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THE EFFECT OF AUDIT DELAY AND MANAGEMENT CHANGE ON VOLUNTARY AUDITOR SWITCHING WITH FINANCIAL DISTRESS AS A MODERATING VARIABLE

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Abstract. This research aims to obtain empirical evidence of the influence of audit delay and replacement of management on voluntary auditor switching with financial distress as moderating variable in infrastructure companies listed on the Indonesian Stock Exchange in 2020-2022. This type of research is quantitative research with a documentation method using secondary data from the company's annual financial report published on the official website of the Indonesia Stock Exchange. The sample in this research was obtained using purposive sampling. The observation data processed in this research were 124 samples from infrastructure companies listed on the Indonesia Stock Exchange for the 2020-2022 and used logistic regression analysis. The research results show that financial distress strengthens the influence of audit delay on voluntary auditor switching. This is indicated by the R-Square value before moderation being 3.6% to 26.9% after financial distress as a moderating variable. However, the results of this study cannot prove that there is an influence between audit delay and replacement of management on voluntary auditor switching, and financial distress is unable to moderate the effect of audit delay on voluntary auditor switching.

Keywords: Audit Delay, Replacement of Management, Financial Distress, Voluntary Auditor Switching

I. INTRODUCTION

Auditor switching is when companies change the auditor or public accounting firm (KAP) they use (Lesmana and Kurnia 2016). This is done by companies to increase public trust, maintain public confidence in the audit function, and protect auditor objectivity. According to Adli and Suryani (2019) auditor switching occurs when the current auditor is dismissed from his position the following year, the auditor profession prohibits personal relationships that can lead to social conflicts of interest. Auditor switching can be mandatory or voluntary (Saragi and Siahaan 2020).

The purpose of changing auditors is to maintain auditor independence and ensure their objectivity in carrying out audit tasks. Auditor changes become mandatory when the company changes the KAP that has conducted the audit for a certain period, so there is no doubt about this decision because it is done to comply with applicable regulations in Indonesia. Conversely, voluntary auditor changes by companies can raise questions from outsiders, especially investors (Widajantie and Dewi 2020).

research gap.

The initial phenomenon of auditor switching The Enron case in 2001 involving the Arthur Andersen Public Accounting Firm (KAP) became the public spotlight due to Arthur Andersen's involvement in the falsification of its client's financial statements. This caused Arthur Andersen to lose its independence, and after the collapse of Arthur Andersen in 2002, the Big Five became the Big Four. The Enron scandal involving Arthur Andersen led to the creation of the Sarbanes-Oxley Act (SOX) in 2002, which regulates policies related to public accounting firms and audit partners. One of the regulations in SOX is the limitation of auditor tenure with client companies.

Looking at information from kabar24.bisnis.com (2020) Asuransi Jiwasraya (Persero), an Indonesian State-Owned Enterprise engaged in insurance, is the subject of the auditor shift problem that occurred. PT Asuransi Jiwasraya (Persero) has changed its KAP once in four years. From 2016 to 2017, Pricewaterhouse Coopers (PwC) member firm Tanudiredja, Wibisana, Rintis, and Rekan was used. In 2018 and 2019 PT Asuransi Jiwasraya was audited by the Public Accounting Firm (KAP) Kanaka Puradiredja, Suhartono. This was done because there was a case of default on insurance policies and financial statements that showed an unfair opinion and a shortage of reserves of 7.7 trillion. PT Asuransi Jiwasraya is also suspected of making fraudulent investments.

This study uses agency theory, Investors and shareholders as external parties often doubt the information provided by management due to information imbalances between shareholders as principals and management as agents (Sulistiyani and Zulaikha 2022). Therefore, the auditor as an independent and objective third party is needed to conduct an examination and assessment of the fairness of the financial statements. Every company that goes public has an obligation to report financial statements.

Kusumosari and Solikhah (2021) explain that CEOs can prioritize personal interests by deceiving financial reports because of their ability to oversee company operations and finances. CEOs have extensive access to the company's operational and financial information, allowing them to manipulate financial reports for personal gain. With control over the financial reporting process, CEOs can easily adjust figures to cover up harmful activities or to improve the financial image of the company for personal gain. Their ability to oversee and control various aspects of the company allows CEOs to abuse trust and harm other stakeholders for their own benefit. Therefore, to be able to assess whether the financial statements are fair or not, an audit process is necessary.

