



The Role of Forensic Accountants in Fraud and Corruption Cases and Its Impact on Business Development: The Case of Saudi Arabia

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Abstract

The purpose of this study is to investigate the role of forensic accountants in different fraud and corruption cases and its impact on business development. Drawing on the Fraud Triangle Theory by Cressey (1953) and the theoretical concept of capability by Wolfe and Harmanson (2004) this study focuses on the significance of ‘opportunity’, ‘pressure’, ‘rationalization’ and ‘capability’ for forensic accountants in addressing fraud and corruption issues and evaluates the influence of their findings on business development. The study relied on a mixed method design to conduct the research.

Keywords: *forensics accountants, corruption, fraud, fraudulent dimensions, business development*

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An online survey questionnaire of 1100 was sent out targeted a diverse group of forensic accountants in Saudi Arabia with varying levels of experience and expertise. 101 participants responded. A semi-structured interview with 38 fraud accountants and a thematic analysis were used to analyze the interviews. The findings of the study revealed that the 'opportunity', 'pressure', 'rationalization', and 'capability' are important dimensions that shape the role of forensic accountants. Majority of respondents reported uncovering fraudulent activities in their investigations and its impact on business development. This study extends to policymakers, practitioners, and the broader field of forensic accounting to leverage investigative methodologies, improve risk management processes, and enhance business development strategies.

1. Introduction

Fraud and corruption have become increasingly common in today's business world, posing a significant threat to companies worldwide (Villaescusa and Amat 2022). These unethical practices can cause severe financial loss, reputational damage, and legal repercussions. The role of forensic accountants in detecting and investigating fraud and corruption cases has become increasingly crucial in recent years. Forensic accountants use their specialized knowledge of accounting, auditing, and investigation techniques to identify fraudulent activities, investigate them, and provide evidence for legal proceedings (Enofe, Utomwen and Danjuma, 2015; Alharasis et al., 2023).

Forensic accountants play an essential role in preventing and detecting fraud and corruption within organizations. Therefore, it can be considered to be the “financial equivalent of a crime scene” (Honigsberg, 2020). They are tasked with the responsibility of identifying and assessing potential risks, designing and implementing control systems to mitigate these risks, and conducting regular audits to detect any fraudulent activities. Forensic accountants also work with law enforcement agencies and other stakeholders to investigate and prosecute fraud and corruption cases (Rahman et al., 2023). The impact of fraud and corruption can lead to financial loss, tarnished reputation, loss of customers, and even legal repercussions. Companies that fall victim to fraud and corruption may struggle to attract investors, and their ability to operate effectively may be compromised (Brytting, Minogue and Morino, 2011). The Forensics accountants role is critical in

ensuring that businesses remain financially stable, maintain their reputation, and continue to attract investments (Al-Shaikh and Al-Adeem, 2023)

The investigative role of forensic accountants in different fraud and corruption cases is an area that requires further exploration (Ebaid, 2022). Research on this topic is essential in identifying the various types of fraud and corruption cases that forensic accountants investigate, the methods they use to detect and investigate these cases, and the impact of their findings on business development (Wahyuni et al., 2021; Kaur et al., 2023; Ozili 2023). The aim of this research proposal is to investigate the investigative role of forensic accountants in different fraud and corruption cases and its impact on business development. The study will provide valuable insights into the contributions of forensic accountants in preventing and detecting fraud and corruption within organizations and provide recommendations for improving their effectiveness. The research contributes to knowledge by responding to the call for research from Journal of Financial Reporting and Accounting Special Issue (2023) to study the role of forensic accountant in business development, particularly in alleviating the fraud risk and the litigation risk.

The paper aims to explore the investigative role of forensic accountants in various fraud and corruption cases and how their work impacts business development. To achieve the aim of the study the following objectives as follow:

1. Examine the role of forensic accountants in investigating fraud and corruption cases, including the tools and techniques utilized to identify and analyze evidence.
2. Examine the impact of forensic accountants' work on business development, including the prevention and detection of fraud and corruption, the restoration of financial stability, and the preservation of the organization's reputation.

