

## The Impact of Forensic Skills on Fraud Detection in Federal Government Agencies in Nigeria

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**ABSTRACT:** Fraud in Nigerian federal government agencies is a persistent issue. This study explores the impact of forensic skills on fraud detection within these agencies, building upon the established connection between forensic accounting and its effectiveness in uncovering fraudulent activity. To achieve this, we investigated the impact of forensic and audit skills on fraud detection in the federal government agencies in Nigeria, identifying its implications on government resources. The focus was on all the federal government ministries and agencies in Abuja (the Federal Capital Territory). With the stratified random sampling, a sample size of 100 was selected. The non-experimental research approach was adopted in the collection and analysis of data with the Ordinary Least Square (OLS) and Regression analysis used to interpret the data. The results of the findings indicated that no significant relationship exists between forensic skills and fraud detection (where the p-value of 0.507 > 0.05 significant level), and the existence of a significant relationship between audit skills and fraud detection in federal government agencies (with a p-value of 0.000 < 0.05 level of significance). This study recommends increased investment in personnel with forensic and audit skills as a course of action to strengthen fraud detection efforts and improve financial accountability in federal government agencies in Nigeria.

**Keywords:** Forensic, Forensic Skills, Forensic Accounting/Auditing, Fraud Detection, Fraud Theory



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## INTRODUCTION

Conventional audit skills are assumed to lack credibility in the public sector in detecting crimes. This has become an issue of discussion as high-profile fraud cases are recorded in the Nigerian Federal agencies. Controlling the frauds or what is generally regarded as “corruption” in the federal agencies, requires the services of Forensic Accountants, as it “has thus been one of the key issues articulated by most developing nations deepened in corrupt practices” (U. et al., 2015). In Nigeria, different governments deduced different means of fighting these financial frauds, even though the

results insignificantly impacted the economy with massive funds having been spent. The conventional audit quality exercise has been questioned due to cases of reported fraud in the public sector as non-performance or inadequate utilization of taxpayers' resources is being revealed.

([PricewaterhouseCoopers, 2022](#)) revealed an increase in the number of fraudulent and suspicious financial activities around the globe. In the Nigerian public sector, it is practically impossible to decipher the problems of fraudulent practices among the civil servants and the political class. The practices range from contract overstatement, unauthorized and unapproved expenditures, fictitious reporting, asset misuse/conversion for personal use, ghost employees in the payroll, financial extortion, budget falsification/padding, tax under and overstatement, forgery, financial records falsification, etc. ([G & Atah, 2023](#); [Nisak & Kurniawan, 2013](#)). Most of these are outside the general purview of the conventional audit exercise and, therefore, it is difficult to detect using the traditional audit process even as the detection of fraud is not a responsibility of the conventional auditor ([Mansor & Abdullahi, 2015](#); [Rahmawati & Kassim, 2020](#)).

The rise in the level of fraudulent activities perpetrated by civil servants and politicians in Nigeria, with many standing trials in courts had rejuvenated the call for the use of forensic audit skills in investigating fraudulent activities in the public sector. Akeke and Atah (2020), opined for the equipping of accountants to be fully equipped with advanced abilities to be able to fish out the scavengers utilizing the failure in the systems to misappropriate the funds and punish the populace of Nigerians. Therefore, skills more sophisticated and comprehensive than traditional accounting and auditing skills are required from setting up internal control systems to detecting all elements of fraud with proof.

To detect fraud, forensic accountants utilize exceptional skills beyond the traditional accounting requirements for fraud and crime detection. Misrepresentation in the public sector impacts the Nigerian economy in totality and adopting a technical position to detect fraud is very vital to the sustenance of the individuals. However, more is required as it takes an understanding of the systems and modalities for the perpetration of fraud to be able to get to the roots of it. The decay in the Nigerian system is so costly to the economy as it keeps noticing frequent misuse of collective resources. The country's image is begging for redemption from the consistent fraud reports. International communities refer to us by different names and signals. Interestingly, we can remedy our situation without resorting to foreign assistance. Application of forensic skills, such as computer-assisted audit techniques (CAAT), knowledge of big data analysis, interview audit techniques, and investigative skills is one of the effective skills applicable in forensic auditing to detecting fraud irrespective of where it is concealed ([G & Atah, 2023](#)). The Nigerian government had introduced certain controls. The recent is the Treasury Single Account (TSA) introduced in 2015. However, despite these controls, fraud in the agencies had been on a spike. Following this development, this study is set to divulge the impact of the required skills that forensic accountants should possess on fraud detection and how these skills have been utilized in making fraud detection either easy or complicated in Nigeria.

