Bindura University of Science Education

FACULTY OF COMMERCE

DEPARTMENT OF ACCOUNTING

THE EFFECT OF FORENSIC AUDIT, AUDITOR EXPERIENCE AS A MEDIATING VARIABLE ON FRAUD DETECTION IN THE PUBLIC SECTOR.

SUBMITTED BY:

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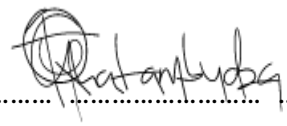

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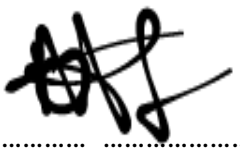

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DEDICATION

I would like to dedicate this research to my late grandfather. His encouragement and faith in me gave me the strength throughout the course of this journey, although my heart is still bleeding. That man believed I could do my dissertation in a week.

ABSTRACT

In Zimbabwe, numerous state-owned businesses suffer annual losses of millions of dollars as a result of internal fraud. This has made the government to implement different strategies as to tackle fraud. Therefore, this research aimed to ascertain the effect of forensic, audit auditor experience as a mediating variable on fraud detection in the public sector. Questionnaires were distributed through a google form as part of quantitative approach and survey methodology. There were 46 government accountants, forensic, external and internal auditors among the respondents. The data was analysed using simple linear bivariate regression using the SPSS as a data analysis tool. Tables containing the results were used to present the data. The findings demonstrated a positive correlation between forensic audit, auditor experience and fraud detection. They also significantly outlays the mediating role played by auditor experience between forensic audit and fraud detection.

ACKNOWLEDGEMENT

I thank God for blessing me with life and good health. I am appreciative of everyone who supported me when l was writing my dissertation. My heartfelt gratitude goes to my supervisor for his steadfast support and constructive criticism that enabled me to stay on course, as well to the department lecturers for their assistance. I would specially like to thank my family and friends for their unwavering support and love as l completed this research.

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

Due to its potential to erode public trust and compromise the efficiency of government operations, fraud is a major challenge for the public sector. Some experts come to the conclusion that forensic audit, a specialized investigative instrument that combines accounting, auditing, and investigative skills to identify and prevent fraudulent activity, is the solution. This study aims to explore the various ways in which forensic audit influences fraud detection in the public sector, with auditor experience acting as a mediating element. This chapter covers the following sub topics: introduction, background of the study, problem statement, objectives, research questions, statement hypothesis and study significance. It also provided additional explanations of the study's assumptions and l imitations in addition to term definitions and a summary of the findings.

1.1 Background of the study

Businesses and regulatory agencies around the world are very concerned about fraud detection (Yu and Rha, 2021). As legal systems, cultural values and business practices change among regions, the effectiveness of fraud detection techniques can vary as well. Since experienced auditors usually possess a thorough awareness of financial processes, internal controls and the signs of fraudulent activity, auditor experience plays a significant role in the effectiveness of fraud detection efforts within firms. According to research by Chen and Wang (2016) and Brown et al. (2020), experienced

auditors have been demonstrated to improve audit quality and more successfully identify financial irregularities. Since their experience enables them to more effectively spot red flags, evaluate control problems and carry out audit procedures, auditor experience has long been seen as a crucial component in improving audit quality and discovering financial irregularities. Increased fraud detection rates are the result of this.

The public sector is especially vulnerable to fraud because of the huge financial stakes and complex regulatory environments that surround it. The success of auditors in identifying fraud in the public sector is dependent upon several elements, such as their training, experience, and familiarity with the particular organization's operations. This ensures that they possess the knowledge and skills required to identify fraud.

As we enter the fourth industrial revolution, digital innovations are making economic fraud more likely. Another country where corruption cases are common is Indonesia. The state would have to pay 26.83 trillion for 209 corruption cases, according to projections made by Indonesia corruption Watch, a non-governmental organization that fights corruption. According to this assessment, the most corrupt categories comprised of the accused were civil officers, private sector workers, and village heads.

Also, because speed and accessibility are valued above control and transparency, the provision of social assistance money during a pandemic presents a risk for fraud and corruption. This causes officials to make mistakes and abuse their authority. Data from the Indonesian National Police for 2020, which detailed 107 instances of social assistance misuse throughout 21 different locations of the nation, demonstrated this. Among the cases that happened in Bengkulu, west Sumatra, and the Riau Islands (Ramadhani et al., 2021).

In South Africa, procurement process corruption is a well-documented problem that can be challenging to eliminate. Few senior government officials have been found guilty despite the fact that many of them have been connected to numerous corrupt activities. Researching corruption can be challenging since many data may be erased or lost in self-defense, according to Kelly (2023).

In Zimbabwe, numerous state-owned businesses suffer annual losses of huge sums of dollars due to internal fraud. Numerous financial scandals have impeded the expansion of state-owned firms like ZESA. These legal disputes send a message to the public, the audit profession, and the appropriate authorities. On March 13, 2014, The Financial Gazette disclosed that ZESA had become involved in a scam of more than US$ 180 million by choosing failing bidders in a tender to build a solar power plant. Zimbabwe introduced the Procurement Act Chapter 22.23, which brought about improvements in public procurement (Munyede and Mapuva, 2020). The process brought about a number of reforms, the most important of which was the settlement of the long-standing problems with transparency in Zimbabwe’s public sector (Munyede and Mapuva, 2020).

The purpose of this study is to investigate how forensic auditing and auditor experience affect fraud detection in public sector firms. Auditors require experience in fraud detection since opportunity, motivation, and justification all play a role in the likelihood of fraud. Organizations should take a number of measures to guarantee that fraud is identified and stopped even when internal controls are the foundation for fraud detection. Experienced auditors are better at spotting fraud, therefore hiring and training them should be an organization's top priority. Organizations should also use the forensic audit component in order to quickly detect and successfully terminate fraud instances. In addition, forensic auditors need to be knowledgeable in a variety

of scientific fields, such as information technology, law, finance, and investigation methods.

1.2 Problem statement

Even though the importance of fraud detection is becoming more and more clear, little is known about the roles that auditor experience and forensic audit play in enhancing fraud detection. Although auditor experience is supposed to improve one's ability to detect fraud, its exact influence and interactions with other factors remain unknown. Although forensic audit has become more significant in the fight against fraud, little is known about how exactly it affects the outcomes of fraud detection in the public sector.

The government has been losing a lot of money due to fraud which is something that most people ignore or take for granted. Financial worries about fraud and corruption are major worldwide issues that have a significant impact on developing countries like Zimbabwe (Okoye, Amughoro and Evbota, 2019). Fraud can escalate into a major problem because it impedes the growth of a nation's economy, results in monetary losses and other wastes, harms the reputation of governmental organizations, and erodes public trust. Fraud detection and prevention through forensic auditing effectively reduces these risks.

Therefore, this study's goal is to ascertain how, as mediating variables, auditor experience and forensic auditing impact fraud detection in the public sector. In order to determine whether auditor experience affects the relationship between fraud detection and forensic audit, this study examines the relationship between the two. The aim of the study is to provide a deeper understanding of the elements that go into successful fraud detection in the public sector. Through the development of more effective fraud detection strategies, these insights can help public sector enterprises lower the risks

associated with fraudulent conduct.

1.3 Objectives of the study

- To ascertain how auditor experience affects fraud detection
- To ascertain how forensic audit affects fraud detection
- To ascertain the auditor experience's mediation role in the relationship between fraud detection and forensic audit.

1.4Research questions

- How do fraud detection and auditor experience relate to each other?
- What effect does forensic audit have on fraud detection?
- How much does the experience of auditors influence the connection between fraud detection and forensic auditing?