The paper begins by conducting a literature review examining the various types of fraud and corruption that forensic accountants encounter, including embezzlement, financial statement fraud, bribery, and money laundering and the theoretical framework will be presented, followed by method section that explains the methods i.e. data collection and analysis etc. The fourth section will present the results and findings of the research flowed by conclusion section.

2. Literature review

2.1. *Concept of forensic accounting*

Forensic accounting, which is also known as investigative accounting or fraud audit, is a combination of forensic science and accounting (Campa et al., 2023). Forensic science is defined as the application of the laws of nature to the laws of man and forensic scientists are examiners and interpreters of evidence and facts in legal cases that offer expert opinions in court. Forensic accounting, defined as the application of specialized knowledge and specific skills to uncover evidence of economic transactions. It is an integration of accounting, auditing, and investigative skills and is suitable for legal review, offering the highest level of assurance and scientific accuracy (Joshi, 2003; Coenen, 2005; Grima et al., 2020). It has two main areas, namely, litigation support and investigation and dispute resolution. Litigation support involves presenting factual economic issues related to existing litigation, and the forensic accountant may assist in resolving disputes before they reach court action. Dispute resolution involves determining criminal matters such as securities fraud, financial settlement, identity theft, and insurance fraud. In complex cases, forensic accountants make recommendations or actions that can be taken to minimize future risks or losses (Asuguo, 2012).

2.2. *Consequences of financial misconduct*

The significance of forensic accounting is highlighted by the severe consequences of financial misconduct, which can cause significant monetary harm, as well as psychological damage to victims, particularly elderly individuals. Victims of financial misconduct suffer from reputational damage, broken relationships, and mental and physical health problems (Honigsberg, 2020). Forensic accounting is a broad field that encompasses more than just the detection of financial reporting misconduct and includes litigation support (Tickner & Button, 2021). The terminology used in the literature varies due to the interdisciplinary nature of the field. Financial misconduct has consequences not only for investors but also for employees, who may lose their jobs or experience wage declines (Khan, et al., 2023). Fraud prevention is essential for job creation and retention; as financial misconduct can lead to a rise in financially motivated crime (Alhumoudi and Juayr 2023).

2.3. The Role of forensic accounting

The role of a forensic accountant is to analyze, interpret, summarize, and present complex financial and business information in a manner that is understandable and properly supported (Aderibidge, 2000; Honigsberg, 2020). They investigate and analyze financial evidence, develop computerized applications to assist in analysis and presentation of financial evidence, communicate their findings in the form of reports, exhibits, and collections of documents, and assist in legal proceedings (ibid). They also provide preliminary advice, identifying key documents to be used as evidence, preparing detailed reports on the quantum of evidence, reviewing expert accounting reports, briefing legal counsel on financial and accounting aspects, and initiating measures for introducing environmental accounting (Wallace, 1999; Skalak et al., 2011). The forensic accountant can also intervene in cases of occupational fraud committed by employees. They may also engage in criminal investigations on behalf of the police force and an understanding of legal issues related to business activities (Owojori & Asaolu, 2009; Alharasis et al., 2023)

2.4. Different types of economic crimes

Fraud and corruption share similarities because they both involve using deceit to gain personal benefits (Kratcoski, 2018). However, corruption has a broader scope since it can facilitate a variety of other crimes, such as fraud. In both corruption and other crimes discussed, the perpetrator stands to gain a personal reward, such as money, property, or psychological satisfaction (Naylor, 2003; Lehman, 2020). For instance, a government clerk could engage in a corrupt act by creating a fake social security card for a friend, who could then use it to fraudulently obtain social security benefits. While the clerk may not receive any tangible reward, they could benefit from the friendship of the recipient (Ng'ang'a, 2015).

