**BINDURA UNIVERSITY OF SCIENCE EDUCATION**

**FACULTY OF COMMERCE**

**DEPARTMENT OF ACCOUNTING**

**DISSERTATION RESEARCH PROJECT**

**TOPIC: perceptions of stakeholders on the effects of forensic accounting on the detection of financial fraud in zimbabwe's commercial banks: a case study of ecobank zimbabwe**
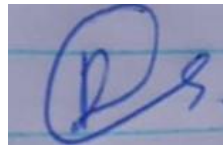
**REGISTRATION NUMBER: B201352B**

**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE BACHELOR OF ACCOUNTANCY HONORS DEGREE OF BINDURA UNIVERSITY OF SCIENCE EDUCATION.**

**APPROVAL FORM**

The undersigned relevant authorities certify that they have read and recommended to the Bindura University of Science Education for acceptance of a research project titled: Perceptions of **Stakeholders** on **The Effects** of **Forensic Accounting** on **The Detection of Financial Fraud** in Zimbabwe's Commercial Banks: A Case Study **of Ecobank Zimbabwe in partial fulfillment of the requirements of the Bachelor of Accountancy Honors Degree.**
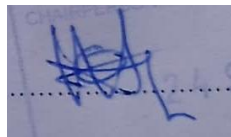
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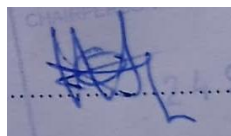
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 O.manyani                                                                **24/9/2024**

**SUPERVISOR**                          **SIGNATURE**                              **DATE**

 **O.MANYANI**                                                            **24/9/2024**

**DEPARTMENT CHAIRPERSON**          **SIGNATURE**                    **DATE**

## RELEASE FORM

STUDENT NUMBER: **B201352B**

TITTLE OF THE PROJECT: **PERCEPTIONS OF STAKEHOLDERS ON THE EFFECTS OF FORENSIC ACCOUNTING ON THE DETECTION OF FINANCIAL FRAUD IN ZIMBABWE'S COMMERCIAL BANKS: A CASE STUDY OF ECOBANK ZIMBABWE**

DEGREE TITTLE: **BACHELOR OF ACCOUNTANCY HONORS DEGREE**

YEAR GRANTED: **2024**

Student signature………………. Date………/…………/…………………

Residential address: …………………………………………………….

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## DEDICATION

This dissertation is dedicated to the Almighty, whose guidance and blessings have been my source of strength and inspiration throughout this journey. Without His grace, this work would not have been possible.

I also dedicate this work to my beloved parents, whose endless love, sacrifices, and encouragement have been my foundation. Your constant support and belief in me have been my greatest motivation

**ABSRACT**

This study serves to explore the perceptions of stakeholders on the effects of forensic accounting on the detection of financial fraud in Zimbabwe's commercial banks in respect of Ecobank Zimbabwe as a case study. In recent times, the international banking sector has experienced an increase in financial fraud, causing significant economic losses and damaging the reputation of financial institutions. The main aim of the study is to analyze the effects of conducting investigations as a forensic accounting tool on the detection of fraud in commercial banks of Zimbabwe. The data was tested using descriptive statistics, utilizing a sample size of 53 stakeholders to ensure comprehensive analysis and accurate insights. The researcher applied stratified and purposive sampling techniques in collecting the data from stakeholders. The data was analyzed using inferential statistics methods on the Statistical Package for Social Science (SPSS), and also presented through graphical presentations such as diagrams, charts and tables. The findings of the study reflected that there is a highly significant relationship between financial fraud detection and conducting investigation as a forensic accounting tool. Due to an increase in information communication technology, the researcher recommends that commercial banks should employ more forensic accountants, so as to assist to combat modern day fraud and implement occasional training programs and workshops training staff on the evolution of forensic fraud.

## ACKNOWLEDGEMENTS

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Lastly, I dedicate this dissertation to the memory of all those whose inspiration and love have always guided me.

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# CHAPTER I

# INTRODUCTION

## 1.0 Introduction

This chapter provides an overview for the study under review, including the research objectives, problem statement and research questions. It includes the study's context, the problem statement, objectives, research questions, definitions of key terms, scope and limitations. The background provides an overview of forensic accounting's role in detecting fraud in commercial banks, focusing on Ecobank Zimbabwe. The problem statement addresses the issue of rising fraud and the need to evaluate forensic accounting's effectiveness at Ecobank Zimbabwe. Research questions include the forensic accounting's effectiveness in detecting forensic fraud and stakeholder perceptions of its role in fraud prevention. The research objectives aim to evaluate forensic accounting's effectiveness, understand stakeholder perceptions, and identify potential improvements. The scope and limitations outline the study's boundaries, focusing on Ecobank Zimbabwe and noting constraints such as limited data access. The definition of terms clarifies key concepts like "forensic accounting," "fraud detection," and "stakeholder perceptions" for reader understanding.

## 1.1 Background of study

The rise in financial fraud globally has generated significant concern due to its substantial impact, necessitating specialized knowledge and skills. Forensic accounting harnesses expertise in the traditional auditing method, accounting, and techniques for investigative approach to give invaluable upkeep in legal proceedings (Apostolou, et al., 2015). This distinct area within the accounting profession involves engagements arising from current

or expected disputes or legal proceedings, focusing on detecting and preventing financial misconduct.

Since the implementation of a multi-currency system in Zimbabwe in 2009, the banking sector has experienced significant upheaval, including the closure of several banks and curatorship of others due to insider lending abuses. Notable closures include Trust Bank (December 6, 2013), Royal Bank (July 27, 2012), and Genesis Investment Bank (June 11, 2012), with curatorship's for Interfin Banking Corporation (June 11, 2012) and Renaissance Merchant Bank (June 2, 2011). Despite regulatory efforts by the RBZ, the sector suffered irreparable damage, leading to widespread loss of confidence among clients and investors. Introduction of the Zimbabwean dollar (ZWL) exacerbated instability, with fluctuating values and economic volatility. Government measures to stabilize currency through the ZIG currency inadvertently facilitated money laundering and currency manipulation, evident in the discrepancy between official and black market exchange rates. Recent economic analyses emphasize the adverse impacts on Zimbabwe's financial sector stability, warranting comprehensive policy responses for confidence restoration as stated in the monetary policy (RBZ, 2024).

The International Monetary Fund (IMF) has emphasized the importance of reducing corruption vulnerabilities in Zimbabwe, stating that "structural reforms play a dynamic role in enhancing the business atmosphere, reinforcing economic governance, and mitigating the risks of corruption" (IMF, 2021). Forensic accounting, as described by Apostolou et al. (2015), is particularly suited for legal investigations, involving the solicitation of specialized accounting expertise and analytical techniques to detect financial misconduct within an organization. This field is crucial for identifying, preventing, and investigating fraudulent activities.

Ecobank, a leading financial institution in Africa, have acknowledged the prominence of forensic accounting in ascertaining and preventing fraudulent undertakings as highlighted by the perceptions of stakeholders in this study. Bhasin (2016) noted that fraudulent activities within the banking sector are a significant issue affecting numerous countries worldwide, resulting in substantial financial and non-financial damages to banks, customers, stakeholders, and the overall economy. Various factors, including pressure and

opportunity, contribute to the occurrence of fraud, underscoring the need for strong fraud risk management to prevent, identify, and respond to defalcation.

In recent times, the international banking sector has experienced an increase in financial fraud, causing significant economic losses and damaging the reputation of financial institutions. As a result, forensic accounting has become increasingly vital in identifying and reducing fraudulent activities (Hassan et al., 2024). This study, the concentrates on forensic accounting effects and how it is crucial in fraud detection, using Ecobank as a case study. The financial industry is pivotal in shaping Zimbabwe's economic landscape by facilitating monetary transactions, providing credit facilities, and supporting investment activities. However, the complexity of financial transactions and technological advancements have increased the risk of fraudulent activities within the banking industry. Financial fraud poses severe threats to the stability and trustworthiness of banks and can have far-reaching consequences for the economy.

Forensic accounting chains accounting expertise and investigative approaches to uncover and examine evidence of fraud. It utilizes various tools, such as data scrutiny, financial statement examinations, and assessments, to discover abnormalities and acquire evidence admissible in legal proceedings (Natour, et al., 2023). Although, forensic accounting prominence in the unleashing activities of fraud is widely recognized, its specific impact within Ecobank Zimbabwe remains unexplored.

Furthermore, a study by (Hassan, et al., 2024) underscores the significance of employee seminars, lectures, conferences, workshops in combating fraud. The research findings indicate that organizations that invest in educating their employees about forensic accounting principles are better equipped to identify and address potential red flags. By empowering employees with the knowledge and skills to recognize suspicious behavior, Ecobank can strengthen its internal controls and minimize the risk of financial misconduct.

Overall, investigating the perceptions of Ecobank stakeholders regarding the effects of forensic accounting in fraud detection offers valuable perspectives on the success of these measures in a real-world setting. By drawing on insights from academic research and industry best practices, this research aims to add value to the ongoing dialogue on the prevention of fraud and risk management in commercial banks.

**1.2 Problem Statement**

Financial frauds pose significant implications to the integrity and stability of organizations, particularly in the banking sector. Ecobank, being a major player in the industry, has unfortunately been exposed to numerous types of financial frauds. Despite having robust internal control systems, instances of fraud still occur within the bank. This situation gives rise to questions regarding the efficiency of current fraud detection systems and the necessity for more sophisticated forensic accounting methods. Henceforth, it is imperative to scrutinize the profound influence of forensic accounting on the detection of fraud within the esteemed institution of Ecobank. The commercial financial transactions industry in Zimbabwe has been grappling with a significant rise in fraudulent activities, posing severe threats to the stability, profitability, and reputation of financial institutions. Fraudulent practices, including embezzlement, money laundering, and identity theft, not only lead to significant financial losses but also undermine public confidence in commercial banks. In this scenario, forensic accounting techniques have been identified as variables a potential solution to enhance detection of fraud and prevention. However, despite the growing recognition of the value of forensic accounting particularly in the case of Ecobank Zimbabwe's combating of fraud, there is a deficiency of a broad research on its specific effects within the commercial banking industry. The utmost resolution of this study is to examine the possible advantages of using forensic accounting skills, such as analyzing of data, statement of financial examination, and interviews, to enhance the detection of fraudulent activities within Ecobank Zimbabwe. Through examining the implementation and influence of forensic accounting methods, this research targets to identify the weakness and strength of the existing fraud detection framework at Ecobank Zimbabwe in terms of its ability to detect fraud and prevent fraud. Additionally, this study targets to highlight the potential areas for improvement, such as leveraging advanced data analytics tools or strengthening internal control systems, to optimize fraud detection measures within Ecobank Zimbabwe and adds on to the overall enhancement of fraud detection mechanisms within the Zimbabwean banking industry.

