

## ASSESSING THE ROLE OF PRACTISING ACCOUNTANTS IN THE IMPLEMENTATION OF ANTI –CORRUPTION INITIATIVE IN THE PUBLIC SECTOR: EVIDENCE FROM NIGERIA

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### Abstract

*The study investigates the role of practicing accountants in the implementation of anti – corruption initiative in the public sector in order to establish if there is significant relationship between the roles performed by Practicing Accountants in the implementation of anti – corruption initiative in the public sector. A descriptive research design was adopted. The population of the study is the senior staff of Nigeria’s Economic and Financial Crimes Commission (EFCC) and Independent Corrupt Practice and other related offences Commission, ICPC p(200). The researcher adopts stratified random sampling technique. Source of data is primary and were collected through structured questionnaire which was distributed to 187 respondent staff of the above organizations at random. Data were analyzed using simple Regression and Pearson Product Moment Correlation with the aid of SPSS. The result shows that: there is positive correlation between the role of practicing Accountants and Anti–corruption initiative; there is weak accountability in Nigeria due to weak accounting infrastructure, poor regulatory framework and attitude of government officials. It is recommended that the government, professional accounting bodies , citizens should work together to have a meaningful resolution on this issue as a matter of urgency and that adequate structures and mechanism such as Forensic laboratories must be improved upon in all Anti - Corruption Agencies in Nigeria.*

*Key Words: Practising accountants, Anti –corruption initiative, Public sector, corruption index, Transparency International*

### Introduction

Aroh (2009) shared: “historically, corruption has always existed simultaneously with human development and efforts at curbing its menace has always been short lived. Modern waves of corruption which fraud is a subset do not seem to recognize the essence of sovereignty, territorial boundaries or race. Corruption is a global phenomenon not peculiar to

Nigeria alone". Boluwaji (2008) posited that; lots of accounting and financial control failures exist in the public sector and the public sector officials use these lapses as a shield for their actions. Financial statements are usually in arrears and public office holders tend to use the laxity to get away with financial control failures. Everybody must be ready to collaborate with the EFCC if the move to rid the country of the criminals must succeed. The current trend in Nigeria's governance has shown a high degree of lack of transparency and accountability. Corruption as a phenomenon is as old as society itself. Successive military administrations hinged their incursion into politics on this malaise, Obasanjo (2000). At least, daily events as recorded at the local government, state and federal levels as recorded in the press vindicates this position.

Ribadu (2006) argued that Nigeria presents a veritable case for understanding the connection between corruption and political malaise. Ribadu gave a graphic summary of the situation. He termed the period between 1979 and 1998 "the darkest period" in Nigeria's history of corrupt regimes. The civilian administration of 1979-1983 was bedeviled with profligacy, wanton waste, political thuggery and coercion, disrespect for the rule of law and bare-faced free for all looting of public funds through white elephant projects.

There are growing concerns about the deplorable condition of the economy aggravated by corruption in Nigeria. Nigerians and the government alike have expressed considerable worry about the state of the economy, poor growth, and development in all sectors due to the presence of hydra-headed monster called corruption, (Okoduwa, 2008). There are frequent incidents of corruptions in Federal and State Ministries, Departments and Agencies and in Federal, State and Local government areas of the country. All these nefarious activities have led to poor governance, poor performance, and diversion of public funds while ethical values are undermined. This issue of monumental corruption has made former President Olusegun Obasanjo to inaugurate the two anti-graft agencies, the Independent Corrupt Practices and other Related Offences Commission (ICPC) and Economic and Financial Crime Commission (EFCC) in 2000 and 2002 respectively. The mandates are for the two agencies to fight corruption to a standstill, have zero-tolerance for corruption. The crisis which endemic corruption has triggered off in Nigeria certainly poses political stability, the National interest and integrity of the Nigerian Nation. This, no doubt, goes beyond local and state concern. The eradication of corruption is therefore a National one as the perilous effect touches and affects every Nigerian regardless of tribe, religion and state of origin. In very clear and unequivocal terms, Transparency International declares "that corruption fuels poverty and injustice for millions of ordinary citizens". The development assistance aimed to reduce poverty and to support equitable economic and social development; both the recipients and donors must ensure that development resources are used for their intended purposes and not diverted through corruption, wastes or abuse, the respected body further stated. Not only does corruption undermine international effects to reduce poverty, it also further compromises the welfare of the most marginalized communities. Furthermore, corruption also skews the playing field when it comes to access to key public services such as education, health, water and market for goods and services. It undermines political processes and political plurality while in post conflict areas and fragile states, corruption amplifies and inflames existing tension ( Ukiro 2008:7). Today in South Africa, former African National Congress president, Nelson Mandela is known for his legacies in getting Independence. Martin Luther Junior is remembered for his

