



Forensic Accounting Practices and Economic Fraud Detection in a Knowledge-Based Economy

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Abstract

The study examined forensic accounting practices and economic fraud detection in a knowledge-based economy. The objectives of the study were to ascertain the extent to which forensic accountants' professional skepticism and interviewing skills can help detect economic fraud. Also, to find out the extent to which advancement in forensic accounting education enhances economic fraud detection. The population for the study includes 303 staff members from the EFCC Lagos Metropolis. A purposive technique was deployed to determine the sample size of 260 staff in the Commission. The primary source of data was a structured questionnaire. 260 questionnaires were administered to the respondents, of which 250 were filled out and returned. The study adopted descriptive statistics, which involves mean and standard deviation, while correlation regression analysis was used to test the hypothesis. Findings revealed that forensic accountants' professional skepticism and interviewing skills have a significant positive effect on economic fraud detection. Based on the above, it is recommended that forensic accounting education should be enhanced as it aids in economic fraud detection.

Keywords: Forensic accounting, auditing, Fraud, Skepticism

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Background to the Study

A knowledge economy is where knowledge, information, and expertise are the primary drivers of economic growth, innovation and prosperity. In such an economy, knowledge creation, dissemination and application are considered key factors in generating wealth and improving quality of life. The economy thrives with an intellectual capital-based system of production and consumption. A knowledge-based economy invests in education, capacity building, research, and scientific discoveries. Intangible assets like workforce expertise and intellectual property may account for a sizable portion of the value of the knowledge-based economy (Hayes, 2024). A knowledge-based economy is characterized by complex financial transactions, innovative financial instruments and sophisticated business models. Forensic accounting is gaining dominance in the field of accounting and becoming a productive asset in fighting economic crime in the knowledge-based economy. Nigeria's economy is not an exception to the global economic and financial fraud crisis. Fraud is a universal downside as no nation is immune, though developing countries suffer most from this menace. There is a strong need for institutions and governments to identify these financial and economic crimes. However, economic and financial fraud are hard to find, and most fraud is not disclosed for fear of negative publicity, which erodes investor trust. The increased frequency of fraud led to the development of forensic accounting (Modugu & Anyuduba, 2013).

Forensic accounting is a specialized field of accounting that combines accounting, auditing and investigative techniques to help uncover fraud, embezzlement and other financial crimes and provide evidence in legal proceedings (Taiya, Jugu and Ojaide, 2021). The most sophisticated way of carrying out fraudulent activities in public and private sectors is through accounting and financial records. Forensic accountants analyze financial data and transactions to identify irregularities and anomalies. They investigate fraud allegations and gather evidence. They help resolve legal disputes related to financial matters and assist in the recovery of assets and funds. Key aspects of forensic accounting are investigative work, data analysis, financial reporting, litigation support, fraud detection, asset tracing, damage calculation and regulatory compliance. The work of a forensic accountant is crucial in uncovering financial crime, resolving disputes and ensuring justice is served.

Forensic accountants are believed to possess the education and expertise required to address financial and economic problems. The American Institute of Certified Public Accountants (AICPA) created Certified Financial Forensics (CFF) to enhance the proficiency of Certified Public Accountants based on the prediction that forensic accounting professionals would be highly sought after in the coming years (AICPA, 2008). Although auditing may uncover certain financial and economic crimes, forensic accounting is thought to provide the technique needed for the comprehensive knowledge of these crimes and their subsequent prosecution in the knowledge-based economy. Forensic accounting plays a key role in closing the audit expectation gap. It contributes to discovering, preventing and prosecuting financial and economic crimes, making a tangible difference in the field. Forensic accountants may be asked to calculate economic damages due to a breach of contract or provide insight into a case based on a professional negligence claim.