Audit is a process to reduce information differences between managers and shareholders by using external parties to verify financial statements (Arisudhana 2017). Shareholders use the auditor's report for decision making, so the auditor has an important role in providing verification of the company's financial statements. Rahmi and Syofyan (2020) explain because the public, especially investors, tend to believe that delays in submitting audited financial reports indicate the company's poor health condition, which will also affect the decision making of shareholders. Auditors must present quality audits to reduce information differences between management and owners. Auditors are required to provide an opinion on the fairness of financial statements by having competence, independence, and professionalism (Arkan and Triyono 2024).

The first voluntary auditor factor is audit delay. According to Pratiwidan Muliartha (2019) explains that audit delay is used to measure the amount of time to complete the audit which is measured from the closing date of the company's yearbook on December 31 to the date the audit report is signed. Audit delay affects the company in deciding to change auditors. Usually, companies that experience delays in audits in the previous year have a greater possibility of changing auditors (Wulandari and Wiratmaja 2017). Delays in audits can affect investors' decisions because they need timely information about company performance to make investment decisions. The difference between the date of the financial statements and the date of the independent auditor's report indicates the length of time required to complete the audit by the auditor (Puryati 2020).

Management changes in the company also affect voluntary auditor switching. Management has a key role in determining the choice of auditor to conduct an examination of their company (Manto and Manda, 2018). If management feels that the auditor is not competent enough in carrying out his duties, this can encourage management to consider changing auditors. According to Ruroh (2016) management change occurs when the board of directors is replaced due to the decision of the General Meeting of Shareholders (GMS) or the resignation of the board of directors. The new management hopes that the public accounting firm can become a partner who can work with them to produce the opinion desired by the new management. With this change in company structure, new management may choose to change auditors because they have a better working relationship with certain auditors (Riyanto et al., 2021).

The difference in this study is in the population and variables, researchers chose the population of infrastructure companies listed on the Indonesia Stock Exchange for the period 2020-2022, on the grounds that previous studies used the object of research on manufacturing companies in research (Pratiwi and Muliartha 2019), (Widajantie and Dewi 2020), and (Wulandari and Wiratmaja 2017). Through this research, we want to understand the impact of investments and policies in infrastructure companies on overall economic growth. Thus, it is important to know that infrastructure companies in Indonesia are managed with efficiency, transparency, and accountability to maximize contributions to society and the state.

This study adds financial distress variables as moderating variables as a differentiator from previous research. Financial distress is a financial condition that makes a company unable to fulfill its financial obligations, including the inability to pay debts to creditors. If this financial condition continues, it can result in the company going bankrupt (Riyanto et al., 2021). The greater the financial difficulties in the company, Financial distress can increase audit risk for auditors. This is because companies experiencing financial difficulties are more at risk of committing financial fraud. According to Kristianti and Herawaty (2023) High audit risk can make auditors reluctant to continue the audit, so companies are forced to do voluntary auditor switching. This can strengthen or weaken the effect of audit delay and management change on voluntary auditor switching.

II. LITERATURE REVIEW

A. Agency Theory

Agency theory, explained by Jensen and Meckling (1976), highlights the importance of separating the roles of the owner (principal) and management/agent. This separation can lead to conflicts between owners and management known as agency problems. The conflict arises because managers may pursue their own personal interests, ignoring the interests of the owners. Agency theory, as summarized by Hendriksen and Breda (2002), suggests that information asymmetry occurs due to differences in interests between management as an internal party of the company and external parties, especially users of financial statements. This difference can lead to conflicts between shareholders and management, shareholders and debt holders, and between management, shareholders, and debt holders.

Agency theory according to Godfrey (2010) is the basis for understanding the phenomenon of auditor switching, agency theory refers to the contract between company owners (principals) and management (agents), in which the owner gives authority to management to manage company operations in the hope of providing benefits for principals both short and long term. Godfrey (2010) in Hery (2017) explains that agency relationships often face agency problems due to the separation of duties between principals and agents. This can result in information asymmetry, where management has more information about the company's financial position than the owner.

B. Voluntary Auditor Switching

Voluntary auditor switching, known as voluntary auditor switching, is an action taken by a company to change its auditor (Widajantie and Dewi, 2020). Auditor switching can be caused by client or auditor factors. Auditor Swittching is a decision to change or move auditors or KAP carried out by client companies. According to Saragi and Siahaan (2020) auditor switching can occur due to an obligation to change auditors regulated by the government or due to an initiative change of auditors by the client company." Public accounting firms can change as a result of changes in the company's external environment, including the desire to lower audit fees, hire more qualified auditors, and improve their reputation. To maintain auditor independence, Indonesian law regulates auditor rotation. The government issued PP No. 20/2015 concerning Public Accountant Practices in 2015 to regulate Auditor Swittching. Measurement of voluntary auditor switching variables is measured using dummy variables with the following codes (widajantie and Dewi 2020):

0 = tidak melakukan pergantian auditor
1 = melakukan pergantian auditor

C. Audit Delay

Pransiska et al (2024) explain that audit delay is an audit time gap, or the amount of time required by the auditor to produce an audit report on the performance of a company's financial statements, known as audit delay. Audit delay is the time span between the close of the financial year and the date of the audit report.