reform legacies in America after many years he passed on. In Nigeria, the reverse is the case. Many Nigerian leaders and their citizens are corrupt. In view of the foregoing dangers of corruption, the former president of Nigeria, Chief Olusegun Obasanjo succinctly observed that: "Corruption has been responsible for the instability of successive governments since the first Republic. Every coup since then has been in the name of stamping out the disease called corruption. Unfortunately, the cure often turned out to be worse than the disease and Nigeria's external image took a serious bashing, as our beloved country began to feature on top of every corruption index". Over the years, there have been studies and activities to stamp out corruption from such agencies like the police, customs, code of conduct bureau, Civil Defence, but all to no avail. From 2000 onwards, ICPC and EFCC were inaugurated and the researcher deemed it fit to investigate how the functions, challenges, and prospects of the anti-graft agencies- ICPC and EFCC have impacted in tackling the debilitating monster called corruption, so as to better our country – Nigeria.

#### Objective of the study

The main objective of this study is to determine the significant role of practicing accountants in the implementation of anti-corruption initiative in the public sector.

Other specific objectives of this study are to:

- i. ascertain if the practicing accountants have succeeded or failed in its quest to wipe out corruption in public sector.
- ii. examine the effect of forensic accounting on the reduction of fraud cases in public sector.

#### Hypotheses

The following research propositions were formulated for this study:

##### Hypothesis One

H<sub>0</sub>: There is no significant relationship between the roles of practicing accountants and the implementation of anti-corruption initiative.

##### Hypothesis Two

H<sub>0</sub>: Forensic accounting has no significant effect on the reduction of fraud in public sector.

#### Related Literature

##### Conceptual Clarification

##### What is corruption?

Olagunju (2016) defines corruption as: "The misuse of power associated with a public or corporate office for the purpose of personal gain. It includes bribery, which is the giving of favour to influence another person's action, diversion of public fund for personal purpose, inflation of contract, favouritism, stealing, kickback and other unethical behaviour in public or corporate office. While corrupt practice is any means or devices by an individual, group of persons or organizations to divert the income due to individual, group of persons or public fund to personal or private purpose".

Corruption also describes the behaviour of officials in the public and private sectors, involving improperly and unlawfully enriching themselves and/or those closely related to them, or induce others to do so, by misusing the position in which they are placed (Agbu, 2003).

Corruption did not start nor end in Nigeria, but is a global phenomenon, which exists even in the United States of America, Britain, France, Greece, Japan and Italy et cetera at different levels and scope. It is a hydra-headed monster that manifests as petty corruption and/or political corruption (Agbu, 2003). The political bureau established in 1987 made a declarative statement that the failure of politics and governance in Nigeria is traceable to the phenomenon of corruption (Ayuba, 2001).

Njoku (2005) casts a retrospective look at fights against corruption in the annals of Nigeria. He concluded that anti-corruption efforts became mere cosmetic issue because all previous administrations adopted the operational base and social superstructures of post-colonial politics and public life in their struggle against corruption and corrupt practices. Few of the efforts at stemming corruption include Murtala Mohammed's attack of corrupt practices among public officers in Nigeria; Buhari-Idiagbon's prosecution of notorious and corrupt politicians that served in the previous administration; Abacha's fight against financial crimes in all strata of the nation's life; Musa Bama'i's arrest of bank, business executives and practitioners of advanced fraudsters; and lastly Nuhu Ribadu's humiliation through arrest of many corrupt politicians. Corruption manifests itself in many forms which include fraud, embezzlement, bribery, favoritism, extortion, abuse of discretion, and conflict of interest (United Nations office of Drug Control and Crime Prevention, 2005). It is considered as a dynamic and complex social phenomenon given its changing meanings, manifestations, proliferations, and perceived impacts. Klitgard (2013) provided a classical analysis of corruption by pointing out that acts of corruption involve three parties namely the principal, agent, and the client. The principal creates rules directed at assigning task to the agent and these rules were intended to regulate exchange with the client. However, a conflict of interest may arise between the principal and agent when each of the two actors is maximizing utility. A client may also provide opportunity for the agent to cheat. Consequently, corruption will take place when the agent colludes with the client to sideline the rules set up by the principal for personal aggrandizement. Studies show that the set of behaviors designated as corrupt are not homogenous, since, there are many forms of corruption with different types of participants, cultural and socio-economic contexts and techniques.