In Nigeria, the Economic and Financial Crime Commission (EFCC) is an enforcement agency responsible for investigating and prosecuting economic and financial crimes. Forensic accountants working with the EFCC aid to uncover various fraudulent activities, including money laundering, embezzlement, fraudulent misappropriation of funds, asset theft, financial statement fraud, cybercrime and online fraud, tax fraud, fraudulent loans, accounting fraud, and advance fee fraud. Furthermore, forensic accounting plays a crucial role in closing the audit expectation gap concerning the discovery, prevention, and prosecution of financial and economic crimes. This is because forensic accounting includes investigation, litigation support, and dispute resolution (Taiya, Jugu & Ojaide, 2021). The rise in economic fraud in developing and developed nations has highlighted the necessity of utilizing its methodologies (Modugu & Anyaduba, 2013). Hence, economic fraud cases in the knowledge economy can be investigated and detected by appropriately implementing forensic accounting techniques. Research on economic fraud and the applicability of forensic accounting methods in their detection in Nigeria is essential. Therefore, this study examines forensic accounting practices and economic fraud detection in a knowledge-based economy using the EFCC department in Lagos Metropolis. This study, hence, seeks to explore the extent to which forensic accounting professional skepticism, interviewing skills and advancement in forensic accounting education enhances economic fraud detection in Nigeria.

Statement of the Problem

As the world economy improves technologically, there is also a scientific increase in financial fraud, making applying conventional accounting techniques in its investigations challenging. This creates an extensive gap among the users of accounting information as it relates to auditing and investigation since it does not assist in fraud detection. The enactment of economic crimes and financial irregularities promotes the customs of the Nigerian public and private sectors, wherein individuals engage in corrupt and fraudulent activities in their official positions (Owolabi, 2007). It becomes imperative that there be a highly sensitive and scientific technique that can be used to determine fraud and the collaborators, hence the perception of the roles and areas of application of forensic accounting by accountants and auditors. As a result, there is a widespread belief that forensic accounting could detect and stop the financial fraud present in the Nigerian economy.

According to Saman (2019), 39% of firms worldwide have considered hiring a forensic accountant to detect fraud since forensic accounting is seen as taking a more advanced role in fraud prevention, detection and management. However, its use and effectiveness have raised serious concerns. It has been argued that it is used mainly in the aftermath of fraud to find the perpetrators and how it was carried out to avoid future occurrences (Okoye, Adeniyi and James, 2019). The intelligence of those who perpetrate fraud has called into question the usefulness and need of forensic accounting as a detection tool. The rise in economic fraud in developing and developed nations has highlighted the necessity of utilizing forensic accounting professional skepticism skills, interviewing skills and advanced forensic accounting education to enhance economic fraud detection in Nigeria. Interviewing skills are required to induce a degree of admission of guilt by the persons involved in the fraud. Professional skepticism is necessary when evaluating the veracity of claims, allowing the

forensic accountant to conduct the forensic accounting process with a high degree of confidence in the allegations. Besides, advancements in forensic accounting education play a crucial role in closing the audit expectation gap regarding discovering, preventing, and examining economic crimes. Hence, using the stated variables, this study is essential to determine how forensic accounting practices contribute to economic fraud detection in Nigeria. To the researcher's knowledge, existing studies on forensic accounting have primarily focused on organizational settings, with limited research conducted in the public sector using primary data. This study addresses this gap by exploring the application of the forensic accounting variables indicated in this study in the public sector and providing new insights and contributions to the existing literature.

Objectives of the Study

The objective is to examine forensic accounting practices and economic fraud detection in a knowledge-based economy. Specifically, the study examines:

- i. The extent to which forensic accountant professional skepticism can help detect economic fraud in a knowledge-based economy.
- ii. The extent to which interviewing skills of forensic accountants can detect economic fraud in a knowledge-based economy.
- iii. The extent to which advancement in forensic accounting education enhances economic fraud detection in a knowledge-based economy.

Research Questions

- i. To what extent does forensic accountant professional skepticism help detect economic fraud in a knowledge-based economy?
- ii. To what extent does the interviewing skills of forensic accountants help detect economic fraud in a knowledge-based economy?
- iii. To what extent does advancement in forensic accounting education enhance economic fraud detection in a knowledge-based economy?

Hypotheses

- i. Forensic accountants' professional skepticism cannot detect economic fraud in a knowledge-based economy.
- ii. Interviewing skills of forensic accountants cannot detect economic fraud in a knowledge-based economy.
- iii. Advancement in forensic accounting education cannot enhance economic fraud detection in a knowledge-based economy.