Auditors need sufficient time to find company problems and thoroughness to find audit evidence (Puryati 2020). Regulation Number 29/POJK.04/2016, which regulates the annual report of issuers or public companies, was issued by the Financial Services Authority (OJK). According to Article 7 Paragraph (1), issuers or public companies must submit annual reports to OJK no later than the end of the fourth month (120 days) after the financial year ends. If a company experiences audit delays, the regulation provides sanctions such as written warnings, fines to pay a certain amount of money, restrictions on business activities, suspension of business activities, revocation of business licenses, cancellation of approval, and cancellation of registration. The audit delay measurement formula uses the formula:

Audit delay = tanggal laporan audit – tanggal tutup tahun buku

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D. Change of Management

Management change is determined at a general meeting of shareholders (GMS) or through the resignation of management, which requires the appointment of new management (Adli and Suryani, 2019). The presence of new leadership in management can result in changes in policies related to accounting, finance, and the selection of independent auditors. management turnover is proxied by the change of the main director of a company. In a company, the highest position is the managing director, who is generally responsible for the overall management of the company (Manto and Manda, 2018). The variable measurement is measured using a dummy variable with the following code:

0 = tidak melakukan pergantian manajemen
1 = melakukan pergantian manajemen

E. Financial Distress

Financial distress is a condition in which the company is experiencing financial difficulties. Financial distress is a condition in which a company cannot meet its financial obligations (Fauziyyah et al, 2019). In unstable financial situations or bankruptcy, companies tend to use KAP with high independence to increase stock and creditor confidence and reduce litigation risk. However, if the company cannot pay the KAP audit fee, the company may choose to replace it with a cheaper audit fee. Measurement of financial distress with the following formula:

$$\text{DAR (Debt To Asset Ratio)} = \frac{Total\ Hutang}{Total\ Ekuitas}\ X\ 100\%$$

F. The Effect of Audit Delay on Voluntary Auditor Switching

An audit that takes a long time will cause the financial statements to be published late. Based on agency theory, when a company's audit is delayed so that it is late to publish its financial statements, there will be information asymmetry between management as agents and shareholders as principals. In addition, shareholders will think that there are problems in the company, which will have an impact on decisions made by shareholders and the company's stock price. To avoid audit delays and acceptable losses, company management as an agent will usually change auditors. audit delay, delays in the audit process can create uncertainty for capital owners regarding the sustainability and reliability of the financial statements presented by the agent (management). In this situation, capital owners may perceive audit delay as a signal that management's performance or transparency needs to be further questioned. Thus, based on agency theory, capital owners may feel the need to conduct voluntary auditor switching as an effort to increase supervision of agents (management) who are considered less transparent or ineffective in the financial reporting process.

According to research conducted by Ruroh and Rahmawati (2016), Arisudhana (2017), Hidayati and Jatiningsih (2019), Pratiwi and Muliartha (2019), and Pransiska et al (2024) show that audit delay has a positive influence on auditor switching because if a company experiences a delay in publishing its financial statements, this can raise suspicion among the public that the company is facing problems. This condition can have an impact on the decisions of stakeholders. If the delay is caused by audit delay, the company is likely to do voluntary auditor switching in the following year.

H1: Audit Delay has a positive effect on voluntary auditor switching

G. *The Effect of Management Change on Voluntary Auditor Switching*

New policies such as accounting, finance, and the selection of auditors or KAP who will audit the company's financial statements are usually carried out after the change of new management. Management changes can occur due to the decision of the General Meeting of Shareholders or the resignation of the management. Usually, this change in management is also followed by a change in accounting policy and the selection of an independent auditor. Agency theory emphasizes that agency problems arise due to differences in interests between shareholders and managers. Therefore, management changes can encourage auditor changes because management tends to look for auditors who are in line with their accounting policies. Capital owners, or principals, may feel the need to change the management structure to safeguard their interests in such a situation. After a management change, it is possible that the new management will do good things for the company, such as improving transparency, accountability and the quality of financial reporting. This can be a good signal for capital owners as the new management will be more careful and proactive in safeguarding the interests of capital owners. With respect to voluntary auditor turnover, changes in management can also lead to auditor turnover. Auditors that are more in line with the vision and principles of the new company may be selected by the new management.

