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RESEARCH ARTICLE

FORENSIC ACCOUNTING FOR SUSTAINABLE KNOWLEDGE ECONOMY IN NIGERIA

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ABSTRACT

This study focused on the impact of forensic accounting on the growth of the Nigerian economy. The major objective of this study is to investigate the impact of forensic accounting on the growth of the Nigerian economy. To achieve the stated objectives of the study, data were collected from secondary sources and Content Analysis was used to examine the literature to be able to arrive at a logical conclusion. Based on the analysis, the findings revealed that forensic accounting has contributed significantly to Nigerian economic growth by uncovering financial crimes and reducing corruption in both the public and private sectors. The study also revealed that forensic accounting has helped improve the quality of financial reporting, enhance corporate governance, and promote investor confidence in the Nigerian economy.

Keywords: Forensic accounting, economic growth, sustainable knowledge, economy.

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1.0. INTRODUCTION

The benchmark for forensic accounting was created by the increased number of corporate scandals in the world. As the consequence of the global meltdown of the collapse of Enron, World.Com and Parmalat, the necessity for the establishment of procedures and controls designed by the forensic accountants and auditors in detecting, preventing and responding to frauds was arisen (Oluwatoyin, 2015). These corporate scandals led to erosion of investor confidence on financial markets. The frequency of incidents of Accounting/Financial Statements frauds in the global context was 28% during the two years period of 2018 and 2019. Further, the total losses reported as a consequence of the frauds during the years 2018 and 2019 is, USD 42 Billion (PricewaterhouseCoopers, 2020).

After the major corporate scandals of Enron, World.Com, many standards, rules and regulations including Sarbanes-Oxley Act in 2002 were introduced to reduce or eliminate the occurrence of corporate scandals. Regardless of the efforts that were taken to prevent and investigate frauds, every day a new kind of fraud keeps appearing (Prabowo, 2013). Detecting and preventing frauds was identified as part of the accounting function and the internal or external auditors were supposed to detect and prevent frauds. However, it was later noted that auditors do not have a responsibility to fraud prevention and detection, and they can only check the compliance of the company’s financial statements to accounting and other relevant rules and regulations for financial reporting. As a result, the new category of accounting emerged, which is, “Forensic Accounting".

The emergence of Forensic Accounting was to detect the fraudulent transactions taking place in business organizations (Bhasin, 2007). The application of investigative and analytical skills for the purpose of resolving financial matters in a manner that meets the standards required by the court of law is forensic accounting. Further, Forensic Accounting is also described as the integration of specialized accounting knowledge, enhanced skills and positive mental attitudes to resolve legal issues (Popoola, et al., 2013). The main task of the Forensic Accountants is to carry out investigations due to the manifestation of criminals in the areas of fraud, white collar crime, corruption, money laundering, computer fraud, conversion and theft (Popoola, et al., 2015). Fraud is the main concept that is related with Forensic Accounting.

Fraud is defined as an intentional Act designed principally to deceive or mislead another party (Arens & Loebbecke, 1996). According to Bhasin (2007), Forensic Accountants obtain an understanding of business information and financial reporting information, financial reporting systems, accounting and auditing standards and procedures, evidence gathering and investigative techniques, and litigation processes and procedure, in order to perform their work. Further, Forensic Accountants play an important proactive risk reduction role by acting as a specialist in statutory audits by designing and performing extended procedures, acting as advisors to audit committees, and assisting in investment analyst research. Moreover, when considering the role of Forensic Accountants, they are experts in looking behind the numbers and dealing with business realties situations (Bhasin, 2007).

Therefore with the gradual development of the economy, accounting information has more value. Under this situation the public should have more confidence on the accounting information which one party cannot do alone. As Forensic Accounting is an emerging area and there is an increased need for forensic accountants and forensic accounting, this study attempts to identify whether this has sufficiently addressed literature on forensic accounting. Hence, the current study attempts to analyze

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the existing literature on Forensic Accounting by incorporating its role in the growth of the economy. Although diverse studies had been conducted in different areas of forensic accounting, a gap exist on any challenge/ challenges facing the use of forensic accounting in Nigeria which measured all the studies published under this context. As the main purpose behind this study is to identify an existing research gap in the area of Forensic Accounting, this study would be useful for future researchers in this area.

