



Influence of Operational Complexity and Audit Tenure on Audit Delay in Property and Real Estate Companies

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Abstract

Purpose: This study aims to examine the effects of operational complexity and audit tenure on audit delay in property and real estate companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2024 period. The study focuses on identifying factors that influence the timeliness of audited financial report publication.

Research Methodology: This study employs a quantitative approach using secondary data obtained from annual financial reports of property and real estate companies listed on the IDX. The sample was selected using a purposive sampling technique, resulting in 37 companies with a total of 148 observations. Data were analyzed using descriptive statistics, classical assumption tests, multiple linear regression analysis, and hypothesis testing.

Results: The findings reveal that operational complexity has a positive and significant effect on audit delay, indicating that companies with more complex operational structures tend to require longer audit completion periods. In contrast, audit tenure has a negative and significant effect on audit delay, suggesting that longer auditor-client relationships can improve audit efficiency. Simultaneously, operational complexity and audit tenure significantly affect audit delay.

Conclusions: The results confirm that organizational complexity and auditor familiarity are important determinants of audit completion time.

Limitations: This study is limited to property and real estate companies listed on the IDX and examines only two explanatory variables.

Contributions: This study contributes empirical evidence regarding audit delay determinants and provides insights for companies and auditors in improving financial reporting timeliness.

Keywords: *Audit Delay, Audit Tenure, Financial Reporting Timeliness, Operational Complexity, Property Companies*

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1. Introduction

Financial reporting plays an essential role in providing relevant information regarding a company's financial condition and operational performance. According to PSAK No. 201 issued by the Indonesian Institute of Accountants (*Ikatan Akuntan Indonesia/IAI*) (2024), financial statements represent structured information that reflects an entity's financial position and performance. The

primary objective of financial reporting is to provide useful information for stakeholders in making economic decisions, including evaluating a company's future prospects and cash flow potential. Without reliable financial reports published within the required timeframe, investors may experience difficulties in assessing company performance, which can increase information asymmetry and reduce capital market efficiency ([Marcelino & Mulyani, 2021](#)).

Timeliness of financial reporting is a critical aspect of corporate transparency and accountability. In Indonesia, publicly listed companies are required to submit annual reports to the Financial Services Authority (*Otoritas Jasa Keuangan*/OJK) in accordance with OJK Regulation No. 29/POJK.04/2016. The regulation stipulates that annual reports must be submitted no later than four months after the end of the financial year or before the annual General Meeting of Shareholders (GMS). However, delays in financial reporting remain a persistent issue in the Indonesian capital market. Based on data from the Indonesia Stock Exchange (IDX), the number of listed companies experiencing reporting delays fluctuated during 2021–2024. In 2021, 91 companies received written warnings due to late submission of financial reports, followed by 61 companies in 2022, 137 companies in 2023, and 130 companies in 2024. This phenomenon indicates that audit delay remains an important issue requiring further investigation.

Audit delay refers to the period between the closing date of a company's financial year and the issuance date of the independent auditor's report ([Yulianto, 2021](#); [Karina et al., 2023](#)). A prolonged audit delay may negatively affect stakeholders because delayed financial information reduces its usefulness for decision-making. Therefore, identifying factors influencing audit delay is important to improve the efficiency and timeliness of financial reporting.

One factor that may influence audit delay is operational complexity. Operational complexity reflects the level of organizational complexity arising from extensive business structures, including the existence of subsidiaries. Companies with more complex operational structures generally require broader audit procedures, particularly in examining consolidated financial statements, intercompany transactions, and various operational activities. Consequently, higher operational complexity may increase the time required to complete the audit process ([Armand et al., 2020](#); [Rizkinov & Silalahi, 2021](#)). However, previous findings remain inconsistent, as [Irman et al. \(2024\)](#) found that operational complexity did not significantly affect audit delay.