In Nigeria, the demand for forensic skills is at the front burner due to the spike in fraudulent activities in the public and private sectors attributable to attributed to the advancements in

technologies, and the inabilities of the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices and Other Related Offences Commission (ICPC) to investigate and punish offenders (U. et al., 2015), even with constitutional prowess, as these crimes keep ballooning resulting in loss of confidence in the government, tax avoidance, and in inefficiency and ineffectiveness of conventional auditing and investigations, and questioning the integrity and capacity of government auditors, accountants, and politicians.

Studies have proven the positive relationships between forensic skills and fraud detection in government agencies, recommending upscaling in forensic skills required for financial crime investigations (U. et al., 2015). (Okute & Enah, 2019) suggested using both forensic skills and conventional audits for fraud detection in tertiary institutions, while (Anghel & Poenaru, 2023) advocated for the use of “statistical analysis, big data and machine learning, interviews, and physical observation” and performing due diligence on fraud cases. However, most of the research work focused on investigation and prevention (Enofe et al., 2015; E. Eze & Okoye, 2019), or the effectiveness of the application of forensic auditing (Modugu & Anyaduba J, 2013), rather than on fraud detection. This research is focused on bridging the gaps in the existing literature by providing the impact of forensic skills on fraud detection in the federal government agencies in Nigeria.

The significance of this research is to improve the body of knowledge in academia and the industry and close the existing literature gap on the impact of forensic skills on fraud detection in the federal government agencies in Nigeria. It will add to the theoretical landscape of forensic investigations by emphasizing the need for possession of forensic skills in conducting investigations focused on exposing crimes and standing in defense of such in the courtroom and creating early fraud detection in federal government agencies. Also, the study seeks to inform decision-makers in the government, stakeholders, and other industry players of the gross consequences of conducting forensic investigations of financial crimes without having forensic skills. Therefore, the research was conducted to answer the question: does there exist any significant relationship between forensic skills and fraud detection in federal government agencies in Nigeria? Is there a significant relationship between conventional audit skills and fraud detection in the federal government agencies in Nigeria? It is hoped that stakeholders armed with the result of this research will gain adequate exposure and will be able to reevaluate fraud investigation techniques for detecting early symptoms in government agencies and rekindling the lost confidence in government based on antecedents and recent developments in the sector (Dauda & Abubakar, 2020; Offor et al., 2022).

### **Forensic Skills and Fraud Detection**

The skills required by a forensic accountant to make his work easy and more understandable in court are too numerous to be classified. Most skills of forensic accountants are “specialized and technical”, to understand the place of figures when misstated and fraud when committed. In cases of fraud, researchers have quite agreed that detection takes a detailed understanding of what may have prompted the commission of the actual offense. An investigator in every crime needs investigative and questioning skills to decipher the secret behind the crime. This starts with identifying traces of suspicious activities in the financial records. It must, therefore, begin with possessing statistical skills of understanding, “analysis, interpretation, and presentation of complex

financial data, supplemented with adequate and relevant information” ([Anghel & Poenaru, 2023](#); [Ojukwu et al., 2020](#)). Big data and predictive analysis will be to the forensic accountants' advantage in investigative cases.

