

# THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

## The Relevance of Forensic Accounting for Detecting and Preventing Fraud in Emerging Economy like Nigeria

**Osagie Osezua Julius**

Student, Department of Accounting, University of Benin, Benin City, Nigeria

**Iyoha Otakho Stanley**

Student, Department of Accounting, University of Benin, Benin City, Nigeria

### **Abstract:**

*The study investigated the relevance of forensic accounting for detecting and preventing fraud in emerging economy like Nigeria. This study is an ex-post facto and field survey type of research. The population size of this study cuts across the 12 money deposit banks in Nigeria. Emphasis was centered on professional chartered accountants and auditors in those banks in Edo State due to geographical coverage. It is upon the population size of 12 money deposit banks in Nigeria a consensus of all the banks forms the sample size of the study. While a judgmental sampling method was used in the selection of the professional accountants and auditors in banks. The research instrument that was employed in this study was questionnaire and interview. In addition, to ensure the reliability of the questionnaire used, a pre-test was carried out using the Cronbach-Alpha test. The statistical tool employed was descriptive statistics. The findings of the study revealed that forensic accounting qualifications, forensic accounting skills and forensic accounting education has positive influence in detecting economic and financial crime in Nigeria. Therefore, the study recommends that the relevance of forensic accounting in preventing and detecting fraud should be used in Nigeria to strengthen internal audit department. Also, forensic accounting courses should be included in the academic and professional curricula of Nigeria Universities and professional institutions to train and increase the awareness of forensic accounting in Nigeria.*

**Keywords:** Forensic accounting qualifications, forensic accounting skills and forensic accounting education and economic and financial crime

### **1. Introduction**

Globally the number of falsified and suspicious financial activities has continued to be on the increase as businesses are now wide open to new risks of fraud (Enofe, Idemudia& Emmanuel, 2015). The need for forensic accounting services in detection and prevention of fraud has become necessary (Adebisi, Okike& Yoko, 2018). Forensic accounting is concerned with the use of professional accounting skills in detecting actual civil or criminal litigation, the identification of lost profits, income, assets, or damages; evaluation of internal controls; fraud; and any other matter involving accounting expertise in the legal system. Forensic accounting is an effective and efficient means to reduce and check mate frauds. The collapse of high-profile companies like Enron and WorldCom in United State of America (USA) and even some failed banks in Nigeria have shown the relevance of forensic accounting in the quest for prevention and detection of frauds (Nwaiwu&Aaron, 2018).

The occurrence and spread of frauds in different organizations in both public and private have serious implications on corporate investments, public finances, the standard of living and the Gross Domestic Products (GDP) in Nigeria (Vanguard News October 19, 2016). Frauds hinder sustainability of development in Nigeria and threaten good governance practices (Suleiman, Dalhat&Sule, 2018). Bakre (2007) believes that the prevalence of fraud cases and manipulation of firm's accounts to escalate profit in various organizations in Nigeria gave room for frequent declaration of most firms suffering from poor performance or aiming towards collapsing. However, Singleton and Singleton, (2010) stated that researchers and practitioners agree on the relevance of forensic accountants' skills, qualifications and education are crucial for detection and prevention of frauds and other economic crimes. Acquisition of professional qualification, education and skills in forensic accounting to be able to fraudulent persons who become smarter daily by capitalizing on weak internal controls (Carroll, 2015). The relevance of forensic accounting in fraud detection and prevention can be achieved when sufficient training skills, qualifications and education in area of fraud are essential in ensuring its prevention and detection.

However, this is not the case in Nigeria where practitioners are not embracing forensic accounting tools when executing their professional mandate. The failures of statutory audits to prevent frauds, failure to meet stakeholders' expectations and the increase of the same, have put pressure on both auditors and legal practitioners to find a better way of exposing framework in business world (Ogutu, &Ngahu, 2016). Therefore, the need for relevance of forensic accounting tools by practicing and non-practicing accountants in mitigating frauds is as a result of pervasive increase in deviant behaviour, irresponsible opaque laws and regulations with loopholes that are unscrupulously exploited by persons in

position of trust, creating monopoly of decisions in the hands of bureaucrats (Adepate, 2010). The forensic accountant can thus be of assistance in various ways that include investigation accounting, review of the factual situation and provision of suggestion, regarding possible courses of actions, assisting with the professional and recovery of assets and co-ordination of other experts, viz. private investigators, forensic document examiners, consulting engineers etc. (Eiya&Otalor, 2013). Hence, this study therefore set out the need to establish the relevance of forensic accounting tools in the mitigation of economic crimes specifically fraud in Nigeria. In the light of the research work on the relevance of forensic accounting for detecting and preventing fraud in emerging economy like Nigeria, the study therefore become necessary and it will seek to provide answers to the following questions.