2.5. Effect of artificial intelligence on forensic accounting

As artificial intelligence continues to advance, there is a great opportunity for accountants and auditors to provide more value to their clients by utilizing these technologies (Mehta et al., 2022). Specifically, the use of AI can allow forensic accountants and auditors to focus on tasks that require human expertise, while leaving repetitive tasks to be handled by machines. Additionally, AI techniques have been applied successful use of expert systems. These systems

can provide advisory assistance during the forensic audit process and help assess the limits and framework of the planned audit program (Akour, Ala, Ali, & Afeef, 2021).

Kokina and Davenport (2022) argued that the advancements in data analytics and AI are causing fundamental changes in the field of accounting and auditing. The authors note that AI system focus on areas requiring higher-level judgment. Accounting firms are moving towards using natural language processing to attain a higher level of analysis, but the need for human accountants is still in demand (Metallo, 2020). They claimed that the remaining jobs for accountants will include acting as overseers of AI technology and carrying out tasks that are currently impossible with AI-based computers. The authors acknowledge the problem of bias in AI and whether humans using AI applications can engage in appropriate judgment (Davenport, 2017).

2.6. Impact of forensic accounting on business development

Ng'ang'a (2015) has discussed, the importance of proactive measures in fraud detection and prevention and the need for distinct structures within departments to enhance complementarity and avoid conflicts. A proactive approach that focuses on preventing fraud before it happens through techniques like duplicate entry identification is likely to be more effective in the long run. Companies should foster a specific tone at the top that emphasizes the importance of ethical behavior and discourages corrupt practices (Ngai et al., 2011). Furthermore, Ngai et al (2011) recommended that proper training should be given to senior management and employees to detect and prevent fraud are crucial. The more employees are trained in detecting and preventing fraud, the more effective the overall fraud prevention measures are likely to be. Overall, the study provides useful insights into the role of forensic accountants in fraud prevention in the insurance industry, and the recommendations it offers are likely to be valuable for insurance companies seeking to improve their fraud prevention efforts (Metallo, 2020).

3. Theoretical framework

To effectively prevent fraud, it is important for businesses to understand the factors that contribute to fraudulent behaviour, including who commits fraud, when it occurs, and why (Peterson and Buckhoff. 2004; Tickner & Button, 2021). Several theories have been proposed to explain the causes of fraud, with the Fraud Triangle Theory (FTT) by Cressey (1953) and the Fraud

Diamond Theory (FDT) by Wolfe and Hermanson (2004) being the most cited ones. Both theories identify elements that contribute to fraud. The FTT consists of three elements: perceived pressure, opportunity, and rationalization. Wolfe and Hermanson proposed the FDT as an extension of the FTT, adding capability as a fourth element. They argue that fraud cannot be successfully concealed unless the fraudster possesses the necessary capabilities, in addition to the other three elements.

Figure 1: The Fraud Triangle



Source: Albrech (2014, p.35).

The Fraud Triangle Theory, proposed by Cressey (1953), states that fraud occurs when three elements are present: perceived pressure, opportunity, and rationalization. Perceived opportunity arises when there are weaknesses in the control or governance systems, allowing individuals to exploit the organization for fraudulent activities. Rationalization involves the formulation of morally acceptable justifications or excuses for engaging in fraudulent behaviour. The FTT focuses on the three elements of pressure, opportunity, and rationalization, while the FDT adds the element of capability. By examining these theories, organizations can gain insights into the factors that contribute to fraudulent behaviour and develop strategies to prevent and detect fraud effectively (Abdullahi & Mansor, 2015; Tickner & Button, 2021).

Wolfe and Hermanson (2004) believe that the fraud triangle could be enhanced to improve both fraud prevention and detection by considering a fourth element. In addition to addressing incentive, opportunity, and rationalization, the authors' four-sided "fraud diamond" also considers an individual's capability: personal traits and abilities that play a major role in whether fraud may actually occur even with the presence of the other three elements. Opportunity opens the doorway