**1.3 Research Objectives**

The utmost aim or objective of study of this research is to analyze the effects of forensic accounting on the detection of fraud on Ecobank. The particular objectives are as follows:

1. To assess the perceptions of stakeholders on the effectiveness of forensic accounting in fraud prevention and detection.

2. To assess the role of forensic accounting and conducting investigations in the identification and detection of fraud.

3. To evaluate the effectiveness of forensic accounting techniques in constructing incomplete records and how effective it is in frauds detection in Commercial banks.

4. To propose recommendations and examine the degree to which forensic accounting have reduced fraudulent activities in Zimbabwe.

## 1.4 Research Questions

To attain the research objectives, the study shall be guided by the subsequent inquiries:

1. To what extent are the existing fraud detection mechanisms and practiced by commercial banks effective in detection of fraud?

2. To what extent does forensic conducting investigations by use of forensic accounting tools contribute to fraud detection within the organization?

3. To what extent is reconstruction of incomplete records by forensic accountants are effective in detecting and preventing financial frauds in commercial banks?

4. What recommendations can be made to improve the fraud detection and prevention process in Ecobank based on the findings?

## 1.5 Importance of the Study

**To the researcher**

Conducting this study allows the researcher to add value to the current body of information in forensic accounting and fraud detection. To the researcher, this study will enhance the practical experience, since engaging with real-world stakeholders, such as bank employees, auditors, and regulatory authorities, provides practical experience in conducting field research, administering surveys, and analyzing complex data sets.

**To the University**

This study provides a valuable resource for teaching and learning. Faculty members can incorporate the findings into their curriculum to illustrate real-world applications of forensic accounting principles. The research also encourages interdisciplinary collaboration within the university, involving departments such as accounting, finance, law, and computer science. This collaboration fosters a holistic approach to addressing financial fraud.

**To commercial banks**

The research offers insights into the effectiveness of forensic accounting tools and techniques on fraud detecting financial. Commercial banks can apply these findings to strengthen their internal controls and fraud detection mechanisms. By demonstrating a commitment to robust fraud detection and prevention measures, banks can enhance the confidence of clients, investors, and regulatory authorities. Increased confidence can lead to greater customer loyalty and investment.

## 1.6 Assumptions of the study
**Stakeholder Knowledge and Understanding**

It is assumed that stakeholders, including internal staff at Ecobank, auditing firms, and regulatory authorities, possess a sufficient level of knowledge and understanding regarding forensic accounting practices and their role in fraud detection. This knowledge is critical for stakeholders to provide accurate and relevant responses to the research questions.

**Honesty and Accuracy of Responses**

It is assumed that the respondents will provide honest, accurate, and unbiased responses to the interviews and questionnaire. The reliability of the data collected depends heavily on the transparency and truthfulness of the participants. Any form of misinformation or dishonesty can significantly compromise the validity of the research findings. To ensure the highest level of accuracy, respondents will be assured of the confidentiality of their responses and the purpose of the research will be clearly communicated to them. Additionally, multiple methods of data verification will be employed to cross-check the consistency of the information provided. This approach aims to mitigate potential biases

and enhance the credibility of the results, thereby contributing to the overall integrity of the study.

**Consistency of Forensic Accounting Practices**

It is assumed that the forensic accounting practices and techniques employed by Ecobank Zimbabwe and the auditing firms are consistent with those used broadly within the commercial banking sector in Zimbabwe. This consistency is necessary for drawing valid comparisons and conclusions. usefulness of the stakeholders participating in the study.

## 1.7 Scope and Limitations

The research will focus specifically on Ecobank and its fraud detection mechanisms, practices, and procedures. The study will primarily involve a comprehensive case study approach to analyze the influence of that forensic accounting have on detection of fraud within the bank. Nevertheless, it is significant to recognize that the study may face limits concerning data availability and access to certain proprietary information within Ecobank.

## 1.8 Definition of terms

Below is the definition of terms based on this study:

 i.  **Accounting**:

Carnegie, et al., (2021) stated that this is the meticulous procedure of documenting financial transactions related to a prestigious establishment. The accounting process encompasses the art of condensing, scrutinizing, and presenting these transactions to esteemed oversight bodies, regulators, and tax authorities

 ii.  **Forensic Accounting:**

Singleton, (2010) asserted that forensic accounting, as well recognized as financial forensics, is a generalized industry within accounting that delves into the depths of financial reporting misconduct within firms. With a plethora of skills and techniques at their disposal, forensic accountants meticulously investigate any signs of financial wrongdoing.

### iii. **Fraud**:

According to Akers and Gissel (2006), fraud is defined as an intentional and deceptive action intended to gain an unlawful benefit for the perpetrator or to deny the victim their rightful assets. **Fraud Detection:**

Akers & Gissel, (2006) added that fraud detection encompasses a range of measures implemented to thwart the acquisition of money or assets through deceptive means. This practice finds application across various sectors, including banking and insurance. Within the banking industry, fraudulent activities may involve the counterfeiting of checks or the unauthorized use of stolen credit cards.

### iv. **Fraud Prevention**:

Singleton, (2010) mentioned that fraud prevention involves the adoption of a strategic approach to identify deceitful transactions or banking activities and safeguard both the customer and the financial institution (FI) from potential financial and reputational harm.

### v. **Commercial banks**:

Commercial banks in accordance to (Tam.P.T., 2023), alternatively referred to as money deposit banks or retail banks, are financial establishments that receive deposits from both individuals and businesses. These banks offer a wide range of banking services, such issuing loans to creditors, generating credit cards, as well as checking, maintain and savings accounts.

### vi. **Identification of Fraud**:

Singleton & Singleton, (2006) stated that identification of fraud brings up to the course of recognizing and uncovering fraudulent actions or schemes contained by the financial records and operations of an organization.

### vii. **Detection**:

Singleton, (2010) defined detction by stating that detection involves the act of discovering or uncovering fraud or financial irregularities through forensic accounting techniques, investigations, and analysis of financial data.

**viii.    Prevention**:

Akers & Gissel, (2006), prevention in the context of fraud refers to implementing measures and controls to deter and diminish the rate of fraudulent activities within an organization.

**ix.    Risk Assessment**:

Kamyshanskyi,, et al., (2023), risk assessment involves evaluating and analyzing potential risks and vulnerabilities within an organization's processes, systems, and operations to identify areas where fraud is more likely to occur.

**x.    Stakeholder Perceptions**

Freeman, et al., (2010) asserted that stakeholder perception refers to the way in which stakeholders (individuals or groups with an interest or concern in an organization or project) view and interpret the actions, policies, and outcomes associated with that organization or project. This perception can be prejudiced by numerous factors, including individual experiences, expectations, communication, and the media. Understanding stakeholder perception is crucial for organizations to effectively manage relationships and ensure that stakeholder needs and concerns are addressed.

## 1.9 Chapter Overview

This research consists of five chapters. Chapter 1 provides an introduction to the study, including the background, problem statement, research objectives, research questions, significance, scope, and limitations. Chapter 2 reviews the relevant literature on forensic accounting, fraud detection, and the role of technology in combating financial frauds. Chapter 3 outlines the methodology utilized in this research, detailing the methods of data collection and research design., and sampling techniques. Chapter 4 analyzes the findings obtained from the case study conducted in Ecobank. Finally, Chapter 5 concludes the study by summarizing the key findings, proposing recommendations, and suggesting areas for future research

## CHAPTER II

## LITERATURE REVIEW

### 2.0 Introduction

This chapter will explore the literature regarding the impact of forensic accounting on fraud detection. A review of literature involves compiling, categorizing, and assessing existing research on a detailed topic (Kralik et al., 2006). Classically, a review of literature is part of a research thesis but can also be a standalone review of the literature on a particular subject. Generally, a literature review includes two main components. Firstly, it should neatly summarize the discoveries or assertions which have emerged from former researches on the topic. Secondly, it should provide an assessment of the accuracy and completeness of this knowledge, presenting your reasoned judgments about what is correct, what is incorrect, what is inconclusive, and what gaps exist in the current literature (Knopf, 2006).

### 2.1 Definition and Conceptual Framework of Forensic Accounting

Forensic accounting is generally a technique of which it integrates a better way to understand the principles of accounting with techniques that are investigative to identify if the actions behind the financial suspicions on records. Forensic accounting integrates accounting principles with investigative methods to scrutinize financial data, identify fraud, prevent it, and furnish evidence for legal purposes (Dada, 2023). This field integrates knowledge of accounting with investigative methods to assess whether financial records and statements exhibit any suspicious activities. In essence, forensic accounting combines auditing, accounting and investigative expertise to achieve specific goals (Mukoro, Faboyede, & Eziamaka, 2014). It applies this expertise to recognize and probe financial fraud or supplementary illicit financial activities, utilizing auditing and accounting

procedures to discourse legal issues (Natour et al., 2023). Forensic accountants are in high demand for examining and investigating financial crimes. Forensic accounting is the procedure of collecting, longwinded, and awarding difficult financial information in a pure, accurate means, ussually within legal settings (Stanbury & Paley-Menzies, 2010). It involves compiling and presenting information in a way that courts accept, especially regarding economic crimes. The American Institute of Certified Public Accountants (AICPA) expresses forensic accounting as a service requiring specific information and investigative knowledge held by Certified Public Accountants, utilizing knowledge in auditing, accounting, economics, and related fields, tax. Singleton and Singleton, (2006) state that forensic accounting encompasses investigation of fraud, prevention, and the analysis of controls on antifraud, alongside the gathering of non-financial information. Forensic accountants collaborate with law prosecutors, lawyers, and businesses to examine and solve financial conflicts, which may involve fraudulent activities, misappropriation of funds, and illicit money movements (Uche, 2020). Employing methods like data scrutiny, examination of financial records, questioning observers, and they aim to discover proof and existing their outcomes clearly and accurately in legal cases. The primary objective of forensic accounting is to offer precise and dependable financial data and analyses for legal purposes such as dispute resolution, arbitration, and litigation (Abbas et al., 2019). In relation to Natour et al. (2023), forensic accounting is a generalized area of accounting that combines investigative skills and auditing to recognize and investigate misconduct. This field employs auditing and accounting methodologies to address lawful challenges. Ogbebor (2023) posits that analytical professionals and practitioners assert that key competencies in forensic accounting encompass data configuration capabilities, critical thinking, investigative adaptability, analytical proficiency, and legal information acumen. Forensic accounting gained prominence on the corporate agenda after notable financial reporting debacles in global corporations such as Enron, Tyco, and WorldCom. These scandals precipitated substantial financial losses and eroded public trust. In response, numerous companies undertook significant enhancements to their internal control and accounting infrastructures to mitigate fraud and restore critical public confidence. Baird and Zelin (2009) emphasize the crucial role of forensic accounting in deciphering and communicating complex financial data (Solonchak & Pesina, 2015).

