

ABSTRACT

This study uses field studies to examine the relationship between professional skepticism, experience, and time budget pressure on the auditor's assessment of the risk of misstatement. In addition, this study examines the moderate effects of experience and time budget pressure on the relationship between professional skepticism and auditor's assessment of the risk of material misstatement.

This research method uses multiple regression analysis on 43 auditors from public accounting firms in the city of Semarang. The results show that professional skepticism and experience have a significant positive effect while time budget pressure does not significantly influence the auditor's assessment of the risk of material misstatement. The positive effect of professional skepticism on the auditor's assessment of the risk of material misstatement is stronger among more experienced auditors than among less experienced ones. On the other hand, the positive effect of professional skepticism on risk assessment is weaker when auditors work under high time budget pressure than when they work under low time budget pressure.

The results of this study provide a better understanding of whether auditors can maintain professional skepticism with a number of relevant audit experiences and under varying degrees of time budget pressure.

Keywords : professional skepticism, experience, time budget pressure, and the risk of material misstatement.