Another factor associated with audit delay is audit tenure, which refers to the length of the auditor-client engagement period. A longer audit tenure may reduce audit completion time because auditors gain deeper knowledge regarding the client's business processes, accounting systems, and potential risks ([Astuti & Puspita, 2020](#); [Irman et al., 2024](#)). However, other studies argue that audit tenure does not significantly influence audit delay because a longer engagement period may raise concerns regarding auditor independence ([Sulistiawati & Amyar, 2022](#); [Subagja, 2022](#)).

The inconsistent findings from previous studies indicate that further investigation is required to understand the determinants of audit delay. Moreover, previous research has examined audit delay using various industries and different combinations of variables, while studies focusing specifically on property and real estate companies remain limited. This sector is characterized by complex operational structures, significant investment activities, and frequent involvement of subsidiary entities, making it relevant for examining factors affecting audit completion time. Based on these considerations, this study aims to analyze the effect of operational complexity and audit tenure on audit delay in property and real estate companies listed on the IDX during the 2021–2024 period. This study contributes by providing empirical evidence regarding audit delay determinants and offering insights for companies, auditors, and regulators in improving the timeliness of financial reporting.

2. Literature Review and Hypothesis/es Development

2.1 Compliance Theory

Compliance theory explains how individuals and organizations respond to established rules and regulations. According to the compliance perspective, organizations tend to comply with regulations because adherence to applicable standards can maintain legitimacy and avoid potential sanctions ([De, & De, 2024](#); [Carter, & Siddiki, 2021](#)). In the context of financial reporting, publicly listed companies are required to submit audited financial statements within the specified period to ensure transparency and accountability. Delays in submitting audited reports may indicate a company's inability to comply with reporting requirements and may reduce stakeholders' confidence in the reliability of financial information ([Shaena, Yusuf, & Hidayah, 2020](#)).

In this study, compliance theory provides the foundation for understanding audit delay. Companies are expected to comply with financial reporting regulations by completing audit processes within the required timeframe. Factors such as operational complexity and audit tenure may influence the ability of companies and auditors to complete audit procedures effectively and meet reporting deadlines.

2.2 Audit Delay

Audit delay refers to the length of time between the financial year-end closing date and the issuance date of the independent auditor's report ([Yulianto, 2021](#); [Karina, Kusumawardhani, Akuntansi, Ekonomi, & Nasional, 2023](#)). Audit delay is an important indicator of financial reporting timeliness because longer audit completion periods can reduce the usefulness of financial information for investors and other stakeholders. A prolonged audit delay may occur when auditors require additional time to collect sufficient audit evidence, evaluate financial information, and perform audit procedures ([Habib, Bhuiyan, Huang, & Miah, 2019](#)). Therefore, identifying factors that influence audit delay is essential for improving the efficiency of the financial reporting process. Previous studies have examined various determinants of audit delay, including company characteristics, audit-related factors, and operational conditions. [Abdillah, Mardijuwono, and Habiburrochman \(2019\)](#) found that firm complexity is one of the factors associated with longer audit report lag, while auditor tenure tends to reduce audit completion time.

2.3 Operational Complexity and Audit Delay

Operational complexity reflects the degree of complexity within a company's organizational structure, business activities, and operational processes. Companies with higher operational complexity generally have broader business activities, more diverse operational units, and a greater number of subsidiaries, which can increase the complexity of financial reporting and auditing processes ([Manik, & Eryanto, 2025](#); [Sitorus, & Yusuf, 2022](#)). The existence of multiple subsidiaries requires auditors to conduct more comprehensive audit procedures, including examining consolidated financial statements, evaluating intercompany transactions, and ensuring consistency in financial information across different business entities. As the operational structure becomes more complex, auditors may require additional time and effort to obtain sufficient audit evidence and complete audit procedures effectively ([Perdana, Lee, & Kim, 2023](#); [Johansyah, Ayu, Saputri, & Wicaksono, 2023](#)). In this study, operational complexity is measured based on the number of subsidiaries owned by the parent company, as a larger number of subsidiaries indicates a more complex organizational structure and a wider scope of audit examination ([Rahmanda, Bambang, & Waskito, 2022](#)).