In this study, the dependent variables were detecting of fraud, fraud prevention and Financial Strategy integrity. The ability to detect fraud to expose financial fraud within in an organization such as accounting serves as a crucial investigative tool in uncovering fraudulent activities.

## 2.2 Conceptual Framework

A concept transcends merely storing information about an object or phenomenon; it possesses a distinct architecture comprising multiple strata, including the core, base, and periphery (Janković & Kružić, 2023). The concept is a cognitive model commercial banks is a dependent variable that relies on forensic accounting principles and techniques. Moreover, the effectiveness of measures taken to prevent occurrence of fraud in the first place is another dependent variable that can be influenced by the reconstructing of incomplete records and use of fraud detection tools. As illustrated I the figure below

Figure 2. 1 Conceptual Framework
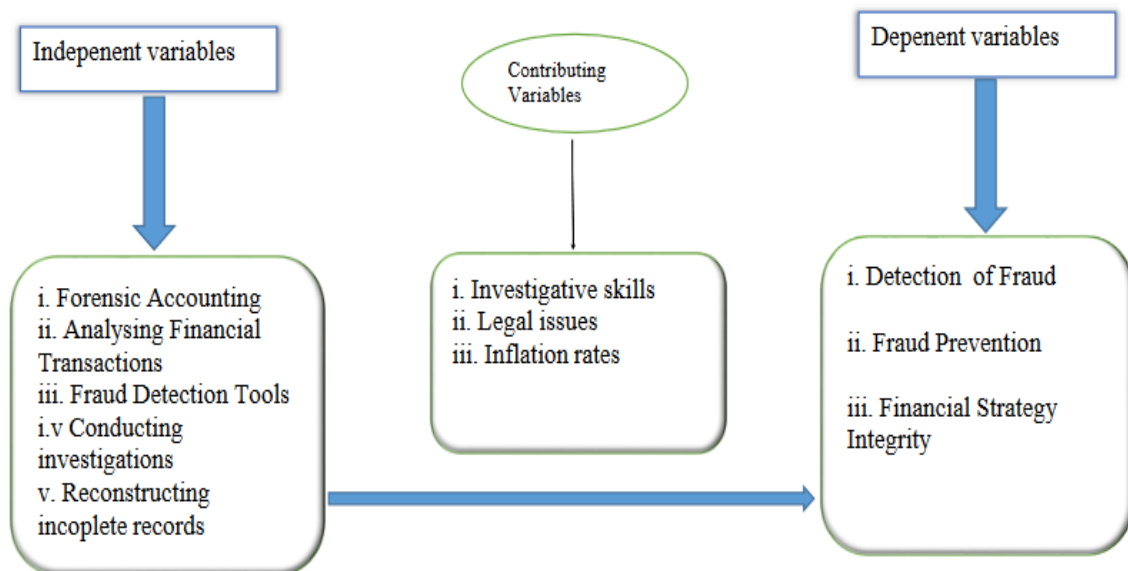


Source: African Journal of Accounting and Financial Research, (2021)

Moreover, the precision and dependability of financial statements are also dependent on the appropriate presentation of forensic accounting principles and techniques, the use of specialized auditing techniques to investigate and uncover financial fraud is an independent

variable that can significantly impact the prevention and detection of fraud as illustrated in the figure above.

## 2.3 Need for Forensic Account

Aduwo (2016) asserts that the necessity for forensic accountants arose from the shortcomings of traditional audit systems in identifying certain managerial discrepancies. Economic pressures, compounded by bankruptcy threats, prompt managers and employees to perpetrate financial crimes. Forensic accountants are thus engaged to methodically analyze papers, uncover hidden information, and reconstruct a company's financial narrative to resolve issues. Internal audits and audit committees often fail to elucidate various facets of corporate fraud. Statutory auditors, appointed through lobbying, produce reports that are rarely scrutinized, especially if qualified. While internal auditors can detect fraud, they often lack the authority to take effective action.

## 2.4 Responsibilities of Forensic Accountants in Detecting Fraud

A forensic accountant is expected to fulfill the following duties as outlined:

### 2.4.1 Conducting Investigation of criminal activities

Forensic accountants are instrumental in identifying the occurrence or potential of crimes and the intent behind them. Crimes under investigation by these experts include employee theft, security, and insurance fraud. Owojori and Asaolu (2019) highlight that the inadequacies of statutory audits and the rise in complex financial fraud have increased the demand for forensic audits. Forensic accountants utilize specialized tools to detect and prevent fraudulent activities, providing courts with comprehensive evidence of financial crimes.

For instance, Zimbabwean banks have recently encountered various criminal activities. On June 30, 2023, the Herald reported that a First Capital Bank teller was charged with defrauding the bank of USD $19,000. Earlier, on January 5, 2022, the Herald revealed that three Ecobank employees were accused of stealing USD $14,000 from the vault and replacing high-denomination notes with lower ones. Additionally, on February 26, 2024, The Zimbabwean reported that employees at Ecobank's Borrowdale branch allegedly facilitated illegal transfers for Chinese businesswoman Li Song. Li Song exploited loopholes in the RBZ's US dollar auction system, transferring large sums to offshore

accounts without the knowledge of her co-directors at Eagle Italian Shoes and Leather Company.

Cabole (2009) outlines the roles of forensic accountants, which include detecting fraud, documenting and presenting findings in trials, calculating economic damages, tracing hidden assets or income, reconstructing manipulated financial statements, and serving as expert witnesses. Implementing forensic accounting policies in banks could prevent such occurrences.

### 2.4.2 Analyzing Financial Transactions

Forensic accountant composite key role in finding and analyzing financial crimes. They investigate potential or actual fraudulent activities, including employee theft, security fraud, and insurance fraud. Owojori and Asaolu (2019) indicate that the limitations of traditional audits and the rise of sophisticated financial fraud necessitate forensic audits. Forensic accountants employ specialized tools to detect and prevent fraud, and present detailed evidence in court. Recent cases in Zimbabwe illustrate this need, such as bank employees' involvement in embezzlement and illegal transfers. Cabole (2009) emphasizes that forensic accountants also trace hidden assets, reconstruct manipulated financial records, and serve as expert witnesses. Implementing robust forensic accounting policies in banks is essential for fraud prevention.

### 2.4.3 Reconstruction of Incomplete Accounting Records

In executing their duties, forensic accountants reconstruct incomplete accounting records for tasks such as settling assurance covers, addressing stock assessment issues, and demonstrating cash laundering through money transaction reconstruction (Owojori & Asaolu, 2019). As Cabole (2009) notes, forensic accountants must possess extensive financial expertise and broad knowledge to promptly detect fraud. They also offer primary advice, identify key evidentiary documents, prepare detailed evidence reports, review professional bookkeeping reports, brief lawful counsel on financial matters, and implement environmental accounting measures (Skalak et al., 2011).

### 2.5. Effect of artificial intelligence on forensic accounting

With advancements in communication technology, accountants and auditors can significantly enhance their services by leveraging these technologies (Mehta et al., 2023).

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AI enables auditors and forensic accountants to concentrate on complex jobs requiring human judgment, whereas machines handle monotonous tasks. AI systems, particularly expert systems, are increasingly applied in areas needing sophisticated judgment. Auditing firms are adopting regular language processing for advanced analysis, though human oversight remains crucial. Accountants will oversee AI and perform tasks beyond AI's current capabilities. Integrating AI in forensic accounting transforms processes, accelerating data handling, increasing accuracy, and facilitating real-time analysis (Dekkati et al., 2022).

## 2.6 Fraud

Fraud, like many social and management concepts, lacks a precise definition and is often described based on specific circumstances. Numerous researchers note that describing fraud is as challenging as detecting it. Fraud involves intentional deceit or omission to gain undue advantage or avoid obligations. In public administration, this is often termed "rotting the system" (Watterston, 2014). Fraud encompasses dishonest acts where illegitimate ways are used to acquire benefits or funds as of others (Damagum, 2005). Kanu and Okorafor (2013) describe fraud as any action designed to mislead, whether through falsehood, innuendo, or omission, executed directly or indirectly. Anti-fraud experts agree that fraud includes activities including untruthfulness and trick that deplete business value, regardless of whether the perpetrators benefit. Fraud is intentional and relies on deception to execute or conceal fraudulent activities, unlike mistakes or errors (Tilton, 2006). From these definitions, fraud can be viewed as the wrongful acquisition of resources from individuals or organizations, with the common purpose of obtaining money or valuables deceitfully. Fraud poses significant risks to banks, as evidenced by the substantial value, volume, and losses associated with bank fraud in Nigeria.

### 2.6.1 Forms of Fraud

Adebisi (2018) extensively discusses the multifaceted nature of fraud, identifying three distinct categories: internal fraud, which originates within the organization; external fraud, perpetrated by external actors; and collusion, a combination of internal and external elements. Furthermore, Adebisi's research elaborates on the nuanced manifestations of

these forms of fraud within organizational contexts, shedding light on their varying impacts and underlying mechanisms.

Moreover, the study delves into the specific tactics and schemes associated with each form of fraud. It highlights the prevalence of asset misappropriation, where individuals within the organization unlawfully divert company resources for personal gain. Additionally, fraudulent financial statements and records emerge as a common strategy to deceive stakeholders and manipulate financial performance indicators. Lastly, corrupt or prohibited practices, such as bribery and kickbacks, are explored as significant threats to organizational integrity and financial stability. Through empirical analysis and case studies, Adebisi's research provides valuable insights into the diverse landscape of fraudulent activities and their detrimental effects on businesses.

