, which have institutional characteristics distinct from those of local government inspectorates.

Keywords: internal audit quality; competence; independence; time pressure; workload.

1. Introduction

Efforts to realize the nation's ideals, as outlined in the Preamble to the 1945 Constitution of the Republic of Indonesia, require the implementation of good governance. One of the essential components in achieving good governance is the existence of an effective government internal oversight system. The Government Internal Oversight Agency (APIP) is tasked with performing internal audit functions that provide reasonable assurance as well as consulting services to promote greater efficiency, effectiveness, accountability, and transparency in government administration (Government Regulation No. 60 of 2008; AAIPI Regulation No. PER-01/AAIPI/DPN/2021). Weak internal oversight will hinder efforts to prevent irregularities, budget waste, and internal control failures, ultimately impeding the achievement of national development goals.

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Evidence on the ground indicates that corruption and governance irregularities persist across various ministries and government agencies. The case of performance allowance manipulation at the Directorate General of Minerals and Coal, resulting in state losses of Rp27.6 billion; the 4G BTS tower procurement scandal; and the case of the Temporary National Data Center (PDNS) at the Ministry of Communication and Information Technology serve as evidence that weaknesses in internal oversight remain a serious issue. These conditions indicate that internal audits within the government have not yet functioned optimally in detecting, preventing, or providing early warnings regarding various forms of irregularities. Although regulations regarding APIP have become increasingly comprehensive, their implementation at the organizational level still faces various challenges related to auditor capacity and organizational conditions. Therefore, improving the quality of internal audits has become a strategic issue in strengthening the effectiveness of the government's internal control system; consequently, identifying the factors that influence the quality of internal audits is a matter of urgency both academically and practically.

Internal audit quality is defined as a series of assurance and consulting processes conducted in accordance with professional standards to provide added value and enhance the effectiveness of an organization's governance, risk management, and controls (Brown *et al.,* 2017; De Angelo, 1981). Within the Indonesian government context, the Indonesian Government Internal Audit Standards (SAIPI) require internal auditors to meet attribute standards—including competence and independence—as prerequisites for conducting professional audits. From the perspective of Agency Theory, internal audit is an oversight mechanism aimed at reducing information asymmetry and conflicts of interest (agency conflict) between the government as the agent and the public as the principal. Therefore, the quality of internal audits is critical to ensuring that the oversight function enhances accountability, transparency, and the effectiveness of public financial management.

Previous research indicates that auditors' competence and independence are key determinants of audit quality, as they influence auditors' ability to obtain, evaluate, and report audit evidence (Colette & Lukman, 2024; Handayani *et al.,* 2023; Salim & Kho, 2025). Conversely, time-budget pressure and high workloads can reduce audit quality by decreasing attention to detail, increasing work-related fatigue, and limiting time to adequately perform audit procedures. Thus, these four variables not only function as individual and organizational factors but also serve as mechanisms that determine the effectiveness of APIP's monitoring function in bridging the principal–agent relationship in the public sector.

Previous research findings still reveal inconsistencies (research gap). Several studies report that competence has a significant positive effect on audit quality (Colette & Lukman, 2024; Handayani *et al.,* 2023), while other findings suggest the opposite (Salim & Kho, 2025). A similar pattern is observed for the independence variable; some studies found a significant positive effect (Handayani & Yani, 2023; Salim & Kho, 2025), while others reported non-significant results (Colette & Lukman, 2024). Time budget pressure and workload are generally reported to have a negative impact (Kusuma, 2021; Syarif & Fitriyani, 2017), though the level of significance remains debated, particularly in the context of Indonesian government audits, which possess unique characteristics.

Although previous research has identified various determinants of internal audit quality, most studies have focused on local government inspectorates or public sector organizations in general; thus, they have not adequately explained how the institutional characteristics of APIP within central ministries might influence the relationships among these variables. In fact, the Inspectorate of the Ministry of the State Secretariat has distinct organizational characteristics because it performs oversight functions over

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the administration of government affairs within a ministry that directly supports the President's duties. These conditions require internal auditors to work in a complex bureaucratic environment, engage in extensive cross-unit coordination, and face greater demands for independence and accountability. These differences in institutional characteristics may influence how competence, independence, time-budget pressure, and workload shape the quality of internal audits, necessitating specific empirical testing.