1.5. Statement hypothesis

H1: Auditor experience and fraud detection are positively correlated.
H2: Forensic audit has a positive impact on fraud detection.

H3: Auditor experience acts as a mediator in the link between fraud detection and forensic audit.

1.6 Significant of the study

To the researcher

The research study was conducted in order to complete the requirements for the bachelor of accounting (honors) degree. The study tends to be significant since it helps the researcher to improve their scientific research techniques and subject-matter expertise.

This research aids in career development since it can position the researcher as an expert on the topic and lead to future career-advancing options like teaching, consulting, or conducting additional research.

To the accountants in the industry

The findings will help Zimbabwean auditors to upgrade their skills in forensic auditing as a way of safeguarding their profession from threats paused by committing fraud.

The results may also contribute to a greater understanding of the risks and effects of public sector fraud as well as the necessity of taking appropriate action to combat it.

To the University (Bindura University of Science Education)

The findings will help the university to adjust its curriculum of accounting students as to cope up with what is expected in the industry.

1.7. Assumptions of the study

- That forensic audit and fraud detection are related;
- The key resources and information availability restrictions of this research are the most recent journals and published publications, which may be accessed through paid academic sources. This suggests that the researcher is reliant on publicly available academic sources to acquire appropriate information for this investigation.
- Conclusions made from the data are reliable given the information at hand.

1.8 Delimitations of the study

The main objective of this study is the effect of forensic audit, auditor experience as a mediating variable on fraud detection in the public sector. Due to its limitation to the public sector organizations, the study's findings could not be applicable to private sector organizations. This research focuses on the connection between forensic audit and auditor experience in fraud detection, leaving other possible attributes that can influence fraud detection out of the analysis. The study's reliance on data from public sector organizations in one specific nation called Zimbabwe meaning it might not be applicable to other countries or regions.

1.9 Limitations of the study

The primary obstacle was certain people's reluctance and resistance to share information. This resulted from the respondents' concern that negative consequences could arise if their information became known. The researcher assured the respondents that their answers to the study could be submitted anonymously and their information would be kept private. Since the majority of current journals and published articles are only available through subscription services, the researcher in this study is reliant on academic open sources to find relevant information. This study may have included inaccurate and biased self-reported data.

1.10 Definition of terms

Auditing

Auditing is the systematic process of obtaining and objectively evaluating evidence related to assertions about economic actions and events in order to ascertain the degree of correspondence between those assertions and established standards, as well as communicating the results to interested parties (Mwanza, 2022).

Forensic audit

Rezaee (2018) describes forensic audit as the process of researching,

reviewing, analyzing and assessing an organization's financial statements and financial records in order to find information that will be used as evidence in court or in any other legal proceeding.

Auditor experience

Auditor experience refers to the collective knowledge, skills and abilities gained through practical involvement in audit engagements as according to International Auditing and Assurance Standards Board (IAASB, 2019).

Fraud

A deceptive act carried out with the intention of gaining an unlawful advantage or violating the rights of another person (Park, 2021).

Fraud detection

An action made in concern to stop property or money from being gained under fraudulent pretenses (Baader and Krcmar, 2018).

1.11. Summary

This chapter gave an insight on the following sub topics: the study's significance, research assumptions, background of the study, problem statement, research objectives, research questions, hypothesis statements, and definition of terms. It also acted an introduction to the research under study.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The main goal of this chapter is to examine the study's central idea while giving definitions for key terms. It includes theoretical literature in which researchers have explained hypotheses that form the basis of their study topics. This chapter's goal is to find the gaps that need to be addressed by critically analyzing relevant earlier research. Finally, an empirical examination of pertinent literature is given, in which the investigator considers evidence from other investigators.

2.1 Theoretical Literature

Relevant theories that clarify fraud detection, forensic auditing, and the

significance of auditor experience are referred to as theoretical literature. The fraud triangle theory, the fraud diamond theory and the agency theory are well explained below as they relate to fraud.

2.1.1 The Agency Theory

Jensen and Meckling (1976) state that the agency theory addresses two issues and integrates theories from organizational, decision, economic, and sociological studies. The first information asymmetry arises from the management of the business having a better understanding of its finances and operations. Second, conflicts of interest result from divergent goals. The researcher will concentrate on the explanations of the theory provided by Sembiring and Widuri (2023). When agents neglect to execute directives from the principals on their behalf, conflicts arise. Additionally, those in positions of authority who make choices on behalf of an organization have an incentive to maximize profits through the policies they enact. This demonstrates how the agency theory is a prerequisite for organizational fraud. Since the agency is always in possession of asymmetric information about the organization, he will likely manipulate the financial statements of the company to profit from the current fraud situation. Therefore, in order to recognize and put an end to fraud, qualified and experienced auditors are needed to detect and prevent it.

2.1.2 The fraud triangle theory

The greatest idea to explain why people commit fraud in the public sector enterprises is the fraud triangle theory. After examining 250 offenders over the course of five months in 1950, Cressy developed this idea, which was originally published in 1953. According to Cressy, a fraudster needs three things in order to break the trust. These components include opportunity, rationalization, and pressure/incentive.

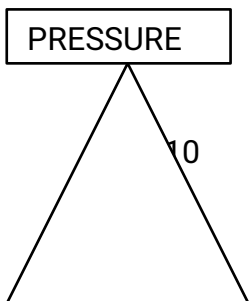


Figure 1: Fraud triangle Source: Cressey (1953)

According to the journal written by Abdullahi and Mansor (2018) they provided an explanation of the fraud triangle theory by Cressey (1953) in their publication. Pressure is the motive that could lead someone to in engage fraud, as shown by Cressey Donald in 1953. This pressure may arise from the work environment or from personal problems such as financial strain or addiction pressure. It's feasible to offer incentives or put pressure on management or other employees to conduct fraud. Pressure may also come from the unreasonable expectations from investors, banks or other sources of money (Gupta and Gupta 2015).

As defined by Rasha and Andrew (2012) and Rasha and Subramanian (2008), opportunity is a systemic weakness that an employee has the chance, power and capacity to take advantage of and maybe conduct fraud. This suggests that the likelihood of an opportunity increases with the weakness of the organizational internal control system; if an individual is under pressure, but there is no opportunity, they cannot conduct fraud. This necessitates forensic auditing, in which an auditor identifies the primary incentive for committing fraud. Pressure is what drives someone to do a crime, but the employee also needs to think there's a chance he'll get away with it.

Rationalization is the final and third element of the fraud triangle theory. According to Awang et al. (2020), rationalization is the concept that someone may utilize excuses to support their dishonest behavior, giving the impression that it is genuine and acceptable. This implies that before betraying trust, a

fraudster will have to explain his fraudulent operations using a range of morally permissible acts. The experience and knowledge of the auditor will therefore be necessary to gather proof of the guilty parties, as many auditors are unable to identify fraudsters because of a lack of proof. In this instance, it's likely that the offender will be committing fraud if he is unable to defend his immoral behavior. Fraudsters typically use excuses as, "I was only borrowing the money" or "I had to steal to provide for my family", to defend their acts, according to Cressey (1953). The next step will be to use forensic audit to determine whether or not this is fraud. Usually, the majority of people who commit fraud have particular views that help them justify their fraudulent behavior Hooper and Pornelli (2010).

2.1.3The fraud diamond theory

In December 2004, Wolfe and Hermanson published it for the first time in the CPA journal. Since the fraud diamond theory is an extension of the fraud triangle theory, it is seen as a more thorough theory. In this instance, the capability component of the diamond theory hypothesis has improved the three basic fraud components. According to Wolfe and Hermanson (2004), even in situations where perceived pressure, an opportunity, and rationalization are available, fraud is unlikely to happen until capacity is present. This implies that the person with the potential to conduct fraud needs to possess the necessary knowledge, abilities, and skills.