## i. Asset Misappropriation

According to Agboare (2021), asset misappropriation can be viewed as the theft of valuable items belonging to a business. This type of fraud befalls while individuals delegated with managing an society's assets defrauds from it. Missappropriation of assets involves third parties or internal staff who misuse their positions to commit fraudulent activities. Cash is frequently targeted due to its clear value, easy transferability and transportability, difficulty in tracing, and potential to be diverted before appearing in company records. Both internal and external perpetrators, or a combination through collusion, may target cash.

## ii. Fraudulent of Financial Records, Books, and Statements

Fraudsters often target the records, including both external and internal financial statements, as well as the books of a business. These records may become subjects of fraud in two primary ways: Firstly, they can be manipulated to conceal fraudulent activities, such as hiding instances of asset misappropriation to avoid detection. Secondly, they might be falsified to facilitate fraudulent schemes aimed at gaining undeserved financial benefits, such as manipulating financial performance data to trigger executive bonuses.

### iii. Corrupt or Prohibited Practices

Unethical and barred business acts encompass a range of closely linked concerns, including undisclosed side agreements relating rebates, as well as, bribery, and blackmail. These acts often entail covert schedules with suppliers and customers of a company's services and goods, directly benefiting the individual employee(s) involved (Tilton, 2019).

### 2.6.2 Bank Fraud

Bank fraud involves the deceptive manipulation to acquire money, assets, or property belonging to a commercial bank. While the specifics of banking fraud laws differ across regions, the word encompasses actions utilizing schemes or deceit, distinct from bank robbery. Consequently, bank fraud usually is categorized as a white-collar crime. According to Oboh (2016), financial institutions, being the primary conduits for fund remittance and treatments, are highly susceptible on illicit activities of financial and economic criminals, resulting in immeasurable harm to both banks and the broader economic system. Abiola & Abiola (2023) emphasize that fraud and mismanagement significantly contribute to bank distress, despite efforts to curb fraud, which continues to escalate as fraudsters continually devise new tactics. Abiola & Abiola (2023) further classify bank fraud into three categories: by victims, by flow, and by act. Flow frauds pertain to the occurrence and rate of the fraud, with two primary types: "Smash and Grab," which involves infrequent but high-value frauds, and repetitive, low-value frauds denoted to as "drip fraud." Victim fraud cataloging depends on those impacted by fraud losses, whether internal (within the bank) or external. Lastly, Act frauds delineate the individuals involved and the methods used to perpetrate fraud.

### 2.6.3 Electronic Banking Fraud

Commercial banks serve as the lifeblood and foundation of the economic structure, with technological advancements emerging as its crucial backbone. IT plays a pivotal role in addressing the ever-growing challenges and requirements within the banking sector. Nowadays, banks rely heavily on Information Technology for the development and implementation of financial products (Reddy, 2009). Electronic fraud is broadly categorized into two groups: indirect and direct fraud (Dzomira, 2014).

Executive management fraud presents another facet of electronic fraud in Zimbabwean commercial banks. This type of fraud typically involves entrusted employees in positions of authority manipulating balance sheets and engaging in window dressing. Money laundering, on the other hand, entails the conversion of illegally obtained funds into untraceable transactions, often making the stolen funds appear legitimate when reinvested in other ventures. Both private and public companies in Bulawayo are susceptible to fraud perpetrated by management personnel (Kadanga et al., 2022).

Direct fraud, scientifically speaking, encompasses activities like credit or debit card fraud and embezzlement by employees. This form of fraud involves the unlawful use of debit or credit cards to access funds without the card owner's consent. Recent trends indicate a rise in identity theft as a favored method among cybercriminals, underscoring the importance of effective management of digital security systems.

Recent incidents, such as the case reported in the Herald newspaper on February 1, 2024, where a bank teller was charged with defrauding his employer of USD$19,000.00 through illicit transactions on behalf of clients, highlight the prevalence of insider fraud within organizations (Karenga, 2024).

Organizations also grapple with concerns regarding secure information transfer and the potential exposure of sensitive data. However, advancements in mobile payment security, such as tokenization and biometric authentication, promise enhanced usability without compromising security, thereby increasing acceptance of mobile payments as a viable solution (McDonnell, 2015).

## 2.7 Theoretical Framework

The following theories relevant to this study are hereby reviewed.

Figure 2. 2 The Fraud Triangle Theory

The fraud triangle is attributed to American criminologist Donald Cressey (1950). Forensic accountants implement the fraud triangle to identify alleged fraud, its roots, and system weaknesses that directed to the fraud. According to the fraud triangle concept, trifectas converge to form the triangle: rationalization, opportunity, pressure and. Generally, this concept is used to explain the reasons behind fraudulent activities. Related to the triangle, fraud can be defined as intentional deception for personal gain that harms other parties.

The first element of this triangle is motivation or pressure, this is an incentive or pressure that can make staff commit fraud. Pressure can drive staff to commit fraud, and it isn't limited to financial stress. Lister (2007) identifies three main types of pressure or

motivation: the need to fund a specific way of life, employment pressures from reimbursement assemblies or management's financial interests, and external pressures like coercions to the industry's financial steadiness, financial agreements, and market opportunities. These factors generally drive individuals to commit fraud.

The next component of this theory is opportunity, in context to fraud refers to conditions which allow an individual to commit fraudulent activities. It involves having access to assets, information or resources that can be exploited for fraud purposes due to weakness in internal controls or poor oversight. Employees often exploit weak internal controls or poor management oversight to commit fraud. Many employees engage in fraudulent activities due to their access to assets and data that enable them to conceal their actions. While it's necessary for employees to have right to use to certain platforms to accomplish their duties, this similar right to use can also provide opportunities for fraud (Bassey, 2018). This element refers to circumstances allowing fraud to occur. Weak internal controls, such as poor segregation of duties, lack of supervision, and adequate documentation of processes create opportunities for fraud. Economic conditions like financial cries can also increase opportunity by straining resources and reducing oversight.

Rationalization is the last component of the fraud triangle; this is the justification or explanation a person uses to justify committing fraud They may have belief that their actions are justified due to perceived pressure from their organization industry or they may believe that the end justifies the means For example, an employee facing eviction from their home might use this situation to justify committing fraud The employee might say "I deserve a place to call home", (Bassey, 2018).

According to Wanyama (2012), perceived opportunity arises when a potential fraudster believes they can evade detection and that any consequences of being caught are manageable. The main part making contribution towards fraudulent activities is the concept of perceived rationalism of fraud aspects as acceptable (Njenga & Osiema, 2013).

### 2.7.2 The Fraud Diamond Theory

The fraud Diamond Theory was first presented by Wolfe and Herman in CPA Journal, (2004). They mentioned that the Fraud Diamond Theory is an extension of the fraud

triangle theory, adds a fourth section called "Capability", which is an additional to the original three as mentioned above in the Fraud Triangle.

Figure 2. 3 Fraud Diamond Theory
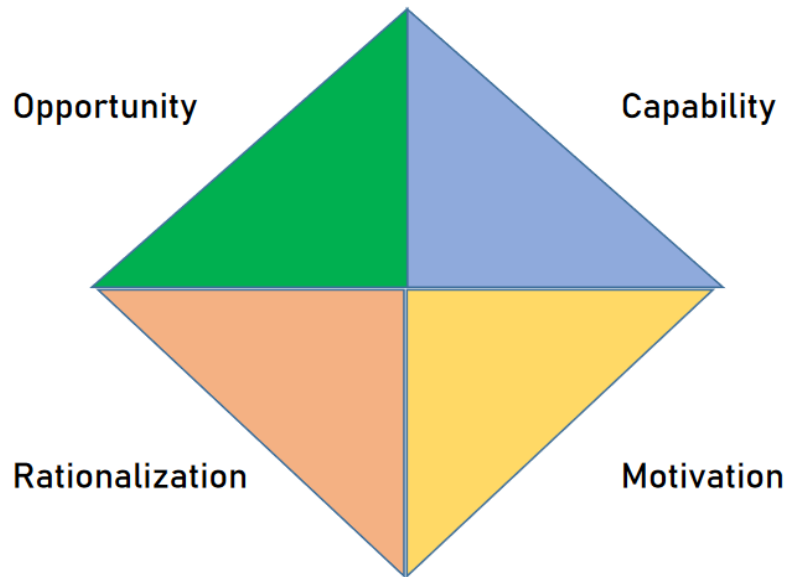


Source: Research Gate, (2022)

The Fraud Diamond Theory can be charity in context with detection of fraud in commercial banks in Zimbabwe. Zimbabwean banks when using capability, they may refer to this element as the skills and ability necessary for individuals to commit fraud successfully. Factors such as position within the organization, intelligence, cession, deceitfulness and stress levels can influence individual capability to engage in fraudulent activities. By considering all four elements of the fraud diamond which are rationalization, pressure, opportunity and capability, Zimbabwean banks can develop comprehensive anti-fraud strategies that address both the environmental factors that enable fraud and the individual traits contribute to fraudulent behavior (Mawanza, 2014).

Wolfe et al. (2010) stated that opportunity paves the way for fraud, while rationalization and pressure can entice an individual towards it. Conversely, an individual who possess the ability to identify these opportunities and repeatedly exploit them.

The features of the Fraud Diamond Theory are interconnected, as fraud cannot occur unless all features are existing. The theory posits that pressure will drive somebody to pursue opportunities and rationalize their actions. However, neither pressure nor rationalization alone, or in combination, will necessarily lead to fraudulent activity unless the individual also has the capability to commit fraud (Agboare, 2021). This additional element of capability distinguishes the Fraud Diamond Theory proposed by Wolfe and Hermanson (2004) from Cressey's (1950) theory.

The Fraud Diamond Theory is pertinent to this research as it broadens the understanding of fraud by emphasizing the necessity of capability for fraud to transpire. This theory extends beyond the Fraud Triangle by adding the element of capability, enhancing the tools forensic accountants use to detect fraud.

By incorporating this additional element, the Fraud Diamond Theory expands the scope of factors to consider when detecting fraud and provides forensic accountants with a more comprehensive framework for their work. This theory not only deepens the understanding of fraud but also refines the approach forensic accountants take in identifying fraudulent activities.