Based on these empirical and theoretical gaps, this study aims to answer whether competence, independence, time-budget pressure, and workload influence the quality of internal audits at the Inspectorate of the Ministry of the State Secretariat. This study seeks to examine the effect of each variable on the quality of government internal audits. The novelty of this research lies not only in the selection of the APIP context within a central ministry—a topic that has been relatively under-studied—but also in the reinforcement of the Agency Theory perspective in explaining the mechanisms by which competence and independence strengthen the auditor's monitoring function, whereas time budget pressure and workload have the potential to weaken the effectiveness of the oversight function within the principal–agent relationship in the public sector. Thus, this study is expected to make a theoretical contribution to the development of public sector audit literature while also providing practical implications for strengthening APIP development policies, particularly in enhancing auditor competence, maintaining independence, and managing time constraints and workload more effectively. This article is organized into five sections: introduction, literature review and hypothesis development, research methods, results and discussion, and conclusions.

2. Literature Review and Hypothesis Development

2.1 Literature Review

2.1.1 Agency Theory

Agency theory explains the contractual relationship between the principal—the party granting the mandate—and the agent—the party receiving the authority to manage resources and carry out the principal's interests. In the public sector, the public and the government act as principals who grant a mandate to state officials to manage finances and deliver public services in an accountable manner. In contrast, ministries, agencies, and government officials act as agents responsible for carrying out that mandate. This relationship is inextricably linked to information asymmetry—a condition in which the agent possesses more complete information than the principal, creating opportunities for moral hazard, conflicts of interest, abuse of authority, or opportunistic behavior that can undermine accountability in the management of public resources. Therefore, agency theory positions monitoring mechanisms as a crucial instrument for ensuring that the agent's actions remain aligned with the principal's objectives and for minimizing agency costs (Al-Faryan, 2024; Hendrastuti & Harahap, 2023). Developments in the literature also indicate that agency theory remains a dominant conceptual framework in research on accounting, governance, auditing, and management because it effectively explains the relationships among oversight systems, accountability, and the quality of organizational decision-making (Susilo & Ria, 2022).

In the context of public sector auditing, agency theory views internal audit as an oversight mechanism that reduces information asymmetry by providing assurance and consulting services regarding the effectiveness of internal controls, risk management, and organizational governance

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(Bhakti & Widodo, 2024). The Government Internal Oversight Agency (APIP) serves as a monitoring mechanism that helps the principal obtain reliable information regarding compliance, efficiency, effectiveness, and accountability in the management of state finances. The quality of the audits conducted largely determines the effectiveness of this function, as high-quality audits can enhance the credibility of information, strengthen control systems, and prevent irregularities and corruption within public organizations. Recent studies indicate that strengthening the internal audit function is a critical element in public-sector governance reform, particularly in government organizations characterized by high bureaucratic complexity and increasing demands for accountability (Cordery & Hay, 2024; Genda *et al.,* 2024). Furthermore, findings from a systematic review of public sector audits in Indonesia confirm that the effectiveness of APIP is significantly influenced by auditors' ability to perform oversight functions professionally, making internal audit one of the primary instruments for achieving good governance (Istianah *et al.,* 2024). Comparative findings on public sector audits in Indonesia also indicate that strengthening the independence and capacity of internal auditors is a critical prerequisite for improving the quality of government oversight (Drammeh *et al.,* 2025).