Concept of Forensic Accounting

Forensic accounting is a specialized field of accounting that combines accounting, auditing and investigative techniques to help uncover fraud, embezzlement and other financial crimes and provide evidence in legal proceedings (Taiya, Jugu and Ojaide, 2021). Unlike debit and credit accounting, forensic accounting offers an accounting analysis that is appropriate for the organization in settling any dispute that may occur in such firms. According to Okoye (2006), an accounting system is the act of recognizing, measuring, and providing economic

information to enable users of the information to make educated decisions. A financial investigation is a specific purpose review of an organization or economic accounting record. Forensic accounting is the result of the confluence of accounting, auditing, and investigation. Forensic accounting focuses on the documentation of financial transactions and reporting as it appears in an accounting system, as well as the legal framework that permits the use of such documentation to demonstrate accountability (Dada, 2014).

Forensic accounting is accounting that may pass legal scrutiny, provides the highest degree of certainty, and has the widely acknowledged implication of having been determined using scientific means. In a knowledge-based economy, education, knowledge and human capital are productive assets that help shape the economy. Forensic and investigative accounting involves the application of specialized financial expertise and investigative techniques to resolve complex, uncertain issues, adhering to established rules of evidence (Jassim, Husni and Haider, 2024). Forensic accounting practices apply accounting discipline to resolve disagreements about facts in commercial disputes. Another definition of forensic accounting is applying financial accounting and investigative skills to a standard recognized by the courts to handle disputes in civil and criminal litigation (Okeye and Gbegi, 2013).

Forensic accounting practices involve using legal processes, accounting techniques, and investigative operations to identify and investigate financial and related economic fraud. Financial fraud detection, deterring economic crime, and providing accurate financial data for legal proceedings depend on forensic accounting. The growing significance of financial fraud can be attributed to corporations and law enforcement agencies realizing the necessity for specialist personnel to detect and mitigate financial fraud effectively (Nadaf, 2023). As a field, forensic accounting includes knowledge of fraud, financial skills and a solid grasp of both corporate realities and the operation of the legal system. Typically, on-the-job training and experience working with investigating officers and legal counsel can help it develop. Forensic accountants use accounting, auditing, and investigation skills when investigating. They usually provide comprehensible and well-documented analyses. They also interpret and summarize information presented for informed decisions.

Additionally, they often work on a variety of activities, including looking into and evaluating financial data, creating computerized systems, displaying papers, and presenting the data they have collected. Forensic auditing combines legal, accounting, and auditing. Forensic auditing is the science of obtaining and presenting data in a way that the legal system can accept in a court of law against economic crime (Kayo, 2003). Over the last 10 years, several alarming and scandalous fraud cases have occurred in Nigeria. EFCC is associated with an inclination for sophisticated arrest and invitation of top suspects before completing unlawful investigations. However, most highly placed persons often go unpunished due to the absence of forensic auditing expertise to prosecute the offenders using evidence (Oseni, 2017). The number of frauds committed is continuously increasing in the public sector. Hence, there is a need for forensic accounting practices. Forensic accounting practice uses the technique of analyzing and comparing field conditions with criteria to produce information about the length of time the fraud was committed, how it was committed, how much it cost, where it was done, and who

the perpetrators were, as well as quantitative evidence that could be used in court (Alabdullah et al., 2013). Forensic accountants are trained to look beyond the numbers and address the reality of the business situation. According to the evidence presented in court, analyzing today's intricate financial transactions and occurrences requires great competence (Rezaee et al., 2006). Forensic accounting investigation involves the application of forensic accounting skills and techniques to detect dishonest transactions. The skills include communication, interviewing, auditing, attention to detail, financial analysis, professional skepticism, and forensic accounting. This paper will focus on forensic accounting advancement, interviewing skills, and professional skepticism.

Interviewing Skills: Forensic accounting uses interview techniques to get an associated degree of admission of guilt by the persons involved in the fraud (Taiya, Jugu and Ojaide, 2021). Forensic accountants must conduct interviews appropriately since the information they glean may be used in legal proceedings and judgments. The interview process must be coordinated with an associate degree of professionalism.