Forensic accounting has the credibility to contribute to Nigeria's economic growth in several ways. Firstly, it can help to reduce the occurrence of financial fraud, which is a major hindrance to economic growth. Financial fraud not only leads to the loss of resources but also weakens the confidence of investors and other stakeholders in the economy. By detecting and preventing fraud, forensic accounting can help to restore confidence in the financial system, which can lead to increased investment and economic growth. Thirdly, forensic accounting may help to promote good governance and accountability. Through detecting and preventing financial fraud, forensic accountants can help to promote transparency and accountability in the financial system. This can lead to better governance and a reduction in corruption, which can contribute to economic growth.

2.0. LITERATURE REVIEW

2.1. Concept Amplifications

Forensic Accounting

Forensic accounting is different from the old debit and credit accounting as it provides an accounting analysis that is suitable to the organization in resolving any dispute that may arise in such firms. Okoye (2006:34) defines accounting “as the process of identifying, measuring and communicating economic information to permit informed judgement and decision by the users of the information”. More so, Oladipupo (2005) opined that financial investigation is an examination of the record and accounts of an organization for a special purpose. The integration of accounting, auditing and investigation yield the specialty known as forensic accounting.

Forensic accounting is focused, therefore, upon both the evidence of economic transactions and reporting as contained within an accounting system, and the legal framework which allows such evidence to be suitable for the purpose of establishing accountability and/or valuation (Okolo, 2007). Simply put, forensic accounting is accounting that is suitable for legal review, offering the highest level of assurance, and including the now generally accepted connotation of having been arrived at in a scientific fashion (Crumbley, 2006). Forensic accounting remains the most challenging and sophisticated area in the financial sector. Although the profession does not possess a formal definition, Razaee, Crumley and Elmore (2006) defined forensic and investigative accounting as “the application of financial skills and an investigative mentality to unresolved issues, conducted within the context of the rules of evidence.”

Forensic accounting in the view of Sheetz (2006) is simply the use of accounting discipline to help determine issues of facts in business litigation. Manning (2010) also defined forensic accounting as the application of financial accounting and investigative skills to a standard acceptable by the courts to address issues in disputes in the context of civil and criminal litigation. In the view Dimilola and Olofinsola (2007) forensic accounting is the application of accounting methods, investigative activities and law procedures to detect and investigate financial crimes and related economic misdeeds. However, Zysman (2006) sees forensic investigation as the utilization of specialized investigative skills in carrying out an inquiry conducted in such a manner that the outcome will have application to the court of law. As a discipline, forensic accounting encompasses financial expertise, fraud knowledge and a strong understanding of business reality and the working of the legal system. Its development can be achieved usually through on-the-job training and experience with investigating officers and legal counsel (Coenen, 2008; Tijani, 2006).

Forensic accounting utilizes accounting, auditing and investigative skills while conducting an investigation. They often analyze, interpret, summarize and present information in a complex manner which is understandable and well documented. Also, they are often involved in various activities such as investigating and analyzing financial evidence, developing computerized system, exhibiting documents and presenting the evidence obtained, (Uche, 2009; Balarebe, 2009). Zysman (2006) sees forensic accounting as the integration of accounting, auditing and investigative skills. It provides an accounting analysis that is suitable to the court, which will form the basis of discussion, debate and ultimately dispute resolution.

The implication is that forensic accounting is a field of specialization that has to do with provision of information that is meant to be used as evidence especially for legal purposes. The forensic accountants are trained to look beyond the numbers and deal with business reality of the situation (Coenen, 2008; Zysman, 2010). The court evidence indicates that a high level of expertise is necessary to analyze current complicated financial transactions and events (Razaee et al, 2006). This means that a forensic investigation may be applied in various fields such as accounting engineering, medicine, and some other disciplines (Owojori and Asaolu, 2009). Forensic accountants thrive on detecting fraud and criminal transactions in banks, corporate entities, public sector or from any other organisation’s financial records.