From an agency theory perspective, competence, independence, time-budget pressure, and workload influence the effectiveness of APIP's monitoring mechanisms. Competence enables auditors to identify risks, evaluate audit evidence, and detect irregularities more accurately, thereby reducing information asymmetry (Hanafi *et al.,* 2026). Independence ensures that auditors remain objective when reporting audit findings, free from personal interests or organizational pressures. Conversely, time pressure and excessive workload can reduce oversight quality by limiting auditors' thoroughness, increasing work-related fatigue, and heightening the risk of audit procedure omissions (e.g., premature sign-off), thereby reducing audit quality. Recent literature also emphasizes that the effectiveness of governance and oversight mechanisms is influenced not only by organizational structure but also by the quality of oversight actors in performing their monitoring functions independently and professionally (Astuti, 2024; Mappadang *et al.,* 2024). Furthermore, the implementation of effective oversight has been shown to improve government performance, strengthen accountability, and prevent fraud in public sector management (Tampubolon & Maisyarah, 2025).

2.1.2 Internal Audit Quality

The quality of internal audit refers to the internal audit function's ability to provide assurance and consulting services that are independent, objective, and in accordance with professional standards, thereby enhancing the effectiveness of an organization's governance, risk management, and internal control systems. In the public sector, the quality of internal audit is measured not only by compliance with audit procedures but also by the auditor's ability to produce reliable findings, value-added recommendations, and to promote greater accountability and transparency in the management of public finances. With the evolution of the New Public Management paradigm, internal audit is no longer viewed merely as a compliance function but as a strategic partner that contributes to improving organizational performance and creating public value (Alzeban, 2023). This concept aligns with the Indonesian Government Internal Audit Standards (SAIPI), which emphasize that the consistent fulfillment of both attribute standards and audit execution standards determines audit quality. Findings by Yulianto & Mardiana (2026) indicate that the quality of internal audit execution significantly enhances the effectiveness of internal control systems, thereby strengthening the role of internal audit in supporting organizational accountability and governance. Conceptually, the quality of internal audits

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also reflects the auditor's ability to perform oversight functions independently, professionally, and in an evidence-based manner, thereby enhancing stakeholder confidence in audit results (Nedyalkova, 2020; Nuryadin & Amiruddin, 2026).

Research developments indicate that a combination of factors, including individual auditor characteristics, organizational characteristics, and the control environment, influences the quality of internal audits. The results of a systematic review conducted by Istianah & Akbar (2024) show that competence, independence, experience, organizational support, and the effectiveness of the internal control system are the determinants most frequently associated with audit quality in the public sector. These findings are reinforced by a study by Istianah *et al.,* (2024), which concluded that the effectiveness of APIPs in Indonesia is highly dependent on auditors' ability to perform their oversight functions professionally in accordance with government audit standards. Furthermore, developments in internal audit practices within government organizations underscore the importance of adapting to changes in the oversight environment, leveraging technology, and enhancing auditors' capacity to maintain audit quality amid the evolving complexity of public sector governance (Fatlawi, 2024). A comparative study by Drammeh *et al.,* (2025) also indicates that strengthening the quality of internal audits is a critical prerequisite for enhancing accountability and the effectiveness of public financial management across various countries.

From this perspective, the quality of internal audits is viewed as the result of the interaction between auditors' professional capabilities and the conditions of the organization where the audit is conducted. Auditors who possess high competence and maintain their independence will be more effective at identifying risks, evaluating audit evidence, and providing objective, value-added recommendations. Conversely, work-related pressures, resource constraints, or weak organizational support can reduce the effectiveness of the audit process, thereby affecting the quality of audit results. Ahmad (2023) emphasizes that the quality of internal audits is significantly influenced by auditors' ability to maintain independence and conduct the audit process professionally amid the complexity of the assignments they face. Recent research indicates that the quality of internal audits directly contributes to improved performance in the public sector, the effectiveness of internal controls, and the prevention of irregularities and fraud (Pratiwi & Pagalung, 2025; Zaynuri & Kuntadi, 2025). On the other hand, improvements in audit quality are also influenced by the implementation of adaptive audit standards and the strengthening of institutional governance in response to the dynamics of the organizational environment (Murwaningsari *et al.,* 2026). Therefore, this study views internal audit quality as a variable that reflects the effectiveness of the APIP's oversight function in producing audits that are independent, reliable, objective, and capable of supporting the realization of good governance.