The Economic and Financial Crimes Commission (EFCC)

The need to curb the trend of corruption and lack of accountability by those occupying positions of authority necessitated the establishment of EFCC in 2003 by President Olusegun Obasanjo. This patriotic move became imperative in response to pressure from the international community which named Nigeria as one of the notorious 23 countries that did not co-operate with the fight against money laundering. The government later promulgated the EFCC Act 2004 to give legal backing to the watchdog agency. Ribadu (2006) noted that Osun State's target with regard to financial accountability and mismanagement of common wealth is zero tolerance for corruption. This, EFCC hoped to actualize through diverse strategies, viz;

- i. Promulgation of laws against graft – Independent Corrupt Practices and (Other Related Offences) Commission (ICPC) Act, Economic and Financial Crimes Commission (EFCC) Act, Money Laundering (Prohibition) Act 2004.
- ii. Strengthening of anti-corruption and other economic crimes Institutions for effective law enforcement.

- iii. Prosecution and conviction of high ranking administration officials.
- iv. Tracing, seizing and confiscation of all proceeds of crime.
- v. Institution of the Due Process Mechanism in public sector procurements.
- vi. Privatization of failing public institutions and creating an enabling environment for effective private-public partnerships.
- vii. Monthly publication of distributable revenue from the Federation Account to the different tiers of government.
- viii. Institution of transparencies in the oil and gas sector through the work of the Nigerian Extractive Industries Transparency Initiative (NEITI)

In line with the above strategies, the EFCC is empowered by law to investigate, prevent and prosecute offenders who engage in “Money laundering, embezzlement, bribery, looting and any form of corrupt practices, illegal arms deal, smuggling, human trafficking, and child labour, illegal oil bunkering, illegal mining, tax evasion, foreign exchange malpractices including counterfeiting of currency, theft of intellectual property and piracy, open market abuse, dumping of toxic wastes, and prohibited *goods*” (Section 46, EFCC Establishment Act, 2004). The Commission is also responsible for identifying, tracing, freezing, confiscating, or seizing proceeds derived from terrorist activities.

#### Independent Corrupt Practices and Other Related Offences Commission (ICPC)

The rationale for creating ICPC was not different from that of EFCC. According to Akanbi, (2005) the Independent Corrupt Practices and Other Related Offences Commission (ICPC) emerged as a policy response from the Federal Government to fight and curb corruption that has tragically assumed monstrous proportions and permeated all levels of the society, corroded its moral fabric, eroded its economic base and threatened its stability. The Obasanjo’s administration therefore established the Independent Corrupt Practices and Other Related Offences Commission (ICPC) in September 1999 and warmly enacted the Corrupt Practices and Other Related Offences Act in June 2000 (Ibid).

The mandate of ICPC in line with the Act setting it up was to prohibit and prescribe punishment for corruption, fraud, embezzlement, bribery and forgery perpetrated by Osun State people at home and abroad with impunity. The ICPC Act 2000 brings under its purview all Osun State people, in the private and public sectors and even those political office-holders with constitutional immunity. The Provision of Section 6 (a-f) of the ICPC Act 2000 sets out the duties of the Commission as paraphrased in the following:

- i. To receive and investigate complaints from members of the public on allegations of corrupt practices and in appropriate cases, prosecute the offenders.
- ii. To examine the practices, systems and procedures of public bodies and where such systems aid corruption, to direct and supervise their review.
- iii. To instruct advice and assist any officer, agency, or parastatal on ways by which fraud or corruption may be eliminated or minimized by them.
- iv. To advise heads of public bodies of any changes in practice, systems or procedures compatible with the effective discharge of the duties of public bodies to reduce the likelihood or incidence of bribery, corruption and related offences.
- v. To educate the public on and against bribery, corruption and related offences.
- vi. To enlist and foster public support in combating corruption.