Presenting issues in court will need a questioning and defensive mindset and techniques. According to ([Hassan et al., 2024](#)), a sound thinking mindset will entail understanding what the court wants with a questioning mindset, curiosity, independence and ability to endure is what is required as cognitive skills for a forensic investigator in fraud detection, particularly in the government agencies. A forensic accountant should exhibit experience in both civil and criminal law with an understanding of courtroom procedures. Among the cognitive needs in the forensic investigation of fraud are the psychological ability of calmness, reserve, and intelligence (creative thinking), clear communication, and concise communication skills, without which it is difficult to get to the root of a fraud matter. ([Chukwu et al., 2019](#)), listed the important skills of forensic accountants to include experience in accounting, internal controls, auditing, taxation management, interpersonal relationships, business operations, and communication with analytical abilities, strong writing skills, good verbal communication skills, and creativity. Anghel and Poenaru (2023), opined that fraud “detection are complex processes that involve a range of strategies”. Fraud investigation is the key area of forensic accounting application in the public sector due to negligence, connoting the possession of the required skills for possible detection of supposed crimes.

Fraud is an intentional act of appropriating personalizing assets or other valuables without approval ([Okute & Enah, 2019](#)). The concept of fraud is a simple useable word in forensic accounting and auditing which comes with different definitions, but is usually “intentional”, and could be classified as either financial or non-financial. ([Ngozi, 2015](#)), noted that forensic accounting describes engagement that could result in dispute resolution. As a new field of accounting, scholars only adopt definitions to suit what they intend, concluding that it must result in a court determination. However, in contrast, it is not all forensic investigations are the subjects of the court. ([Ogutu & Ngahu, 2016](#)), therefore, agree that it is the “gathering and presenting financial information in a manner that will be accepted by a court” of competent jurisdiction, with enabling skills that could be used to establish the existence of illegality or fraudulent activities in every government organization. “As financial scavengers” ([Ogutu & Ngahu, 2016](#)), forensic accountants must be fully equipped with skills to decipher fraud, accounting crimes, and other related offenses.

Fraud detection arises because of the difficulty associated with prevention ([Sulaiman et al., 2023](#)). Detection of fraud is the identification of actual or potential financial crimes via spotting warning signals. Fraud is a global issue and to developing nations, it has remained a major concern ([Adebisi & Gbegi, 2015](#)) and it has no differentiation in ministry, tribe, and persons. It could be a global epidemic; however, it is the cause of decay in the Nigerian system. Front line news points to an immediate past governor of Kogi State facing EFCC investigations of NGN80.2 billion, an ex-accountant-general of the federation with charges of NGN80 billion, a former chairman of the defunct Pension Task Team charged with NGN2.1 billion, etc. The cost of fraud cannot be underestimated. Four major types of fraud exist in the private and public sectors, and they are

misrepresentation, misappropriation and theft, counterfeit and forgery, and bribery and corruption. The worst perpetrators are government officials.

The approach to fraud detection involving the use of an analytic model is to look out for perpetrators of fraud with previous records. Models have been developed with traditional data, classifying fraud as supervised and unsupervised, with the supervised models as class membership of a given entity. The drawback of a supervised model includes absolute certainty of classifying events accurately as fraud or nonfraud., noting that any models of fraud can be used to detect only types of fraud that have been identified previously. Unsupervised methods of fraud modeling rely on abnormal events, linked with the symptoms of previous fraudulent activities.

In fraud determination in an organization, several factors could be juxtaposed to achieve the aim. These include the internal controls (put in place by the firm's BoDs and management whose purpose is to assure efficiency in operations), reliability of financial reporting, the firm's compliance with the relevant laws, information and technology, monitoring, and corporate governance. The audit committees and board of directors remain the suspicious part of corporate governance that could motivate the existence of fraud.

### **Historical Trace of Forensic Accounting**

With evidence, forensic accounting is an old profession that has existed since the Roman Empire even though it was viewed as an aspect of accounting. In civilized Egypt, forensic accountants were referred to as the 'eyes and ears' of the pharaohs following their invention. The field could be said to be in existence around 1817 and as old as the Bankruptcy Act as they were required to testify in court as experts who viewed the accounts. Sources equally traced the field's existence to Scotland as far back as the 19<sup>th</sup> century with a claimed advert of a young Scottish accountant to be an expert in arbitration support. Nevertheless, the profession became popular in the 1800's and 1900's as discussions started emerging on forensic witnessing and evidence gathering.