to fraud, and incentive and rationalization can draw the person toward it. Accordingly, the critical question is, “Who could turn an opportunity for fraud into reality?” Using the four-element fraud diamond, i.e. Incentive, Opportunity, Rationalisation and Capability. Capabilities to commit fraud are explicitly and separately considered in the assessment of fraud risk. By doing so, the fraud diamond moves beyond viewing fraud opportunity largely in terms of environmental or situational factors, as has been the practice under current and previous auditing standards (Mansour, 2015). The fraud diamond suggests that organizations and auditors need to go beyond traditional fraud prevention to mitigate fraud risks. Fraud risk assessments need to move beyond environmental assessments of fraud opportunity and consider explicitly the capabilities of individuals within the organization (Beasley, 1999). In addition to traditional fraud prevention and detection techniques, the fraud diamond’s focus on understanding the traits and abilities that enable individuals to recognize and exploit opportunities for fraud, organizations can take appropriate preventive and detective measures.

4. Methodology

The research design employed in this study is a mixed method approach, which is a combination of quantitative and qualitative research methods to meet the aims and objectives of the study. This approach allows for a comprehensive exploration of the investigative role of forensic accountants and its impact on business development in the context of fraud and corruption cases.

The participants in this study are professionals who have experience and expertise in the field of forensic accounting, including forensic accountants, fraud investigators, internal auditors, and professionals working in anti-corruption units of organizations. To ensure a diverse range of perspectives, participants were selected from various industries, including banking, manufacturing, healthcare, and government sectors. Samples of 38 participants were chosen i.e. auditors, accountants, and forensic accountant from different companies in Saudi Arabia. A semi-structured interview was conducted. All interviews lasted between 20 minutes to an hour. The age of the participants varies from 25 year- 50 years.

A questionnaire will be used as a primary data collection instrument to gather quantitative data from a larger sample of participants, developed based on a thorough review of existing

literature, best practices, and input from experts in the field of forensic accounting. Both closed-ended and Likert-scale type questions, addressing various aspects of the investigative role of forensic accountants and its impact on business development. Topics such as the types of fraud and corruption cases encountered, the techniques and tools used by forensic accountants, the outcomes of their investigations, and the resulting impact on business development (Saunders et al., 2012).

The questionnaire administered electronically using an online survey platform and contacted through professional networks, industry associations, and organizational databases. The survey invitation includes a brief explanation of the study's purpose, confidentiality assurances, and instructions for completing the questionnaire. 1100 questionnaires were delivered by email to various participants. 101 participants responded to the survey, which constitute the percentage 9.2% responding rate.

Quantitative data obtained and analyzed using appropriate statistical techniques. Descriptive statistics, such as frequencies, percentages, and means, will be used to summarize the demographic characteristics of the participants and the quantitative responses. This is similar to Alenazi et al., (2021) way of analyzing questionnaire data. Qualitative data from the interviews transcribed verbatim and analyzed using thematic analysis. The transcripts read and coded to identify recurring themes, patterns, and categories related to the investigative role of forensic accountants and its impact on business development. A coded framework analyzed to identify connections, similarities, and differences among participants' perspectives and experiences as indicated by Braun (2006). Four themes were formulated and discussed in the next section.

5. Results and analysis

This section presents the findings obtained from the research study and provides a comprehensive analysis of the data by highlighting the key patterns, trends, and relationships discovered during the research process.

Demographics play a crucial role in understanding various aspects of the respondent's interest in a study. Gender demographics provide gender ratios and disparities, researchers, policymakers, and advocates can identify inequalities, develop inclusive policies, and promote gender equity in areas such as education, healthcare, employment, and social services. Figure 1

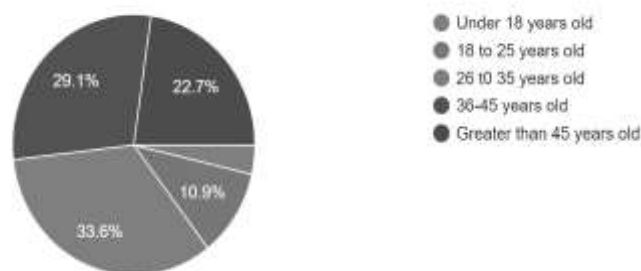
shows the gender of the respondents that took part in the study. The results show that 71.8% of the respondents were male while 28.2% of the respondents were female.