According to Adli and Suryani (2019), Angsana et al (2019), Riyanto et al (2021), Sulistiyani and Zulaikha (2022), and Arkan and Triyono (2024) in this study predict that management turnover has a positive influence on voluntary auditor switching. This is done because the client has the right to dismiss the auditor if there is a conflict between the client and the auditor. Auditors who can meet the demands of company growth are needed by new managers. With a change in management, the company can choose a new auditor or KAP that is better and in line with the company's accounting policies.

H2: Management change has a positive effect on voluntary auditor switching.

H. *The Effect of Financial Distress in Moderating Audit Delay on Voluntary Auditor Switching*

The relationship between audit delay and voluntary auditor switching can be strengthened or weakened by the presence of financial distress as a moderating variable. Agency theory asserts that management, as agents, have a key role in the survival of the company because they have more access to company information than company owners. The company's financial distress reflects the large proportion of debt owned by the company, which forces management to decide whether to seek additional funding from other parties or not. In agency theory, financial problems, or financial distress, can strengthen the effect of audit delays on the decision to change auditors voluntarily. When businesses face financial problems, such as declining performance, low liquidity, or the threat of bankruptcy, financial distress usually occurs. At this time, the level of uncertainty over the sustainability of the business and the reliability of the financial statements may increase. Audit delays, which are delays in the audit process that results in final financial information, can add to the uncertainty. If management is facing financial problems, they may slow down the audit process to cover up financial problems or hide harmful information. Financial distress is considered bad news for the company and can harm shareholders, creditors, and managers (Wulandari and Wiratmaja 2017).

Delays in submitting audit reports by auditors can cause companies to be late in submitting their audited financial reports to the capital market. This delay can lead to assumptions that the company is experiencing problems, and can also reduce the company's image in the eyes

of investors and potentially reduce stock prices (Hidayati and Jatiningsih 2019). This research is supported by Fenny et al (2022), and Yanti and Badera (2018) that Financial distress strengthens the effect of audit delay on voluntary auditor switching. Financial distress can increase information asymmetry between principal and agent. This can make the principal more suspicious of the agent and increase the possibility of changing auditors (Riyanto et al 2021). The higher the level of information asymmetry, the greater the possibility of financial distress to strengthen the relationship between audit delay and voluntary auditor switching.
H3: Financial distress strengthens the effect of audit delay on voluntary auditor switching.

I. The Effect of Financial Distress in Moderating Management Change on Voluntary Auditor Switching

Management changes occur due to the decision of the General Meeting of Shareholders or the decision of resignation of the management. Usually, this change is followed by other changes, including changes in accounting policies and the selection of independent auditors. Agency theory states that agency problems arise due to differences in interests between shareholders and managers. Therefore, management changes can encourage auditor changes because management tends to look for auditors who are in line with their accounting policies (Dwiyanti and Sabeni, 2014). In agency theory, voluntary auditor switching is triggered by a misalignment of interests between principals (company owners) and agents (company management). Management turnover and financial distress can reinforce this tendency. Management turnover indicates potential uncertainty and weak governance, while financial distress makes matters worse. Voluntary auditor switching in this situation aims to increase investor and creditor confidence in financial statements by demonstrating a commitment to transparency and accountability.

This research is supported by Fianti and Badjuri (2023) and Huda and Agriyanto (2021) that Financial distress strengthens the effect of management turnover on voluntary auditor switching. financial distress can lead to a loss of investor, creditor, and board of director confidence in management. This can cause them to press for the dismissal of management because they are considered to have failed to manage the company. Financial distress can cause the company to experience difficulties in achieving its targets. This can lead to dismissal of management because they are considered incompetent. Financial distress can have a significant influence on management turnover (Dwiyanti 2014). After the management changes, there is a high possibility of voluntary auditor switching.
H4: Financial distress strengthens the effect of management turnover on voluntary auditor switching.

J. Theoretical Framework

The research framework that is built to explain the relationship between independent, dependent and moderation variables is as follows:.