Digital Forensic Accounting (DFA)

Based on the viewpoints of forensic accounting, it protects the accuracy of economic data by means of identifying patterns and suspicious transactions, spotting trends and suspicious activities, identifying suspicious transactions and patterns, spotting and mitigating accounting crimes, and ultimately eradicating them. According to Rehman and Hashim (2021), forensic accounting refers to the application of accounting principles, theories, and methods to analyze and resolve factual or hypothetical issues in a legal context.

It incorporated all areas of accounting knowledge and practices used by accountants to address legal disputes and the rapid development of digital technology integrating big data into forensic accounting in the banking sector. DFA focuses on the incorporation of digital technologies into forensic accounting methodologies. Consequently, forensic accounting can evaluate the events in accounting, auditing, and legal dimensions in this way with the aid of these types of digital technologies to produce accurate and trustworthy information about the market, politics, and the environment for the achievement of better monitoring and predicting the behaviour of suppliers and customers.

Sustainable Knowledge Economy

The concept of a Sustainable Knowledge Economy (SKE) combines elements of sustainable development with the knowledge economy. It is a model of economic development that integrates intellectual capital and agricultural production. The features of Sustainable Knowledge Economy as viewed by various scholars include:

- Innovation and Technology: Technological advancements and innovation are crucial in driving sustainability in a knowledge-based economy. Sustainable practices are often fostered through research and development, and the dissemination of knowledge.
- Human Capital: Education and continuous learning are essential to developing a knowledgeable workforce capable of innovating sustainable solutions.
- Policy and Governance: Effective policies and governance structures are necessary to support sustainable practices in the knowledge economy. This includes regulations, incentives, and support for sustainable business practices.
- Decentralized knowledge-based economy: A decentralized knowledge-based economy refers to an economic system where knowledge and information are widely distributed and accessible. Decision-making power is distributed among various stakeholders. Innovation and entrepreneurship are encouraged and supported. Networks and collaborations are fostered to facilitate knowledge sharing. Technology and digital infrastructure enable seamless communication and data exchange. Intellectual capital is valued and invested in. In a decentralized knowledge-based economy, knowledge is seen as a public good, and its creation, sharing, and application are encouraged for the benefit of all. This approach promotes resilience, adaptability, and sustainable economic growth.
- Emphasis on long-term competitiveness: Consideration of the agricultural sector in economic development strategy. The sustainable knowledge economy index (SKEI) is a unified measure that combines knowledge economy variables and agricultural production The SKEI aims to provide a more comprehensive understanding of a country's economic development and sustainability. (Carayannis, & Campbell, 2010, Organization for Economic Co-operation and Development). 2011, UNESCO 2005, Cooke, & Leydesdorff, 2006, World Bank. 2012).

Integration of Sustainability and Knowledge emphasizes the importance of incorporating environmental, social, and economic sustainability into the knowledge economy, which relies heavily on intellectual capabilities rather than physical inputs or natural resources

Effects of Fraud and Corruption in the Economy

Fraud and corruption is so endemic that it is gradually becoming a normal way of life in Nigeria and other developing countries. Financial irregularities are so common that almost every individual cannot wash his or her hand clean of it (Oladipupo, 2005). From public officeholders to the managing directors of companies, individuals perpetrate fraud and corrupt practice according to the capacity of their office. Although financial irregularities affect private and public sectors, the magnitude of public office fraud, together with the extent to which citizens are affected, calls for much concern. The increase in financial crimes is making it difficult for Nigeria to meet her welfare and social responsibility to the citizenry.