2.2 Empirical Literature

A study was done on the effects of forensic audit, big data and auditor experience as mediating variables on fraud detection. This compelled all stakeholders, including the government, to devise workable and effective methods for identifying fraudulent issues. Sembiring and Widuri (2023) distributed questionnaires via Google Form as it employed a quantitative strategy and survey methodology. The survey was completed by 128 government, external, and internal auditors. The data was examined using Smart PLS methods in Structured Equation Modeling. The results showed that

forensic audit, big data, and auditor experience have a good and significant impact on fraud detection. Forensic audits are positively and significantly impacted by big data features and auditor experience. Big data is not employed to prevent fraud detection. Since it may contain elements that strengthen the connection in this study, forensic audit functions as a mediator between the auditor experience and fraud detection, the study's author recommends conducting additional research in the future. Moreover, considering that this investigation was carried out within the COVID 19 pandemic, factors such as investigative audits ought to be used.

Newman et al., (2023) examined the effectiveness of forensic auditing in detecting fraud in state owned enterprises using a ZESA case study. Forensic auditing is crucial in detecting and reducing fraud in order to guarantee the effectiveness of state owned businesses. As they provide the general public with commercial services or activities, state owned enterprises are important to any country. These businesses deal with significant sums of money on a daily basis. Since many of these organizations lack proper controls and fraud is occurring there, forensic auditing is required. One of the main purposes of forensic auditing for state-owned businesses is to identify and stop fraud in order to ensure since many of these organizations lack proper controls and fraudulent activities are occurring there, forensic auditing is required. Surveys were used in this study to gather data, and quantitative research techniques were used. The findings demonstrated a high positive correlation between fraud discovery in SOEs and forensic auditing.

Furthermore, a study by Owusu et al. (2022) applied the fraud triangle theory to investigate the predictors of fraud in state-owned firms. This study aims to investigate workers' perceptions of the causes of frequently reported cases of workplace fraud. The study used the fraud triangle hypothesis as its theoretical framework to examine how pressure, opportunity, and justification affect employees' fraudulent behavior at work. A questionnaire was utilized to

collect data, which was analyzed using a correlation quantitative methodology. A total of 243 valid replies from employees of Ghana's various state-owned companies were included in the empirical inquiry. The structural analysis's findings demonstrated that opportunity, pressure and rationalization are the main causes of employee fraud in the workplace.

In Basel, Switzerland, Sanchez et al. (2021) conducted a study on fraud detection utilizing data mining techniques and the fraud triangle hypothesis. They claimed that since fraud entails lying to obtain benefits that are not lawful, it is a topic of public interest and is mostly observed in financial institutions. Their aim was to analyze efforts in the field of work-related fraud detection that use machine learning and deep learning approaches along with the fraud triangle. The goal was to enhance fraud detection procedures because, in the past, auditors had to use labor-intensive, manual processes that took a long time to examine evidence related to fraud. This study was conducted by Sanchez et al. (2021) in order to automate the processing of fraud-related evidence through the use of deep learning, machine learning, and data mining techniques. The research publications on fraud detection published in the previous ten years were analyzed using the Kitchenman technique. This investigation revealed that several studies are being conducted in the particular field of fraud detection. Future research is advised to incorporate an assessment aimed at detecting fraud, which should look into the availability and accessibility of the data as well as any potential replacement data sources.

In addition, a study conducted in Nigeria looks at the significant role of forensic auditing in preventing fraud which compromises the stability as well as continuous operation of Deposit Money Banks (DMBs) (Adesina et al, 2020). A systematic questionnaire was used to collect data, which encompassed 17 banks out of the 22 DMBs functioning in the country (77.3%). Since the ordinary least squares were utilized to test the hypothesis, survey

design approaches were used in this study. Results demonstrated that the presence of knowledgeable and competent auditors in Nigeria's banking industry can lessen financial fraud and enhance the industry's general integrity. Additionally, the author suggests that banks establish a forensic department headed by a certified forensic auditor. In order to prevent future fraud, this department will be in charge of creating and implementing effective internal controls, as well as swiftly prosecuting and treating fraudsters like criminals. This study suggested that in order to do this, staff members need to have access to proper training and development opportunities, especially in the area of fraud control.

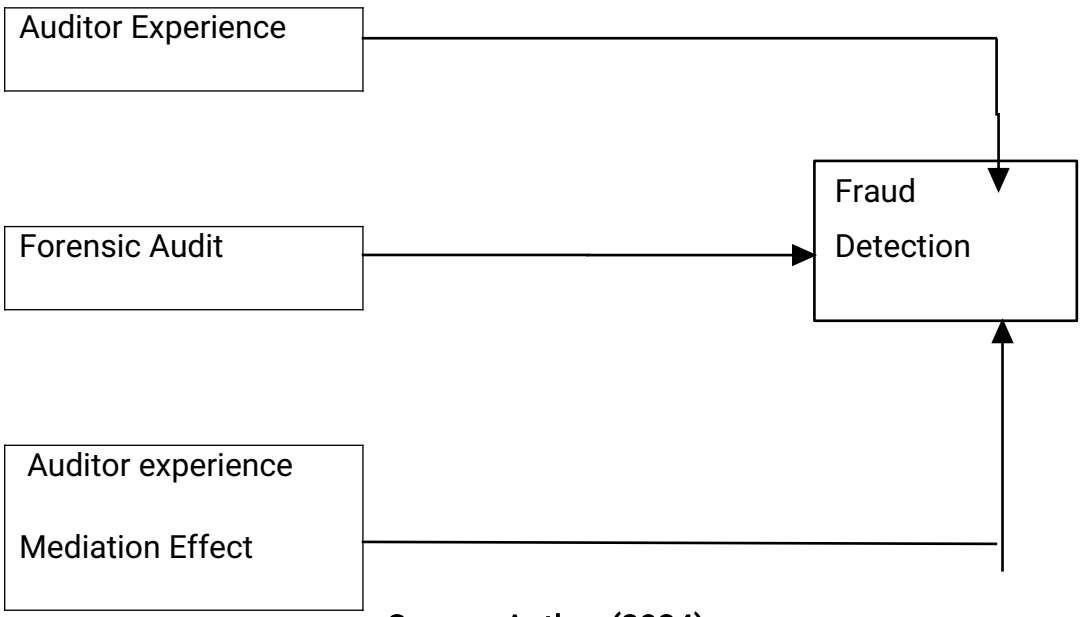
Additionally, Putra and Dwirandra (2019) conducted a study on the impact of auditor experience, personality type, and fraud auditing training on auditors' capacity to identify fraud using professional skepticism as a mediating variable. The study informs that deliberate or fraudulent behaviors that go undetected during an audit would have an adverse effect on financial reporting; for this reason, an auditor needs to be skilled in spotting fraud. The Public Accounting Office's auditors made up the 71 responders to the questionnaire that was utilized to gather data. The partial least squares analysis approach was used in conjunction with the thoughtful sampling methodology to pick the respondents. The results demonstrated that the auditor's ability to spot fraud was significantly improved by professional skepticism, personality type, audit training, and audit experience.

Zhambe (2019) did a study to determine the impact of forensic auditing services on fraud detection by state owned enterprises listed on the Zimbabwe Stock Exchange (ZSE). The descriptive research design was used and the population comprised non-financial ZSE listed companies. A standardized questionnaire was used to collect data on the effects of forensic auditing on fraud or crime minimization. The conclusion reached by the authors was that forensic auditing and related services are more beneficial to

state-owned enterprises and ZSE listed companies.