Professional Skepticism: Professional skepticism is a necessary mindset when evaluating the veracity of claims or the evidence gathered, allowing the forensic accountant to conduct the forensic accounting process with a high degree of confidence in the allegations or evidence he has gathered while also taking the appropriateness and sufficiency of the evidence into account (Handoyo, 2019). Professional skepticism is a mindset that constantly challenges and critically assesses audit evidence and does not readily accept the audit evidence that management presents. In order to gather solid data that will serve as the foundation for pertinent audit evidence supporting the issuance of opinions regarding the reasonableness of the financial statements, the forensic accountant must possess professional skepticism skills (Adnyani, Atmadja and Herawati, 2014; Ciolek, 2017)). Researchers who concentrate on auditing have also attempted to define the concept of "professional skepticism." Researchers take a neutral stance or an assumption of skepticism in this situation. For instance, Hurtt's (2010) perspective on this idea falls into the neutral category. According to Hurtt (2010), auditors should resist deciding until they have acquired sufficient evidence. Professional skepticism is a multifaceted personal feature that can be classified as a trait or a condition (Hurtt, 2010). On the other hand, Nelson (2009) favours the presumptive doubt theory of professional skepticism, which holds that an auditor with a high level of skepticism must present comparatively more convincing evidence to support the conclusion that a claim is valid compared to the norm. Withholding judgment until appropriate evidence for findings is an essential characteristic of professional skepticism.

Effect of Forensic accounting practices on economic fraud detection

The frequency of fraud and corruption in Nigeria and other developing nations is so prevalent that it is progressively assimilating into everyday life. Since financial irregularities are widespread, nearly no one can genuinely avoid them. People who commit fraud and other corrupt practices in their official capacities range from managing directors of firms to public office holders. Financial irregularities impact the public and commercial sectors, but public office fraud is particularly alarming due to its scope and impact on citizens. It is becoming more

difficult for Nigeria to fulfill its social and welfare obligations to its citizens due to rising financial crimes. Nigeria's bankrupt economy, joblessness, insecurity, extreme poverty, slowed economic growth and progress, and several other social vices result from corruption and fraud (Oseni, 2017). Fraud and corruption are the most significant barriers to Nigeria's growth, development, and success. In many developing nations, corruption and fraud constitute a substantial additional business cost. Fraud and other financial crimes have a profound negative effect on economic development, and they undermine development by distorting the rule of law and weakening the institutional foundation upon which economic growth and development depend (Alhassan, 2020).

Forensic accounting has not been in high demand due to the comparatively low fraud rate in the prior decades. The increasing number of corporate controversies and company collapses, which were primarily caused by fraudulent actions of management and those in positions of authority over public funds, have increased the importance of forensic accounting in establishing trust in operations. Forensic accounting practices help combat fraud, particularly in Nigeria's public sector, where most institution managers have been involved in financial scandals. Forensic accounting practice is accounting-related litigation support. Therefore, to provide the evidence required in a litigation process, forensic accounting is essential because it involves the application of information that integrates the understanding of accounting, auditing, investigation, legal, psychology, computer, and criminology. It utilizes financial expertise and an investigative mindset within the context of rules of evidence to address outstanding issues (Osaloni and Olusola, 2023). Forensic accountants operate in challenging or complex regulatory and litigation environments and can reasonably reconstruct accounting records that have been lost, destroyed, or fraudulently altered (Saman, 2019).

Forensic accountants are competent at assessing the past and future levels of risk and return of any going concern, as well as all financial transactions involving assets, property, taxes and equity. Hence, it is assumed that forensic accounting significantly affects economic fraud detection. In a null shell, forensic accounting practices include:

- i. Improved fraud detection: Forensic accountants use specialized techniques and tools to analyze financial data, identify anomalies, and uncover hidden patterns, leading to increased detection of fraudulent activities.
- ii. Enhanced evidence collection: Forensic accountants collect and analyze evidence in a manner that is admissible in court, strengthening the case against fraud perpetrators.
- iii. Deterrent effect: Forensic accounting practices can deter potential fraudsters, as they know that their actions are more likely to be detected and prosecuted.
- iv. Reduced fraud losses: Early detection and prevention of fraud through forensic accounting practices can minimize organizational and economic financial losses.
- v. Increased accountability: Forensic accounting practices promote accountability by holding individuals responsible for fraudulent actions.
- vi. Enhanced regulatory compliance: Forensic accountants ensure that organizations comply with relevant laws and regulations, reducing the risk of legal and financial consequences.