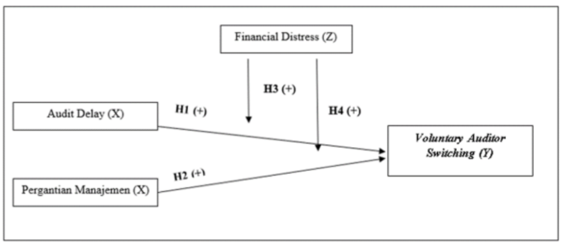

Figure 1 Theoretical Framework

III. RESEARCH METHODOLOGY

This study adopts a quantitative approach that has the aim of examining the effect of independent variables (audit delay and management change) on the dependent variable (voluntary auditor switching) with a moderating variable (financial distress) that can affect (strengthen or weaken) how strong the relationship between the independent variable and the dependent variable is.

The population in this study are infrastructure companies listed on the Indonesia Stock Exchange in 2020-2022. Infrastructure companies have a very important role in the development and development of a country. Therefore, it is important to ensure that infrastructure companies are managed efficiently, transparently and accountably. The research sample was selected by purposive sampling, which is a non-probability sampling technique that relies on certain factors or criteria (Indirantoro and Supomo, 1999: 131). The criteria used to select samples in this study are:

1. Infrastructure companies listed on the Indonesia Stock Exchange consecutively for the period 2020-2022
2. Infrastructure companies on the Indonesia Stock Exchange that publish annual reports in rupiah currency for the period 2020-2022
3. Infrastructure companies on the Indonesia Stock Exchange that provide complete and relevant information about the data for research purposes.

This research uses data collection methods relying on documentation, which involves retrieving information from a variety of pre-existing documents, records, reports, or other written sources. The source of documentation data is obtained from the financial statements of infrastructure companies listed on the Indonesia Stock Exchange in the period 2020-2022.

IV. RESULT AND DISCUSSION

By considering the sample categories that have been determined, through the purposive sampling method, the following is the number of samples used in this study:

Table 1: Sample Selection Procedure

Keterangan	Jumlah
Perusahaan infrastruktur yang terdaftar di Bursa Efek Indonesia secara berturut-turut periode 2020-2022	70
Perusahaan infrastruktur di Bursa Efek Indonesia yang tidak menerbitkan annual report dalam mata uang rupiah periode 2020-2022	7
Perusahaan infrastruktur di Bursa Efek Indonesia yang tidak menyediakan informasi lengkap dan relevan mengenai data-data untuk keperluan penelitian	19
Total perusahaan	44
Total pengamatan (44 x 3 tahun)	132
Data outlier	8
Total jumlah sampel selama periode pengamatan	124

The table above shows that 70 infrastructure companies listed on the Indonesia Stock Exchange had relevant data for this study; of these, 26 companies did not meet the required sample criteria, so a total of 44 companies were taken as samples for this study. Outliers are data values that are significantly different from other values in the data set. The main purpose of handling outliers is to improve the accuracy and reliability of the analysis results, as well as to better understand the distribution of the data (Sihombing et al 2022). Therefore, this study uses outlier data from 132 to 124 so that the resulting data can be significant.

A. Descriptive Statistic Analysis

Table 2: Descriptive Statistics Test

	N	Minimum	Maximum	Mean	Std. Deviation
VAS	124	0	1	,08	.273
AD	124	42	245	92,69	31.244
PM	124	0	1	0.50	.502
FD	124	,003	146.968	3,09799	13.475873
Valid N	124				

From Table 2, the data obtained from 124 samples included 44 infrastructure companies. Voluntary Auditor Switching is the dependent variable in this study, this variable is measured using a dummy variable with a minimum value of 0 and a maximum value of 1. The number of samples worth 0 is 108 while the number of samples worth 1 is 16 samples. The average company making auditor changes is 0.08 with a standard deviation of 0.273. The data on institutional ownership used tends to be more homogeneous or less diverse, as shown by the comparison of mean values and standard deviations.

Audit delay and management change are independent variables in this study. Audit delay measurement is based on the audit date minus the closing date each year. The calculation results show that the minimum value is 42, the fastest infrastructure company conducts an audit 42 days from the closing date of the book on December 31 in each year belonging to PT XL Axiata Tbk in 2021, while the maximum value belongs to PT Meta Epsi Tbk in 2020 reaching 245, the longest audit more than 245 days from the closing date of the book, with a standard deviation of 31.244.

For variable measurement of management turnover, the lowest value of 0 indicates that there is no management change in the company and the highest value of 1 indicates that there is a change in management. The company that changes its board of directors every year is PT Telkom Indonesia (Persero) Tbk, while the company that does not make changes every year is PT Bukaka Teknik Utama Tbk. The number of samples worth 0 is 64 samples while the number worth 1 is 60 samples.