According to Agbaje and Adeniran's (2017) findings, forensic auditing minimizes fraud within the banking industry. In order to strengthen corporate governance in firms, forensic auditing is a helpful strategy for lowering fraudulent activity in banks and other enterprises, according to Adebisi et al. (2016) and Enofe, Ekpulu, and Ajaya (2019). According to Nandini and Ajay (2021), forensic auditing is an essential tool for ensuring that corporate governance regulations are followed and organizations remain viable. Forensic litigation and investigation outcomes were shown to reduce financial irregularities in Nigerian commercial banks and were statistically significant in demonstrating adjustments in financial statements.

2.3 Conceptual Framework



Source: Author (2024)

Figure 2: Conceptual Framework

2.3.1 Definition of auditor experience

Auditors have experience when it comes to the combination of information, skills, and abilities they have gained from practical involvement in audit engagements, according to the International Auditing and Assurance Standards Board (IAASB, 2019). According to Dwirandra and Suryanawa (2018), an auditor's capacity to identify fraud is based on his or her ability to identify areas of deficiency in skill and then utilize that knowledge to reveal and justify those shortcomings. To preserve the accuracy of audited financial statements, auditors' skills must be improved in order to decrease their inability to spot fraud. The possibility of running across fraud scenarios and, thus, the possibility of discovering fraud are increased by audit experience (Yakubu, 2017). This explains why experienced auditors in managerial and supervisory positions usually find fraud more quickly. This suggests that having expertise is crucial for auditors since it reduces the possibility that they won't be able to spot fraud or point out any financial misstatements in the financial statements. Experience strengthens an auditor ability to detect fraud and makes them more effective at assessing it (Maulana and Kiswanto, 2019).

2.3.2Definition of forensic audit

Dada (2018) defines forensic audit as the process of going over, looking through, assessing, and analyzing an organization's financial records and accounts to identify information that will be needed as proof in court or in any other legal procedure. These days, forensic auditing is a popular method for identifying fraud. According to Dobrowolski (2021), forensic audit is concerned with finding, evaluating, disseminating, and presenting the evidence that supports financial events. This suggests that a forensic auditor's primary goal will be to evaluate relevant evidence that has been gathered throughout the fraud trial process. The principal objective of forensic auditing is to obtain legally admissible facts and evidence. Forensic auditing is the most effective technique for identifying and exposing fraud since it incorporates information technology, criminology, and accounting.

2.3.3 Fraud detection

A misleading act carried out with the intention of getting an illegal benefit or breaching the rights of another individual is referred to as fraud (Park, 2021). Fraud detection is the process of preventing assets or money from being obtained through deception (Baader and Krcmar, 2018). Finding out how auditor experience affects the connection between fraud detection and forensic auditing is the aim of this research. Investigative audits, which are specialized and high-risk fraud audits, rely largely on the competence of their auditors hence auditor experience and forensic audit work hand in hand on fraud detection (Limaho et al., 2022).

2.3.4 Forensic audit techniques

2.3.4.1 Data mining skills

The act of identifying patterns, correlations and irregularities in massive data sets in order to forecast future events is known as data mining (Akpan & Akpan, 2021). Data mining is another tool that organizations may use to turn raw data into valuable knowledge. According to Bassey (2018), businesses may utilize software to find trends in massive amounts of data, understand their target market better, create more successful marketing efforts, boost sale and cut expenses. Data mining, according to Huber (2017), is the process of obtaining details from large databases concerning predictions that are hidden. This powerful new technology can assist companies in concentrating on the most crucial information stored in their warehouses. By predicting future trends and using this technique, organizations may make proactive, knowledge-driven decisions.

2.3.4.2 Computer Assisted Audit Techniques (CAATs)

Auditors process audit relevant data from a client's computer information system using computer programs and data known as Computer Assisted Audit Techniques (Akpan & Akpan, 2021). This technology will enable the

internal accounting department of any business to produce better analytical results. Since these instruments are employed in all corporate settings, it is likely that they are also applicable in the public and industrial sectors.

2.3.4.3 Data Analysis

Examining massive, complete data sets to find trends and irregularities for further research, and audit evidence is the process of data analysis. This tool's main application is the analysis of population-wide data. To find anomalies or patterns that can point to fraudulent activity, this may include looking through massive amounts of data with specialist software tools (Wells, 2011).

2.3.4.4 Interviewing

Forensic auditors speak with relevant parties, including employees, supervisors, and possible witnesses, to gather information and spot fraud schemes. These interviews focus on information about internal controls, fraudulent transactions, and persons involved in fraudulent conduct (Singleton et al, 2014).

2.3.4.5 Document Examination

Document examination is done to find irregularities, forgeries or alterations that can point to fraudulent activities, forensic auditors examine a variety of documents, including contracts, bank statements, invoices and financial records. This involves scrutinizing the authenticity, accuracy and completeness of documents (Kranacher and Riley, 2011).

2.4 Hypothesis

The length of the auditor's employment, assignments, and problem-solving abilities are indicators of their experience (Laloan et al, 2021). This indicates that auditors can quickly identify fraud during the audit process because of

their experience. Putra and Dwiranda (2019) studied the effect of auditor experience, as was previously noted. The findings also indicated that professional skepticism, personality type, audit training, and audit experience significantly improved the auditor's ability to identify fraud. According to Sembiring and Widuri (2023), auditor experience had a significant and substantial impact on fraud detection. The more often auditors complete the same duty, the faster and more proficient they become in doing so. Experienced auditors are more able to identify the reasons behind unintentional, purposeful, or tool-related mistakes that suggest fraud, as the fraud triangle focuses more on workplace fraud (Anggriawan, 2014). The auditor's prior job experience has a minimal but beneficial impact on fraud detection, according to Rahim et al. (2019). The researcher proceeded to formulate the hypothesis as follows following such an assessment: H_1 **Experience as an auditor and fraud detection are positively correlated.**

Obtaining legally acceptable facts and evidence is the goal of the forensic audit procedure, which also offers advice on how to stop illegal cases like fraud. This suggests the reason why forensic auditing uses so many different methods. Newman et al (2023) investigated the effectiveness of forensic auditing in identifying fraudulent activities within state-owned companies. The findings demonstrated a favorable correlation between forensic audit and fraud detection in state-owned enterprises. A study carried out in Zimbabwe by Zhambe (2019) proved that forensic auditing is a useful tool for identifying fraud. The fraud diamond theory, which explains how pressure, opportunity, rationalization causes fraud was published by Wolfe and Hermanson in 2004. This offers the basis for understanding the fundamental factors that drive fraudulent activities thus auditors can assess the risk of fraud and tailor their forensic audit procedures accordingly .The hypothesis was developed with the aid of the data obtained from other researchers as: H_2 **Forensic audit has a positive impact on fraud detection .**

According empirical literature, the majority of researchers have demonstrated that they have studied forensic auditing in greater detail. This gives the researcher the motivation to ensure that the study takes auditor experience into account as well. Skilled auditors have a crucial role in determining whether high-risk fraud audits, like forensic and investigative audits, succeed or fail (Limaho et al., 2022). Experienced forensic auditors typically possess a deeper comprehension of the distinct obstacles and hazards encountered by public sector entities. Experts argue that auditors with forensic auditing background may be more qualified to identify and inquire into instances of fraud, waste, and abuse. According to Sembiring and Widuri (2023), forensic audit acts as an intermediary for fraud detection and the auditor's experience. The hypothesis was then formulated as follows: **H_3 Auditor experience acts as a mediator in the link between fraud detection and forensic audit.**

2.5 Summary of previous studies and research gaps.

Sembiring and Widuri (2023) conducted a study on the impact of auditor experience, big data, and forensic audit as mediating variables on fraud detection. The study was conducted in Indonesia as a result of the enormous damages incurred due to the country's numerous fraud instances. This suggested that the author was motivated to conduct this study because of the harm that fraud had caused to their nation.