Forensic stands for evidential use in a court of law, providing standard forensic accountants to adopt. It is an accounting involving the amalgamation of accounting, auditing, and style that adopts an investigative process for determining the commission of fraud ([Joshi & Gallani, 2024](#)) Despite some common roles with traditional auditors, forensic accountant is focused importantly on the detection of fraud, much less like financial audit that focuses on the true and fair view of transactions; forensic accounting looks beyond just material misstatement in transactions. The activities investigations, litigation services, assets recovery, property damage, lost profits due to embezzlement and other illegal acts, tax evasion, and money laundering schemes.

Different authors have formulated theories and models to explain fraud and fraud detection. ([G. P. Eze, 2019](#)), developed theories of differential association theory, fundamental observation theory, fraud diamond theory, social learning theory, hyperactivation theory, anomie fraud theory, low handing theory, social control theory, differential opportunity theory, social ecology theory, rotten apply theory, all to explain and give concrete meaning to while frauds are perpetrated. Also, with varied theories used for fraud detection, prevention, and investigation, this study is anchored

on the theory of mindset and problem representation as was propounded by Gollwitzer, 1996, and the fraud triangle theory.

The mindset theory signifies a type of training with specific features that control a person in the assembling and analyzing of data. It informs the level of processing of information by individuals and various ways of reasoning which impact how people handle data and make decisions. Fraud detection projects accountants with different frames of mind and reasoning as experts on fraud-related job performance. Following the persistent fraud cases in public sectors in Nigeria, it is assumed that without the right pegs in the right holes, control and detection will remain challenging in the sector. Therefore, there is a need for people with the requisite ability, skills, and training in federal government agencies to pave the way for the ease of detection. This means awareness of forensic accountants while criminals perpetrate fraud which is either due to personal, employer, or external pressures.

### **Fraud triangle theory**

Accountants' suspicion or identification of fraud is centered around the fraud triangle. The theory can be used to trace the cause of fraud and weakness in the system. It is centered on a tripod of pressure, opportunity, and Opportunity. **Pressure/Incentive-** Pressure is central to the causes of fraud. The desire to satisfy all financial needs comes with pressure. (Bassey, 2018) gave three types of pressure: lifestyle maintenance pressure, compensation or target pressure arising from employment, or management's financial interest, and external pressure such as threats to maintaining business stability, fulfilling financial covenants, retaining market position, and meeting up market share expectations. **Opportunity-** poor management oversight and inadequate internal control system on implementation are the major factors that spur employees to commit fraud. Information asymmetry, resulting from using available data to one's advantage spurs employees to fraud via using the positions to gain undue advantage as well as to hide fraudulent deeds. **Rationalization** - is another cause of fraud. Providing all necessary justifications for criminal tendencies or committed fraud. (Okoye et al., 2017), note the implications of rationalization, suggesting that an individual only commits fraud if he can provide ethical justification. In Bassey's (2018) opinion, rationalization is an act of justification.

### **Fraud Investigation and Techniques**

Forensic investigation is often referred to as forensic science, an application of scientific knowledge to criminal or civil law. It applies to legally putting evidence and facts together in a manner suitable for defense in a court of competent jurisdiction. Using investigative and analytical skills to solve issues relating to financial recklessness and not undermining standards stipulated and legal requirements is regarded as forensic investigation. Investigation is a search for facts, involving careful examination. It is a vital part of the forensic accounting and auditing process applicable only when an event or transaction is laden with issues or there are lapses with the intent of proving who is responsible, the reason for the action, and the estimated level of damage (if any), a planned and detailed verification of doubt about a transaction (Oyedokun, 2015).

### **Empirical Literature**

Attempts to examine the effect of forensic accounting on public sector fraud detection and prevention have been made by various authors including ([Sulaiman et al., 2023](#)), who used a design survey of over one hundred (100) auditors and accountants of four (4) ministries in the FCT, examined the significant difference between forensic accounting and fraud identification in the Nigerian public sector. Using the ANOVA test, the study discovered a significant relationship between forensic accounting and fraud detection in the Nigerian public service. ([Abdulrahman, 2019](#)) studied forensic accounting and fraud prevention in Nigeria's public sector using content analysis and found a significant positive influence between forensic accounting techniques and fraud prevention. ([Adebisi & Gbegi, 2015](#); [Okoye & Gbegi, 2013](#)), on fraud and the Nigerian public sector, found that fraud has a significant effect on the economic growth of Nigeria inhibiting the sectorial performance.