### 2.7.3 The Fraud Scale Theory

This was established by Albert, Hawe and Ramney (1984) as a substitute to the fraud triangle model. Nevertheless, the fraud scale utilizes a component called "personality integrity" instead of rationalization. This personality integrity component is related with each distinct personal code of ethical behavior. Contrasting to the rationalization on the fraud triangle, personality integrity can be observed both in a specific individual and process of applying a decision which can assist in the assessment of integral values and determining the likelihood that fraud can be omitted by an individual.

Figure 2. 4 Fraud Scale Theory
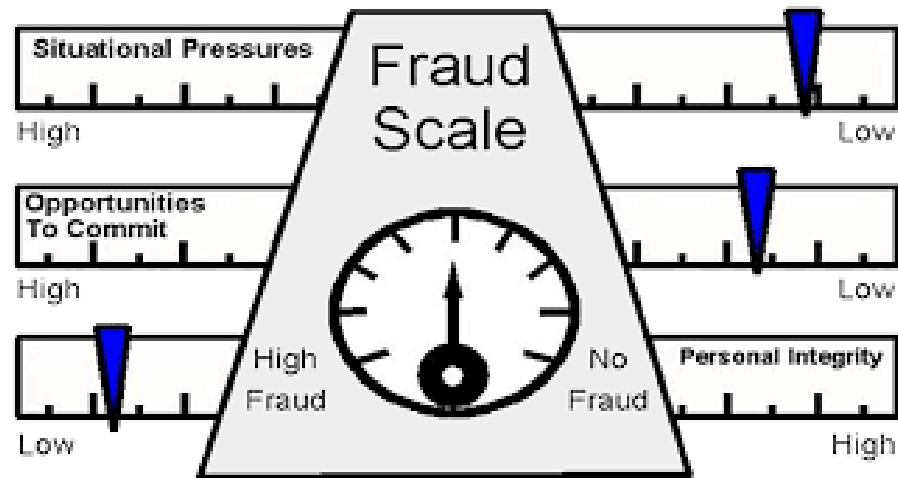


Source: Determining fraud internal Auditing Perspective (Institute of Internal Auditors Research Foundation 1984)

Some experts argue that fraud and other unethical actions frequently arise from a personal lack of individual integrity and moral failings. The fraud scale suggests that while opportunity and pressure are part of the fraud triangle, it substitutes rationalization with personal integrity. This is especially pertinent to financial statement fraud, where pressures include analysts' predictions, earnings growth, history of sales and management's earnings guidance. It is crucial for external auditors to take into account all models to gain a profound understanding of why fraud transpires (Cressey, 1953).

### 2.7.4 Fraud Management Lifecycle

In banks, the Fraud Management System in relation to forensic accounting involves a comprehensive approach to detecting, preventing, and managing fraudulent activities within the financial institution. The theory of Fraud Management Lifecycle was initially introduced by Wilhelm in the Journal of Economic Crime Management (Spring 2004, Volume 2, Issue 2). Our examination of this theory focuses exclusively on the contributions

of Wesley Kenneth Wilhelm. Effective management of fraud necessitates the identification and proper execution of roles by all stakeholders.

Figure 2. 5 Fraud Management Lifecycle



Source: Arctic-intelligence.com, (2024)

Fraud management encompasses the monitoring, identification, prevention and reportong of fraudulent activities within an entity. The Fraud Management Lifecycle underscores the intricate relationship between, process, policy and personnel throughout the comprehensive management of fraud. According to Wilhelm (2017), the Fraud Management Lifecycle represents a linked lifecycle, where each stage comprises interconnected and interdependent actions, functions, and operations. These activities may transpire in a non-linear manner. Operational fraud management necessitates a harmonious stability among competing and matching actions within the Fraud Management Lifecycle.

Wilhelm (2017) delineates eight stages within the Fraud Management Lifecycle: Deterrence, Detection, Mitigation, Policy, Prevention, Prosecution, Analysis, and Investigation. Deterrence, the initial stage, aims to discourage fraudulent attempts through various proactive measures. Prevention, the subsequent stage, focuses on thwarting

fraudulent activities. Detection involves identifying fraudulent activities using methods such as statistical monitoring programs.

Mitigation aims to minimize losses and impede further fraudulent activities. Analysis entails studying losses despite preventive measures to identify underlying causes. Policy involves creating, evaluating, and communicating policies to mitigate fraud risks while balancing operational constraints.

Investigation gathers evidence to halt fraudulent activities, recover assets, and support legal proceedings. Prosecution represents the culmination of the Fraud Management Lifecycle, reflecting both successes and failures in management of fraud.

The adoption of the fraud management lifecycle theory for this study stems from its holistic approach to fraud management and its adaptable nature for any organization.

## 2.8 Empirical Review

**Elaborating the Theory of Fraud. Journal of Financial Crime, Vousinas, G. L. (2019). 26(2), 447-471.**

One relevant study is by Vousinas (2019), titled "Elaborating the Theory of Fraud." This journal article provides an in-depth analysis of theories of fraud that forensic accountants can utilize for fraud detection, summarized under the S.C.O.R.E. ideal. The components of the S.C.O.R.E. ideal are as follows: Stimulus, which examines the pressures and incentives that drive individuals to commit fraud; Capability, referring to an person's capability to commit fraud, including factors such as right to use to financial systems, technical skills, and knowledge of accounting procedures; Opportunity, focusing on the environmental conditions that enable fraud to occur; Rationalization, pertaining to the justifications individuals use to rationalize fraudulent acts; and Ego, a critical element that highlights personal motivations, aspirations, and self-perceptions significantly influencing individuals to commit fraud.

**The Role of Forensic Accountants in Legal Proceedings. Journal of Forensic Accounting, Alhumoudi, D., & Alhumoudi, A. (2023). 10(1), 23-45.**

Alhumoudi and Alhumoudi (2023) stated that forensic accountants must prepare detailed reports supporting their findings, methods, and closing remarks for legal proceedings. Their

skill in presenting difficult financial information clearly and concisely is crucial for carrying their skill to the jurisdiction system. Majority of respondents indicated they acknowledged a report from the forensic accountants after the investigations were completed. The study further emphasized that prominence of forensic accountants, not only fraud detection but also in preventing future occurrences. By identifying weaknesses in financial systems and providing recommendations for strengthening internal controls, forensic accountants perform a vigorous role in enhancing the overall reliability of financial reporting. The research underscored the value of continuous training and education for forensic accountants to keep up with evolving fraud schemes and regulatory changes, ensuring their effectiveness in fraud detection and prevention.

**The Role of Technology in Evidence Gathering for Cases of Fraud: Case of Bulawayo Central Business District, Zimbabwe Kadanga, M., et al. (2022). Zimbabwe Ezekiel Guti Journal, 15(3), 102-119.**

Kadanga et al. (2022) conducted a study discussing the global performance of banks, regulatory frameworks to combat fraud, and the challenges faced by financial institutions, particularly in Zimbabwe. The article, published in the Zimbabwe Ezekiel Guti Journal, highlights the impact of economic patterns and technology in evidence gathering for fraud cases. It notes a rise in fraudulent activities following the implementation of the multi-currency structure in Zimbabwe. The study also outlines legislative measures taken to address fraud, including laws targeting fraud committed through technological means. Additionally, the study examines the influence of regulatory frameworks in mitigating fraud and enhancing the stability of financial institutions. It discusses the role of central banks and regulatory bodies in enforcing compliance and the importance of adopting international best practices. The study emphasizes the need for continuous improvement in regulatory mechanisms to adapt to evolving fraud tactics and technological advancements. The research methods used in the study included a mixed-methods approach, combining qualitative and quantitative methods. Quantitative data was composed from financial reports, regulatory filings, and fraud incident records. Qualitative data was obtained through interviews with bank executives, regulatory officials, and forensic accountants. This comprehensive approach assisted the researchers to appreciate a nuanced

understanding of the multifaceted challenges and responses related to fraud in the banking sector.

**Effectiveness of Forensic Accounting Techniques in Fraud Detection." Journal of Financial Forensics, 14(2), 85-103. Ibrahim, M. (2022).**

Another article pertinent to this research emphasizes the efficacy of forensic accounting skills in fraud detection. Forensic accounting is increasingly utilized in high-profile criminal cases, particularly those involving investigations into financial misconduct by individuals or organizations. Financial experts employ a variety of skills, including accounting, auditing, and financial investigation, to uncover misconduct and financial irregularities (Iİbrahim, 2022). Forensic accounting entails thorough investigations across various areas, such as assessing economic damages resulting from breaches of contract, uncovering tax fraud, detecting money laundering, identifying securities fraud within organizations, conducting business valuations, performing computer forensic analyses, and addressing bankruptcy issues. Moreover, forensic accounting plays a key role in scrutinizing business finances and facilitating appropriate legal actions (Iİbrahim, 2022). The study further emphasized the multidisciplinary nature of forensic accounting, which integrates knowledge from accounting, auditing, and investigative fields to address complex financial crimes. Ibrahim (2022) also discussed the challenges faced by forensic accountants, including the need to stay updated with evolving fraud techniques and the importance of maintaining objectivity and ethical standards during investigations. The research methods used in Ibrahim's study included case study analysis and interviews. Case studies of high-profile fraud cases were analyzed to apprehend the application and impact of forensic accounting techniques. Interviews with forensic accountants, legal experts, and regulatory officials provided insights into the practical challenges and effectiveness of forensic accounting in real-world scenarios. This methodological approach empowered a widespread examination of the role and efficacy of forensic accounting in fraud detection.

**Impact of Forensic Accounting on Fraud Detection and Minimization in Zimbabwean Banks. International Journal of Financial Studies, 5(1), 78-95. Dzomira, S. (2014).**

Dzomira (2014) highlighted the significant impact of forensic accounting on fraud detection and minimization within Zimbabwean banks. This study emphasized that forensic

accounting practices have been instrumental in reducing fraud by providing specialized tools and techniques to, investigate, and avert fraudulent activities in commercial banking sector. Forensic accountants utilize advanced analytical tools and methodologies to identify irregularities in financial transactions, thereby uncovering potential fraud schemes within banks and other financial institutions. Additionally, Dzomira (2014) discussed the broader implications of forensic accounting in enhancing accountability and transparency of financial institutions. The study noted the integration of forensic accounting practices have led to improved internal controls and risk management processes. By systematically analyzing financial data and transactions, forensic accountants help to establish more robust anti-fraud frameworks, which are essential for maintaining the integrity of the banking sector. The study's methods used in Dzomira's research included a combination of quantitative and qualitative approaches. Quantitative data was gathered from financial reports and fraud incidence records of various banks, providing statistical confirmation of the impact of forensic accounting on the prevention of fraud. Qualitative data was collected through interviews and surveys with forensic accountants, bank officials, and regulatory authorities, offering detailed insights into the real-world applications and challenges of forensic accounting in Zimbabwe. This mixed-method approach allowed for a complete analysis of the influence of forensic accounting practices in commercial banking sector.