In addition, the fraud triangle theory was used in a study by Owusu et al. (2022) to look into the factors that indicate fraud in state-owned businesses. The structural analysis's findings demonstrated that opportunity, pressure, and justification are the main causes of employee fraud. However, the author used the fraud triangle hypothesis as its theoretical framework to analyze how pressure, opportunity, and justification affect employee's fraudulent behavior at work. It also sought to find out what the workers thought were the causes of frequently reported occurrences of workplace fraud. This study did not address actual fraud; rather, it concentrated mainly on the characteristics that encourage employees to commit fraud at work.

Sanchez et al. (2021) conducted a study on fraud detection using data mining techniques and the fraud triangle hypothesis in Basel, Switzerland. The aim of this study was to examine machine learning techniques for fraud detection in conjunction with the fraud triangle theory. However, the results showed that, the majority of fraud detection systems were historically based, hence the primary focus of this study was on improving them.

Adesina et al. (2020) did a study in Nigeria that examines the value of forensic auditing in preventing financial crime, which includes maintaining the stability and uninterrupted functioning of Deposit Money Banks. The study's conclusions showed that having knowledgeable and experienced forensic auditors in Nigeria's banking sector helps reduce financial fraud and improve the sector's overall integrity. Nevertheless, rather than examining the impacts of fraud on public sector organizations generally, this study solely looks at financial fraud that has an impact on the stability and operations of banks.

In order to provide information on contemporary fraud outcomes within public firms and to close the gaps left by the prior research, which were carried out in the various listed nations. The researcher for this study made the decision to conduct a research in Zimbabwe. On the other hand, the current researcher is investigating on the effectiveness of forensic audit, auditor experience as a mediating variable on fraud detection in the public sector. This will be accomplished by looking at the connection between fraud detection, auditor experience, and forensic auditing, particularly in the context of Zimbabwe's public sector organizations. The goal of this research is to determine how auditor experience levels and the use of forensic audit techniques impact the capacity to detect fraud in the public sector.

2.5 Chapter Summary

This chapter covered the definition of fraud detection, auditor experience, and forensic audit. It went on to describe further forensic auditing methods,

including document examination, data analysis, and computer assisted auditing. Theories related to this study were also highlighted. In addition to the research gaps that the study addressed but those earlier writers and researcher overlooked were also mentioned, along with the study's empirical review.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter covers the research design, methods used to collect, analyze and present data. The ethical considerations were taken into account. The regression model was applied to analyze data in SPSS 20 which was used as the statistical tool in data estimation. The researcher's methods for presenting collected data to enhance the understanding of conclusions were also included.

3.1 Research design

A quantitative approach with a survey method research design was used by the researcher. The researcher used this research design as it was also used by Sembiring and Widuri (2023) that had a similar study called the effect of auditor experience, big data and forensic audit as mediating variables on fraud detection. Based by a positive theoretical framework, the study prioritizes

numerical analysis of data, consistency, reliability, and objectivity. Researchers can better understand the variables of interest, their current condition, and their interrelationships by using this research design strategy. The quantitative research design method offers relevant information about the subject being studied and can be used to provide practical recommendations or establish foundations for further research.

3.1 Quantitative approach

This approach is a research methodology that focuses on collecting and analyzing numerical data. In this case the researcher aims to obtain objective and measurable data to test hypothesis, identify patterns and establish relationships between variables. Due to the reference, data was provided in a numerical manner and study information could be generated (Kapoula et al., 2016). Also, this approach displays the results in a statistically valid manner and can be employed to examine cause and effect of relationships between variables. This approach was used to ensure accuracy of the data used to draw conclusions and to promote confidence in the research findings.

3.2 Study population

According to Yeboah (2016), a population is the entire group of items chosen for research that have similar attributes. Asiamah et al. (2017) defines the target population as the total group of individuals for whom the study's conclusions are meant to be implemented. In this study the researcher will be targeting forensic, internal and external auditors in the public sector companies. The researcher is guided by Sembiring and Widuri (2023), who had a target population of internal, external and government auditors.

3.4 Sampling techniques and sample size

Sampling, according to Hajimia (2014), is the process of selecting a study

sample that is representative of the population under study. A probability sampling technique called stratified sampling was employed in this study. To classify the target population, detailed data that made it simple to determine the characteristics of the population (strata) was used. A subset chosen for the study is also known as the sample size. The researcher used a simple size of 50 people.

3.4.1 Justification of using Stratified sampling method

To avoid sampling bias, a sample was chosen randomly by the researcher from each stratum. The strata were designed to reflect various demographic subgroups. By ensuring the inclusion of significant subgroups within the population, it also increases the representativeness and precision of the sample. When there is population heterogeneity, it is employed. The researcher employed the same sample strategy as Putra and Dwirandra (2019), whose research aligned with the researcher's.

3.5 Research instruments

The study used a structured questionnaire as its main research instrument. According to Macnamara and Collins (2011), it was made up of a series of printed and typed questions arranged in a specific format. The aim of the survey was to collect information from respondents by asking them to respond to a same series of questions. The researcher implemented the use of a questionnaire distributing them through a google form as used by Sembiring and Widuri (2023) who had a similar study.

3.5.1Questionnaires

The researcher based the questionnaire on previous studies and made sure it was suitable for statistical analysis as it was used to collect data. Reliability of the questionnaire was checked before using it.

Advantages

The cost effectiveness of questionnaires is one of the major advantages as thousands of them can be distributed online. Also, they allow anonymity, which can encourage honest and open responses. The data collected from questionnaires is also standardized, which makes it easier to compare results and analyze the data using statistical techniques. Questionnaires allow respondents to provide their answers without the influence or bias of an interviewer. It also allows deliberation and independence as the respondents will be left to fill in the questionnaire on their own time, without interference from the researcher. Lastly questionnaires allow for wide coverage, as they can be distributed to a variety of respondents.

Disadvantages

Response rates for questionnaires can be low which can lead to bias results. Also, not every respondent who receives a questionnaire will respond, which can lead to bias results if those who do respond are not representative of the wider population. A question's phrasing or the sequence in which it is asked can distort the results. Respondents may misunderstand questions or provide inaccurate responses, which affect the validity of the results. There is also lack of opportunity to follow up on individual answers particularly where the response was ambiguous or incomplete.

3.6 Validity and reliability

The degree to which measurement instrument or research study effectively captures the idea or construct it is intended to assess is referred to as validity (APA, 2020). This implies the degree to which the instruments are able to capture the subject matter of the study. Fabrigar and Wegener states that unclear questions have the potential to compromise the reliability of research tools. Before distributing questionnaires, the researcher ensured that every

question was clear and easy to understand to prevent such a problem. In this case, reliability was verified by reducing causes of measurement error, such as data collector bias (Orange et al., 2019). The management looked through the questionnaire as the tool used to gather data, to make sure the questions were acceptable for the study participants.

3.7 Data presentation and analysis

Arranging, evaluating, and assessing the information acquired from the questionnaire to create the data is part of the data analysis process. Using regression analysis, the researcher looked at the relationship between the independent and dependent variables. Agustina et al., (2021) also employed it to investigate whether auditors' professional skepticism had any new effects on fraud detection in their study. The following regression model was used to analyze data.