([Franca et al., 2023](#)), in their study of forensic accounting and fraud detection in Nigeria (a case study of River State), opined that forensic accounting aids fraud detection. Using Spearman Rank Correlation, a negatively significant correlation between payroll and procurement fraud was, however, discovered. The study became imperative arising from reports of fraudulent activities in the Nigerian public sector, and this is relevant to our study irrespective of changes in focus to forensic skills of fraud detection. ([Sule et al., 2019](#)) studied the effect of forensic auditing /accounting investigation in financial fraud detection in Nigeria and concluded by stating that despite the global recognition of forensic accounting services it receives just a little attention in developing countries arising from a lack of regulators and inadequately equipped professional accounting bodies but concluded that forensic accounting service is significantly related to fraud detection.

By utilizing simple mean and standard deviation to investigate forensic accountants and fraud risk detection procedures and adopting multivariate analysis of variance and analysis of variance ANOVA, ([Okoye & Gbegi, 2013](#)) found an effective modification in the extent and nature of audit tests to the risk of managing fraud. The study suggested involving forensic accountants in fraud risk management rather than consulting them. ([Olofinsola, 2016](#)), in the relevance of forensic accounting in Nigeria, found that fit has helped in fraud detection, but it lacks statutory backup, hence, no significant impact on tackling corruption in Nigeria. In assessing forensic accounting and auditing techniques on public sector fraud in Nigeria, ([Ogiriki & Appah, 2018](#)) used multiple regression analysis to analyze the data relating to public sector fraud detection, investigation, and prevention in Nigeria and agreed on the statistical significance with a positive correlation among the variables.

From the above discussions, the following hypotheses were developed to answer the research questions formulated:

H<sub>1</sub>: There exists no significant relationship between forensic skills and fraud detection in the Federal Government Agencies in Nigeria.

H2: There exists no significant relationship between audit skills and fraud detection in the Federal Government Agencies in Nigeria.

## **METHOD**

The population focused on all the accountants and finance staff of the accountant and auditor-generals offices, the EFCC, and ICPC within the federal government agencies in Abuja. The use of accountants and finance staff in the accountant and auditor-general's offices as well as law enforcement agencies stems from their knowledge of the subject being considered as well as their position in the respective agencies. Accountants are in a better position to give out information regarding fraud detection and the applicable skills. They are also in a better position to know the various controls and the means to manipulate them. Using stratified random sampling techniques, a sample of 100 was selected. However, only 96 questionnaires were returned and used for the research.

## **RESULT AND DISCUSSION**

The research design is a non-experimental descriptive/survey design of collecting and analyzing data. Questionnaires were administered to prove existing relationships between variables used in the study. Data was collected from a sample to examine the relationship between the variables in the data and answer the developed hypotheses. The primary source of data is used as there is no secondary data to utilize. Considering the sensitivity of the topic, staff of federal agencies, even though open, were reluctant to discuss the issues in the open, so as not to be seen as disloyal to the previous persons and impact their postings/positions. Therefore, survey research was best suited for this study. The data was interpreted using a table and the Ordinary Least Square (OLS) and regression analysis examined the significance of the relation among the variables. The questionnaire was developed and structured on a five (5)-point Likert-Scale of "Strongly Agree", "Agree", "Neutral", "Strongly Disagree", and "Disagree", and was administered to staff of the finance, internal audit unit, EFCC, and ICPC, among others.

Spearman correlation was used to analyze the data collected for the hypotheses.

Model Specification

$FD_i = \alpha_i + \beta_1 FS + \beta_2 AS + \epsilon_i$ , where:

FD = Fraud detection.

FS = Fraud skills.

AS = Audit Skills.