Theoretical Review

The theories guiding this study include Forensic Accounting Theory and The Fraud Triangle Theory.

Forensic Accounting Theory

According to Ozili (2020), forensic accounting theory examines how the selection of forensic detection techniques and methodologies and the interpretation of the results of the forensic inquiry are influenced by accounting and non-accounting decisions made at the beginning, middle or end of the investigation process. According to forensic accounting theory, the forensic investigator's evaluation of accounting and non-accounting decisions is reflected in the tools and methodologies employed to identify fraud. Stated differently, the central tenet of forensic accounting theory is that the selection of forensic detection techniques is contingent upon the accounting and non-accounting decisions made by the forensic investigator at the onset, during or at the end of the fraud detection process rather than being solely determined by the forensic investigator's experience, expertise or knowledge. Accordingly, forensic accounting theory suggests that the methods and techniques selected to identify creative accounting or manipulations in financial reporting and the results obtained from applying them indicate the accounting and non-accounting decisions that the forensic accountant or investigator considered.

One working assumption is that the human goal of forensic investigation is to find unsolved concerns and recommend remedial measures to deter future occurrences. Another assumption is that the results and conclusions of a forensic inquiry should not cause the convicted person to pass away or the guilty company to fail. If this presumption is false, forensic investigators could try to bring the company or the person they are looking into disreputable behaviour to ruin. This presumption is essential because it eliminates the forensic investigator's prejudice, ensuring it does not affect the forensic inquiry. This theory is relevant to the current study because it is crucial in informing and guiding accounting practices, particularly in detecting economic fraud. By applying forensic accounting theory to practice, forensic accountants can improve the detection and prevention of economic fraud, enhance the quality of financial investigations, and provide more effective expert evidence.

The Fraud Triangle Theory

The fraud triangle theory was first introduced by Donald Cressey in 1950 and later popularized by Steve Albrecht. Cressey, a criminologist, began researching fraud in 1950, asserting that every human action is motivated by a specific goal or intention. His research focused on understanding the motivations behind trust betrayals, seeking to answer fundamental questions such as: what drives individuals to commit fraudulent acts? Over five months, he interviewed 250 people who began with genuine trust-based roles but later violated that trust. According to this theory, three essential conditions must converge for a crime to occur: pressure (a motivating factor that drives the individual to commit the crime), opportunity (a circumstance that enables the individual to carry out the crime) and justification (a rationalization that allows the individual to justify their actions morally) (Mansor, 2015).

According to Cressey, trust violators believe they have a non-shareable financial problem which can be solved covertly by a breach of the position of financial trust (Cressey, 1953, cited in Mansor, 2015). According to this theory, the individuals may apply verbalizations to their behaviour in that scenario that allow them to modify how they view themselves as trusted individuals and how they view themselves as stewards of the entrusted money or property. Relating this theory to the study, there is a high level of fraud in the public sector, from corruption to embezzlement, which has led to the introduction of forensic accounting practice to help detect economic fraud. There is no fraud detection when there is no occurrence of fraud. Fraud occurs when three elements are present: incentive, opportunity and rationalization. The increased frequency of fraud led to the development of forensic accounting. This theory is relevant to the current study because it provides a structured approach to investigating financial crime.

Empirical Review

Agbata et al., (2023) examined forensic auditing's effect on fraud control in the Economic and Financial Crime Commission Enugu State, Nigeria. The primary objective of this study was to investigate the impact of three key forensic accounting skills, which include investigative, litigation, and arbitration, on the detection of fraudulent activities. The study used a descriptive research design for the survey. The population of the study was 35 staff of the Economic and Financial Crime Commission Enugu. Data was obtained with a questionnaire and analyzed with the Kendall Tau statistical tool at a 5% significance level. The study finds out that the investigative skills of forensic auditors at EFCC Enugu State significantly help in fraud detection.