- To what extent do forensic accounting skills influence fraud detection and prevention in Nigeria firms?
- To what extent does forensic accounting qualifications influence fraud detection and prevention in Nigeria firms?
- What is the effect of forensic accounting education on fraud detection and prevention in Nigeria firms?

## 2. Literature Review

### 2.1. Conceptual Framework

#### 2.1.1. Prevention and Detection of Fraud

Fraud has been defined in different perspectives. Mahdi and Zhila (2008) defined fraud as intentional misrepresentation, concealment or omission of the truth for the purpose of deception or manipulation to the financial detriment of an individual or an organization, which also includes embezzlement, theft or any attempt to steal or unlawfully obtain or misuse the asset of the organization. Fraud increases operating cost of an organization due to additional cost needed to be incurred for put vital machinery for its prevention, detection and protection of assets. Nwaze (2012) defined fraud as a prearranged trick process or device usually undertaken by a person or group of persons with the main intention of cheating another person or organization to gain ill-gotten advantage which wouldn't have possible without deceptive method. Economic and Financial Crime Commission (EFCC) Act (2004) sees fraud to include all forms of 'violent, criminal and illicit activities committed with the objective of earning wealth illegally in a manner that violates existing legislation like, narcotic drug, trafficking, money laundering, embezzlement, bribery, looting and any form of corrupt malpractices and child labour, illegal oil bunkering and illegal mining, tax evasion, foreign exchange malpractice including counterfeiting currency, theft of intellectual property and piracy, open market abuse, dumping of toxic waste and prohibited goods, etc.'. Also, Ramamoorti (2008) defined fraud as an intentional act carried out by human beings in a deceptive, trickery and misrepresentation manner. In effect, fraud is any act committed in deceptive way with the intention to cheat.

The onus of prevention and detection of fraud rests upon both, those charged with governance of the entity and management (IASB, 2009). Management is charged with the task of assessing and managing the firm's business risks such as risk of financial reporting fraud, implementing and monitoring compliance with the appropriate internal controls to mitigate those risks to an acceptable level (Association of Certified Fraud Examiner (ACFA), 2010). It is necessary to emphasize the importance of the role of the forensic accounting in preventing and detecting fraud, Forensic accounting skills are becoming increasingly relied upon within a corporate reporting system that emphasizes its accountability to stakeholders. From the above statement, a forensic accountant with his expert knowledge in crime will help to improve corporate reporting system designed by management which will expose and prevent poor governance, flawed internal control and fraudulent financial statement (Sule, Ibrahim, &Sani, 2019).

#### 2.1.2. Forensic Accounting

Forensic accounting has long history and defined in various dimensions but all channeled towards the direction. The concept of forensic accounting otherwise known as accounting autopsy was first emphasized by Peloubet in 1946 (Hopewood, 2009). Ozuomba, Ofor and Okoye (2016) defined forensic accounting as the deployment of accounting, auditing and investigative skill suitable for legal matters and application of specialized body of knowledge to the evidence of economic transaction and reporting suitable for court proceedings and accountability. Likewise, Popoola, Che-Ahmad, Samsudin, Salleh and Babatunde (2016) considered forensic accounting as a process of employing accounting skills and knowledge to investigate fraud or misappropriation of fund and to analyze the financial information for use in court or legal proceedings. Modogu and Anyaduba (2013) defined forensic accounting as a special investigation process through employment of accounting skills, auditing skills, and investigative skills to determine the extent of financial fraud in legal matters. Forensic accounting is the integration of accounting, auditing and investigative skills (Dada, Owolabi, &Okwu, 2013). According to Ogutu and Ngahu (2016), forensic accounting which is also known as investigative accounting is concerned with the application of financial skills and investigative mentality conducted within the context of the rules of evidence to resolve or unresolved issues. However, the following are relevance in forensic accounting:

##### 2.1.2.1. Forensic Accounting Qualification

Forensic accountants possess several qualifications. According to Joseph and Derk (2004) opine those certain separate qualifications and certification that are possessed by a forensic accountant that regards him an expert witness, they are as follows: First is- Academic; It's safe to say that the majority of potential forensic accounting experts possess a significant amount of formal training. Typically, a forensic accountant will have an undergraduate degree, as well as an advanced or postgraduate degree. While academic training provides a forensic accountant with solid foundational skills, such training should be considered only as an entry point for further credentialing. Another certification according to

Joseph and Derk (2004) is-Accreditations; the most applicable accreditations are dependent upon the type of engagement for which the expert is being retained. Although certain accreditations hold universal appeal, some are more specifically targeted to particular types of cases; a) Investigative Accounting; In analyzing financial records to determine whether they have been manipulated, investigative accountants draw heavily on an understanding of the accounting process and procedures used to account for funds, particularly cash. For this reason, most investigative accountants are Certified Public Accountants (CPAs) and/or Certified Fraud Examiners (CFEs).

#### 2.1.2.2. Forensic Accounting Education

The need to incorporate forensic accounting education in the accounting curriculum at university level has been issue of concern to academic researchers in forensic accounting (Efiong, 2012; Joseph &Derk, 2004). Research has shown that a number of universities are already offering forensic accounting courses while some are even introducing full academic programs in the area (see Efiong, 2012; Kleyman, 2006 & Vogt 2003). An emerging stream of education research considers the need for revised content and structure, e.g., teaching interviewing skills in forensic accounting (Seda& Kramer, 2009). Some intent to argue that the contents of an accounting programme is based on academicians' perceptions of what is the best interest of students, and not by practitioners' demands.

#### 2.1.2.3. Forensic Accounting Skills

Harris and Brown (2000) while investigating the qualities of a forensic accountant identifies specialized skills and abilities that should be possessed by experts of their nature. They discovered that a forensic accountant should be conversant with civil and criminal law. Also, they stressed the need for understanding of court room procedures and expectations, investigative skills, creative thinking as well as clear and precise communication skills. According to Grippo and Ibex (2003), the most important skills of a forensic accountant arise from experience in accounting, internal controls, auditing, taxation management, interpersonal relationships, business operations and communication.

A set of competencies required by a forensic accountant have been identified by DiGabriele (2009). These skills include deductive analysis ability, creative thinking skill, unstructured problem-solving competence, investigative flexibility, and analytical proficiency including oral communication ability, written communication ability, specific legal knowledge and good composure. In a study conducted by Davis, Farrell and Ogilby (2010), on the features and skills of a forensic accountant; the views of attorneys, academics and CPAs were sought on the basic skills that a forensic accountant should possess. The results arrived at showed that a forensic accountant should be analytical, detailed.

### 2.2. Review of Theories

Two theories are examined as below:

#### 2.2.1. The Fraud Triangle Theory (FTT)

The fraud triangle theory was propounded by Donald Cressey in 1953. Cressey as a criminologist carried out an investigation into the causes of fraud committed by people with emphasis on embezzlers tagged 'trust violators' (Cressey, 1953). The theory preposition stated that: 'Trusted persons in most cases are trust violators especially when they have financial challenges and choose to secretly resolve the problem by reason of financial position trusted on them (Cressey, 1973; Coenen, 2005; Adebisi, &Gbegi, 2015). Fraud Triangle Theory (FTT) posited on three notions: (a) Pressure: - Pressure takes form of personal; employment or external pressure, or financial and non-financial pressure. A person can choose to commit fraud because he has a need to solve and failed to share the problem with another person who may or may not have solution to the problem. But because of the financial position of trust which the person held in the organization which is not well monitored and controlled may decide to commit fraud. (b)Opportunity: - People take available opportunity within their disposal to solve immediate financial problem by breaking position of financial trust he occurred in the organization just because of inefficiency and ineffectiveness in controlling and supervising in the organization. (3) Rationalization: - People give explanation why chooses to commit fraud because of situation on ground and silence his conscience.