Regression Model

$FD = \beta_0 + \beta_1 F + \beta_2 FA + \varepsilon$

Where:

FD = Fraud detection

β_0 = Constant

F = Forensic audit

A = Auditor experience

3.8 Ethical considerations

The researcher took measures to avoid any potential harm to the participants during the research process as data collection was conducted in a secure and non-threatening manner. First, all data was collected freely and safely. Secondly the researcher made sure to give credit and acknowledge any

material borrowed from other sources (Pradhan et al., 2017). The researcher obtained informed consent from all participants prior to their participation in the study. Also, the participants remained anonymous and confidential throughout the research process. The researcher selected reliable respondents that did not withdraw from the study (Nazir, 2017).

3.8 Summary

The chapter was the study methodology which included illustrations of the target population, sample size, sample procedures and research design. The study tool was a questionnaire and it also covered the data analysis and presentation methods.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION

4.0 Introduction

In this chapter, the data collected from respondents was presented, analyzed and discussed in order to examine the effect of forensic audit, auditor experience as a mediating variable on fraud detection. It includes providing information about the rate of respondents who completed the questionnaire,

followed by a breakdown of the demographic characteristics of employment position and period of service. The study's objectives were then linked to the findings obtained from the data analysis. Data was captured from questionnaires, analyzed using regression analysis, interpreted and presented on statistical tools such as tables whilst adding more meaning to the data as to help the user to understand.

4.1 Response rate analysis

Out of 50 questionnaires that the researcher distributed, 46 questionnaires were returned and fully answered, and 4 questionnaires were not returned at all. The 46 questionnaires were coded and used for data analysis as they had an effective response rate of 92 percent. The follow ups done by the researcher were the key to achieving the high response. The table below represents the response rate details.

Table 4.1 Response rate details

Item	Frequency	Percentage (%)
Distributed	50	100
Returned	46	92

Source: Primary data

Brinkman et al., (2021) suggests that a quantitative research should ideally have a response of at least70% to be considered satisfactory. In this study, the response rate is 92% which more satisfactory than the recommended threshold, indicating that the study can be relied upon to draw conclusions.

4.1.2 Demographic profile respondents

Table 4. 2: Gender of respondents

		Frequency	Percent
Valid	Male	21	45.7
	Female	25	54.3
	Total	46	100.0

Source: SPSS (2024)

The table above indicates that the response frequency of the study is dominated by females with a 54.3% against a 45.7% of males.

Table 4.3: Age of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	29	63.0	63.0	63.0
	31-40	8	17.4	17.4	80.4
	41-50	3	6.5	6.5	87.0
	50 and above	6	13.0	13.0	100.0
	Total	46	100.0	100.0	

Source: SPSS (2024)

Majority of respond age ranges from 18 to 30 years with a percentage of 63%, followed, by 31 to 40 years at 17.4% and the third age group of 41 to 50 years with 6.4%. The 50 and above age group had 13%.

Table 4.4: Current working position of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Forensic auditor	7	15.2	15.2	15.2
	External auditor	9	19.6	19.6	34.8
	Internal auditor	11	23.9	23.9	58.7
	Accountant	19	41.3	41.3	100.0
	Total	46	100.0	100.0	

Source: SPSS (2024)

According to the statistics provided, accountants and internal auditors make up 41.3% and 23.9% of the population respectively, appear to make up the majority of respondents in the finance department. Comparatively, external and forensic auditors comprise of smaller portion of the population with 19.6% and 15.2% respectively.

Table 4.5: Period of service of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 5 years	28	60.9	60.9	60.9
	5-10yrs	10	21.7	21.7	82.6
	11-19yrs	4	8.7	8.7	91.3
	20-25yrs	1	2.2	2.2	93.5
	26yrs and above	3	6.5	6.5	100.0
	Total	46	100.0	100.0	

Source: SPSS (2024)

Of the respondents 60.9% of the population, have less than 5 years of experience, which is the largest group. On the other hand, there are also significant numbers of respondents in the 5-10 years and 11-19 years ranges comprising of 21.7% and 8.7% respectively. Lastly the 20-25 years and 26 years and above ranges had 2.2% and 6.5% respectively.

4.2. Reliability test for research questions

The reliability assessment focused on the agreement scale regarding the effect of forensic audit auditor experience as a mediating variable on fraud detection in the public sector. This was achieved by a 5-point likert scale used to translate the three research objectives into questions with four and some five questions allocated to each objective. An alpha coefficient of 0.70 or above is widely recognized standard for reliability, according to DeVellis (2017). The reliability score for these scales is represented in the table below.

Table 4.6: Reliability statistics

Cronbach's Alpha	N of Items
.813	13

Source: SPSS (2024)

The study objectives were achieved by the questions that yielded a Cronbach's Alpha coefficient of 0.813, indicating a high degree of internal consistency. The 0.813 score that was achieved is significant because it exceeds the 0.70 criterion hence the items that make up the constructs are consistent and dependable.

4.3 Analysis of Multivariate Regression using SPSS

Table 4.7: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.924[a]	.854	.845	5.739

a. Predictors: (Constant), Auditor experience mediating role, Forensic audit, Auditor's experience

b. Dependent Variable: Fraud detection

Source: SPSS 2024

The above table indicates that there is a positive relationship between dependable variable of fraud detection and the independent variables of fraud detection, forensic audit and auditor experience as a mediating role. The model correlation coefficient value of 0.924, or R, indicates the relationship. A significant relationship shown by an R value of 0.70 or above,

according to Sarstedt (2020). The coefficient of determination, or R-square value, is 0.854 meaning that the independent variables account for 85.4% of the variance in the dependent variable. Chicco et al. (2021) indicates that the range of R-square values is 0 to 1, where larger values signify a higher percentage of variance explained.

Adjusted R Square: this statistic has a value of 0.845. This is a modified R Square that takes the sample size and number of predictors into account. The R Square's conclusions are highlighted by the Adjusted R Square (Warner et al., 2010).

Estimated Standard Error: The estimated standard error has a value of 5.739. The model's prediction accuracy is indicated by this value, where a smaller standard error indicates a better model fit.

Table 4.8: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	8897.212	3	2965.737	90.032	.000[a]
	Residual	1515.288	46	32.941		
	Total	10412.500	49			

a. Predictors: (Constant), Auditor experience mediating role, Forensic audit, Auditor's experience

Source: SPSS (2024)

The data in the table above indicates that the variable is strongly predicted by the regression model. The “Regression” row and the Sig. column display regression model’s statistical significance. This is shown by a significant F value of 90.032 indicating that the model as a whole is statistical significant in predicting the dependent variable and a p< 0.0005 which is less than 0.05 indicating that the employed model is capable of providing a statistically significant prediction for the entire outcome variable.

Table 4.9: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-8.802	2.565		-3.431	.000
	Auditor's experience	5.325	2.449	.533	2.174	.000
	Forensic audit	3.978	2.393	.385	1.663	.000
	Auditor experience mediating role	.160	2.856	.017	.056	.000

a. Dependent Variable: Fraud detection

Source: SPSS (2024)

The constant fraud detection in the above table shows a B value of -8.702. This means when all independent variables are equal to zero, predicted value of fraud detection is zero. This means that the absence of experience auditors and forensic procedures in place, an organization’s ability to detect fraud would likely be low. All the p values of the independent values (p<0.001) are

significant. The results provide strong evidence about the importance of auditor experience, forensic audit and auditor's mediating role in enhancing an organization's fraud detection capabilities. This means the data is reliable for further analysis.

4.5 Pearson's correlation

The normal distribution is revealed by the sign of the coefficient, which contracts the sample distribution with the normal distribution, indicates the skewness's direction.

A higher coefficient value signifies a greater deviation from the normal distribution. A coefficient of zero signifies no skewness.