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Uche (2009) asserts that high levels of financial abuses are hindering tax collection, making the enforcement of law difficult and discouraging foreign investment. Corruption and fraud have been responsible for Nigeria's comatose economy, capital flight, unemployment, insecurity, high level of poverty, stunted economic growth and development and a whole lot of other social vices in the country (Aderibigbe, 2010). Fraud and corruption are among the greatest obstacles to Nigeria's progress, development and advancement. Corruption and fraud also represents a significant additional cost of doing business in many developing countries. They undermine development by distorting the rule of law and weakening the institutional foundation upon which economic growth and development depends (Damilola and Olinfinsola 2007).

The synopsis of all efforts at eradicating and eliminating corruption from Nigeria clearly indicates that all such efforts have been met with vigorous resistance by the corrupt and very powerful segment of the Nigerian population. The falsities and frauds which are now being uncovered are responsible for the lack of capacity utilization in the Nigerian economy. And only recently, the Manufacturers Association of Nigeria (MAN) complained publicly, about how Nigerian banks are not helping matters of spurring economic development and progress through the infusion of needed resources into action production base of the economy (Aderibigbe, 2013; Nwachukwu and Maduka, 2012).

Factors Affecting Economic Growth

Economic growth refers to the increase in the production of goods and services in an economy over a period of time. It is typically measured by the rise in a country's Gross Domestic Product (GDP). Several key factors contribute to economic growth. Such as Human capital, Physical capital, Natural resources, Technological innovation, institutional factors, Macroeconomic stability, Trade and Investment, Demographic factors, Social and cultural factors and Geopolitical factors. Economic growth is influenced by a complex interplay of various factors. Like; Capital, Labor, Total Factor Productivity, Government policies, Technological progress, Openness, Natural resources, and Human capital.

Anyanwuocha (1993) asserted that Economic growth is the process by which national income or output is increased. An economy is said to be growing if there is a sustained increase in the actual output of goods and services per head. The rate of economic growth therefore measures increases in real national income during a given period of time, usually a year. Economic development on the other hand is the process of increasing real per capita income and engineering substantial positive transformations in the various sectors of the economy. With economic development, there are structural transformations in the different sectors of the economy as well as general improvements in various areas of economic activity and in different areas of the country, leading to increased economic welfare of the citizens.

Chikwendu (2009) opined that perhaps the single most important factor in creating healthy financial markets, and promoting economic growth is establishing a high quality financial information system. Financial markets are predicated on confidence and this confidence is based in large part, on the presumption that financial information is appropriate and reflects the economic reality. The four supply factors are natural resources, capital goods, human resources and technology and they have a direct effect on the value of goods and services supplied. Economic growth measured by GDP means the increase of the growth rate of GDP, but what determines the increase of each component is very different. Public expenditure, capital formation, private or public investment, employment rates, exchange rates etc. have different impacts on economic growth and we should take into account that these determinants have different implications if the states are developed or not. (Boldeanu, and Constantinescu, 2015)

The best assurance that financial statements pass mister is that they are prepared and presented in accordance with accounting standards and principles that are generally accepted internationally. With the ability of readily accessible financial markets having relatively long standing stability, the question then is, what can be done to make Nigeria's financial market so attractive as to get a healthy bite of this elusive pie? A key inducement is regulation that promotes full disclosure and a high quality financial information system. Investors who drive the markets base their decisions, to a significant degree, on an assessment of how well financial reports reflect an entity's financial position. Efficient and independently veritable financial information framework need therefore to be instituted to ensure that financial statements are prepared and presented to reflect an entity's true financial position.

2.2. Theoretical Framework

The test of a theory is the extent to which its formulation seems congruent with our own perception of the real world situation. The basic theory that has been established in this study is "White Collar Crime theory" White-collar crime theory seeks to understand and explain crimes committed by individuals in positions of power, typically within business or government settings. These crimes are usually non-violent and financially motivated. Edwin H. Sutherland propounded Differential Association. He first introduced the Differential Association Theory in 1939 and further refined and elaborated on this theory in his subsequent works, particularly in the 1947 edition of his book "Principles of Criminology. White-collar crime is learned through interactions with others. Individuals learn techniques, motives, and rationalizations for criminal behaviour through their associations with others.