Fraud triangle theory (FTT), is criticized for its limited nature due to only one dimensional psychological analysis of the originalculprit of the fraud (Albrecht, 2009). Similarly, Davis, Farrell andOgilby, (2010)criticised the theory of not having empirical support and inability to reflect other factors that might have aided a person in committing the fraud.Also, Coenen (2005) criticized the theory for non- explanation of cultural influence. Finally, Sule, Ibrahim and Sani, (2019)criticized the fraud triangle theory for emphasis on a single individual fraud and neglecting group frauds committed.

#### 2.2.2. Fraud Diamond Theory (FDT)

Fraud Diamond Theory (FDT) as a replacement for fraud triangle theory (FTT) was initiated by Wolf and Hermanson (2004) with the intent of giving better understanding of the factors central to committing fraud by introducing capacity in addition to three factors theory of Cressey. Capacity is concerned with ability or positional authority of the fraud perpetrator to commit the crime or act. The theory believes that fraud is committed because the fraudster has the capability of understanding and exploiting accounting systems and internal control loopholes, otherwise it wouldn't have been possible. Hence, we anchored this study on Fraud Diamond theory because it was able to expose the trick, trait and skills of fraudulent person which is assumed to be issue of capacity to fraud to be committed.

### 2.3. Review of Empirical Studies

Enofe, Idemudia and Emmanuel (2015) examined forensic accounting as a panacea to fraud reduction in Nigeria firm. A total of 150 copies of questionnaires were administered and were analysed using table, pie chart and chi square as the statistical tool. The study showed that, first, forensic accounting enhanced financial fraud reduction in Nigerian firms through fraud investigation and approval of punishment for fraudsters, second forensic accounting has significant effect in improving internal control system of firms in Nigeria which resulted to fraud reduction; third, forensic accounting has significant influence on the financial reporting credibility of firms in Nigeria, and finally forensic accounting has significant effect on firms' financial transparency in Nigeria.

Ogututu and Ngahu (2016) investigated the application of forensic accounting skills in the mitigation of fraud with particular reference to the accounting firms in Nakuru County, Kenya. Descriptive survey by way of questionnaire administration to 25 respondents of the constituted population which as well formed the sample size of accounting firms. Data was analysed using descriptive statistics and regression. The study indicated that forensic accounting helped in fraud prevention and detection at 97%, bankruptcy, insolvency and reorganization at 79.4%, financial statement misrepresentation at 76%, economic damage calculations (57.6%) and family disputes at 53%. Similarly forensic accountant exhibited critical traits consisted of analytical traits (85%), ethical trait (84%), confidence (82%), inquisitive (61%) and 49 % for skepticism trait. Also showed that forensic accounting skills needed include: auditing (89%); investigative (81%); fraud (79.8%); and, legal skills at 58%.

Anuolam, Onyema and Ekeke (2016) examined the significance of forensic accounting in the face of increasing fraudulent practices in Nigeria with a view to advancing some solution. The total population size was 140 while 98 was the sample size. Questionnaire administration was the main instrument, while the statistical tool was regression. The result revealed that forensic accounting is substantial in the face of increasing fraudulent practices in Nigeria.

Adebisi, Okike and Yoko (2016) investigated the impact of forensic accounting in fraud detection and prevention in Nigeria. The main instrument employed was questionnaire administered to 92 sampled professional accountants in Nigerian public sector and statistical tool used was chi-square. The study revealed that forensic accounting has significant role to play in fraud detection and prevention in Nigeria.

Al Samara, AL Afeef and Al Ali (2017) explored the auditors' perception on the effect of using forensic accounting to mitigate the possibility of using techniques and methods of earnings management in companies. Questionnaire administration was employed and analysed using descriptive statistics and multiple regressions. The results revealed that forensic accounting in terms of knowledge in the field of controlling and auditing significantly affect earnings management, while forensic culture and communication skills does not significantly affect earnings management.

Nwaiwu and Aaron, (2018) examined the forensic accounting relevance and selected listed companies' fraud detection process and performance in Nigeria. The study used structured questionnaire and analyzed by employing descriptive statistics and correlation. The indicated that there exist both positive and negative significant relationship between litigation support and motives and justification to commit fraud.