## Theoretical Framework

### Political Model

The political model recognizes that the allocation of corporate power, privileges and profits between owners, managers and other stakeholders is determined by how governments favour their various constituencies. According to Hawley & Williams (1996) 'the political model of corporate governance has had immense influence in the way organization is run. This model is relevant to EFCC and ICPC; both are socio-economic structures created by the government to fight the hydra-headed corruption thereby engendering the culture of accountability, corporate governance, financial management and ethical standards in the banking industry in particular and the economy at large.

All the models discussed above stress the need for preservation and protection of the rights and interests of the shareholders; interests of other stakeholders; role and responsibilities of the managers, integrity and ethical behavior of managers; disclosure and transparency in accounting as well as controls and checks. The bodies established in Osun State to ensure compliance and prosecute erring office-holders are EFCC and ICPC. Detailed profiles of both watchdog agencies are discussed hereunder.

### Stewardship Model

Stewardship Model (SM) posits that managers are good stewards of the firms/corporations they are employed to administer. Managers would therefore reciprocate this gesture by working diligently to attain high levels of corporate profit, shareholders returns and strategic objectives (Donaldson & Davis 2004) through transparent accountability and compliance with other professional ethics. Proponents of stewardship model like Hawley and Williams (2006) propose that an organization should either have an executive-dominated board or no board at all, because the full-fledged executive board would be more accountable or run operations more effectively and efficiently than non-executive board.

### Simple Finance Model

Simple Finance Model posits that there is the dire need to construct rules on all financial matters and incentives in corporate organizations so as to effectively and efficiently align the behavior of managers (as agents) with the desires of principals (as owners) (Turnbull, 2007, Hawley & Williams 2006). For being accountable to the owners, the managers, as agents are entitled to agency fees, which constitute what theorists called agency costs to the organizations (Jensen & Meckling, 1976). Agency costs are the sum of the cost of monitoring management (the agent); bonding the agent to the principal (stockholder/'residual claimant') and residual losses. This model emphasizes need for rules and professional ethics to guide operations of organizations from recklessness. The views above clearly provide functions for owners and agents. It is therefore in consonance with the principles of accountability and corporate governance and professional ethics expected of Accountants.

### Empirical Studies

Babatunde (2009) examined "Economic and Financial Crimes Commission (EFCC) and the fight against corruption in Nigeria public sector". He adopted a survey research design and used questionnaire to generate data. He found that economic and financial crimes are most times not disclosed to the Economic and Financial Crimes Commission (EFCC) either out of no confidence in the commission to administer justice or as a result of patron-client relationship

(god fatherism). Also in his findings is the lack of commitment on the part of the government to appraise and review the financial performance of the public sector parastatals, making it impossible for public officers to give account of their actions. He recommended that the government should invest more in the procurement of equipment for the commission (EFCC) and create enabling environment for them to be able to stop economic and financial crimes before they are committed and be able to achieve maximum results. He also recommended that the government should, as a point of duty, appraise and review the financial performance of the public sector as a way to avoid sharp practices by the public officers.

Another study carried out by Nwali (2009) on "Making effective use of Accountants in the fight against corruption by the EFCC". It was aimed at identifying how the agency, EFCC, uses accountants in the fight against corruption. The methodology adopted for the work is the exploratory research method leading to deductive conclusions using, secondary data and papers presented at various seminars and the internet. The searcher discovered that EFCC and ICPC are one of the anti-corruption establishments by the government to fight economic and financial crimes in Nigeria. The researcher also concluded that positive changes in the accounting profession will impact largely to the success of the ICPC and EFCC in Nigeria. The EFCC should partner more with bodies like ICAN, ANAN in the area of training of the operatives.

Also, Emechele (2009) in the study entitled "A critical Review of the Role of Economic and Financial Crimes Commission (EFCC) in public sector accountability," focused on effective and efficient system of managing of and accounting for public funds. It was discovered that not much is done about accountability in Nigeria. Financial statements are usually in arrears and public officeholders tend to use the laxity to get away with financial control failures. The researcher recommended that everybody must be ready to collaborate with the EFCC if the move to rid the country of the criminals must succeed.