2.2 Hypothesis Development

2.2.1 Internal Audit Competence and Quality

Competence is defined as the knowledge, skills, technical abilities, and experience required by auditors to carry out audit engagements professionally (SAIPI 1210; Basuki *et al.,* 2020). From the perspective of Agency Theory, auditor competence is a key resource that enables oversight mechanisms to function effectively in reducing information asymmetry between the government, as the agent, and the public, as the principal. Auditors with high competence are better able to understand organizational characteristics, identify risks, evaluate the sufficiency of audit evidence, and accurately detect

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irregularities, thereby enhancing the effectiveness of the APIP's monitoring function. Conversely, limited competence can lead to errors in professional judgment, which may compromise audit quality.

Research by Colette & Lukman (2024) and Handayani *et al.,* (2023) demonstrates that competence has a positive and significant effect on audit quality by enhancing auditors' ability to produce high-quality findings and recommendations. Based on this theoretical argument and empirical evidence, this study posits that the higher the competence of APIP auditors, the higher the quality of the resulting internal audits. Therefore, the first hypothesis is formulated as follows.

H1: *Competence has a positive and significant impact on the quality of government internal audits.*

2.2.2 Independence and Quality of Internal Audits

Independence is a mental attitude characterized by freedom from the influence of others, impartiality, and freedom from conflicts of interest at every stage of the audit process (SAIPI 1110.A1; Mulyadi, 2011). In Agency Theory, independence is a key prerequisite for monitoring mechanisms to reduce conflicts of interest between principals and agents effectively. An independent auditor can report audit findings objectively, free from organizational pressure or personal interests, thereby enhancing the credibility of the audit results. Conversely, a decline in independence increases the risk of bias in the audit process and reduces confidence in the audit results. Research by Handayani *et al.,* (2023) and Salim & Kho (2025) indicates that independence positively impacts audit quality. These findings indicate that auditor objectivity is a critical factor in producing reliable and accountable audits. Based on this reasoning, this study proposes that the higher the auditor's independence, the better the quality of the internal audit produced. Therefore, the second hypothesis is formulated as follows.

H2: *Independence has a positive and significant effect on the quality of government internal audits.*

2.2.3 Time Budget Pressure and the Quality of Internal Audits

Time budget pressure is a situation in which auditors must complete an engagement within a limited timeframe, potentially compromising the thoroughness of audit procedures (DeZoort & Lord, 1997; Syarif & Fitriyani, 2017). From the perspective of Agency Theory, time constraints can reduce the effectiveness of monitoring mechanisms because auditors have fewer opportunities to obtain sufficient audit evidence, conduct thorough evaluations, and maintain professional skepticism. These conditions increase the likelihood of premature sign-off, reduced audit procedures, or errors in audit decision-making, thereby lowering audit quality.

Asriningpuri & Gruben (2021) demonstrate that high time pressure negatively affects audit quality by increasing auditors' work-related stress and diminishing the quality of their professional judgment. Based on this theoretical framework and previous research, this study hypothesizes that the greater the time pressure faced by APIP auditors, the lower the quality of the resulting internal audit. Therefore, the third hypothesis is formulated as follows.

H3: *Time budget pressure has a significant negative effect on the quality of government internal audits.*

2.2.4 Workload and the Quality of Internal Audits

Workload (audit capacity stress) refers to a situation in which auditors must complete a certain number of assignments within a specific period, thereby limiting their available capacity (Handayani *et al.,* 2023). According to Agency Theory, excessive workload can reduce the effectiveness of the monitoring

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function because auditors have limited time, attention, and cognitive resources to evaluate audit evidence in depth. Consequently, auditors may experience work-related fatigue, a decline in attention to detail, and an increased risk of errors in the audit process, which ultimately leads to a decline in audit quality.

Sari & Helmayunita (2018) indicate that a high workload can impair auditors' ability to detect fraud, while Kusuma (2021) finds that workload negatively impacts audit quality. Nevertheless, some studies still show inconsistent results, so this relationship requires further empirical testing in the context of APIPs within central government ministries, which have distinct institutional characteristics.