**Application of Forensic Accounting Principles in Zimbabwe's Banking Sector." Journal of Financial Crime, 21(3), 326-340. Kapesa, B. (2014).**

Kapesa (2014) highlighted the use of forensic accounting principles and how they significantly added to reducing fraud in Zimbabwe's banking sector. These practices have enhanced detection capabilities, improved investigation processes, and implemented preventive measures to safeguard financial institutions against fraudulent activities. The study further elaborated on how forensic accounting has led to increased transparency and accountability within the banking sector. By employing advanced forensic techniques, banks have been able to uncover complex fraud schemes that traditional auditing methods might miss. This has not only deterred potential fraudsters but also strengthened the overall financial governance framework within Zimbabwean banks. Kapesa (2014) also noted the importance of continuous training and development for forensic accountants to keep pace

with evolving fraud tactics and technological advancements. The research methods used in Kapesa's study included a mixed-method approach. Quantitative data was collected from bank financial statements, fraud reports, and performance records to quantify the impact of forensic accounting on fraud reduction. Qualitative data was gathered through interviews and focus groups with forensic accountants, bank managers, and regulatory officials. This combination of data sources provided a well-rounded understanding of the effectiveness and challenges of implementing forensic accounting practices in Zimbabwe's banking sector.

**Challenges in Detecting and Addressing Fraud. Journal of Forensic Accounting, 9(4), 215-232. Albrecht, W. S. (2008).**

Albrecht (2008) posited that while overt acts of fraud are seldom directly observed, their symptoms frequently manifest. However, these indicators can also result from genuine errors, necessitating caution to avoid false accusations. Detecting fraud is challenging as perpetrators often exploit human weaknesses to rationalize their questionable actions, complicating the task for forensic accountants. A profound understanding of fraudulent methodologies is essential. Without public engagement and advancements in forensic accounting, detecting fraud remains difficult, allowing financial malfeasance to persist and leading to unmet expectations for stakeholders. The study emphasized the importance of comprehensive training and education for forensic accountants to effectively identify and combat fraud. It also highlighted the role of regulatory bodies in establishing stringent anti-fraud measures and the need for collaboration between financial institutions and forensic experts. Albrecht (2008) called for a multifaceted approach to fraud prevention, combining legal, educational, and technological strategies. The research methods used in Albrecht's study included a review of existing literature on fraud detection, case studies of known fraud incidents, and interviews with forensic accountants and legal experts. This approach provided a thorough analysis of the challenges and complexities associated with detecting and addressing fraud in various organizational contexts

**Role of Forensic Accountants in Investigating Financial Crimes." International Journal of Forensic Accounting, 11(2), 145-162. Tiriki, P., & Tiriki, L. (2022).**

Tiriki and Tiriki (2022) discussed the crucial role that forensic accountants play in scrutinizing scams, financial misconducts, and fraud in countries such as India, Nigeria, and Ghana. The study emphasized the importance of forensic accountants in analyzing financial statements, detecting manipulation of financial information, and preventing fraud within manufacturing companies and corporate governance. Forensic accounting practices significantly add value to the integrity of financial statements and are instrumental in detecting economic crimes. The research furthermore highlighted the influence of forensic accounting on improving corporate governance and ensuring compliance with regulatory standards. Tiriki and Tiriki (2022) noted that the presence of forensic accountants enhances the overall transparency and accountability of financial reporting processes. By employing sophisticated analytical tools and methodologies, forensic accountants can uncover intricate fraud schemes that might otherwise go undetected, thereby safeguarding the financial health of organizations. The research methods used in this study included case studies of financial fraud incidents in various countries, surveys of forensic accounting professionals, and interviews with corporate executives and regulatory officials. This comprehensive approach allowed the researchers to gain comprehensions into the practical applications and effectiveness of forensic accounting techniques in different regulatory environments.

**Impact of Forensic Accounting on Fraud Detection in Nigerian Deposit Money Banks Nentawe, D. N., & Tumba, F. N. (2022) [Journal of Accounting, 11(2), 69-82]**

(Nentawe & Tumba, 2022) carried another study on the influence of forensics and detecting of fraud in Nigeria banks. The author of the research on the effects of forensic accounting in fraud detection in Nigerian commercial banks highlighted the positive relationship between conducting analytic procedures and fraud detection. Additionally, the author emphasized the importance of analyzing accounting records and reviewing financial transactions in detecting financial fraud.

**Impact of Forensic Accounting on Fraud Detection in Nigerian Firms. Research Journal of Finance and Accounting, 4(2), 67-80 Enofe, A. O., Okpako, P. O., & Atube, E. N. (2013).**

Enofe et al. (2013) aimed to examine how forensic accounting affects detection of fraud and its potential to curb fraudulent activities. The research objectives included investigating the relationship between forensic accounting and detection of fraud, and the research tested hypotheses related to the impact of forensic accounting on fraud detection. The journal offers valuable comprehensions into the part of forensic accounting in avoidance and detection of fraudulent activities in Nigerian firms. Furthermore, the researchers highlighted that forensic accountants are instrumental in battling forensic crime using innovative techniques and skills, such as detecting tax evasion and analyzing behavioral parameters of tax evasion. Forensic accountants work tirelessly to eliminate financial malpractices by individuals, businesses, and organizations, thereby helping to prevent fraud and financial losses. Quantitative data was collected through surveys distributed to forensic accountants, auditors, and financial managers in various Nigerian firms. Qualitative data was assembled through comprehensive interviews with experts in forensic accounting and fraud investigation. This mixed-method approach provided a comprehensive analysis of the influence of forensic accounting practices on the prevention activities of fraud.

## 2.9 Gap Analysis

Numerous banking institutions in Zimbabwe have experienced a significant increase in fraudulent activities. Consequently, this study has conducted an extensive investigation into the impact of forensic accounting on the prevention and detection of fraud within commercial banks in Zimbabwe. Prior studies have largely concentrated on the broad impacts of forensic accounting tools on the banking industry outside. However, this research places particular emphasis on examining various forensic accounting tools and assessing the perceptions of diverse stakeholder groups regarding their effectiveness in combating fraud.

Prominent scholars such as Dzomira (2014), Mawanza (2014), and Agboare (2021) have explored forensic accounting in a general context, often overlooking the specific responsibilities and techniques employed by forensic accountants and auditors in fraud detection. Dzomira (2014) examined the influence of forensic accounting on fraud detection and minimization within Zimbabwean banks, yet did not delve into the detailed actions undertaken by forensic accountants. Similarly, the study by Enofe, Okpako, and Atube (2013) assessed the impact of forensic accounting on fraud detection in Nigerian firms but did not provide an in-depth analysis of the specific practices and responsibilities of forensic accountants. Tiriki and Tiriki (2022) discussed the role of forensic accountants in investigating financial crimes across various countries, including India, Nigeria, and Ghana, but did not focus on the unique circumstances of Zimbabwe's banking sector.

This study is particularly applicable as it aims to evaluate the impact of forensic accounting practices, including reconstructing incomplete accounting records, analyzing financial transactions, and conducting investigations, on fraud detection and prevention in Zimbabwean commercial banks. Additionally, this research seeks to address the gap by focusing on the specific responsibilities of forensic accountants in fraud detection, providing a more granular analysis than previous studies.

Moreover, this study adopts advanced statistical methods, such as regression coefficients, for data analysis, in contrast to the descriptive analyses employed by previous researchers, such as Kapesa (2014). This approach aims to deliver an intensively precise thoughtfulness of the impact of forensic accounting on the detection of fraud. Furthermore, earlier studies, including those by Albrecht (2008) and Ibrahim (2022), have not adequately addressed the influence of technological advancements on the banking industry and their implications for forensic accounting practices. This research will explore the effects of these technological changes and their impact on modern forensic accounting in Zimbabwe.

This research proposes to build upon the work of previous researchers by offering a detailed and focused scrutiny of the precise forensic accounting techniques used in Zimbabwe's banking sector. It will also incorporate advanced statistical methods and address the impact of technological advancements on forensic accounting practices, thus providing a more comprehensive understanding of the current landscape.

## 2.9.1 Chapter Summary

This chapter have highlighted the effects of implementing forensic accounting techniques in the detection and prevention of fraud in commercial banks of Zimbabwe. The chapter also highlighted the main theories of fraud and how they can be used by forensic accountants in the detection and prevention of fraud. Moreso the chapter have included the duties of a forensic accountant and skills that they are expected to implement when carrying out a forensic accounting on commercial banks. The next chapter focuses on the methodology in context with the study.

## CHAPTER III

## RESEARCH METHODOLOGY

### 3.0 Introduction

This section outlines the primary concerns and focus of the literature regarding stakeholders' perceptions of the impact of forensic accounting on detecting and preventing fraud. These concerns include research instruments, research design, data collection procedures, data analysis and presentation methods, and a summary of the chapter. Additionally, the study will take into account ethical considerations and the study's limitations.

### 3.1 Research Design

This research employs a descriptive survey design, a scientific method for collecting and recitation the characteristics of a specific group or population (Kamar, 2019). This design is ideal for the study as it allows the collection of self-reported data from a large sample, offering a detailed picture of the phenomenon under investigation (Creswell, 2009). Descriptive survey research is particularly useful for understanding the "what" and "how many" aspects of a phenomenon rather than the "why" or "how" (Babbie, 2016). This approach is appropriate for describing current forensic accounting practices at Ecobank Zimbabwe. Kerlinger (1986) describes research design as a strategy, structure, plan and of investigation aimed at answering research questions with optimal control of variables.