Financial Distress as a moderating variable measured based on total liabilities divided by total company equity has an average value of 3.09799. This shows that most of the infrastructure companies listed on the IDX from 2020 to 2022 are in the safe zone (not affected). Then PT Maharaksa Biru Energi Tbk experienced the smallest financial distress with a minimum value of 0.03 and PT First Media Tbk experienced the greatest financial distress with a maximum value of 146.968, a standard deviation value of 13.475873.

B. Overall Model Fit Test

Table 3: Overall Model Fit Test (Moderation)

			coefficients				
Iteration	-2 Log likelihood	Constant	AD	PM	FD	ADFD	PMFD
Step 1 1	73.698	-1.447	-.001	-.407	-.109	.001	.065
2	62.806	-1.372	-.006	-.915	-.507	.006	.150
3	57.598	.083	-.024	-1.082	-1.493	.017	.131
4	56.065	1.623	-.042	-.929	-2.373	.026	.002
5	55.491	2.890	-.056	-.828	-3.243	.036	-.103
6	54.562	3.561	-.059	-1.200	-3.899	.039	.196
7	54.292	3.944	-.061	-1.468	-4.356	.041	.477
8	54.287	4.034	-.061	-1.480	-4.447	.042	.507
9	54.287	4.036	-.061	-1.480	-4.449	.042	.507
10	54.287	4.036	-.061	-1.480	-4.449	.042	.507

Table 3 presents the decrease from the initial -2 log likelihood value of 73.698 to 54.287 in the final -2 log likelihood value. From the comparison, it can be seen that the initial -2 log likelihood value is greater than the final -2 log likelihood value, showing a decrease of 19.411; this indicates that the regression model has included the independent variables, which suggests that the null hypothesis (H0) can be accepted.

C. Hosmer and Lemeshow's Goodness of Fit TestHosmer and Lemeshow Test

Table 4: Hosmer and Lemeshow's Goodness of Fit TestHosmer and Lemeshow Test

Step	Sig.
1	.256

D. Hosmer and Lemeshow's Goodness of Fit TestHosmer and Lemeshow Test (Moderation)

Table 5: Hosmer and Lemeshow's Goodness of FitHosmer and Lemeshow Test (Moderation)

Step	Sig.
1	.307

In table 4, with a significance value of 0.256 or 25.6% and in table 5 which has been moderated, the significance value is 0.307 or 30.7%. This shows that the significance value that has been moderated is greater than before moderation and there is a regression model that is tested that is feasible to continue the analysis results, indicating that the model is relevant in predicting the observed value and in accordance with the data seen.

E. Nagelkerke R Square Test

Table 6: Nagelkerke R Square Test

Step	Nagelkerke R Square
1	.036

F. Nagelkerke R Square Test (Moderating Variable)

Table 7: Nagelkerke R Square Test (Moderation Variable)

Step	Nagelkerke R Square
1	.269

Table 6 shows that the coefficient of determination has a value of 0.036. These results indicate that the independent variables, which consist of audit delay and management change, are only able to explain about 3.6% of the variability that occurs in the voluntary auditor switching variable. Meanwhile, in table 7, the test conducted with the moderation variable that Nagelkerke R Square is 26.9%, meaning that data with moderation variables are able to explain more audit delay and management turnover to the dependent variable, namely voluntary auditor switching.

G. Omnibus Test (simultaneous) Omnibus Tests of Model Coefficients

Table 8: Omnibus Tests of Model Coefficients (simultaneous)

		Chi-square	df	Sig.
Step 1	Step	15.237	5	.009
	Block	15.237	5	.009
	Model	15.237	5	.009

These omnibus tests of model coefficients, which consist of chi-square tests for measures, blocks, and the model in general, show a chi square value of 15.237 with 5 degrees of freedom for each test. According to the statistical results, the significance value (Sig.) is 0.009. By comparing the significance value with the predetermined significance level ($\alpha = 0.05$), which is $0.009 < 0.05$, it can be concluded that there is a significant effect of the variables AD, PM, ADFD and PMFD on the VAS variable.