$\alpha$  = Intercept/Constant

$\beta_1, \beta_2, \beta_2$  = Coefficients of the independent variables.

$\epsilon$  = Error term



Table 1: Descriptive Analysis

S/N	VARIABLE	FREQUENCY	PERCENTAGE %
<b>1</b>	<b>Gender:</b>		
	Male	55	57.3
	Female	41	42.7
	Total	96	100
<b>2</b>	<b>Educational Qualification:</b>		
	BSc. /HND	57	59.4
	MSc. /MBA	34	35.4
	Ph.D.	5	5.2
	Total	96	100
<b>3</b>	<b>Age:</b>		
	Below 30 years	26	27.1
	30-40 years	46	47.9
	41-50 years	20	20.8
	Above 50 years	4	4.2
	Total	96	100
<b>4</b>	<b>Years of Existence:</b>		
	Below 5 years	22	22.9
	6-10years	20	20.8
	11-15years	32	33.3
	16years and above	22	22.9
	Total	96	100
<b>5</b>	<b>Professional Qualification</b>		
	ICAN	31	32.3
	ANAN	57	59.4
	Non	8	8.3
	Total	96	100
<b>6</b>	<b>Length of Service:</b>		
	1-5 years	28	29.2
	6-10 years	39	40.6
	11-15 years	15	15.6
	16 years and above	14	14.6
	<b>Total</b>	96	100
<b>7</b>	<b>Marital Status:</b>		
	Single	41	42.7
	Married	55	57.3
	Total	96	100
<b>8</b>	<b>Profession:</b>		
	Law Enforcement	16	16.7
	Accountant	80	83.3
	<b>Total</b>	96	100

Source: Authors' Computation, 2024. (SPSS version 23)

Table 1 above, is the descriptive values indicating the proportion of the gender of respondents - 57.3% (55) are male respondents while 42.7% (41) are female. The ages indicate that 27.1% (26) are below 30 years, 47.9% (46) are within 30 – 40 years, 20.8% (20) are within 41 - 50 years, and 4.2% (4) are 50 years and above. On educational qualification, 59.4% (57) have a BSc/HND/BA, 35.4% (34) have an MSc, and 5.2% (5), possess a Ph.D. Professionally, 32.3% (31) are ICAN-qualified, 59.4% (57) are ANAN members and 8.3% (8.) have professional qualifications. Table 1 above also considered the respondents' length of service and marital status.

**Table 2: Reliability Test: Cronbach’s Alpha**

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on		N of Items
	Standardized Items		
.883	.890		12

*Source: Authors’ Computation, 2024. (SPSS version 23)*

Table 2 indicates an excellent reliability test score of 0.883 as we assumed consistency with the degree of the instruments.

**Question Analysis**

**Table 3: Question Analysis**

Items	Statement	SA	A	N	DS	SD
<b>Fraud Detection</b>						
<b>FD1</b>	Fraud detection involves the identification of actual or potential fraud in an organization	31(32.3%)	62(64.6%)	3(3.1%)	0(0%)	0(0%)
<b>FD2</b>	It is a proactive risk assessment and reactive to a fraud report	31(32.3%)	61(63.5%)	4(4.2%)	0(0%)	0(0%)
<b>FD3</b>	It is key to the better performance of an organization	32(33.3%)	61(63.5%)	3(3.0%)	0(0%)	0(0%)
<b>FD4</b>	Fraud detection is the identification of possible prediction of fraud associated with known fraudster and their actions in the past	31(32.3%)	61(63.5%)	4(4.2%)	0(0%)	0(0%)
<b>Forensic Skills</b>						
<b>FS1</b>	Investigative and questioning skills are key concepts to fathom the secrete behind any crime	32(33.3%)	61(63.5%)	2(2.0%)	1(1.0%)	0(0%)
<b>FS2</b>	Statistical skill and analytical skills are important for forensic accountants to be able to investigate big data and predictive analysis of figures	26(27.0%)	68(70.8%)	1(1.0%)	1(1.0%)	0(0%)
<b>FS3</b>	Cognitive skills an important for forensic accountants	20(20.8%)	72(75.0%)	3(3.1%)	1(1.0%)	0(0%)
<b>FS4</b>	Legal and regulatory knowledge must be known by forensic accountant	20(20.8%)	72(75.0%)	3(3.1%)	1(1.0%)	0(0%)