Saman (2019) examined the role of forensic accounting in detecting crime and corruption in both the public and private sectors. The study's objective was to discover a forensic accountant's role in the contest against crime by applying its investigative skills, providing litigation support services and documentation and reporting. The research design employed was the survey research. Data were collected from primary sources. A well-structured questionnaire was used to gather information from the respondents. Data were analyzed using tables, simple percentages, and statistical techniques such as chi-square. Findings show that forensic accountants are relevant in investigating crime and corruption in Nigeria's private and public sectors. Forensic accountants significantly reduce crime and corrupt practices in any sector since they provide a mechanism to hold people answerable.

Methodology

The study was carried out in the Lagos State Metropolis. It adopted a descriptive survey design, using a structured questionnaire to solicit respondents' opinions on forensic accounting practices and economic fraud detection in Nigeria. The population for the study includes all the staff members in the EFCC in Lagos Metropolis and three forensic accountants working with them, making a total of 303 staff. 260 staff were purposively sampled. 260 questionnaires were administered to the respondents electronically, of which 250 were filled out and returned. The data obtained from the study were analyzed using descriptive statistics concerning mean and standard deviation to answer the research

questions. Making decisions on research questions depended on the level of dispersion of the mean. Mean responses rated below 3.0 were below average or expectation, while above 3.1 were above expectation on a 5-point Likert scale.

Correlation coefficients were used to determine the extent of the relationship between forensic accounting practices and economic fraud detection as measured by forensic accountant professional skepticism, interviewing skills of forensic accountants and advancement in forensic accounting education. Pearson correlation test was further used to ascertain the level of forensic accounting practices and financial fraud detection. Acceptance or rejection of null hypotheses was based on the probability value. The hypothesis is rejected when the value is less than 0.05 but if otherwise, it is accepted. To ensure content reliability, the contents of the questionnaire were measured to determine the instrument's internal consistency. Cronbach's Alpha reliability test was employed, and reliability coefficient values of 0.958 for Table 1, 0.949 for Table 2 and 0.976 for Table 3 were obtained. This showed that the instrument was reliable and suitable for the study.

Research Question 1

- i. To what extent does forensic accountant professional skepticism help in detecting economic fraud?

Table 1: Respondents' Opinion to Research Question One

	The extent to which forensic auditors' professional skeptics can detect economic fraud.	VHE 5	HE 4	A 3	LE 2	VLE 1	X	SD
1	The questioning mindset of forensic accountant is essential skill required in economic fraud detection.	150	50	30	15	5	4.30	1.027
2	Critical assessment can help detect economic fraud	200	30	10	5	5	4.66	0.817
3	A forensic accountant can uncover economic fraud with a high-risk identity-based assessment.	180	50	10	10	0	4.60	0.750
4	An investigative approach can assist in identifying economic fraud.	160	40	30	10	10	4.32	1.087
5	Suspension of judgment until there is appropriate evidence for conclusion affects economic fraud detection	200	50	0	0	0	4.80	0.401
	Grand Mean						4.57	0.8164

Table 1 presents respondents' responses on the extent to which forensic accountant professional skepticism helps detect economic fraud. Analysis showed that the value of the pooled mean rating is 4.57 on a 5-point Likert scale, which reveals that the extent to which forensic accountant professional skepticism helps in detecting economic fraud is above expectation since the pooled mean is higher than the expected mean of 3.0. The standard

deviation grand value of 0.8164 showed that the respondents' responses are spread around the mean.

Test of Hypothesis 1

H_{01} Forensic accountant professional skepticism has no significant effect on economic fraud detection in a knowledge-based economy.

Table 2: Correlation Relationship between professional skepticism and economic fraud detection

Variables	N	R (Correlation coefficient)	r (P-value)	Remark
Economic fraud detection	250	0.813	0.000	Reject H_0
Professional skepticism	250			

Source SPSS 20.

Where;

N= Number of Respondents

r= P value

R= Correlation coefficient

Presented in Table 2 above is the correlation relationship between professional skepticism and economic fraud. Analysis showed that the correlation coefficient is 0.000, which is significant because it is less than 0.05. Results, therefore, led to the rejection of the null hypothesis. It is therefore concluded that professional skepticism has a significant effect on economic fraud detection. Results also showed that the correlation coefficient is 0.813, which showed that the extent of the relationship between professional skepticism and economic fraud detection is positive and highly correlated at 81.3%.