H4: *Workload has a significant negative impact on the quality of government internal audits.*

3. Research Method

This study adopts a quantitative causal design using primary data sources. This design was chosen because it aims to empirically test the influence between variables and explain the cause-and-effect relationship between the independent variables (competence, independence, time budget pressure, and workload) and the dependent variable (internal audit quality). The study population consists of all 41 internal auditors at the Inspectorate of the Ministry of the State Secretariat. Given the relatively small and accessible population, a census sampling technique was used, meaning the entire population served as the sample. This approach ensures that no auditor is omitted, allowing the research results to fully and objectively reflect the conditions within the agency.

Data collection was conducted via an online questionnaire (Google Form) from March 23 to 31, 2026. The digital method was chosen to make it easier for respondents to complete the questionnaire and to increase the response rate. Before completing the questionnaire, each respondent was provided with an explanation of the research objectives, a guarantee of the confidentiality of their identity, and a statement that participation was voluntary (informed consent). In addition, the questionnaire first underwent a limited pilot test to ensure wording clarity and the suitability of the indicators for the context of government internal audits.

The research instrument comprises 10 items for the competency variable, 7 for independence, 4 for time budget pressure, 4 for workload, and 15 for internal audit quality. All items use a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree). The indicators for each variable were adapted from previous, well-established studies (Arens, 2025; Oktarina & Ramadiani, 2024). The operationalization of each variable was formulated based on operational definitions, measurement indicators, the number of items, and the instrument's reference sources to ensure a more transparent and easily replicable measurement process. A summary of the variable operationalizations is presented in Table 1. Before full distribution, the questionnaire underwent a limited pilot test to ensure there was no ambiguity in the wording of the statements.

Data analysis was performed using SPSS version 31 with a multiple linear regression model. Prior to hypothesis testing, instrument tests (validity and reliability) and classical assumption tests (normality, multicollinearity, and heteroscedasticity) were conducted. The validity test used Pearson's product-moment correlation with an r-table ($df=39$, $\alpha=0.05$), yielding $r=0.308$. The reliability test used Cronbach's Alpha with a minimum threshold of 0.7. Hypothesis testing used the t-test (partial) to test the effect of each independent variable individually and the F-test (simultaneous) to test their combined effect at a significance level of 0.05. Prior to regression, tests for normality of the residuals,

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multicollinearity (VIF and Tolerance), and heteroscedasticity (Glejser) were also conducted to ensure the model met the BLUE (Best Linear Unbiased Estimator) criteria.

Table 1. Operationalization of Research Variables

Variable	Operational Definition	Indicators	Item	Source
Competence	The auditor's ability to conduct audits professionally	Knowledge, skills, experience	10	Handayani *et al.,* (2023); Arens *et al.,* (2023)
Independence	An auditor's ability to maintain objectivity	Objectivity, freedom from interference, integrity	7	Handayani *et al.,* (2023)
Time Budget Pressure	Auditors' Perceptions of Time Constraints in Completing Audits	Deadlines, time constraints, pressure to finish	4	Viera *et al.,* (2021)
Workload	Level of stress resulting from the number and complexity of assignments	Workload, task complexity	4	Handayani *et al.,* (2023)
Internal Audit Quality	The auditor's ability to produce audits that are objective, reliable, and in accordance with standards	Compliance with standards, quality of findings, audit recommendations	15	Dian Oktarina & Ramadiani (2024); Arens *et al.,* (2023)

4. Results and Discussion

4.1 Analysis Results

4.1.1 Respondent Characteristics

Of the 41 questionnaires distributed, all were returned and deemed valid for analysis, yielding a response rate of 100%. The majority of respondents were female (51.22%), aged 25–34 years (39.02%), held a bachelor's degree (S1) or vocational diploma (D4) as their highest level of education (63.41%), held the position of First-Level Auditor (29.27%), and had more than 15 years of work experience (34.15%). These characteristics indicate that most respondents have sufficient educational backgrounds and experience in performing internal audit duties, enabling them to provide relevant information regarding the variables under study.