Companies with higher operational complexity require auditors to conduct more extensive audit procedures, particularly in examining consolidated financial statements, intercompany transactions, and operational activities across different business units. As a result, auditors may require additional time to complete the audit process. [Armand, Handoko, and Felicia \(2020\)](#) and [Rizkinov and Silalahi \(2021\)](#) stated that operational complexity can increase audit delay because a wider operational scope requires more comprehensive audit procedures. However, previous findings regarding the relationship

between operational complexity and audit delay remain inconsistent. [Irman, Candra, and Suriyanti \(2024\)](#) found that operational complexity did not significantly affect audit delay, indicating that companies may have developed effective internal systems to manage complex operational structures. Based on these arguments, the following hypothesis is proposed:

H₁: Operational complexity has a positive effect on audit delay.

2.4 Audit Tenure and Audit Delay

Audit tenure refers to the length of the auditor-client engagement period or the number of consecutive years a Public Accounting Firm (*Kantor Akuntan Publik/KAP*) audits the same company ([Astuti & Puspita, 2020](#)). A longer audit tenure allows auditors to gain deeper knowledge regarding the client's business operations, accounting systems, internal controls, and potential risk areas. This familiarity may improve audit efficiency and reduce the time required to complete audit procedures.

From an efficiency perspective, longer auditor-client relationships may reduce audit delay because auditors require less time to understand the client's business characteristics and financial reporting system. Previous studies have suggested that audit tenure can accelerate audit completion by improving auditor knowledge and audit planning effectiveness ([Astuti & Puspita, 2020](#); [Irman et al., 2024](#)). Nevertheless, other studies provide different conclusions. [Sulistiawati and Amyar \(2022\)](#) and [Subagja \(2022\)](#) found that audit tenure does not significantly influence audit delay. These differences indicate that the effect of audit tenure may depend on industry characteristics, audit practices, and auditor independence considerations. Based on these arguments, the following hypothesis is proposed:

H₂: Audit tenure has a negative effect on audit delay.

2.5 Operational Complexity, Audit Tenure, and Audit Delay

Operational complexity and audit tenure represent two important factors related to the effectiveness and efficiency of audit completion. Operational complexity may increase audit delay because auditors need to examine broader operational activities and more complicated financial information ([Iryani, Farida, Rosanti, & Maulida, 2025](#)). Meanwhile, audit tenure may reduce audit delay because auditors gain accumulated knowledge regarding the audited company. Previous studies have examined these variables simultaneously and found that operational complexity and audit tenure can jointly influence audit delay. [Rizkinov and Silalahi \(2021\)](#) demonstrated that operational complexity and audit-related factors contribute to audit delay, although the effect of individual variables may differ across industries. Therefore, this study proposes the following hypothesis:

H₃: Operational complexity and audit tenure simultaneously affect audit delay.

3. Research Methodology

3.1 Research Design

This study employs a quantitative research approach with an associative research design. The research aims to examine the effect of operational complexity and audit tenure on audit delay in property and real estate companies listed on IDX during the 2021–2024 period. This study focuses on analyzing the relationship between independent variables, namely operational complexity and audit tenure, and the dependent variable, audit delay.

3.2 Population and Sample

The population of this study consists of property and real estate companies listed on the Indonesia Stock Exchange during the 2021–2024 period. Based on IDX data, the total population comprises 92 companies. The sample selection was conducted using a purposive sampling technique based on predetermined criteria. The criteria included property and real estate companies listed on the IDX consecutively during the observation period, publishing complete annual financial reports, and providing the required information related to operational complexity, audit tenure, and audit delay.