Research Question 2

To what extent do the interviewing skills of forensic accountants help in economic fraud detection in a knowledge-based economy?

Table 3: Respondents' Opinion to Research Question Two

	The extent to which interviewing skills of forensic accountant can detect economic fraud	VHE	HE	A	LE	VLE	X	SD
1	Communication skills of forensic accountant can detect economic fraud		70	10	10	10	4.12	1.034
2	Professional courage in examining the evidence can help to detect economic fraud.	160	40	20	20	10	4.58	0.828
3	Competence in interviewing skill of forensic accountant help in economic fraud detection.	170	50	10	20	0	4.80	0.401
4	Forensic accountants' objectivity aids in detecting economic fraud.	200	40	0	10	0	4.64	.743
5	Face to face interactions with evidence providers can help in detecting economic fraud.	150	60	10	20	10	4.56	1.025
	Grand Mean						4.54	0.8062

Table 3 shows respondents' responses to the questionnaire items on the extent to which interviewing skills of forensic accountants help in economic fraud detection. Results showed that the value of the pooled mean rating is 4.54 on a 5-point Likert scale, which reveals that the extent to which forensic accountant interviewing skills help in economic fraud detection is above expectation since the pooled mean is higher than the expected mean of 3.0. The standard deviation grand value of 0.8062 showed that the respondents' responses were spread around the mean and the respondents' opinions did not vary with one another.

Test of Hypothesis 2

HO₂ Forensic accountant interviewing skills have no significant effect on economic fraud detection in a knowledge-based economy.

Table 4: Correlation relationship between forensic accountant interviewing skill and economic fraud detection.

Variables	N	R (Correlation coefficient)	r (P-value)	Remark
Economic fraud detection	250	0.820	0.000	Reject H ₀
Forensic accountant interviewing skill	250			

Source: SPSS 20.

Results of the correlation relationship between forensic accountant interviewing skills and economic fraud detection are presented in Table four. Analysis showed that the correlation coefficient is 0.000, which is significant because it is less than 0.05. Results, therefore, led to the rejection of null hypothesis two, which concluded that forensic accountant interviewing skills have a significant effect on economic fraud detection. The correlation coefficient of 0.820 showed that the extent of the relationship between forensic accountant interviewing skills and economic fraud detection is positive and highly correlated at 82%.

Research Question 3

To what extent does advancement in forensic accounting education enhances economic fraud detection in a knowledge-based economy?

Table 5: Respondents' Opinion to Research Question Three

	The extent advancement in forensic accounting education enhances economic fraud detection.	VHE	HE	A	LE	VLE	X	SD
1	The extent effective use of forensic accounting knowledge help in economic fraud detection	100	120	0	20	10	4.36	1.017
2	The extent workshop training advances forensic accountant knowledge in economic fraud detection	180	50	10	5	5	4.28	1.152
3	The extent university published conference proceedings enhances professional skill of forensic accountant in economic fraud detection	200	50	0	0	0	4.48	0.902
4	The extent university published journal on forensic accounting enhances professional skill of forensic accountant on economic fraud detection	190	40	10	10	0	4.72	0.666
5	The extent published dissertation on forensic accounting enhances forensic accountant skill on economic fraud detection	200	20	10	10	10	4.28	1.117
	Grand Mean						4.42	0.9708

Table 5 shows respondents' responses to the questionnaire items on the extent to which advancement in forensic accounting education enhances economic fraud detection. Results showed that the value of the pooled mean rating is 4.424 on a 5-point Likert scale. This reveals that the extent to which advancement in forensic accounting education enhances economic fraud detection is above expectation since the pooled mean is higher than the expected mean of 3.0. The standard deviation grand value of 0.9708 showed that the respondents' responses were spread around the mean, and the respondents' opinions did not vary.

Test of Hypothesis 3

HO₃ Advancement in forensic accounting education cannot enhance economic financial fraud detection in a knowledge-based economy.

Table 6: Correlation relationship between advancement in forensic accounting education and economic fraud detection

Variables	N	R (Correlation coefficient)	r (P-value)	Remark
Economic Fraud detection.	250	0.782	0.000	Reject H _{O3}
Advancement in forensic accounting education	250			

Source: SPSS 20.