Yahaya, Abba and Suleiman (2018) conducted a study on the effect of forensic accounting knowledge on fraud prevention among listed companies in Nigeria. Questionnaires administration was main instrument used, while multiple regression for the purpose of testing the hypotheses formulated. The study revealed that forensic accounting knowledge and complexity have significant positive relationship with fraud prevention.

Ogundana, Okere, Ogunleye and Oladapo (2018) carried a study on the role of the forensic accountant in the prevention and detection of fraud in the Nigerian banking sector. Questionnaires were administered to employees of selected banks. It employed simple regression and results showed that a negative significant relationship existed between IFRS adoption and foreign direct investment of Nigeria banks, and that forensic accounting has a significant impact on fraud prevention and detection. However, the study showed that there is a low level of awareness of forensic accounting in the Nigerian banking industry.

Okoye and Ndah (2019) examined forensic accounting practices and prevention of fraud in manufacturing companies in Nigeria. Questionnaire used in generating data and analysed by employing Ordinary Least Square method. The outcome indicated that there exists significant positive relationship between fraud investigation practices and the prevention of fraud in manufacturing firms. Also, statistically significant positive relationship was found between fraud litigation practices and the prevention of fraud in manufacturing firms.

Abdulrahman (2019) examined forensic accounting and fraud prevention in Nigerian public sector by employing content Analysis. The study indicated that forensic accounting techniques has significant positive influence on fraud prevention.

### 3. Methodology

The study is an ex-post facto and field survey type of research. The population size of this study cuts across 16 money deposit banks in Nigeria. Emphasis was centered on professional chartered accountants and auditors in those banks in Edo State due to geographical coverage. It is upon the population size of 16 money deposit banks in Nigeria a consensus of all the banks formed the sample size of the study. A judgmental sampling method was used in the selection of the professional accountants and auditors in banks for the purpose of questionnaire administration. The justification for the use of judgmental sampling technique for the study is to minimize a pitfall of samples bias and natural settings of the work place. Data generated from the administered questionnaires was analyzed using table and percentages. The percentages and tables are used in very explicit manner for easy understanding to analyze the question contained in the questionnaire. The statistical tools employed were descriptive statistic estimated using statistical package for social sciences (SPSS 20).

#### 4. Interpretation of Results and Discussion

Questionnaires successfully retrieved were analysed and discussed as follow:

	Statement Question	N	Respondents					Pooled Result	
			VHE (%)	HE (%)	NS (%)	LE (%)	VLR (%)	Mean	Standard Deviation
1	To what extent does fraud detection and prevention influences transparency of investigative cases in the Nigeria firm	120	29 (24.2)	46 (38.3)	8 (6.7)	32 (26.7)	5 (4.2)	3.52	1.237
2	To what extent does fraud detection and prevention impact on quality of evidence gathered at the investigation stages in the Nigeria firm	120	15 (12.5)	57 (47.5)	3 (2.5)	37 (30.8)	8 (6.7)	3.28	1.217
3	To what extent does fraud detection and prevention influence transparency and fairness of the Nigerian firms	120	10 (8.3)	37 (30.8)	8 (6.7)	42 (35)	23 (19.2)	2.74	1.306

Table 1: Assessing the Extent of Fraud Detection and Prevention in Nigeria Firm

Source: Author's Field Work (2021)

(Mean  $\geq$  3.0)

Table 1 shows respondents' opinions on issues relating to fraud detection and prevention in Nigeria firm. It was observed that the calculated mean value of 3.52 was higher than the bench value of 3.0 and standard deviation of 1.237 which suggested that fraud detection and prevention influences transparency of Nigerian firms. The calculated mean value of 3.28 compared to standard deviation of 1.217 and bench mark mean value of 3.0, suggested that quality of evidence gathered at the investigation stages can have impact on fraud detection and prevention in the Nigerian firms. The calculated mean of respondents of 2.74 is lower than the bench mark mean value of 3.0 and standard deviation of 1.306, implied that fraud detection and prevention influence transparency and fairness of the presiding judge in the trail of the Nigeria firm.