		Audit Skills				
<b>AS1</b>	Analytical skill is an important skill for an auditor to analyze, identify trends, and detect abnormalities in the records of any organization	18(18.8%)	65(67.7%)	8(8.3%)	4(4.2%)	1(1.0%)
<b>AS2</b>	Communication skills are crucial to an auditor to enable him to communicate effectively his findings and recommendations to the stakeholders of an organization	20(20.8%)	65(67.7%)	7(7.3%)	3(3.1%)	1(1.0%)
<b>AS3</b>	Technical skills must not be underestimated in auditing because an auditor must know accounting standards, tax laws, and industry regulations.	20(20.8%)	67(69.8%)	7(7.3%)	2(2.1%)	0(0%)
<b>AS4</b>	Risk Assessment skill is important to any audit assignment to identify and prioritize audit areas with high-risk	20(20.8%)	65(67.7%)	8(8.3%)	3(3.1%)	0(0%)

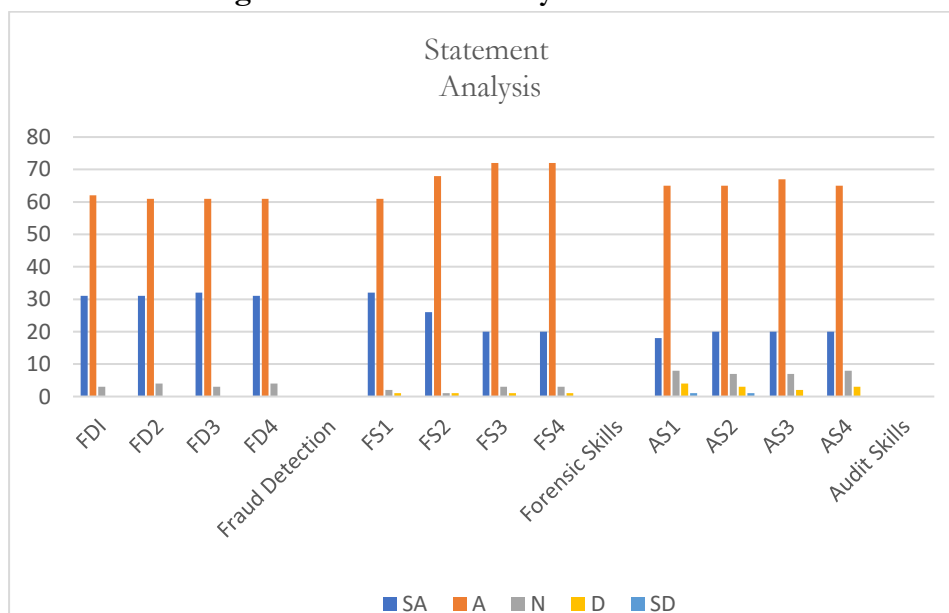
**Source:** Authors' Computation, 2024. (SPSS version 23)

Table 3 analyses the contents of the administered questionnaires in numbers and percentages in brackets. The figure below depicts the graphical representation of the various statements in the questionnaire