Figure 2: Gender of the respondents



Source: Authors' analysis

Figure 3: Age of the respondents



Source: Authors' analysis

Age serves as a key determinant of an individual's experiences, needs, and behaviors, influencing their interactions with society, their consumption patterns, and their overall contributions to the community. Figure 2 shows the distribution of age among the respondents that were sampled. Results from the figure show that most of the respondents with higher percent (33.6%) were aged 26 to 35 years and 29.1% of the respondents were aged 36 to 45 years.

The education level of respondents provides insights into their level of formal education and serves as a crucial factor in understanding their knowledge, skills, and perspectives. Table 1 provides the

results of the education level of the respondents that were sampled. Based on the results, most of the respondents (52.3%) hold bachelor's degree while the least hold middle school.

Table 1: Education level of the respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		3	2.7	2.7	2.7
	Bachelor's	58	52.3	52.3	55.0
	Diploma	7	6.3	6.3	61.3
	Doctorate	10	9.0	9.0	70.3
	High school	4	3.6	3.6	73.9
	Masters	28	25.2	25.2	99.1
	Middle school	1	.9	.9	100
	Total	111	100.0	100.0	

Source: Authors' analysis

5.1. Fraud and corruption, including their common characteristics and how they occur in businesses

The respondents were also asked whether they have been victims of fraud or corruption cases within their businesses. Table 2 presents the results that were obtained. The results show that most of the respondents (63.1%) have never been victims of frauds before while 21.6% of the respondents have been victims of fraud before. Further, 12.6% of the respondents said that, maybe they have been victims of fraud before.

Table 2: Ever been a victim of fraud or corruption within your business?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		3	2.7	2.7	2.7
	Yes	24	21.6	21.6	24.3
	No	70	63.1	63.1	87.4
	Maybe	14	12.6	12.6	100
	Total	111	100.0	100.0	

Source: Authors' analysis

Interviews that were conducted also showed the types of fraud or corruption that the respondents have experienced before. This was based on a thematic analysis that was conducted. The first theme, which represents the type of fraud or corruption, is asset misappropriation. This involves the theft or misuse of company assets by employees, such as cash, inventory, equipment, or intellectual property. For example, one of the respondents said *“One of my accountants had been involving himself in payroll fraud where he included two ghost workers into the payroll and he would pay the ghost workers into an account that could only be accessed by himself.”* Interview D1 This statement shows that the respondent has witnessed asset misappropriation, which is a type of fraud. The second theme is financial statement fraud, which is a type of fraud that some of the respondents have been victims. This type of fraud involves intentionally misrepresenting financial information to deceive stakeholders. It may include inflating revenues, understating expenses, manipulating reserves, or falsifying records to present a more favorable financial position. In fact, there is a respondent who said that one of his accountants used to collude with the auditors who used to audit the books of accounts of the business so that they do not raise an alarm regarding the fraud that he had been taking part. Therefore, in order to avoid such thing, the Fraud Triangle Theory stated that the three dimensions all dimensions should appear together to avoid fraud.

5.2. The role of forensic accountants in investigating fraud and corruption cases, including the tools and techniques they use to identify and analyze evidence

The respondents were asked whether they had used the services of forensic accountants to investigate fraud or corruption in their business. The results are provided in table 3. The results show that most respondents (61.3%) have never used the services of forensic accountants in investigating fraud cases while only 27% noted that they had used the services of forensic accountants while 10.8% noted that it was not applicable. The main reason for these findings could be attributed to the fact that most respondents have not been victims of fraud and as such do not necessarily need the services of forensic accountants.