Results of the correlation relationship between advancements in forensic accounting education and economic fraud detection are presented in Table 6. Analysis showed that the correlation coefficient of 0.000 is significant because it is less than 0.05. Results, therefore, led to the rejection of null hypothesis three with the conclusion that advancement in forensic accounting education has a significant effect on enhancing economic fraud detection in a knowledge-based economy. The correlation coefficient of 0.820 showed that the extent of the relationship between advancement in forensic accounting education and economic fraud is positive and highly correlated at 78.2%.

Conclusion

The study examines the effect of forensic accounting practices on economic fraud detection in a knowledge-based economy. The findings show that the extent to which forensic accountant professional skepticism in detecting economic fraud is significant. The study also posits that interviewing skills help forensic accountants detect economic fraud. The study further revealed that advanced forensic accounting education contributes significantly to economic fraud detection at a 5% significance level. By implication, the skeptical practices of forensic accountants reduce economic fraud to a high level, the interviewing skills of forensic accountants reduce fraudulent acts perpetrated in the economy, and the advancement in forensic accounting education enhances economic financial fraud detection. Early detection and prevention of fraud through forensic accounting practices can minimize economic and financial losses.

Recommendations

- i. Forensic accountants should exercise professional skepticism when evaluating the veracity of claims or the evidence gathered and refrain from deciding until they have acquired sufficient evidence.
- ii. Forensic accountants should apply interviewing skills to improve fraud detection and

recommend remedial measures to deter future occurrences.

- iii. Continuous training is essential for forensic accountants. It enhances their fraud detection and control skills, both on and off the job. Therefore, it is crucial to improve forensic accounting education, as it significantly contributes to economic fraud detection and control.

Suggestion for Further Studies

1. The study explored forensic accounting practices and economic fraud detection in the Lagos Metropolis. Hence, further study could be carried out in other locations.
2. The study considered some variables, such as professional skepticism, interviewing skills and enhancement of forensic accounting education, as metrics for economic fraud detection. Further researchers can consider other variables.

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Appendix

Results of Table 1

To what extent does forensic accountant professional skepticism help in detecting economic financial fraud

Report

	item 1	Item 2	item 3	item 4	item 5
Mean	4.30	4.66	4.60	4.32	4.80
N	250	250	250	250	250
Std. Deviation	1.027	.817	.750	1.087	.401

Reliability Statistics

Cronbach's Alpha	N of Items
.958	5

Case Processing Summary

		N	%
Cases	Valid	250	100.0
	Excluded	0	.0
	Total	250	100.0

Results of Table 2**Research Question Two**

To what extent do interviewing skills of forensic accountants detect economic financial fraud.

Report

	item 1	Item 2	item 3	item 4	item 5
Mean	4.12	4.58	4.80	4.64	4.56
N	250	250	250	250	250
Std. Deviation	1.034	.828	.401	.743	1.025

Case Processing Summary

		N	%
Cases	Valid	250	100.0
	Excluded	0	.0
	Total	250	100.0

Reliability Statistics

Cronbach's Alpha	N of Items
.949	5

Table 3: The extent advancement in forensic accounting education enhances economic financial fraud detection

Report

	item 1	Item 2	item 3	item 4	item 5
Mean	4.36	4.28	4.48	4.72	4.28
N	250	250	250	250	250
Std. Deviation	1.017	1.152	.902	.666	1.117

Case Processing Summary

		N	%
Cases	Valid	250	100.0
	Excluded ^a	0	.0
	Total	250	100.0

Reliability Statistics

Cronbach's Alpha	N of Items
.976	5

Correlation

		Fraud De	Skeptics	Interview	Education
Fraud De	Pearson Correlation	1	.813**	.820**	.787**
	Sig. (2-tailed)		.000	.000	.000
	N	24	24	24	24
Skeptics	Pearson Correlation	.813**	1	.960**	.946**
	Sig. (2-tailed)	.000		.000	.000
	N	24	24	24	24
Interview	Pearson Correlation	.820**	.960**	1	.950**
	Sig. (2-tailed)	.000	.000		.000
	N	24	24	24	24
Education	Pearson Correlation	.787**	.946**	.950**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	24	24	24	24

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