Based on the sample selection process, 37 companies were selected as research samples, resulting in a total of 148 firm-year observations during the 2021–2024 observation period.

3.3 Data Source and Data Collection

This study uses secondary quantitative data obtained from audited annual financial reports of property and real estate companies listed on the IDX. The financial reports were collected through the official IDX website and the official websites of related companies. The data collection process focused on obtaining information related to the number of subsidiaries, auditor engagement periods, and audit report issuance dates required to measure the research variables.

3.4 Variable Measurement

The dependent variable in this study is audit delay, which refers to the length of time between the financial year-end date and the date of issuance of the independent auditor's report. Audit delay is measured using the difference between the audit report date and the financial statement closing date (Sulistiawati & Amyar, 2022). The first independent variable is operational complexity, which represents the complexity level of a company's operational structure. In this study, operational complexity is measured based on the number of subsidiaries owned by the parent company (Rahmanda et al., 2022). The second independent variable is audit tenure, which refers to the length of the auditor-client engagement period. Audit tenure is measured based on the number of consecutive years that the same Public Accounting Firm audits a company (Sulistiawati & Amyar, 2022).

3.5 Data Analysis Technique

The data analysis process was conducted using several statistical procedures. First, descriptive statistical analysis was performed to describe the characteristics of the research data. Second, classical assumption tests were conducted, including normality, multicollinearity, heteroscedasticity, and autocorrelation tests, to ensure that the regression model met the required assumptions. Furthermore, multiple linear regression analysis was applied to examine the influence of operational complexity and audit tenure on audit delay. Hypothesis testing was conducted using partial significance tests (*t*-test), simultaneous significance tests (*F*-test), and the coefficient of determination (R^2) to evaluate the explanatory power of the research model.

4. Results and Discussions

4.1 Descriptive Statistics

Table 1. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Operational Complexity	148	.00	69.00	13.9324	13.22318
Audit Tenure	148	1.00	5.00	1.7635	.89869
Audit Delay	148	41.00	249.00	89.2838	23.14052
Valid N (listwise)	148				

Based on Table 1, the descriptive statistical analysis provides an overview of the characteristics and distribution patterns of the research variables, including operational complexity, audit tenure, and audit delay. For the operational complexity variable, the data range extends from a minimum value of 0 to a maximum value of 69. The minimum value (0) represents entities that operate without owning any subsidiary structures, as exemplified by PT Plaza Indonesia Realty Tbk. In contrast, the maximum value of 69 reflects the highest accumulation of subsidiary ownership consolidated by PT Bumi Serpong Damai Tbk. Overall, the mean value of operational complexity among property and real estate companies during the 2021–2024 period was 13.932, with a standard deviation of 13.223. The relatively high standard deviation indicates considerable data dispersion, suggesting that operational complexity varies significantly among companies.

The analysis of the audit tenure variable shows a minimum value of 1, indicating that several companies in the property and real estate sector had an auditor engagement period of only one financial year with the same Public Accounting Firm. This minimum value reflects either auditor rotation or the initiation of a new audit engagement during the observation period. Meanwhile, the maximum audit tenure value of 5 was identified in PT Roda Vivatex Tbk, indicating that the company was audited by the same Public Accounting Firm for five consecutive years. The average audit tenure value of 1.763 indicates that most companies in the sample maintained relatively short auditor engagement periods, approximately one to two years. Furthermore, the standard deviation value of 0.898, which is relatively low, indicates that variations in audit tenure among companies were limited and tended to be homogeneous.

Regarding the dependent variable, audit delay, the observed values range from 41 to 249 days. The average audit delay was 89.283 days, with a standard deviation of 23.140 based on 148 observations. This finding indicates that companies in the sample required approximately 89 days to complete their financial statement audit process. Therefore, the average audit delay remained below the 120-day reporting deadline stipulated by the Financial Services Authority. Overall, property and real estate companies included in this study complied with financial reporting timeliness requirements, although one company, PT Bakrieland Development, exceeded the 120-day reporting period during 2021–2022. The relatively high standard deviation confirms the existence of substantial variation in audit completion periods among companies, indicating that some companies were able to complete audits more efficiently, while others experienced relatively longer audit delays.