Table 3: Ever used the services of a forensic accountant to investigate fraud or corruption within your business?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	.9	.9	.9
a. Yes	30	27.0	27.0	27.9
b. No	68	61.3	61.3	89.2
c. Not applicable	12	10.8	10.8	100.0
Total	111	100.0	100.0	

Source: Authors' analysis

Based on the interviews, several roles of forensic accountants were notable. Most of the respondents especially those who had been victims of fraud cases noted that forensic accountants are vital in investigating fraud and corruption cases. The respondents also noted that forensic accountants use risk assessments to identify potential areas of vulnerability in organizations. Furthermore, they use advanced data analytics techniques to detect patterns, anomalies, and trends in financial data that may indicate fraudulent activities. Additionally, they set up whistleblower hotlines to encourage the reporting of suspicions anonymously. Fraud Triangle Theory by Cressey (1953) and the theoretical concept of capability by Wolfe and Harmanson (2004) has given an explanation of this in that ‘capability’ enables social actor to commit an specific behavior, which opens the door for absence of Fraud Theory Triangle.

The respondents also noted that forensic accountants employ various techniques to identify illicit transactions and hidden assets. Bank statement analysis allows them to identify suspicious transactions and unusual patterns. By utilizing digital forensics, they recover and analyze electronic data to extract evidence from computers and other devices. One of the respondent said *“When I invited a forensic accountant to my business premise, he was so thorough in his investigations that he interviewed almost everyone in the organization including the security personnel. He had indicated to me that information that is given by all those individuals in the company is vital in uncovering the fraud that had happened in my organization.”* D38. This shows how important the forensic accountant was helpful similar to Fraud Triangle Theory by Cressey (1953) and the theoretical concept of capability by Wolfe and Harmanson (2004) concept.

The interviews also unraveled some of the tools conducting investigations in their organizations. Data analysis software helps them organize, analyze, and visualize large volumes of financial data efficiently. They may apply Benford's Law, a mathematical principle, to detect irregularities in numerical datasets. Additionally, they use financial modeling to simulate and test fraudulent schemes, and quantification of losses. This is similar to Fraud Triangle Theory by Cressey (1953) concepts of pressure, which indicate that unethical behavior; emerge from pressure dimension of fraud. Furthermore, forensic accountants are responsible for preparing comprehensive reports documenting their findings, methodologies, and conclusions for legal proceedings. Their ability to present complex financial information in a clear and concise manner is critical in conveying their expertise to the legal system. Most of the respondents noted that they were provided with a report from the forensic accountants upon completion of their investigations. This is similar to 'rationalization' concept and 'pressure' concept of Fraud Triangle Thoery by Cressey (1953).

It is important to highlight that forensic accountants work closely with law enforcement agencies, lawyers, digital forensics experts, and auditors. Most respondents noted that they had to involve the police and lawyers. These stakeholders help gather evidence, build cases, and support legal proceedings. The work of forensic accountants plays a significant role in uncovering financial fraud and corruption, ultimately contributing to the administration of justice worldwide. This is similar to 'rationalization' concept and 'pressure' concept of Fraud Triangle Thoery by Cressey (1953).

5.3.The impact of forensic accountants' work on business development, including the prevention and detection of fraud and corruption, the restoration of financial stability, and the preservation of the organization's reputation.

The study sought to determine the impact of forensic accountants' work on business development, and the preservation of the organization's reputation. As such the respondents were asked to rate the effectiveness of forensic accountant's investigative techniques in uncovering the fraud and corruption. The results are presented in table 4. Based on the results, most respondents (41.4%) said that the question was not applicable to them. For the respondents who the question was applicable to, most of them (34.2%) said that the forensic accountants were very effective in uncovering fraud or corruption, 17.1% said that they were somewhat effective while just 4.5% said that they were ineffective. This shows that this is similar to Kratcoski (2018) findings, in that the

fraud accountants would contribute to businesses development particularly the prevention and detection of fraud and corruption, the restoration of financial stability and the preservation of the organization reputation.

