

## Summary of Paper: [Time Out: Auditor Perceptions and Audit Outcomes When Moving Away from a Time-Based Budget Audit Model](#)

### **What is this Study About?**

This study examines an alternative to the traditional time-based budget (TBB) audit model—called the non-time-based budget (NTB) model—where auditors are not given time budgets and do not track billable hours. Researchers worked with a large regional firm that piloted the NTB model, surveying 21 auditors who experienced both approaches and analyzing proprietary audit efficiency data. The study evaluates impacts on auditor autonomy, teamwork, performance evaluations, audit deliverables, and retention.

### **What are the major findings of the study?**

Auditors reported greater autonomy, improved teamwork, reduced anxiety about performance evaluations, more focus on value-added client services, and better work-life balance under the NTB model. Efficiency metrics showed no significant decline—audits were completed just as promptly as under TBB. The number of hours worked did not change, but “time politics” pressures diminished. Importantly, NTB auditors felt freer to collect additional evidence and provide process improvement insights without fear of exceeding budgets.

### **Why is the study important?**

For firms concerned that removing time budgets might harm efficiency or accountability, the authors also analyzed the firm’s workpaper metadata and found that auditor efficiency was not impacted, though auditor morale and client value improved. The NTB approach may align better with emerging technologies and remote audit practices, where tracking exact hours is more difficult.

### **What is the impact on professional practice and society at large?**

The NTB model could enhance audit quality by encouraging thoroughness and client engagement. By reducing stress tied to billable hours, it may improve retention in a profession facing talent shortages. Clients benefit from more tailored, value-added insights, and the profession benefits from models that adapt to technological change without sacrificing efficiency.