## Methodology

### Population of the Study

The target population of this study is the senior staff of Economic and Financial Crimes Commission (EFCC), Independent Corrupt Practices and other related offences Commission (ICPC) and Code of Conduct Bureau (CCB). The elements of the population considered in this research were the staff of financial and account units, audit unit, general investigative unit, financial intelligent unit and forensic unit. The senior staff of these units constituted the population of the study. The total population of the senior staff for the three agencies is two hundred (200). The study considered all the staff that fall within the above categories in these agencies qualified as members of the population because of their good knowledge and understanding of the application of forensic service in the agencies. A preliminary study was conducted, the result obtained on the population is as shown in the table below:

Group	population
Finance and account units	40
Audit unit	40

General investigative unit	40	
Financial intelligent unit	40	3.3
Forensic unit.	40	
Total	200	

Sample Unit

Out of population of 200 staff, 187 were taken as sample size. The researcher, through stratified random sampling, selected a proportional sample of personnel from each of the ICPC, EFCC and CCB to represent the distribution of personnel according to their locations. Simple random sampling technique was applied to select the respondents from each selected group. Likert scale was used based on the response of respondents. The drafted questionnaires were sent to the respondents selected for the study of which 187 respondents were randomly selected from the staff of financial and account units, audit unit, general investigative unit, financial intelligent unit and forensic unit. The resultant effect of this is generalization of the findings on all managers. Random selection of 187 managers from the total population of the study was done.

Framework of Analysis

Based on information obtained through questionnaire, the twenty five item questionnaire was administered on 187 respondents. The administration of the questionnaire adopted a systematic random sampling procedure. The questionnaire consisted of three parts. Part A is designed to identify the respondent’s information on demographic variables such as sex, age, qualification and years of experience. Part B is about the agencies. Part C consists of fifteen items designed to ascertain if the practicing accountants have succeeded or failed in the quest to wipe out corruption in public sector and to investigate the effect of forensic accounting on the reduction of fraud cases in public sector. The responses to the items were based on the five points likert scoring scale of strongly agree (1 point), agree (2 points), disagree (3 points), strongly disagree (4points) and uncertain (5 points). The instruments were validated on their face and content. To measure the content validity of the instruments, the researchers carried out pilot study.

Tool for the Analysis

A regression analysis was employed in analyzing the data generated in the study to test the hypothesis. The correlation co-efficient was used in measuring the degree of correlation or association between the two variables of this research work.

Model Specification

The correlation co-efficient was used in measuring the degree of correlation or association between the two variables of this research work. Some variables of this research may not be put as dependent and independent, therefore, the use of letters X and Y was used to delineate the variables but not a causative arrangement. It is these variables that would demand ascertainment of correlation. Where;



$$r = \frac{N}{\sqrt{\left( \sum x^2 - \frac{(\sum x)^2}{N} \right) \left( \sum y^2 - \frac{(\sum y)^2}{N} \right)}} \quad (1)$$

$$\text{Correlation, coefficient, } r = \frac{\text{Sum}(xy)}{\sqrt{(\text{Sum}x^2)}\sqrt{(\text{Sum}y^2)}} \quad (2)$$

Where;

- x = deviation of each value in one variable from the means of the variable
- y = deviation of each value in the other variable from the mean of that variable
- xy = product of the deviation in one variable and the deviation in the other variable

If r is between -1 and 1, there is a correlation between x and y, but where; r = 0 there is no correlation. When  $0 < r < 0.5$ , there is weak correlation between the variables and when  $r \geq 0.5$  then there is a strong correlation between the variables. However when r' is negative (-) the variables are inversely related and if positive (+) the variables are directly related.

Decision rule:

When the absolute value of r is at least equal to 0.5, this suggests a strong relationship between the variables correlated; therefore we reject the null hypothesis ( $H_0$ ) and accept the alternative ( $H_1$ ) otherwise we fail to reject the null hypothesis ( $H_0$ ).

There is, however, an alternative formula for the product-moment correlation which does not involve the use of decimals and negative numbers.

The formula is as follows:

$$\text{Correlation Coefficient, } r = \frac{N\text{Sum}XY - (\text{Sum}X)(\text{Sum}Y)}{\sqrt{[N\text{Sum}X^2 - (\text{Sum}X)^2][N\text{Sum}Y^2 - (\text{Sum}Y)^2]}}$$

(3)

Where;

- X = value in one variable
- Y = value in the other variable
- $X^2$  = square of value in one variable
- XY = Product of values in the other variable (the 2 variables)
- N = numbers of cases compared

### Results and Discussion

The data collected were interpreted through the use of the computer statistical software called Statistical Package for Social Sciences (SPSS). The hypotheses were tested using regression analysis and correlation co-efficient. The scores obtained from the retrieved and edited questionnaires were presented, using tables and charts.