A negatively skewed distribution is indicated by a big negative coefficient while a positively skewed distribution is indicated by a large positive coefficient. The degree of deviation from normality is reflected in the coefficient's magnitude, providing insight into the distribution's asymmetry.

Pearson's correlation coefficient ranges from -1 to 1 where:

r = 1 means perfect positive linear correlation

r = -1 means perfect negative linear correlation

r = 0 means no linear relationship

Pearson's correlation results are presented per objective in a tabular form as shown below.

Table 4.10: Pearson's Correlation on ascertaining on how auditor experience affects fraud detection.

Correlations

	AFD1	AFD2	AFD3	AFD4

Correlations

AFD1	Pearson Correlation	1	-.006	.371**	-.075
	Sig. (1-tailed)		.485	.006	.310
	N	46	46	46	46
AFD2	Pearson Correlation	-.006	1	.204	.043
	Sig. (1-tailed)	.485		.087	.387
	N	46	46	46	46
AFD3	Pearson Correlation	.371**	.204	1	.112
	Sig. (1-tailed)	.006	.087		.228
	N	46	46	46	46
AFD4	Pearson Correlation	-.075	.043	.112	1
	Sig. (1-tailed)	.310	.387	.228	
	N	46	46	46	46

**. Correlation is significant at the 0.01 level (1-tailed).

Source: SPSS (2024)

The relationship between auditor experience and fraud detection is moderate and positive, as illustrated by the table above. The positive coefficient of

0.371** indicates that as an auditor's experience increases, their ability to detect fraud also tends to increase in a moderate linear way. This implies that auditor experience explains 37.1% of the variation in fraud detection ability. The results show a moderate correlation since the ranges are in between 0.3 to 0.1. There is a relationship, and it is statistically significant at the 0.01 level.

Table 4.11: Pearson's correlation on determining how forensic audit affects fraud detection.

Correlations

		FFD1	FFD2	FFD3	FFD4	FFD5
FFD1	Pearson Correlation	1	.396**	.313*	-.003	.308*
	Sig. (1-tailed)		.003	.017	.493	.019
	N	46	46	46	46	46
FFD2	Pearson Correlation	.396**	1	.400**	.077	.453**
	Sig. (1-tailed)	.003		.003	.306	.001
	N	46	46	46	46	46
FFD3	Pearson Correlation	.313*	.400**	1	.487**	.353**
	Sig. (1-tailed)	.017	.003		.000	.008
	N	46	46	46	46	46
FFD4	Pearson Correlation	-.003	.077	.487**	1	.182

Correlations

	Sig. (1-tailed)	.493	.306	.000		.113
	N	46	46	46	46	46
FFD5	Pearson Correlation	.308*	.453**	.353**	.182	1
	Sig. (1-tailed)	.019	.001	.008	.113	
	N	46	46	46	46	46

**. Correlation is significant at the 0.01 level (1-tailed).

Source: SPSS 2024

A correlation coefficient of 0.487** indicates a favorable relationship between forensic audit and fraud detection. This implies the capacity to identify fraud tends to rise with the usage of forensic audit techniques. A coefficient of 0.487 represents a moderate to strong correlation relationship between forensic audit and fraud detection. The relationship is statistically significant at the 0.01 level.

Table 4.12: Pearson's Correlation to ascertain the auditor experience's mediating role in the relationship between fraud detection and forensic audit.

Correlations

		AMR1	AMR2	AMR3	AMR4
AMR1	Pearson Correlation	1	.710**	.427**	.555**

Correlations

	Sig. (1-tailed)		.000	.002	.000
	N	46	46	46	46
AMR2	Pearson Correlation	.710**	1	.292*	.580**
	Sig. (1-tailed)	.000		.025	.000
	N	46	46	46	46
AMR3	Pearson Correlation	.427**	.292*	1	.465**
	Sig. (1-tailed)	.002	.025		.001
	N	46	46	46	46
AMR4	Pearson Correlation	.555**	.580**	.465**	1
	Sig. (1-tailed)	.000	.000	.001	
	N	46	46	46	46

**. Correlation is significant at the 0.01 level (1-tailed).

Source: SPSS 2024

A very strong linear relationship between auditor experience, forensic audit is indicated by the correlation coefficient of 0.710**. This indicates that the strong relationship between the application of forensic audit techniques and the capacity to detect fraud is improved as the auditor's experience level rises.

4.6 Summary

The data is analyzed and presented in this chapter and the results are highlighted. There is a representation of men and woman in the demographic profile. In order to investigate the relationships between independent, mediating and dependent variables the basic assumptions of single linear were looked at. The variables have a positive relationship according to the data. In the next chapter, the results are summarized, suggestions for further research are provided and recommendations are made.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

The summary of the research findings, conclusions, and recommendations are the main topics of this chapter. The chapter also includes a list of areas that need further research.

5.1 Summary of the study

The main goal of the research was to determine the effect of forensic audit, auditor experience as a mediating variable of fraud detection. The objectives that were recognized were to ascertain how auditor experience affects fraud detection, to ascertain how forensic audit affects fraud detection and to ascertain the auditor's experience mediation role between fraud detection and forensic. The agency, fraud triangle and fraud diamond theories were used in the literature review to support the research and formulate hypotheses based on the findings of other researchers. A descriptive research design with a sample size of 50 was used in the study. The researcher used a 5-point Lirkert scales in all of the questionnaires that were utilized to gather data. Data was analyzed using SPSS version 20 as single linear bivariate regression was employed as statistical tool.

The results of the study indicated a positive moderate correlation relation between auditor experience and fraud detection. The moderate positive relationship implies that auditor's experience plays a role in their ability to detect fraud, but is not the only most significant determinant. Auditor's capability to detect fraud is probably also significantly influenced by other elements such as training, professional skepticism, analytical skills and access to fraud indicators. This was shown by a moderate coefficient of 0.371

which implies that auditor experience does not determine an auditor's ability to detect fraud on its own. Therefore, additional considerations must be made in order to enhance and better comprehend the results of fraud detection.

Also, the findings indicated a positive moderate to strong correlation relationship between forensic audit and fraud detection. This relationship suggests that the utilization of forensic audit techniques has a significant role in an auditor's ability to detect fraud. Data mining skills, data analysis, digital forensics, and specific investigative procedures are examples of forensic audit approaches that can greatly improve an auditor's capacity to detect fraud. The significance of forensic audit is shown by a coefficient of 0.487, which shows its vital role in successful identification of fraud detection. Forensic audit capabilities and auditor training are valuable investments that public sector organizations may make to enhance the overall effectiveness of their fraud prevention and detection initiatives.

To add on, from the results obtained from determining the auditor's experience mediation role in the relationship between fraud detection and forensic audit indicated a strong positive correlation relationship. The significance of auditor experience is indicated by the significant correlation coefficient of 0.710, which implies that it plays a crucial role in enhancing the effectiveness of forensic audit in fraud detection.

5.2 Conclusions

The main objective of the study was to ascertain the effect of forensic audit, auditor experience as a mediating variable in fraud detection. Basing on the results given above, the researcher came to the conclusion that forensic audit, auditor experience as a mediating role, positively influence fraud detection. This significantly outlays the role played by auditor experience and forensic audit which is not well understood by most public sector organizations. The

problem identified in the prior chapter of the public sector losing large sums of money is addressed by the use of forensic audit which emphasizes transparency and accountability. The importance of the strategic integration of forensic audit techniques and the development of highly experienced audit teams is crucial for enhancing fraud detection capabilities in the public sector leading to a positive way of boosting public confidence.