4.2 Classical Assumption Test Results

Table 2. Normality Test Results

			Unstandardized Residual
N			148
Normal Parameters	Mean		.0000000
	Std. Deviation		.09017881
Most Extreme Differences	Absolute		.233
	Positive		.233
	Negative		-.169
Test Statistic			.233
Asymp. Sig. (2-tailed)			.000
Monte Carlo Sig. (2-tailed)	Sig.		.000
	99% Confidence Interval	Lower Bound	.000
		Upper Bound	.000

Based on Table 2, the One-Sample Kolmogorov–Smirnov test results show that the regression residuals do not follow a normal distribution, as indicated by the test statistic value of 0.233 and a significance value below 0.001. However, this study continues to employ multiple linear regression analysis because the sample size is considered adequate, with a total of 148 observations. According to the Central Limit Theorem, sufficiently large sample sizes tend to produce sampling distributions that approximate normality, making parametric statistical analyses remain robust despite minor deviations from the normality assumption ([Lumley et al., 2002](#); [Ghasemi & Zahediasl, 2012](#)). Therefore, the regression model is considered appropriate for further analysis.

Table 3. Multicollinearity Test Results

Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
B	Std. Error	Beta	Tolerance	VIF		
4.508	.018		252.899	.000		
.001	.001	.208	2.609	.010	.994	1.006
-.024	.008	-.224	-2.819	.005	.994	1.006

Based on Table 3, the multicollinearity test results indicate that the regression model is free from multicollinearity problems among the independent variables. The Variance Inflation Factor (VIF) values for both operational complexity and audit tenure are 1.006, which are well below the recommended threshold of 10.00. Furthermore, the tolerance values for both variables are 0.994, exceeding the minimum acceptable value of 0.10. These findings indicate that there is no strong correlation among the independent variables, and therefore the regression model meets the multicollinearity assumption and is suitable for further analysis.

Table 4. Heteroscedasticity Test Results

Unstandardized Coefficients		Standardized Coefficients	t	Sig.
B	Std. Error	Beta		
.046	.015		3.108	.002
.009	.005	.147	1.786	.076
-.009	.005	-.141	-1.711	.089

Based on Table 4, the heteroscedasticity test was conducted using the Glejser method to examine whether the regression model exhibited unequal residual variances. The test results show that the significance value of the operational complexity variable was 0.076, while the audit tenure variable obtained a significance value of 0.089. Both significance values are greater than the 0.05 significance level, indicating that the independent variables do not significantly affect the absolute residual values. Therefore, it can be concluded that the regression model does not exhibit heteroscedasticity problems and satisfies the assumption of homoscedasticity, making it appropriate for further analysis.

Table 5. Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.237	.056	.043	.08209	1.837

Based on Table 5, the autocorrelation test results show that the Durbin–Watson (DW) value of the regression model is 1.837. Considering the number of observations ($n=148$) and two independent variables ($k=2$), the lower bound (dL) value is 1.704 and the upper bound (dU) value is 1.758. The obtained DW value satisfies the criterion of $dU < DW < (4-U)$, or specifically $1.758 < 1.837 < 2.242$. Therefore, it can be concluded that the regression model does not experience autocorrelation problems, indicating that the residuals are independent across observations and the model is appropriate for further analysis.