4.1.2. Instrumental Tests and Classical Assumptions

The validity test results showed that all items had calculated r-values greater than the table r-value (0.308) and were therefore deemed valid. The reliability test yielded Cronbach's Alpha values for each variable: competence (0.846), independence (0.906), time budget pressure (0.871), workload (0.827), and internal audit quality (0.864), all of which were above the minimum threshold of 0.70; thus, the instrument was deemed reliable.

The Kolmogorov-Smirnov normality test yielded a p-value of 0.777 ($p > 0.05$), indicating that the data are normally distributed. The multicollinearity test showed VIF values for all variables ranging from 1.079 to 1.147 (<10) and tolerances>0.10, indicating that multicollinearity does not exist. The Glejser test showed significance values> 0.05 for all variables, indicating no heteroscedasticity. Thus, all the basic assumptions of multiple linear regression have been met, making the research model suitable for hypothesis testing.

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4.1.3 Hypothesis Testing

- Test of the Coefficient of Determination
  The adjusted R^2 value is 0.515, indicating that the variables of competence, independence, time budget pressure, and workload collectively account for 51.5% of the variation in the quality of government internal audits, with 48.5% explained by other variables outside the model.
- Simultaneous Test (F-Test)
  The F-test results show that the calculated F-value (11.609) exceeds the table F-value (2.634) at a significance level of <0.001. These results indicate that the regression model has a good fit, meaning that all independent variables simultaneously have a significant effect on internal audit quality.
- Partial Test (t-Test)
  The results of the multiple linear regression analysis and the partial tests (t-tests) are presented in Table 2.

Table 2. Results of the Regression Test and t-Test

Variable	Coefficient	t-calculated	t-estimated	Sig.	Remark
Constant	31.283	2.673	2.021	0.011	-
Competence (X_1)	1.027	5.406	2.021	<0.001	H_1 accepted
Independence (X_2)	0.507	2.235	2.021	0.032	H_2 accepted
Time Budget Pressure (X_3)	-1.188	-2.787	2.021	0.008	H_3 accepted
Workload (X_4)	-0.844	-1.904	2.021	0.065	H_4 rejected

Source: *Processed primary data (2026).*

The resulting regression equation is:

$$Y = 31.283 + 1.027X_1 + 0.507X_2 - 1.188X_3 - 0.844X_4 + e$$

Based on the regression equation, competence and independence have positive coefficients on internal audit quality, whereas time budget pressure and workload have negative coefficients. The results of the partial tests indicate that competence, independence, and time budget pressure have a significant effect on internal audit quality. In contrast, workload has a negative relationship but is not statistically significant (p = 0.065 > 0.05).

4.2 Discussion

4.2.1 The Impact of Competence on the Quality of Internal Audit

The research findings support H1, namely that competence has a positive and significant effect on the quality of government internal audits. These results are consistent with the reports by Colette & Lukman (2024), Handayani *et al.,* (2023), and Nabir (2019). Auditors with high competence—as reflected by a deep understanding of accounting and auditing standards, experience in various types of assignments, and technical expertise gained through training and certification—are better able to design appropriate analytical procedures, identify risks, and provide relevant recommendations.

This positive impact indicates that competence not only enhances auditors' technical ability to perform audit procedures but also improves the quality of their professional judgment when evaluating audit evidence, identifying the risk of irregularities, and determining improvement recommendations tailored to the characteristics of public sector organizations. Within the Inspectorate of the Ministry of

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the State Secretariat—which oversees various strategic units—auditors must understand regulations, governance, and the complex dynamics of public administration. Therefore, auditors with higher competencies are better able to produce high-quality audits compared to those with lower competencies.

The profile of respondents—the majority of whom hold a bachelor's degree (S1) or vocational diploma (D4) and have more than 15 years of work experience—confirms that formal education and experience contribute to competence. This finding reinforces Agency Theory, which views auditor competence as a monitoring mechanism that reduces information asymmetry between agents and principals by improving the quality of audit findings. The more competent the auditor, the more effective the oversight function is in detecting irregularities and reducing the risk of moral hazard. Thus, this study not only confirms previous research but also demonstrates that within the APIPs of central government ministries, competence is a key asset for maintaining effective oversight in highly complex bureaucracies.