Criminal behaviour is more likely to occur when there are more favourable definitions of violating the law than unfavourable ones. Differential Association Theory believes that criminal behaviour is not inherited or the result of biological factors. Instead, it is learned in interaction with other people. Individuals learn criminal behaviour through verbal and non-verbal communication. This interaction often takes place within intimate personal groups. The learning process includes not only the techniques for committing crimes but also the specific motives, drives, rationalizations, and attitudes. A person becomes delinquent because of an excess of definitions favourable to violation of law over definitions unfavourable to violation of law. In other words, if a person is exposed to more attitudes that justify breaking the law than those that condemn it, they are more likely to engage in criminal behaviour.

The likelihood of adopting criminal behaviour depends on how frequently, how long, how early in life, and how intensely one is exposed to criminal behaviour and attitudes. The process of learning criminal behaviour by association with criminal and anti-criminal patterns involves the same mechanisms involved in any other learning process. While the specific content of what is learned (i.e., techniques, motives, etc.) is crucial, the learning process also involves the broader social and psychological interactions with others. These assumptions outline how criminal behaviour is developed through social interactions and emphasize the importance of the social environment in shaping an individual's likelihood to engage in crime.

The Differential Association Theory can be applied to forensic accounting within the context of Nigeria's knowledge economy to promote sustainability and combat financial crimes. By integrating the principles of Differential Association Theory into forensic accounting practices, Nigeria can enhance its efforts to build a sustainable knowledge economy, reduce financial crimes, and promote ethical business practices.

2.3. Empirical Review

There has been research in relation to forensic accounting both within and outside Nigeria. Izedonmi &Ibadin (2012), examined forensic accounting and financial Crimes; looking at some basic and common financial crimes in corporate organizations, restating the focus on Nigeria, and by extension, the developing world. They revealed that the motivations for financial crimes are built around some risk factors, such as incentive (or pressure), opportunity and rationalization surrounding the financial criminals. Efiong, (2012), investigated the awareness of Forensic accounting among the Nigerian undergraduates. The study found that there is a very low level of awareness of forensic accounting among undergraduate students.

It is observed that increased awareness can be achieved via adoption of forensic accounting into the universities accounting curriculum to enhance students’ skills and competencies Efiong, (2012). Eiyal, Otalor & Awili, (2013) explore how forensic accounting can be employed in fighting financial crime in Nigeria. And concluded forensic accounting assignment is more comprehensive in nature than financial audit. This is because forensic accounting looks beyond the transactions and the audit trail instead focuses on substances of the transactions.

Akhidime & Uagbale-Ekatah (2014) in their exploration of the relevance of forensic accounting in Nigeria, found that though forensic has helped in fraud detection, it is lacking statutory backup. Hence it has no significant impact in tackling corruption in Nigeria. O¨ zkul&Pamukc (2012) in their investigation into fraud detection and forensic accounting concluded that forensic accounting will be one of the best careers in the future and urge companies and government around the world to make material and moral investments for this profession, in order to ensure fraud- free world economy.

Another study by Adeyemi and Uwuigbe (2017) explored the impact of forensic accounting on reducing financial fraud in the Nigerian public sector. The study found that forensic accounting techniques such as data analytics, fraud risk assessment, and financial statement analysis could significantly reduce financial fraud in the public sector. The study also suggested that the adoption of forensic accounting in the Nigerian public sector could improve the country's overall economic performance by reducing corruption and promoting transparency.

Similarly, a study by Fagbemi and Uwuigbe (2016) investigated the impact of forensic accounting on reducing financial fraud in the Nigerian private sector. The study found that forensic accounting techniques such as forensic auditing, fraud risk assessment, and financial statement analysis could significantly reduce financial fraud in the private sector. The study also suggested the adoption of forensic.

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3.0. METHODOLOGY

Understanding many perspectives on the topics of Forensic accounting and economic growth, therefore, this study uses historical approach (content analysis) to examine a variety of literature in an effort to expound the impact of forensic accounting on Nigeria economy and to further contribute knowledge to the existing literature in this area.