4.3 Multiple Linear Analysis Results

Table 6. Multiple Linear Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
B	Std. Error	Beta				
1	(Constant)	4.508	.018		252.899	.000
	Operation Complexity	.001	.001	.208	2.609	.010
	Audit Tenure	-.024	.008	-.224	-2.819	.005

Based on the results presented in Table 6, the multiple linear regression equation can be formulated as follows Formula 1 :

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e \quad (1)$$

The t -test results indicate that operational complexity has a positive and significant effect on audit delay. This finding is supported by the calculated t -value of 2.609, which exceeds the t -table value of

1.976, with a significance level of 0.010 (<0.05). Therefore, the empirical evidence supports the first hypothesis (H_1), indicating that higher operational complexity leads to a longer audit completion period. This finding suggests that companies with more complex operational structures require broader audit procedures, including the examination of subsidiary activities and consolidated financial information, which may increase the time required to complete the audit process.

The results show that audit tenure has a negative and significant effect on audit delay, consistent with the proposed hypothesis. This conclusion is supported by the calculated t-value of -2.819, which exceeds the absolute value of the t-table value of 1.976, with a significance level of 0.005 (<0.05). Thus, the second hypothesis (H_2) is accepted. These findings indicate that a longer auditor-client engagement period can reduce audit completion time, as auditors gain greater familiarity with the company's business processes, accounting systems, and potential risk areas, thereby improving audit efficiency.

Table 7. Simultaneous Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.113	2	.057	6.853	.001 ^b
	Residual	1.195	145	.008		
	Total	1.308	147			

Based on Table 7, the results of the simultaneous test (F -test) indicate that operational complexity and audit tenure jointly have a significant effect on audit delay. This finding is supported by the calculated F -value of 6.853, which exceeds the F -table value of 3.06, with a significance level of 0.001 (<0.05). Therefore, the null hypothesis (H_0) is rejected, and the third hypothesis (H_3) is accepted. These results demonstrate that operational complexity and audit tenure simultaneously contribute to explaining variations in audit delay. Thus, the regression model confirms that the combination of operational complexity and audit tenure represents significant determinants of audit completion time in property and real estate companies listed on the Indonesia Stock Exchange.

4.4 Discussion

The operational complexity variable shows a positive regression coefficient of 0.001. This parameter indicates that, assuming other variables remain constant, every one-unit increase in operational complexity will increase audit delay by 0.001 units. In other words, a more extensive operational structure is associated with additional time required by auditors to complete audit engagements. This relationship is further supported by the partial t-test results, where the calculated t-value for operational complexity is 2.609, exceeding the critical t-table value of 1.976. The validity of this relationship is confirmed by the p-value of 0.010, which is below the significance threshold of 0.05. Based on these statistical indicators, it can be concluded that operational complexity has a positive and significant effect on audit delay; therefore, the first hypothesis (H_1) is accepted. This empirical finding is consistent with previous studies conducted by [Darmawan and Widhiyani \(2017\)](#), [Alfiany and Triyanto \(2023\)](#), and Ninda Sherly [Ninda and Bambang \(2025\)](#), which confirmed a positive relationship between increasing operational complexity and audit completion duration. However, this finding contradicts the conclusions of [Karina and Julianto \(2022\)](#) and [Irman, Candra, and Suriyanti \(2024\)](#) who found that business complexity does not significantly influence financial reporting timeliness.

Contextually, the positive relationship identified in this study is supported by the characteristics of property and real estate companies listed on the Indonesia Stock Exchange during the 2021–2024 period. This industry is characterized by corporate structures involving numerous subsidiary entities, which automatically expand the scope of consolidation processes and increase the potential for audit delays. This phenomenon is reflected in PT Bumi Serpong Damai Tbk, where the increase in the number of subsidiaries during 2021–2024 was followed by a tendency toward longer audit completion periods. From the perspective of compliance theory, companies are required to align their operational activities with applicable regulations and accounting standards to maintain public legitimacy. For

property and real estate companies with high operational complexity, compliance requirements become more challenging due to the broader scope of business activities. These conditions require auditors to expand substantive testing procedures, conduct more extensive verification processes, and examine intercompany transactions among subsidiaries in greater depth. Consequently, higher operational complexity increases the workload of auditors and may extend the time required to complete the audit process.