H. Partial Test

Table 9: Partial Test Table

		B	Sig.	Kesimpulan
Step 1	AD	-.061	.053	**Ditolak**
	PM	-1.480	.214	**Ditolak**
	ADFD	.042	.027	**Diterima**
	PMFD	.507	.480	**Ditolak**
	Constant	4.036	.165	

In the logistic regression analysis that has been carried out, the AD and PM variables have a sig value of 0.053 and 0.214, respectively, which has a value greater than 0.05. Thus, the hypothesis for these two variables is rejected because the AD and PM variables partially have no significant effect on the dependent variable. However, the ADFD audit delay variable which is moderated by the financial distress variable has a sig value of 0.027 which is smaller than 0.05. Indicates that the ADFD variable has a significant effect on the dependent variable.

For PMFD, the p-value is 0.480, which is much greater than 0.05. This indicates that the constant is the same as the AD and PM variables, both of which have no partially significant effect on the dependent variable. It can be concluded that the 30 independent variables ADFD individually (partially) have a significant influence on the dependent variable, while the other independent variables and the constant do not have a significant influence at the significance level $\alpha = 0.05$.

1. The Effect of Audit Delay on Voluntary Auditor Switching

The results of the study found that this is contrary to the hypothesis proposed, so the first hypothesis is rejected. The significant value is 0.53 which means (greater than α = 0.05). Result. Where this indicates that the speed or length of the auditor completing an independent audit report does not make a company's consideration for voluntary auditor switching (Pransiska et al., 2024). According to agency theory, the relationship between the company and the auditor is based on an agency contract, in which the auditor acts as an agent for shareholders to audit the company's finances. The company's decision to change auditors voluntarily is not influenced by audit delay. In agency theory, the owners of capital (principal) have an interest in monitoring and supervising the actions of management (agent) to suit their interests. If the audit is delayed, the owners of capital may assume there is uncertainty or failure in the financial reporting process.

Agency theory emphasizes that auditor selection is based on the auditor's expertise and independence in providing high-quality audits. Auditors are expected to provide accurate and reliable financial information to shareholders in their capacity as agents. According to this study, the long time spent by a company to audit does not necessarily mean that the company is late to publish its financial statements. In addition, the inability to measure how long it takes auditors to complete the work is not a consideration for companies for voluntary auditor switching. This study supports the findings of Widajantie and Dewi (2020), Hidayati and jatiningsih (2019), Pransiska et al (2024), who found that audit delay has no effect on voluntary auditor switching, while not in line with research (Arisudhana, 2017) and (Ruroh and Rahmawati, 2016).

2. The Effect of Management Change on Voluntary Auditor Switching

The results of this study found that management turnover has no effect on voluntary auditor switching. Based on agency theory, the conflict of interest between managers and shareholders causes agency problems. Because company management tends to look for auditors who are in accordance with the company's reporting and accounting policies, management turnover will encourage auditor shifts directly or indirectly. because new managers may have different preferences regarding the handling of financial statements and audits (Widajantie and Dewi 2020).

The results of the study show that management changes are not the reason companies change auditors. On the contrary, the results show that renegotiation can be carried out to adjust the policies and reports of the previous KAP independent auditors to the new management policies (riyanto et al 2021). The results of this study are in line with research conducted by kristianti and herawaty (2023), Saragi and Siahaan (2020), Adli and Suryani (2019) which prove that management turnover has no effect on auditor switching, while not in line with research (Angsana et al, 2019), (Ruroh and Rahmawati, 2016).

3. The Effect of Financial Distress in Moderating Audit Delay on Voluntary Auditor Switching

The test results found that financial distress strengthens the effect of audit delay on voluntary auditor switching, according to the proposed hypothesis, resulting in acceptance of the third hypothesis. This is in line with agency theory, the role of management as agents is crucial for business continuity because they have greater access to company information than the owners. If the company is in a distressed financial state, management must decide whether or not to seek additional funding from other parties. However, if the proportion of the company's debt is too large, then it can be questioned whether the management made the wrong decision or deliberately did it for their own interests. Financial distress is considered bad news for businesses and can be detrimental to managers, creditors and shareholders.

The results of this study support previous work by Yanti and Badera (2018), Pratiwi and Muliartha (2019), and Wulandari and Wiratmaja (2017) which state that financial distress and audit delay have a positive effect on voluntary auditor switching. The auditor's delay in submitting his audit financial report can cause the company to be late in submitting its audit financial report to the capital market. This delay can lead to assumptions that the company is experiencing problems, so that the company's stock price can fall. Financial distress can cause more information asymmetry between the principal and the agent, which can make the principal more suspicious of the agent and increase the likelihood of auditor switching. The more information asymmetry, the more likely the relationship between audit delays and voluntary auditor shifts. This research is not in line with research (Ruroh and Rahmawati, 2016).