This study generate data solely from secondary sources such as academic journal, textbooks, newspaper publication, online library materials, and magazine to facilitate adequate content analyses and discourses of literature of scholarly research work. The validity and reliability of literature sources was carried out ensured systematic review of renowned scholarly research works that relates to this study and by considering the consistency and reproducibility of their study, thereby, giving credence to the authors.

4.0. CONTENT ANALYSIS AND DISCOURSES

The Impacts of Forensic Accounting on Sustainable Knowledge Economy in Nigeria

Forensic accounting can have significant impacts on the sustainable knowledge economy in Nigeria by enhancing transparency, accountability, and efficiency in both public and private sectors. The impacts of forensic accounting on sustainable knowledge economy in Nigeria can manifest in several ways:

1. Fraud detection and prevention: Forensic accounting helps uncover fraud and corruption, which can undermine the knowledge economy.
2. Improved governance: Forensic accounting promotes transparency and accountability, essential for a sustainable knowledge economy.
3. Enhanced decision-making : Forensic accounting provides valuable insights for informed decision-making, supporting innovation and entrepreneurship.
4. Protection of intellectual property: Forensic accounting helps safeguard intellectual property rights, encouraging innovation and creativity.
5. Revenue generation: Forensic accounting helps identify and recover lost revenue, supporting investments in knowledge-based initiatives.
6. Capacity building: Forensic accounting develops skills and expertise, enhancing Nigeria's capacity for knowledge-based economic growth.
7. Investor confidence: Forensic accounting promotes investor trust, attracting investments in knowledge-intensive sectors.
8. Economic growth: Forensic accounting contributes to sustainable economic growth, creating an environment conducive to knowledge-based development. (Udechukwu, et al. 2020, Ademola 2019, Enofe, Okpako, & Atube, 2013; Okoye & Gbegi, 2013)

By embracing forensic accounting, Nigeria can strengthen its knowledge economy, foster innovation, and achieve sustainable economic growth.

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Forensic accounting faces several challenges that can impact the development of a Sustainable Knowledge Economy (SKE) in Nigeria. These challenges include regulatory issues, lack of skilled professionals, inadequate infrastructure, and corruption. Here are some detailed points and relevant references:

Challenges of Forensic Accounting on Sustainable Knowledge Economy in Nigeria

Forensic accounting faces several challenges that can impact the development of a Sustainable Knowledge Economy (SKE) in Nigeria. There is low commitment to financial accountability in the public sector, fraudulent practices in the public sector, inadequate forensic accounting skills and knowledge, limited adoption of forensic accounting practices, corruption and other fraudulent practices, difficulty in investigating and prosecuting financial crimes, limited resources and funding for forensic accounting, limited international cooperation in forensic accounting etc.

According to Okoye, & Akamobi (2009), Regulatory and Legal Framework: The absence of a robust legal and regulatory framework can hinder the effectiveness of forensic accounting. Without clear regulations and enforcement mechanisms, forensic accountants may find it challenging to investigate and prosecute financial crimes effectively. Modugu & Anyaduba (2013) opined that shortage of Skilled professionals there is a significant shortage of qualified forensic accountants in Nigeria. This skills gap can limit the ability of businesses and government agencies to detect and prevent financial fraud, thereby undermining efforts to build a sustainable knowledge economy.

Ogutu (2016) envisaged that inadequate technological and institutional infrastructure can impede the work of forensic accountants. For example, limited access to advanced forensic tools and data analytics can make it difficult to conduct thorough investigations. Widespread corruption and ethical issues can compromise the effectiveness of forensic accounting. Forensic accountants may face threats, intimidation, or bribery, which can deter them from performing their duties effectively. Lack of public awareness and understanding of the importance of forensic accounting can also be a challenge. Without public support and demand for transparency, it can be difficult to implement effective forensic accounting practices (Owojori & Asaolu, 2009, Arokiasamy & Cristal-Lee, 2009).