### Test of Hypotheses

Tests for hypotheses is required for this study in order for the researcher to determine the outcome of the study which may lead to the rejection of the researchers' idea and also helps to decide whether results contain enough information to cast doubt on conventional wisdom, given that conventional wisdom has been used to establish the null hypotheses.

Hypothesis One

H<sub>0</sub>: There is no significant relationship between the roles of practicing accountants and the implementation of anti-corruption initiative.

Therefore:

Dependent variable: Practicing accountant

$$\text{Which means } PA = b_0 + CI + U_0$$

Where PA = Practicing Accountant, CI = Anti – Corruption Initiative, U<sub>0</sub> = Stochastic error term.

This hypothesis needs to investigate the significant relationship between Practicing Accountants and Implementation of Anti–Corruption Initiative, using Pearson correlation, demonstrated in the below table

RELATIONSHIP BETWEEN		INITIATIVE	ANTI – CORRUPTION
INITIATIVE	Pearson correlation Sig. (2-tailed)	1	.067
Sum of Square and Cross – product		62.600	4.600
Covariance		1.061	0.78
N		60	60
ANTI – CORRUPTION	Pearson correlation Sig. (2-tailed)	.067	1
Sum of Square and Cross – product		4.600	74.933
Covariance		0.078	1.270
N		60	60

Source: SPSS output, 2016                      \*\*Correlation is significant at the 0.01(2-tailed)

The table above revealed that there is positive correlation between the two variables (Role of practicing Accountants and Anti – corruption initiative).R<sup>2</sup> of 0.610 was obtained, this means that the role of practicing accountants in terms of skills and techniques has contributed to the implementation of anti – corruption initiative. The skills and techniques used in practice help to implement 61% on Anti – corruption initiative in the public sector. It shows that practicing accountants maintain a relationship and correlate with the independent variable (anti – corruption) at 4.6% confidence limit (0.01). The implication here is that the use of Accounting Skills and Techniques have helped Anti-Corruption Agencies in reducing fraud in the Nigerian public sector.

From this view, 74.933 degree of implementation of anti – corruption initiative in the public sector is effective because of the new initiative idea which accountants are embarking on presently for accountability in public sector. In response to whether there is significant between practicing accountant and external auditors, this tremendous results will not be attain without the help of external auditor, this means auditing and accounting department was able to join force and team up for implementing the anti – corruption initiative for better organizational efficacy. Finding of hypothesis o concludes that Forensic Accounting is fully in place by Anti-Corruption Agencies particularly EFCC and ICPC. Also the negative sign on the movement indicated that fraud has been reduced overtime. The implication here is that the use of Forensic

Accounting Skills and Techniques have helped Anti-Corruption Agencies in reducing fraud in the Nigerian public sector.

#### Hypothesis Two

H<sub>0</sub>: Forensic accounting has no significant effect on the reduction of fraud in public sector.

Therefore:

$$FA = b_0 + F + U_0$$

Where FA = Forensic Accounting

F = Fraud

U<sub>0</sub> = Stochastic error term

This hypothesis needs to find the correlation between Forensic Accounting and fraud both at ICPC and Ministry of Finance using Pearson Correlation, demonstrated in table below.

RELATIONSHIP BETWEEN		PUBLIC FRAUDS	FORENSIC
PUBLIC FRAUDS	Pearson correlation	1	-.025
	Sig. (2-tailed)		.849
	Sum of squares and		
	Cross - Products	86.600	-1.300
FORENSIC	Covariance	1.468	-.022
	N	60	60
	Pearson correlation	-.025	1
	Sig. (2-tailed)	.849	
FORENSIC	Sum of squares and	-1.300	30.983
	Cross - Products		
	Covariance	-.022	.525
	N	60	60

Source: SPSS output, 2016

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

The table above explains that correlation exists between the two variables (public frauds and forensic accounting). The result above explains that forensic accounting has helped to curb public frauds with 86.6% at confidence interval of (0.05). The result indicates that there is 86.6% contribution of forensic accounting on public frauds. Forensic accounting also helps to uncover fraud and corruption. The above table further explains that – 0.025% of fraud and corruption exist in Nigerian organizations. Even if fraud and corruption exist, they have been reduced by forensic accounting. This is supported by the view of Abiola (2009) who stated that Forensic Accounting has reduced fraud and corruption to the barest minimum in developed countries using their services. This result has helped to resolve the question on the possibility of reducing the occurrence of fraud cases using Forensic Accounting.