### 3.1.2 Descriptive Research

This study, will employ descriptive research to discover the perspectives of employees on the impact of forensic accounting in the detection of fraud at Ecobank Zimbabwe. Descriptive research is a type of research that aims to offer a thorough and precise

description of a particular situation, phenomenon, or population (Babbie, 2016). Descriptive research can be used to identify trends, patterns, and relationships, and to provide a basis for further research (Saunders, 2003). Descriptive research is often used in social sciences, business, and education to gain a improved understanding of a particular phenomenon or population (Bryman & Bell, 2015). Some similiar methods used in descriptive research involve surveys and questionnaires, observational studies, and case studies (Bryman & Bell, 2015). This study will employ descriptive research to discover the perspectives of employees on the impact of forensic accounting in the detection of fraud at Ecobank Zimbabwe. Descriptive research is the most appropriate methodology for this study since it allows for a comprehensive and detailed description of the phenomena under investigation. By using surveys, interviews, and observational studies, this research will provide an ironic understanding of employees' experiences, attitudes, and beliefs regarding forensic accounting and fraud detection. Additionally, descriptive research will enable the identification of trends, patterns, and relationships between variables, which will inform the development of effective fraud detection strategies at Ecobank Zimbabwe.

### 3.1.3 The Case Study

A case study involves an in-depth examination of a specific phenomenon, providing rich, detailed information that is often subjective rather than objective. While it offers comprehensive insights into the phenomenon under investigation, its findings are typically not generalizable beyond the specific case (Singh, 2006). Singh goes on to explain that case study is an intensive investigation of the particular unit represented. This design was chosen due to the in-depth nature of the study, and the opportunity to explore the specific context and experiences of Ecobank Zimbabwe. In this study of Ecobank Zimbabwe, the case study for this research due to its history of fraud cases, which makes it an ideal subject for exploring the impact of forensic accounting in the detection of fraud. In 2014, Ecobank Zimbabwe was involved in a fraud case where two employees were accused of embezzling $1.3 million from the bank (The Herald, 2014). In another case, Ecobank Zimbabwe was ordered by the High Court to pay $247,000 to a former employee who was wrongfully dismissed after being accused of fraud (NewsDay, 2020). These cases demonstrate the need for effective fraud detection and prevention measures in the bank, which is where forensic accounting comes in. By applying forensic accounting techniques to Ecobank Zimbabwe,

this research aims to detect the effectiveness of these techniques in detecting fraud and preventing future occurrences.

## 3.2 Population of the study

The population of study for this research contains of 53 stakeholders of the organization whom include employees, 33 group auditors and 20 external stakeholders. This study has implemented the stratified sampling method so as to distribute the respondents basing on their relevance into strata groups considering features such as job roles, these were selected accurately so that they may present the whole group. Another sampling method used is the purposive sampling method so as to select specific individuals who have expertise or experience in forensic accounting, fraud detection and financial managements.

Table 3 1 Sampling population, procedure and quantity of the population.

| | Stakeholder | Sampling Method | Selection Criteria | Quantity of sample |
|---|---|---|---|---|
| 1 | Branch Manager | Stratified | Compiles daily branch reports | 11 |
| 2 | Customer Service Manager | Stratified | Sends daily reports to Head Quarters | 11 |
| 3 | Compliance Department | Purposive | Internal Forensic Accountants | 3 |
| 4 | Internal Auditors | Stratified | Internal Auditors | 4 |
| 5 | Group Auditors | Purposive | Group Forensic Auditors | 2 |
| 6 | External Auditors | Purposive | PWC Chartered Accountants BDO Zimbabwe,RMG Chattered Accountants of Zimbabwe,MJ Consultants | 15 |
| | | | | |
| 8 | Loan Division Officer | Stratified | Loan Division Department | 2 |
| 9 | Reserve bank agents | Purposive | Bank survey officer | 5 |

**Source** Primary data 2024

### 3.2.1 Sampling Techniques

Sampling is a key component of research design, involving the assortment of a subset from a bigger population (Kamar, 2019). According to Thompson (2012), sampling entails studying part of a population to make inferences about the entire population. Mujere (2016) describes a sample as a cluster of individuals, objects, or items chosen from a bigger population for measurement. The main aim of sampling is practicality and cost-effectiveness, as conducting a census of the entire population is usually impractical and uneconomical (Mujere, 2016). This study will utilize two sampling techniques: Stratified Sampling and Purposive Sampling.

### 3.2.3 Stratified Sampling

Stratified sampling is a probability sampling method that divides the population into subgroups or strata based on relevant characteristics (Kumar, 2019). This warrants that the sample accurately represents the population and that each subgroup is sufficiently represented (Creswell, 2014). In this study, stratified sampling will be implemented to select employees, management, and stakeholders from various departments and locations. This approach is necessary due to the diverse and heterogeneous nature of Ecobank Zimbabwe's population, which includes different departments, locations, and job roles.

### 3.2.4 Purposive Sampling

Purposive sampling is a non-probability sampling technique that contains picking participants based on their expertise or experience (Patton, 2015)This technique is useful when the researcher wants to gain in-depth insights from individuals who have specialized knowledge or experience (Creswell, 2014).

In this study, purposive sampling will be used to select forensic accountants, internal auditors, financial managers, compliance officers, and legal experts. These individuals have the necessary expertise and experience to provide valuable insights into the effectiveness of forensic accounting in fraud detection.

### 3.3 Research Instruments

Research instruments serve as the implements employed to collect data in research endeavors (Kothari, 2004). In investigating the impacts of forensic accounting on prevention and detection of fraud, this study utilizes both quantitative and qualitative research instruments to gather data from stakeholders. Descombe (2014) delineates the distinctions between quantitative and qualitative research methodologies, highlighting their unique approaches to data collection and analysis and their suitability for different research inquiries. Quantitative research involves gathering numerical data and analyzing it using statistical techniques, aiming to produce objective, empirical findings expressed in numerical terms. In contrast, qualitative research gathers data that is non-numerical, such as images, sounds, and words, aiming to explore particular opinions, experiences, and attitudes through methods such as observation and interviews.

Questionnaires, characterized as self-report measures where participants respond to written or online questions, offer a rapid and efficient means to collect extensive data from a large participant pool (Nueman & Robson, 2017). Interviews, involving face-to-face interactions between researchers and participants, enable in-depth exploration of thoughts, emotions, and experiences. Interviews may adopt structured, semi-structured, or unstructured formats and can occur in various settings, including in person, over the phone, or online. By combining both quantitative and qualitative research instruments, researchers can gain a complete thoughtful of stakeholders' perspectives and experiences concerning the role of forensic accounting in detecting fraud and prevention (Creswell, 2009).

### 3.3.1 Data Collection Procedures

In conducting this study, the researcher meticulously planned and implemented thorough data collection methods to ensure the gathered data's reliability contained a meaningful insight from various stakeholders. We took steps to schedule appointments with key participants, including staff at Ecobank, auditing firms, and regulatory authorities, using phone calls, emails, and letters to arrange meetings.

We then designed customized questionnaires for each group, making sure they were clear and easy to understand. These questionnaires were distributed either in person, by mail, aiming to get a wide range of responses. Once we received the completed questionnaires,

we carefully analyzed the data using both manual methods and statistical software like SPSS.

In addition to the questionnaires, we also conducted desk research, looking at published financial statements of banks that have faced fraud detection issues in the past. This secondary data helped provide context and background information for our study.

Furthermore, we conducted interviews with knowledgeable individuals within banking institutions, such as accountants, branch managers, and internal auditors. These interviews allowed us to delve deeper into their perspectives and experiences. Similarly, we sent out questionnaires to auditing firms to gather insights from audit staff with recent experience in auditing financial institutions.

By adhering to these steps, our goal was to gather diverse perspectives and insights, enhancing our comprehension of forensic accounting's role in fraud detection surrounded by the commercial banking sector, specifically focusing on Ecobank Zimbabwe.

Table 3 2Sample of questioner

| Strongly Agree | Agree | Moderate | Disagree | Strongly disagree |
|---|---|---|---|---|
|  |  |  |  |  |

Source : Research gate

## 3.4 Sources of Data

For this study, the researcher collected primary data, which originates directly from original sources, offering firsthand information. Primary data was obtained from audit, internal control, and compliance staff across three branches of the bank situated in Harare. Data sources refer to the locations or resources from which data is obtained (Benard, 2017). Primary data collection methods included interviews and questionnaires. Alternatively, secondary data consists of pre-existing data collected by others (Wells, 2017), such as academic journals, research papers, online databases, archives, annual reports, and financial

statements. Audit reports serve as the primary source of secondary data, containing financial information, audit findings, and recommendations for improvement.

## 3.5 Ethical consideration

This study also considers ethical values during the course of carrying out the research. Ethical norms are often perceived as common sense, given their widespread presence. Yet, the frequency of ethical disputes and dilemmas in our society indicates otherwise. If morality were purely a matter of intuitive understanding, such conflicts would not occur. One plausible explanation for these disagreements is that while individuals may acknowledge certain common ethical norms, they interpret, apply, and prioritize these norms differently based on their personal values and life experiences (Gajjar, B.N., 2013). In carrying out this study there was informed consent in which the respondents and participants be fully aware that the research goals, methods and benefits, ensuring that the rights and well-being of the respondents was are protected. The research has considered in other crucial ethical consideration confidentiality, potential harm, honesty, integrity and social responsibility.

## 3.6 Validity and reliability

The study will ensure data validity by employing a systematic and transparent approach to identify and select relevant studies, as well as assessing the quality and relevance of the included studies. Data reliability will be ensured through the use of a standardized data drawn out form to extract appropriate data from the involved studies, and by employing a narrative synthesis approach to summarize and synthesize the findings. Cronbach's Alpha will be utilized to assess the validity and reliability of the study. The research utilized Cronbach's Alpha as a measure of reliability, yielding a calculated value of 0.88 using SPSS software, surpassing the recommended threshold of 0.70. This confirms the reliability of the assessment and validates the accuracy of the responses. This furthermore evaluate the test's reliability over time, ten questionnaires were redistributed to individuals who had responded consistently within a one-week period. The consistent responses obtained reaffirm the reliability of the questionnaire items.

Table 3 3 Reability test

| Cronbach's Alpha | No Of items |
|---|---|
| 0.856 | 15 |

Reliability test Statistics :Source SPSS

## 3.7 Data presentation and analysis

The records in this research were presented through the use of descriptive statistics and inferential statistics to answer the research questions objectives. In this data presentation the researcher used Mean and standard deviation of fraud cases detected before and after the implementation of forensic accounting. Frequency and percentage of fraud cases detected by type e.g. financial statement fraud, asset misappropriation is another aspect of data presentation.