Table 4: How effective were the forensic accountant's investigative techniques in uncovering the fraud or corruption?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3	2.7	2.7	2.7
a. Very effective	38	34.2	34.2	36.9
b. Somewhat effective	19	17.1	17.1	54.1
c. Ineffective	5	4.5	4.5	58.6
d. Not applicable	46	41.4	41.4	100.0
Total	111	100.0	100.0	

Source: Authors' analysis

The respondents were also asked how the investigation impacted their organizational development. The results are presented in table 5. Based on the results, it is evident that most respondents (40.5%) noted that the investigation impacted their business development positively, 7.2% noted that the investigation impacted their business development negatively while 7.2% noted that the investigation did not impact their business development as noted by Akour et al, (2021)

Table 5: How did the investigation impact your business development?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	4	3.6	3.6	3.6
a. Positively	45	40.5	40.5	44.1
b. Negatively	8	7.2	7.2	51.4
c. No impact	8	7.2	7.2	58.6
d. Not applicable	46	41.4	41.4	100.0
Total	111	100.0	100.0	

Source: Authors' analysis

The respondents were also asked whether the costs associated with hiring a forensic accountant were justified by the results of the investigation (Table 6). Out of the respondents whom the question was applicable, most of them (24.3%) noted that the costs were completely justified, 18.9% noted that the costs were partially justified while only 4.5% noted that the costs are not justified. The results show that indeed forensic accountants provide great results at a reasonable cost as noted by Asugbo (2012).

Table 6: Were the costs associated with hiring a forensic accountant justified by the results of the investigation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		4	3.6	3.6	3.6
	a. Yes, completely justified	27	24.3	24.3	27.9
	b. Partially justified	21	18.9	18.9	46.8
	c. Not justified	5	4.5	4.5	51.4
	d. Not applicable	54	48.6	48.6	100.0
	Total	111	100.0	100.0	

Source: Authors' analysis

The respondents were asked whether they would consider hiring a forensic accountant again if a similar situation arose within their business (Table 7). Most of the respondents (37.8%) stated that they would consider hiring a forensic accountant while only 3.6 said they would not consider hiring a forensic auditor. This is different from Alenazi (2021), which means that this study finds that there is strong association between having the need for forensic accountant and business development.

Table 7: Would you consider hiring a forensic accountant again in the future if a similar situation arose within your business?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1.8	1.8	1.8
a. Definitely	42	37.8	37.8	39.6
b. Probably	27	24.3	24.3	64.0
c. Not sure	33	29.7	29.7	93.7
d. Probably not	3	2.7	2.7	96.4
e. Definitely not	4	3.6	3.6	100.0
Total	111	100.0	100.0	

Source: Authors' analysis

6. Summary of findings, discussion and conclusion

The findings from the questionnaire revealed that a significant proportion of businesses, 61.8%, have never engaged with a forensic accountant. This suggests a substantial gap in the utilization of forensic accounting services in the context of fraud and corruption cases. Among the businesses most common types of fraud and corruption cases encountered were asset misappropriation, financial statement fraud, and bribery. Supported by Downe et al, (2018), Garrow and Awololwo (2018), Garrow et al., (2019) and Elenzi et al (2021) have emphases on the importance of the role of investigative forensic accountant on the business development. Therefore, the findings of this research contribute to the Elenzi (2021) in empirically examining the role of investigative fraud/forensic accountants. The findings indicated that forensic accountants employ data analysis and forensic auditing procedures, followed by interviews and document examination, effective in identifying and detecting fraudulent activities and gathering evidence for legal proceedings (Awolowo, 2019). Furthermore, in terms of the impact on business development, businesses that had engaged with forensic accountants reported positive outcomes as they prevent and detect fraud and corruption, improving internal controls, and enhancing the overall governance structure of their organizations. Moreover, this resulted in increased stakeholder trust and confidence, improved risk management practices, and better compliance with

legal and regulatory requirements. Fraud Triangle Theory by Cressey (1953) and the theoretical concept of capability by Wolfe and Harmanson (2004) on appearance of internal control system and good governance control would prevent companies from fallen victims of fraud. The study findings add to the literature by confirming that strong internal governance systems are associated with less fraud.