4.2.2 The Effect of Independence on Internal Audit Quality

The research results support H2, which states that independence has a positive and significant effect on internal audit quality. This is consistent with the findings of Handayani *et al.,* (2023), Salim & Kho (2025), and Hafizah *et al.,* (2022). The majority of respondents strongly agreed that they are impartial, are not subject to pressure, and are free from conflicts of interest. Independence enables auditors to report findings objectively without altering the facts.

These results indicate that independence is a critical prerequisite for internal auditors to produce credible and trustworthy audits. An auditor's objectivity ensures that every finding and recommendation is based on sufficient audit evidence and is free from personal interests, pressure from superiors, or interference from the audited entity. In the context of the Inspectorate of the Ministry of the State Secretariat, independence becomes even more critical because auditors are tasked with overseeing strategic government units that involve policies of relatively high sensitivity. These conditions require auditors to maintain professional integrity so that audit results accurately reflect actual conditions.

This study differs from the findings of Giyatri & Rahmaita (2024), who reported that independence was not significant. This difference is likely due to the context (private accounting firms) and commercial pressures. In the government sector, the institutionally protected independence of APIP is a key factor in the success of oversight. These differences in institutional context indicate that the impact of independence on audit quality is strongly influenced by the characteristics of the organization where auditors work. In the public sector, auditor independence not only maintains the objectivity of the audit but also strengthens accountability to the public as the principal, as explained in Agency Theory. Therefore, the results of this study expand the empirical evidence that mechanisms protecting the independence of APIPs in central ministries contribute to improved internal audit quality, thereby distinguishing this study from research conducted in commercial audit settings.

4.2.3. The Effect of Time Budget Pressure on the Quality of Internal Audit

The research results support H3, namely that time budget pressure has a significant negative effect on internal audit quality. This finding is consistent with Syarif & Fitriyani (2017) and Pratiwi (2021). Auditors

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facing tight deadlines tend to limit the scope of their work, reduce sample sizes, and feel rushed, which may prevent them from detecting material misstatements.

This negative effect indicates that time constraints limit auditors' ability to perform audit procedures thoroughly, evaluate audit evidence in depth, and maintain professional skepticism throughout the examination process. Under high time pressure, auditors become more focused on completing assignments by the deadline rather than optimizing the quality of the examination, thereby increasing the risk of reduced audit procedures (premature sign-off), errors in professional judgment, or undetected irregularities. This issue is particularly critical within the Inspectorate of the Ministry of the State Secretariat, which handles audit assignments for strategic units characterized by high administrative and regulatory complexity; consequently, any time constraint can directly impact the quality of the audit process.

Within the framework of Agency Theory, time pressure can trigger dysfunctional auditor behavior (e.g., premature sign-off), thereby exacerbating information asymmetry. This study contradicts the findings of Pikirang *et al.,* (2017), who stated that time pressure has no effect—likely due to differences in operational definitions and the context of efficiency versus quality. Furthermore, differences in organizational characteristics may also explain this inconsistency. In central ministry APIPs, auditors are not only required to complete audits on time but also to ensure compliance with various government regulations and oversight standards. Therefore, time pressure has a greater impact on audit quality compared to organizations with less complex assignments. These findings reinforce Agency Theory, which holds that the effectiveness of monitoring mechanisms is strongly influenced by the availability of resources—including sufficient time—to obtain adequate audit evidence and produce reliable information for the principal.