4. The Effect of Financial Distress in Moderating Management Change on Voluntary Auditor Switching

The results of the study found that financial distress could not strengthen the effect of management turnover on voluntary auditor switching. Based on the research data obtained, it indicates that companies often make management changes quite often. Agency theory emphasizes that the relationship between the company and the auditor is based on an agency contract in which the auditor acts as an agent to audit the company's finances on behalf of shareholders. In this context, the financial distress faced by the company does not significantly strengthen the effect of management turnover on the company's decision to switch auditors voluntarily. Therefore, management needs a long-experienced auditor or KAP to ask for advice on how the company can get out of financial distress. This is supported by previous research by (Selinvia and Sugiyanto, 2020).

This finding suggests that if the company is facing financial problems, management should hire the old auditor. These auditors are expected to uncover errors in the company's performance through audited financial statements. This will help the company become more stable and restore normal financial circumstances. Adli and Suryani (2019) say that the financial state of the client company can influence the decision to retain or replace the CPA. These findings are supported by previous research by Fenny et al (2022), Aziza and Herawaty (2020), and Riyanto et al (2021) which state that financial distress cannot strengthen the effect of management turnover on voluntary auditor switching. It can be concluded that companies experiencing financial problems tend to hire the same auditor to ensure that changes in audit policy do not cause the company to go bankrupt, financial stress cannot reduce the impact of management turnover on auditor switching. The research results are not in line with (Selenvia and Sugiyanto, 2020).

V. CONCLUSION

The focus of this research is infrastructure companies listed on the Indonesia Stock Exchange during the period 2020-2022. A purposive sampling method was used to select 70 companies as samples; the data used included financial statements and annual audit reports. With financial distress as a moderating variable, the purpose of this study is to conduct empirical tests on the effect of audit delay and management turnover on voluntary auditor switching.

Based on the results of analysis and testing in this research, it can be concluded that audit delay and management change have an influence on voluntary auditor switching. Audit delay has no effect on voluntary auditor switching, meaning that the speed or length of the auditor completing an independent audit report does not make a company's consideration for voluntary auditor switching. Likewise, management changes have no effect on voluntary auditor switching because management changes are not the reason companies change auditors. Instead, the results show that renegotiation can be done to adjust the policies and independent auditor reports of the previous KAP with the new management policies.

Financial distress strengthens the effect of audit delay on voluntary auditor switching, meaning that the auditor's delay in submitting his audit financial report can cause the company to be late in submitting its audit financial report to the capital market. While financial distress is not able to moderate or strengthen the effect of management change on voluntary auditor switching because if the company faces financial problems, management must hire the old auditor. This auditor is expected to reveal errors in the company's performance through audited financial statements.

Suggestions for further research are for dummy variables the measurement can use ratios or with effective measurements so that the results of the measurement are clear. Further suggestions, add other variables in the analysis of infrastructure companies, such as audit fees, audit committees, client company size, and others that may affect voluntary auditor switching. The next suggestion is that researchers are expected to expand their research subjects and find new sources to obtain complete financial reports. This will add to the variety of business types, not just infrastructure companies. The last suggestion for future researchers To get more specific results, it is expected that in the next study to increase the duration of the study at least more than 3 (three) years. Therefore, further research is expected to make a more significant contribution in understanding the factors that influence voluntary auditor switching.

The research implications show how the findings may be important with causal explanations. The results of this study make a theoretical contribution by combining the concepts of audit delay, management change, voluntary auditor switching, and financial distress in one framework. The theoretical implication is to enrich the understanding of the factors that influence a company's decision to switch auditors voluntarily, especially in the context of infrastructure companies in the Indonesian capital market. By considering the influence of audit delay and management turnover and their role in managing financial distress, this study provides deeper insight into the dynamics of the relationship between these factors, which can be used as a theoretical basis for further research in this area.

Practically, this study provides practitioners, especially auditors and management of infrastructure companies, with a better understanding of the factors that influence the decision to switch auditors. The practical implications include a better understanding of how to effectively manage audit delay and management turnover to reduce the likelihood of financial distress and the decision to switch auditors. As such, the results of this study may assist practitioners in making more informed decisions related to audit risk management and auditor relationship management, thereby improving financial reporting quality and investor confidence.

The limitations of this study lie in several variables that use dummy variables, namely, voluntary auditor switching and management turnover using calculations using certain provisions rated 0 and 1. In addition, the independent variables used in this study are audit delay and management turnover where the influence of these variables has an effect of 3.6% on voluntary auditor switching and the moderation variable explains 26.9% of voluntary auditor switching.

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