	Statement Question	N	Respondents					Pooled Result	
			SA (%)	A (%)	N (%)	SD (%)	D (%)	Mean	Standard Deviation
6	To what extent does solve unstructured problem influence fraud detection and prevention in the Nigeria firm	120	30 (25)	59 (49.2)	2 (1.7)	21 (17.5)	8 (6.7)	3.68	1.216
7	To what extent does creative thinking influence fraud detection and prevention in the Nigeria firm	120	41 (34.2)	46 (38.3)	- (-)	23 (19.2)	10 (8.3)	3.71	1.337
8	Strong communication skills can be of great help to forensic accountants in the detection and prevention of fraud in the Nigeria firm	120	30 (25)	63 (52.5)	- (-)	19 (15.8)	8 (6.7)	3.73	1.193

Table 2: Respondents Opinion on Forensic Accounting Skills

Source: Author's Field Work (2021)

(Mean  $\geq$  3.0)

Table 2 reveals respondents' opinions on issues relating to forensic accounting skills. It showed calculated mean value of 3.68 which is higher than utilized mean benchmark value of 3.0 and standard deviation of 1.216 which suggested that solve unstructured problem influence fraud detection and prevention in the Nigeria firms. The computed mean value of 3.71 was greater than standard deviation of 1.337 and bench mark mean value of 3.0, indicating that creative thinking influences fraud detection and prevention in the Nigeria firm. The calculated mean of 3.73 of respondent's perception is greater than the bench mark mean value of 3.0 and standard deviation of 1.193, implying that strong communication skills can be of great help to forensic accountants in the detection and prevention of fraud in the Nigeria firm.

	Statement Question	N	Respondents					Pooled Result	
			VHE (%)	HE (%)	NS (%)	LE (%)	VLR (%)	Mean	Standard Deviation
11	To what extent does forensic accounting qualification impact on accountability of fraud detection and prevention in the Nigeria firm	120	25 (20.8)	69 (57.5)	2 (1.7)	16 (13.3)	8 (6.7)	3.73	1.137
12	To what extent does forensic accounting qualification consider as evidence in the court of law in fraud detection and prevention in the Nigeria firm	120	27 (22.5)	66 (55)	4 (3.3)	18 (15)	5 (4.2)	3.77	1.090
13	Forensic accounting qualification influence interpreters of evidence and facts in legal cases that requires expert opinions in fraud detection and prevention in the Nigeria firm	120	30 (25)	59 (49.2)	- (-)	17 (14.2)	14 (11.7)	3.62	1.317

*Table 3: Respondents Opinion on Forensic Accounting Qualification*

*Source: Author's Field Work (2021)*

*(Mean  $\geq$  3.0)*

Table 3 highlights respondents' opinions on issues relating to forensic accounting qualification. It is deduced that the calculated mean value of respondents of 3.73 was higher than the bench value of 3.0 and standard deviation of 1.137 which suggested that forensic accounting qualification impact on accountability of fraud detection and prevention in the Nigeria firm. Also, outcome of the calculated mean value of 3.77 was greater than standard deviation of 1.090 and bench mark mean value of 3.0, indicating that forensic accounting qualification considered as evidence in the court of law in fraud detection and prevention in the Nigeria firm. Similarly, the results of respondents calculated mean of 3.62 is lower than the bench mark mean value of 3.0 and standard deviation of 1.317, implied that forensic accounting qualification influence interpreters of evidence and facts in legal cases that requires expert opinions in fraud detection and prevention in Nigeria firms.



	Statement Question	N	Respondents					Pooled Result	
			SA (%)	A (%)	N (%)	SD (%)	D (%)	Mean	Standard Deviation
16	To what extent does forensic accounting as a course to the accounting curriculum influence fraud detection and prevention in the Nigeria firms	120	55 (45.8)	45 (37.5)	1 (8)	11 (9.2)	8 (6.7)	4.07	1.200
17	To what extent do the academic institutions play major role in constructing, interpreting and reinforcing societal values through knowledge dissemination institutions play detection and prevention in the Nigeria firms	120	32 (26.7)	63 (52.5)	3 (2.5)	18 (15)	4 (3.3)	3.84	1.085
18	To what extent do students of accounting graduates influence fraud detection and prevention in the Nigeria firms	120	31 (25.8)	50 (41.7)	4 (3.3)	26 (21.7)	9 (7.5)	3.57	1.288

Table 4: Respondents Opinion on Forensic Accounting Education

Source: Author's Field Work (2021)