5.3 Recommendations

Taking into account the correlation findings, the following are recommendations that can help Zimbabwe, a developing country to enhance fraud detection capabilities in the public sector. Public sector organizations must make an investment in the development of experienced auditors. As public sector organizations are owned by the government. The Zimbabwean government can develop and implement comprehensive training and professional development programs for the public sector auditors. In order to attract and retain highly qualified and experienced audit professionals these programs should concentrate on improving the skills and experience of auditors. This will be particularly focused in the areas of fraud detection, forensic audit methodologies and the effective application of specialized investigative techniques.

The country must give top priority in implementation of an extensive forensic audit program across its public sector agencies and departments. To enable the efficient application of forensic auditing techniques, such as data analytics and digital forensic, this involves providing the required resources, training and technological capabilities. It also important to incorporate forensic audit practices into the overall audit and compliance processes to strengthen the prevention and detection of fraud.

Apart from that, a strong organizational culture can be established in the

Zimbabwe's public sector, emphasizing responsibility, transparent and integrity. This can be accomplished by putting strong ethical standard into place, protecting whistleblowers and providing frequent anti-fraud and anti-corruption training for all public sector employees. The government itself must adopt a zero-tolerance approach to fraud and corruption.

Lastly, the government can set up platforms to facilitate collaboration and exchange of knowledge between investigators, auditors and other relevant stakeholders. This is done help with the sharing of best practices, lessons learned and creative methods for fraud detection and prevention. Public sector organizations can work together with international organizations and development partners in order to take advantage of international experience and gain access to resources that can aid in the public sector's capacity-building initiatives in Zimbabwe. Through the implementation of these recommendations, the Zimbabwean government can strengthen its public sector's auditor capacity to detect fraud, enhance accountability, transparency and ultimately contribute to the overall economic development and social well being of the country.

5.4 Areas of further research

The main topic of the study was the effect of forensic audit, auditor experience as a mediating variable on fraud detection in the public sector. In order to learn more about the impact of forensic audit, auditor experience and fraud detection in Zimbabwean public sector, the following further researches can be done:

- Conducting a comparative study to examine the relative effectives of different fraud detection approaches that is traditional auditing and forensic auditing in the public sector as to provide the most suitable fraud detection strategies.
- Investigating the details of auditor experience as a mediating

variable by analyzing its several levels (individual, team and organizational) as well as its influence on the connection between fraud detection and forensic audit.

- Examining how integrating forensic audit with other fraud detection methods can improve the public sector's overall effectiveness in fraud prevention and detection.

The research can also be undertaken in various provinces of Zimbabwe as this study was mainly based in Harare.

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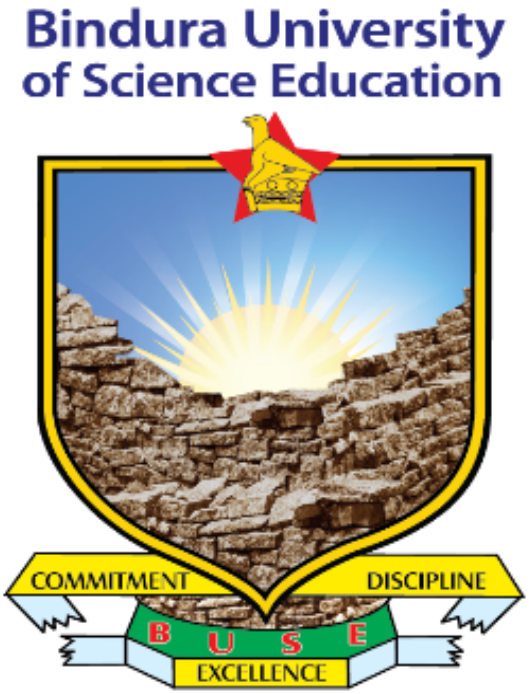
APPENDIX A: CODED QUESTIONNAIRE



FACULTY OF COMMERCE

DEPARTMENT OF ACCOUNTING

RESEARCH TOPIC

THE EFFECT OF FORENSIC AUDIT, AUDITOR EXPERIENCE AS A MEDIATING VARIABLE ON FRAUD DETECTION IN THE PUBLIC SECTOR.

Dear Respondent

I am an undergraduate student at Bindura University of Science Education researching on the effect of Forensic audit, Auditor experience as a mediating variable on fraud detection. This questionnaire is designed to assess your opinion and experiences with the auditing industry. Please, note that all information you provide will be treated as confidential and aggregated with other responses to identify themes emerging for the research and that the participant's names will not appear in the research project. Completing this questionnaire is entirely voluntary. However, your time and cooperation regarding this survey will be greatly appreciated. For any queries/questions, or for any clarity issues that may deem necessary, please do not hesitate to contact on +263 78 598 4467 / +263 71 895 3240

INSTRUCTIONS:

Please answer all the questions to the best of your ability. Kindly indicate your answers by ticking where appropriate in the boxes provided. Your name or identity is not required.

SECTION A: DEMOGRAPHIC INFORMATION

Gender	Response
Male	
Female	
Age	

18-30	
31-40	
41-50	
50 and above	
Academic Qualifications	**Response**
Certificate	
Diploma	
Bachelor's Degree	
Masters/Post graduate	
Doctorate	

A4. For how long have you been employed by the firm you are currently working for?

Period of service	**Response**
Less than 5yrs	
5-10yrs	
11-19yrs	
20-25yrs	
26 yrs. and above	

A6. What is your current position in the organization you are working for?

Please indicate

By putting a tick

Position held	Response
Forensic auditor	
External auditor	
Internal auditor	
Accountant	

SECTION B

In your opinion, please indicate the level of your agreement or disagreement using a tick on the following statements

1=strongly disagree 2=Disagree 3= Neutral 4= Agree 5= Strongly Agree								
CONSTRUCT	ITEMCODE	ITEM DESCRIPTION	1	2	3	4	5
How auditor experience affects fraud detection	AFD 1	Number of years worked by an auditor.					
	AFD 2	Specialized training or certification in fraud detection or forensic auditing.					
	AFD 3	Familiarity with different types of fraud schemes and red flags					
	AFD4	Confidence in your ability to identify potential fraud indicators during an audit engagement					

SECTION C

In your opinion, please indicate the level of your agreement or disagreement using a tick on

the following statements.

1=strongly disagree 2=Disagree 3= Neutral 4= Agree 5= Strongly Agree							
CONSTRUCT	**ITEMCODE**	**ITEM DESCRIPTION**	1	2	3	4	5
How forensic audit affects fraud detection	**FFD 1**	Having conducted forensic audits in the past.					
	FFD 2	Familiarity with the techniques and methodologies used in forensic audits					
	FFD 3	Forensic audits are effective in detecting and uncovering fraud					
	FFD4	Utilization of forensic audits techniques during your regular audit procedures					
	FFD4	Utilization of forensic audits techniques during your regular audit procedures					
	FFD 5	Do you agree that forensic audits contribute to the overall effectiveness of fraud detection					

SECTION D

In your opinion, please indicate the level of your agreement or disagreement using a tick on the following statements

1=strongly disagree 2=Disagree 3= Neutral 4= Agree 5= Strongly Agree							
CONSTRUCT	ITEMCODE	ITEM DESCRIPTION	1	2	3	4	5
The auditor experience's mediation role in the relationship between fraud detection and forensic audit.	AMR1	Does your experience as an auditor enhances your ability to conduct effective forensic audits					
	AMR 2	Have you observed any instances where your experience as an auditor has mediated the relationship between forensic audit and fraud detection					
	AMR 3	Do more experienced auditors generally have a higher success rate in detecting fraud compared to less experienced auditors					
	AMR 4	Is auditor experience important in improving forensic audit fraud detection outcomes					

Thank you for your cooperation