The findings of the study shed light on the use of sophisticated data analytics software; forensic accountants are able to uncover patterns, anomalies, and discrepancies that may indicate fraudulent activities. As discussed by Fraud Triangle Theory by Cressey (1953) and the theoretical concept of capability by Wolfe and Harmanson (2004) that the concept of rationalization would put boundaries on any unethical behavior whether is financial or non financial. This is similar to (Awolowo (2019) and Alhumoudi and Juayr (2023) findings, which confirm the idea that when the company acquire solid control system, it would help for fraud prevention.

The study revealed that the methodologies employed by forensic accountants are generally effective in detecting fraud and corruption. A significant majority of respondents reported successfully uncovering fraudulent activities in their investigations. Thus the concepts of Fraud Triangle Theory by Cressey (1953) and the theoretical concept of capability by Wolfe and Harmanson (2004) emphasizes on the important of the role of the forensic accountants and their strong influence in detecting errors and fraud. Furthermore, the research findings emphasized the impact of forensic accountants' findings on business development. The insights gained from their investigations play a crucial role in shaping internal controls, risk management strategies, and overall business decision-making processes. The findings enable businesses to proactively address issues related to fraud and corruption, safeguard their assets, and maintain the trust of stakeholders. Similar findings were found on previous literature (Ngai et al., 2011; Abdullahi & Mansor, 2015; Brender et al., 2015; Garrow et al., 2019; Chin et al., 2019; Akour et al., 2021; Kokina and Davenport, 2022).

The study's originality lies in its exploration of the investigative role of forensic accountants in fraud and corruption cases and its impact on business development. While previous research has focused on the technical aspects of forensic accounting, this study bridges the gap by examining the practical implications and outcomes of their work. The paper contribute to Fraud

Triangle Theory by Cressey (1953) and the theoretical concept of capability by Wolfe and Harmanson (2004) in showing how different dimensions of Fraud explains the investigative role of forensic accountant, in particular how a social actor 'capability' could leverage and ease fraud. The appearance of Fraud Triangle Theory dimensions by Cressey (1953) is vital to make the role of forensic accountants effective.

Future research should explore the barriers and challenges that hinder the engagement of businesses with forensic accountants. Additionally, a more in-depth examination of the specific benefits and cost-effectiveness of forensic accounting services would provide further insights into their impact on business development. Overall, the findings emphasize the importance of recognizing the role of forensic accountants in combating fraud and corruption and highlight the potential benefits of their involvement for businesses. By bridging the gap between businesses and forensic accounting services, organizations can better protect their interests, mitigate risks, and foster sustainable business development.

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Sažetak

Svrha ove studije je istražiti ulogu forenzičnih računovođa u različitim slučajevima prevare i korupcije i njihov utjecaj na razvoj poslovanja. Oslanjajući se na teoriju trokuta prevare Cresseya (1953) i teorijski koncept sposobnosti Wolfea i Harmansona (2004), ova studija se fokusira na značaj 'prilike', 'pritiska', 'racionalizacije' i 'sposobnosti' za forenzične računovođe baveći se problemima prevare i korupcije i ocjenjuje uticaj njihovih nalaza na razvoj poslovanja. Studija se oslanjala na dizajn mješovitih metoda za provođenje istraživanja. Upitnik za online anketu je poslan na 1100 adresa za raznoliku grupu forenzičnih računovođa u Saudijskoj Arabiji s različitim nivoima iskustva i stručnosti. Odazvao se 101 učesnik. Dodatno je urađeno 38 polustrukturiranih intervjua sa 38 forenzičnih računovođa, koji su obrađeni tematskom analizom. Nalazi studije otkrili su da su 'prilika', 'pritisk', 'racionalizacija' i 'sposobnost' važne dimenzije koje oblikuju ulogu forenzičnih računovođa. Većina ispitanika je izjavila da je u svojim istragama otkrila lažne aktivnosti i prikazala njihov uticaj na razvoj poslovanja. Ova studija se proteže na kreatore politike, praktičare i šire polje forenzičnog računovodstva kako bi iskoristile istražne metodologije, poboljšali procese upravljanja rizicima i poboljšale strategije razvoja poslovanja.

Ključne riječi: *forenzične računovođe, korupcija, prevare, prevarne dimenzije, razvoj poslovanja.*