**Note:**

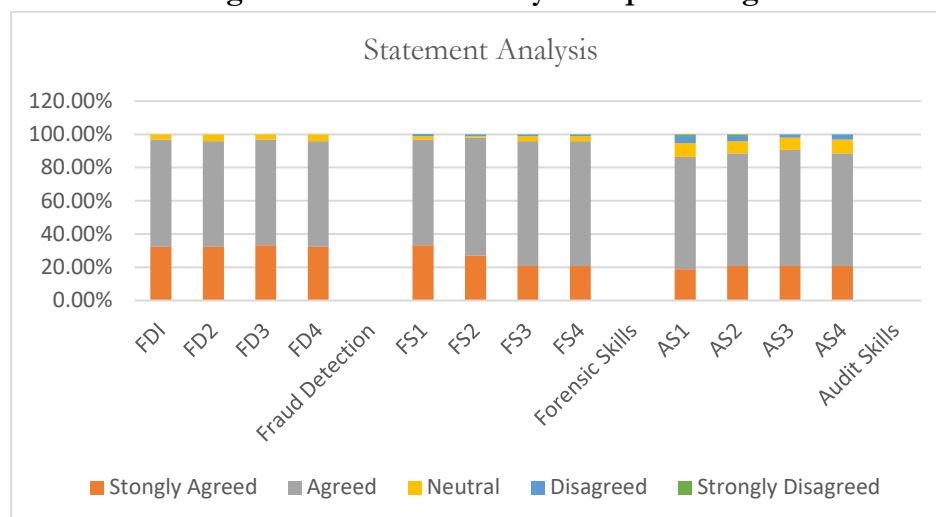
SA: Strongly Agreed, A: Agreed, N: Neutral, D: Disagree, and SD: Strongly disagree

**Figure 1: Statement Analysis in numbers**



**Source:** Authors' Computation, 2024

Figure 2: Statement Analysis in percentages



Source: Authors' Computation, 2024

\*\* +/- computation error

The graphs are a representation of the outcomes of the administered questionnaires in number and percentage of responses.

### Test of Hypotheses

Decision rule: Accept null hypothesis if  $p\text{-value} > 0.05$  and reject alternative hypothesis. Reject the null hypothesis if the  $p\text{-value} < 0.05$  and reject the alternate hypothesis.

The tables below show the results obtained from multiple regression for the hypotheses and their interpretations.

Table 4: Correlations

		Fraud detection	Fraud Skill	Audit Skill
Spearman's rho	Fraud detection	Correlation Coefficient	1.000	.069
		Sig. (2-tailed)	.	.507
		N	96	96
	Forensic Skill	Correlation Coefficient	.069	1.000
		Sig. (2-tailed)	.507	.
		N	96	96
	Audit Skill	Correlation Coefficient	.378**	.070
		Sig. (2-tailed)	.000	.500
		N	96	96

\*\* . Correlation is significant at the 0.01 level (2-tailed).

From Table 4, forensic skill is positive and proves that there is no significant relationship with fraud detection in the federal government agencies in Nigeria ( $p\text{-value}$  of  $0.507 > 0.05$ ), with a

corresponding correlation coefficient of 0.069, illustrating there is no significant relationship between forensic skills and fraud detection in federal government agencies in Nigeria ( $H_1$  is accepted). Furthermore, the results equally showed that there is a significant relationship between audit skills and fraud detection in the federal government agencies in Nigeria ( $p$ -value of  $0.000 < 0.05$ ) and a corresponding correlation coefficient of 0.378, proving  $H_2$  alternate to be realistic.

The empirical analysis showed that both forensic skills and audit skills have a positive relationship with fraud detection, but forensic skills were not significant while audit skills were significant which agrees with the findings of other researchers including ([Sulaiman et al., 2023](#)).

This is in corroboration with ([Okafor & Agbiogwo, 2016](#)), opining that possession of basic forensic skills could significantly aid in the reduction of fraud cases within an organization. To the best of the knowledge of the researcher, no study had a contrary result.

## CONCLUSION

From the analysis, it has been discovered that both forensic and audit skills have a positive relationship with fraud detection in the federal government agencies in Nigeria. Hence, we conclude that proper auditing activities are an important skill for fraud detection meaning a proper application of audit skills within the agencies poses a possibility of fraud detection considering the regular usage than forensic investigations.

Since the study proved that there is a significant relationship between audit skills and fraud detection, emphasis should be placed on training and awareness among the accountants, finance officers, and internal auditors within the agencies of the federal government with the requisite auditing/accounting qualifications paving the way to practice. Investigations of financial crimes without the application of the requisite knowledge and audit skills will mean inefficient representation in the courtroom. This seems to be a reason why anti-graft agencies are consistently losing fraud cases in Nigerian courts, impacting government resources (money, material, and manhours) in executing such cases.

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