Fraud has had severe negative consequences on Nigeria, ranging from negative economic impact to negative national image (Ribadu, 2003). Looking at the recent frauds in Nigeria, in each case, the perpetrators are the people at the helm of affairs. For example, the aviation scam of N5.6 billion in 2009 was perpetrated by the then Minister of Aviation(Ojeme, 2010). The N2billion Bayelsa State frauds in 2010 were perpetrated by the then Bayelsa state Commissioner of Finance, the state accountant general, the state's Director of Treasury, and the Director of Finance (Ojeme, 2010). The Kogi State's N1.9 billion scam was committed by commissioners for Local Government and Chieftaincy Matters and Agriculture respectively, and

Local Government Chairman (Ojeme, 2010). The capital market fraud (share cloning) which started in 2002 was perpetrated by the executives of Bank loans investment limited and so on.

### Conclusion

The study analyzed why attention has to be given to the question of fraud investigation in the public sector of Nigeria by Anti-Corruption Agencies with the aid of Forensic Accountants. It should be emphasized that whether within the business world or in the public sector, the ultimate responsibility for investigating fraud cases rests with Anti-Corruption agencies through the role of practicing accountants while discouraging and preventing fraud and corrupt practices rest with the government and management.

Above all, result of the study revealed forensic accounting skills and techniques have significant effect on uncovering fraud in the Nigerian public sector and forensic accounting skills and techniques have influence on reducing fraud in the Nigerian public sector .

We conclude as follows;

Forensic accounting practice is neither new to the developed nation nor is it in developing nations. Fraud in the Nigerian public sector is alarming and is not only crumbling the economy but also affecting innocent nation standard of living and image.

That the creation of anti-corruption initiatives through Forensic Accounting Skills and Techniques has contributed greatly to Corruption reduction in Nigeria.

### Recommendations

Consequent upon several revelations from the research conducted, there is need to make some recommendations as follows:

(i) Laws and principles of ethics in government, which are poorly developed, if they exist at all, the legal institutions charged with enforcing them should be well equipped for the complex jobs in Nigeria. Adequate structures and mechanism such as Forensic laboratories must be improved upon in all Anti - Corruption Agencies in Nigeria.

(ii) The existing legislation in terms of punishment (sanction) is too mild that it does not deter perpetrators. In Nigeria, the two agencies, namely Economic and Financial Crime Commission (EFCC) and the Independent Corrupt Practices and other Related Offences Commission (ICPC) should be strengthened and empowered to apply appropriate sanction so as to serve as deterrent to others. In this connection, enabling legislation should be put in place to make the works of the agencies more effective. The government should invest more in the procurement of equipment for the commissions (EFCC and ICPC) and create enabling environment for them to be able to stop economic and financial crimes before they are committed and be able to achieve maximum results.

(iii) There is urgent need for attitudinal changes by Nigerians on the need to imbibe the philosophy of having good quality behaviours, good characters, leaving legacies rather than developing the habits of spirit of materialism, which is currently plaguing the society. People want to dress in expensive materials and be looked upon by others as very important personalities (VIPs). With this kind of attitude at the back of our minds, people are prone to embezzlement and other corrupt practices to get rich quick.

(iv) Government should establish a Public Recovery Fund (PRF) where money recovered through forensic accounting should be kept and this money should be properly used to enhance efficient and effective performance in the public sector. Training and guidance are vital in

maintaining the effectiveness of the strategy for the detection, prevention and investigation of fraud and its general credibility. The government needs to support induction and work related training, particularly for employees involved in internal control system, accounting units and those in investigative units of all Anti-Corruption Agencies, to ensure that their responsibilities and duties are regularly highlighted and reinforced and that best practices are followed across the nation .

(v) The effectiveness of ICPC and EFCC, in averting corruption can be enhanced if all hands are on deck to reduce this monster called corruption. More radical strategies to stop corruption ought to be formulated and implemented. There should be esprit de corps, that is team work, by all and sundry in the fight against corruption

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