The audit tenure variable produces a negative regression coefficient of -0.024 . This value indicates that, assuming other factors remain constant, a one-year increase in the auditor engagement period will reduce audit delay by 0.024 units. This finding suggests that a longer-term relationship between the Public Accounting Firm and the listed company contributes to accelerating the completion of audit reports. This relationship is supported by the partial t-test results, which show that the calculated t-value is -2.819 , exceeding the absolute value of the t-table threshold of 1.976. Furthermore, the probability value of 0.005 (<0.05) confirms that the effect is statistically significant. Based on this empirical evidence, the second hypothesis (H_2), which states that audit tenure has a negative and significant effect on audit delay, is accepted.

This finding supports the arguments presented by [Irman et al. \(2024\)](#), [Trideria and Mukhlisin \(2021\)](#) and [Novita, Waradityas, Febrianti, and Susilo \(2023\)](#), who found that longer auditor-client relationships can reduce the risk of delayed audit report publication. However, this result contradicts the findings of [Sulistiawati and Amyar \(2022\)](#) and [Subagja \(2022\)](#), who argued that the duration of auditor engagement does not significantly influence audit delay. The differences among these findings can be understood from the perspective of efficiency versus auditor independence. On the one hand, longer audit tenure enhances auditors' understanding of client characteristics and business processes; on the other hand, it raises concerns regarding auditor objectivity and independence.

Within the framework of compliance theory, companies are expected to comply with capital market regulations to maintain their reputation and avoid sanctions resulting from delayed financial reporting. When audit tenure continues over several periods, auditors accumulate knowledge regarding the client's business environment, internal control structure, accounting policies, and inherent risk areas. This established understanding reduces the time required for initial assessment procedures and system adaptation at the beginning of the audit engagement. Consequently, auditors can design and implement audit procedures more strategically, efficiently, and effectively. The efficiency gained in evidence collection and financial statement verification ultimately accelerates the issuance of audit opinions and shortens the audit delay period.

5. Conclusions

Based on the empirical analysis of the determinants of financial reporting timeliness among property and real estate companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2024 period, this study provides several important conclusions. First, operational complexity has a positive and significant contribution to extending audit delay. From the perspective of compliance theory, an expansive corporate structure accompanied by a large number of subsidiaries requires management and auditors to allocate greater efforts to ensure compliance with accounting regulations. Consequently, auditors are required to perform more extensive substantive testing and deeper transaction verification, which ultimately prolongs the completion of audit reports.

Conversely, the analysis of audit tenure demonstrates a negative and significant relationship with audit delay. This finding indicates that a longer professional engagement period between the Public Accounting Firm and the client company enables the audit completion process to be conducted more efficiently. Based on compliance theory, the accumulated knowledge obtained by auditors regarding the client's business characteristics, internal control systems, and risk profiles over several consecutive periods can reduce the time required for initial assessment procedures. This efficiency in audit procedures provides positive implications for companies by accelerating the publication of financial reports to the public.

Furthermore, the simultaneous model testing confirms that the combination of operational complexity and audit tenure has a significant effect and valid predictive capability on audit delay. Although the regression model is considered statistically appropriate, the explanatory power of the two independent variables remains limited, accounting for only 7.4% of the variation in audit delay, as indicated by the Adjusted R-Square value. Therefore, the remaining 92.6% of the variation in audit delay is influenced by other external factors that are not incorporated within the research model.

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Author Contributions

AAP contributed to the conceptualization, research design, data collection, data analysis, interpretation of results, and manuscript preparation. AK contributed to supervision, validation, critical review, refinement of the theoretical framework, and final approval of the manuscript. All authors have read and approved the final version of the manuscript.

Conflict of Interest

The authors declare that there is no conflict of interest regarding the publication of this article. The research was conducted independently, and there are no financial, personal, or professional relationships that could influence the objectivity of the research findings.

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