4.2.4 The Effect of Workload on the Quality of Internal Audit

The research results reject H4 because workload showed a negative but insignificant effect ($p = 0.065$). Although the coefficient was negative as predicted (the higher the workload, the lower the audit quality), the effect was not statistically significant. This finding differs from the studies by Kusuma (2021) and Handayani *et al.,* (2023), which reported a significant effect. These results indicate that an increase in workload does not necessarily reduce the quality of internal audits, as long as the organization can still manage the distribution of auditor assignments proportionally. In other words, auditors at the Inspectorate of the Ministry of the State Secretariat are still able to maintain the quality of their audits despite facing a relatively high number of assignments. This situation suggests that organizational factors—such as audit team coordination, tiered supervision, auditor experience, and assignment prioritization—can mitigate the negative impact of workload on audit performance.

Possible factors contributing to the non-significance of workload in this study include: (1) a relatively small sample size (41 respondents), resulting in insufficient statistical power, (2) the possibility of effective workload management mechanisms within the Inspectorate of the Ministry of the State Secretariat (e.g., task rotation and assignment prioritization), or (3) the presence of moderating variables such as team support and supervision that mitigate the negative impact of workload. Nevertheless, this negative trend indicates that excessive workload remains a concern that must be addressed. From the perspective of Agency Theory, a high workload can reduce the effectiveness of monitoring functions if auditors' capacity is not commensurate with the complexity of the assignments they must complete. However, the results of this study indicate that the human resource management mechanisms

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implemented at the Inspectorate of the Ministry of the State Secretariat appear capable of maintaining audit quality even though auditors face relatively high work pressure. These findings provide empirical evidence that the impact of workload on audit quality is not universal but is influenced by organizational characteristics, assignment management systems, and the APIP's institutional capacity. Therefore, this study expands upon previous findings by demonstrating that organizational context is a critical factor in explaining the relationship between workload and internal audit quality.

5. Concluding Remarks and Recommendation

This study aims to analyze the effects of competence, independence, time budget pressure, and workload on the quality of internal audits at the Inspectorate of the Ministry of the State Secretariat, using a quantitative approach based on multiple linear regression analysis of data from 41 internal auditors. The results show that competence and independence have a positive and significant effect on internal audit quality, while time budget pressure has a negative and significant effect. Meanwhile, workload is negatively related to internal audit quality but does not have a statistically significant effect. Collectively, the four variables explain 51.5% of the variation in internal audit quality, with the remainder attributable to other factors outside the research model. These findings address the research objective that the quality of internal audits at the Inspectorate of the Ministry of the State Secretariat is influenced by both individual auditor factors and the conditions under which audit assignments are carried out.

Theoretically, this study reinforces the application of Agency Theory by demonstrating that auditor competence and independence enhance the effectiveness of monitoring mechanisms in reducing information asymmetry. In contrast, time-budget pressure can weaken the oversight function. This study also makes an empirical contribution by testing the theory within the context of a central government APIP, which has institutional characteristics distinct from those of local government inspectorates or public accounting firms—entities that have been more extensively studied in previous research. From a practical perspective, the research findings provide recommendations for the Inspectorate of the Ministry of the State Secretariat to strengthen auditor competency development through education, training, and professional certification; to maintain independence through the implementation of a code of ethics and safeguards for auditor objectivity; and to establish more proportionate assignment schedules to ensure audit quality is maintained.

This study has several limitations that should be noted. First, the study was conducted at only one agency with a sample of 41 auditors; therefore, the findings cannot yet be generalized to all APIPs in Indonesia. Second, data were collected via a perception-based questionnaire (self-reported questionnaire), so there remains the potential for common method bias and social desirability bias. Third, the research model explains only 51.5% of the variation in internal audit quality, indicating that other factors remain unanalyzed. Therefore, future research is recommended to involve more ministry inspectorates and local government inspectorates with a larger sample size, using a mixed methods approach or in-depth interviews to enrich the empirical findings, as well as to include other variables such as integrity, professional ethics, organizational culture, leadership support, and the use of audit technology to gain a more comprehensive understanding of the determinants of internal audit quality.

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Statement of Use of Generative AI

During the preparation of this work, the author used generative artificial intelligence tools to support the scientific writing process. Grammarly was used to check grammar, refine writing style, and improve clarity in scientific writing. All interpretations, analyses, and conclusions presented in this study are the sole responsibility of the author.

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