(Mean  $\geq$  3.0)

Table 4 reveals respondents' opinions on issues relating to forensic accounting education. The calculated mean value of respondents of 4.07 was higher than the bench mean value of 3.0 and standard deviation of 1.200 which suggested that forensic accounting as a course to the accounting curriculum influences fraud detection and prevention in the Nigeria firm. The result of computed mean value of 3.84 was greater than standard deviation of 1.085 and bench mark mean value of 3.0, indicating that the academic institutions play major role in constructing, interpreting and reinforcing societal values through knowledge dissemination institutions play detection and prevention in the Nigeria firm. Moreover, respondents with calculated mean of 3.57 is greater than the bench mark mean value of 3.0 and standard deviation of 1.288, implied that students of accounting graduates influence fraud detection and prevention in the Nigeria firm.

## 5. Discussion of Findings

Following the outcome of the results, the various findings are discussed as follow.

Firstly, forensic accounting skills have significant influence on fraud detection and prevention in Nigeria firms. Based on the characteristics of fraudsters, forensic accountants need special skills. American Institute of Certified Public Accountants (AICPA) (2004) suggested that more forensic accounting techniques and procedures should be incorporated in the detection of financial reporting since auditors and forensic accountants have different training, skills and mindsets. These skills will help them in understanding the reasons behind the behaviors of perpetrators, the legal and ethical issues, and communicate facts and evidence to people who have less or no knowledge of accounting. The finding concurs with Al Samara, AL Afeef and Al Ali (2017) who found that forensic accounting skills has significant effect on fraud prevention and detection.

Secondly, Forensic accounting qualifications have significant influence on fraud detection and prevention in Nigeria firms. Certified accountants must hold tertiary level qualifications for the betterment of both society and individuals. In Nigeria, the audit, investigations and forensic accounting faculty of (ICAN) is the professional body which intermediates the qualification as forensic accountant. The finding is in line with Digabriele, J.A. (2009) who suggests that the capability of fulfilling professionals' responsibilities to the public does not merely depend on the level of knowledge they obtained, but also on the standard of qualification.

Thirdly, forensic accounting education has significant effect on fraud detection and prevention in Nigeria. Thirdly, forensic and Schrader (2000) assert that three major stakeholders in accounting education-students, academic institutions and employers-stand to benefit from forensic accounting education. Such benefits, if pursued, could lead to fraud prevention and reduction. Ibex and Grippo (2008) submits that forensic accountants are important since their role goes beyond assisting in exposing fraud. The finding is in line with Jovan, K. (2009). who suggested that forensic accounting knowledge is significantly related with fraud prevention.

## 6. Conclusion

The need for relevance of forensic accounting in detecting and preventing frauds in emerging economy is as a result of pervasive increase in deviant behaviour, irresponsible opaque laws and regulations with loopholes that are unscrupulously exploited by persons in position of trust, creating monopoly of decisions in the hands of bureaucrats. The forensic accountant can thus be of assistance in various ways that include investigation accounting, review of the factual situation and provision of suggestion, regarding possible courses of actions, assisting with the professional and recovery of assets and co-ordination of other experts, viz. private investigators, forensic document examiners, consulting engineers etc. These requirements address internal controls for detecting and deterring fraud and encourage financial statement auditors to be more aggressive in searching for fraud. This, in turn, has resulted in increased demand for forensic practitioners and professionals who have greater fraud awareness, as well as knowledge and skills related to fraud and forensic accounting. Based on this, the study concludes that forensic accounting skills, forensic accounting qualifications, forensic accounting education have significant influence on fraud detection and prevention in Nigeria firms.

The following recommendations are put forward by the study

- The use of forensic accounting skills can help provide enough evidence for easy judgment. Therefore, the services of professional accounting firms which have forensic accounting skills should be used for the investigation of corruption practice to encourage prosecution.
- The professional accountancy bodies in Nigeria should ensure that a system of accreditation of forensic accounting qualifications is approved in relation to the requirements as they do for chartered accountants and/or certified practicing accountants.
- Forensic accounting education are relevant in preventing and detecting fraud in Nigeria, forensic accounting courses should be included in the academic and professional curricula of Nigeria Universities and professional institutions to train and increase the awareness of forensic accounting in Nigeria

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