Strategies to Improve Forensic Accounting for Sustainable Knowledge Economy in Nigeria

Improving forensic accounting practices in Nigeria can significantly contribute to fostering a Sustainable Knowledge Economy (SKE) by enhancing transparency, accountability, and efficiency, Capacity building, Awareness and education, Technology adoption, Leverage technology, such as data analytics and artificial intelligence, to enhance forensic accounting capabilities, Ethical standards, Government support, among others. Some scholars mentioned below suggested ways to improve forensic accounting for a sustainable knowledge economy in Nigeria. They include the following.

Enhance Regulatory Framework: Strengthening the regulatory and legal framework is crucial. This includes enacting and enforcing laws that support forensic accounting practices, ensuring transparency in financial reporting, and facilitating cooperation between regulatory bodies and forensic professionals (Ogutu, 2016).

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Capacity Building and Training: Addressing the skills gap through continuous training and education programs for forensic accountants. This includes technical skills in forensic auditing, data analytics, and investigative techniques, as well as ethical considerations (Modugu & Anyaduba, 2013).

Investment in Technology: Improving access to and utilization of advanced forensic tools and technologies. This includes data analytics software, digital forensics tools, and secure platforms for evidence gathering and analysis (Ogutu, 2016).

Promote Collaboration: Facilitating collaboration between forensic accountants, law enforcement agencies, regulatory bodies, and other stakeholders. This can enhance information sharing, coordination of investigations, and overall effectiveness in combating financial crimes (Okoye & Akamobi, 2009).

Public Awareness and Education: Increasing public awareness of the importance of forensic accounting in promoting transparency and accountability. This includes educational campaigns, workshops, and seminars to educate businesses, government officials, and the general public on the role of forensic accounting in sustainable economic development (Arokiasamy & Cristal-Lee, 2009).

By implementing these discussed strategies, Nigeria can enhance forensic accounting capabilities, promote a sustainable knowledge economy, and combat fraud and corruption effectively.

5.0. CONCLUSIONAND RECOMMENDATIONS

5.1. Conclusion

The study highlights the significant role that forensic accounting plays in Nigerian economic growth and development. It revealed that forensic accounting has contributed significantly to Nigerian economic growth by uncovering financial crimes and reducing corruption in both the public and private sectors. The study also revealed that forensic accounting has helped improve the quality of financial reporting, enhance corporate governance, and promote investor confidence in the Nigerian economy. However, the study also identified several challenges facing the effective use of forensic accounting in Nigeria.

The challenges identified include lack of awareness and understanding of forensic accounting among key stakeholders, insufficient funding for forensic accounting investigations, shortage of qualified forensic accountants in the country, as well as inadequate legal and regulatory frameworks for forensic accounting. However, its effective implementation faces several challenges, including lack of attentiveness and understanding of the field, a shortage of qualified professionals, and a lack of institutional backing.

This study also underscores the need for concerted efforts to address the challenges facing the effective use of forensic accounting through intense effort from all stakeholders, as well as the government, the private sector, and professional bodies, so as to ensure its full potential is realized in promoting economic growth and development.

5.2. Recommendation

This study recommends the establishment of a national regulatory body for forensic accounting to provide guidelines and standards for the practice of forensic accounting in Nigeria.

Additionally, the study suggests that the Nigerian government should prioritize the investigation and prosecution of financial crimes and corruption to deter potential offenders.

Also accountancy professional bodies should increase their effort in providing functional and cutting edge education to their members and develop curriculum that would incorporate forensic accounting with a view to make them globally competitive.

Moreover, educational institutions should lead the way while the legislative arm of government should enact legislations that will not make all anti-graft, financial crimes and corruption agencies not only autonomous, but effective and efficient in performing their duties.

This study could not have covered all areas of forensic accounting, henceforth it is suggested that other researchers expand to the private sector and even increase the population to be covered.

Conflict of Interest

The author declares that no conflict of interest exist in this manuscript.

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