## 3.8 Summary

This chapter provided valuable insights into employees' perceptions regarding the effects of forensic accounting in detecting fraud at Ecobank Zimbabwe. The study employed a descriptive research approach, utilizing a case study design. Data was collected through stratified and purposive sampling, while research instruments such as questionnaires and interviews were employed. Data analysis and presentation were also conducted to present the findings effectively. The chapter's outcomes contribute to the development of strategies and policies aimed at strengthening anti-fraud measures and improving financial integrity within the organization. In accordance with the data collected employee's perceptions showed that employees recognized forensic accountants as playing a crucial role in uncovering financial irregularities and providing evidence in fraud cases.

# CHAPTER IV

## DATA PRESENTATION, ANALYSIS AND DISCUSSIONS

### 4.1 Introduction

In the previous chapter, the researcher has placed concern on the research methodology, that in which the researcher has used for the study. The researcher in the previous chapter have looked into concepts which includes research design, population of the study, sampling techniques, validity and reliability.

This chapter emphasizes on the discoveries which have resulted as of the data collection instruments, explicitly oral interviews, questionnaires and secondary data gathered from published materials. In this study, the researcher has analyzed the data which have collected from Ecobank stakeholders and evaluated their responses and perceptions.

### 4.1.2 Response Rate

According to Kuter and Yilmaz (2014), the response rate in survey research is a measure used to evaluate the proportion of personnel who respond to a survey matched to the aggregate number of persons involved to take part. It is computed by subdividing the number of concluded responses by the aggregate number of involved participants, then multiplying by 100 to obtain a percentage. The researched have aimed to interview 70% of the eligible staff at Eco bank Zimbabwe in the accounting and auditing departments, whom are located in Harare branches. The bank has an eligible estimated number of one hundred and seventy staff in all departments, and the researcher aimed to interview 8 staff members at the commercial bank. Responses were established from a aggregate number of five staff members, translating the response to 62.5% response rate.

The researcher incorporated the RBZ's bank surveillance and supervision division into the research, aiming to involve 10% of the department's staff as respondents since all of them were eligible for the study. With nearly eighty staff members, 10% equated to eight staff. However, only five responded, resulting in a 62.5% response rate. The researcher also carried out pilot tests of the questioners throughout different departments so aa to make sure they were easier for the respondent to reply and the data was accurate to be quantified.

The researcher administered three sets of questionnaires targeting different stakeholders: internal staff at Ecobank, auditing firms, and regulatory authorities. Achieving high response rates across these groups required exercising patience, as obtaining information from these institutions proved challenging. Numerous appointment rejections necessitated follow-ups via email, demanding additional tolerance to gather the data.

Pilot test results indicated the necessity for a few more questions. These questions focused on Donald Cresset's fraud triangle, as discussed in chapter two, aiming to explore how fraud detection is facilitated through the identification of motives. Additionally, inquiries related to the risk management system, wherein forensic accounting knowledge can be utilized within the commercial bank to detect and prevent fraudulent activities, were included.

Data extracted from the questionnaires underwent coding and analysis using descriptive statistics. Descriptive statistics, including percentages, graphical representations such as pie charts and bar charts, frequency distributions, and were employed to interpret the data. Given the diverse nature of the questionnaire responses, qualitative test was utilized to conclude findings, identify trends, and discern relations among variables.

Regression analysis was accompanied to further analyze the information and analyzed variables. Qualitative analysis techniques were employed to synthesize responses from interviews, utilizing itemization to present both opinions and factual information gleaned from the interviews.

**4.2 Section A Demographic Information**

This sections covers the demographic of the respondents and these include age, gander, qualification of the respondent, stakeholder group in which they belong to and the branch or location of the respondent

Figure 4 1 Stakeholder Percentage
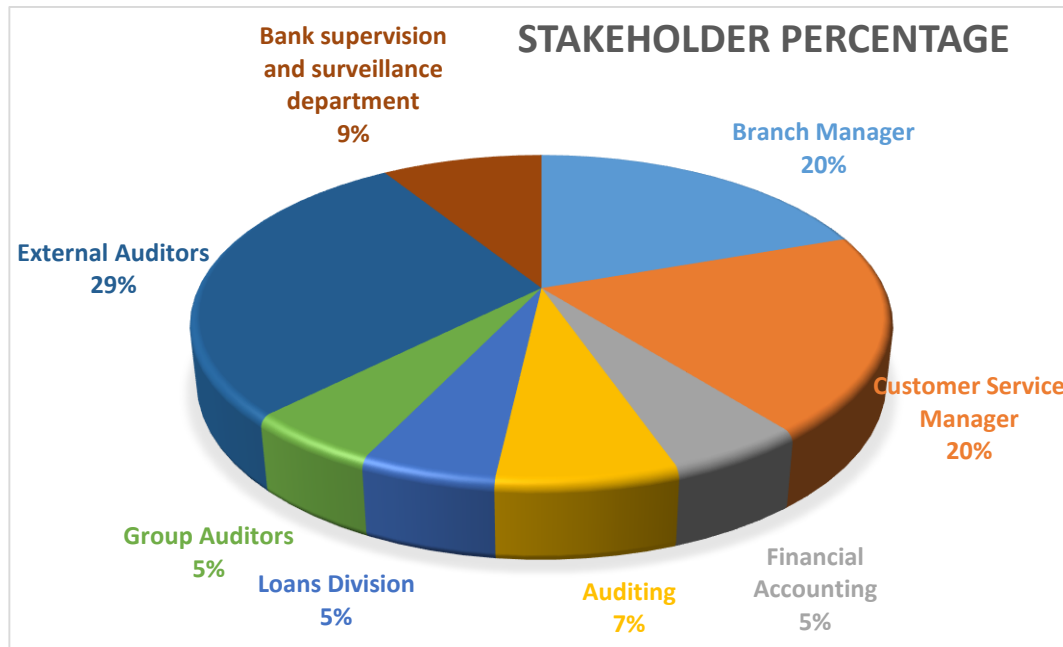


Source :Primary data

Primary data was obtained from both internal and external stakeholders of the organization, in which 29% was obtained from external auditors whom were respondents from accounting and business consultancy firms in which have forensic accounting knowledge. Also 20% of the respondents are from customer service department and branch managers whom of which create reports on a daily basis and have more knowledge on fraud at the organization. The other information was obtained from the Financial Accounting department which constitutes 5%, Auditing department 7%, Loans Division 5%, Group auditors 5%, Bank supervision and surveillance department 9% of the total respondents. The graphical presentations are shown in figure 4.1 and figure 4.2 above.

**4.2.1 Years of experience in the banking industry, auditing or bank supervision and surveillance**

This section of the questionnaire is meant to evaluate the respondents' years of experience in their perspective industry. The assessment was replied based on three divisions depending on their stakeholder group, these includes Ecobank employees in which the respondent shown the total years they have been working in the banking industry, the other stakeholder group is the external auditors from accounting and auditing firms, in this case, they responded basing on the number of years they have been working in the forensic accounting and auditing industry. The next stakeholder group is the surveillance and bank supervision department in which their responses reflected the number of years they have worked in the department as regulatory authority officers.

Table 4. 1Descriptive Statistics. Number of years

|  | N | Mean | Minimum | Maximum | Std. Deviation |
|---|---|---|---|---|---|
| Branch Manager | 11 | 4.45 | 2 | 9 | 2.38 |
| Customer Service Manager | 11 | 4.70 | 1 | 11 | 3.30 |
| Financial Accounting | 3 | 5.67 | 2 | 10 | 4.04 |
| Auditing | 4 | 7.75 | 7 | 9 | 0.96 |
| Loans Division | 2 | 8.00 | 7 | 9 | 0.71 |
| Group Auditors | 2 | 3.50 | 3 | 4 | 0.71 |
| External Auditors | 15 | 5.88 | 1 | 12 | 2.87 |
| Regulatory Authority Office | 5 | 5.65 | 1 | 12 | 2.92 |

Source: Primary data

Table 4.1, interpret that the data collected N is the sum number of respondents whom have participated in the questionnaire. The ratings for Branch Managers range from 2 to 9, with a mean rating of 4.45. The standard deviation indicates that the ratings vary considerably around the mean. Moreover, the number of for Customer Service Managers is selected for the sample 11, projected a mean rating to 4.70. The standard deviation is relatively high, indicating a wide variation in ratings of the years in service. The total number for External Auditors who participated in the study were 12, with a mean rating of 5.88 in the years of experience. The standard deviation indicates a moderate amount of variability in ratings, this would portray that with a deviation of 5.88 years of experience the study had a reliable base of respondents.

Table 4. 2 Highest Qualification of respondent's N is 53

| Education | Number of Qualifications | Percentage |
|---|---|---|
| ACCA | 10 | 19% |
| CIMA | 1 | 2% |
| CTA | 7 | 13% |
| Post Graduate | 16 | 30% |
| Undergraduate | 19 | 36% |

Source: Primary data

The data in table 4.2 showcases a diverse range of educational qualifications among respondents, from ACCA, CIMA, CTA, post-graduate, to undergraduate degrees, each offering unique insights into the influence of forensic accounting in detecting fraud. ACCA-certified individuals, representing 19% of the sample, bring advanced expertise in financial management and audit, while the lone CIMA holder offers specialized insights in management accounting. Moreover, the presence of CTA professionals, comprising 13% of respondents, underscores a focus on tax compliance, enhancing understanding in tax-related fraud investigations. Additionally, the significant representation of post-graduate (30%) and undergraduate (36%) qualifications reflects a broad spectrum of knowledge and

critical thinking skills, enriching the questionnaire data with varied perspectives on forensic accounting's efficacy in combating fraud.

## 4.3 Section B Fraud Detection and Awareness

This segment delineates the findings garnered from Ecobank personnel via a questionnaire mechanism. The questionnaire comprised both closed-ended and open-ended queries. Specifically, responses were gathered from a range of Ecobank employees encompassing various management spheres, including customer service managers, branch managers, auditing personnel, and financial accounting department members. Additionally, insights were sourced from Group Auditors from Ghana, who conduct quarterly assessments across all branches to scrutinize quarterly financial reports for potential fraudulent activities. To augment the study's comprehensiveness, stakeholders well-versed in forensic accounting were purposively selected. These stakeholders notably comprised Regulatory Authority Officers from RBZ and external auditors.

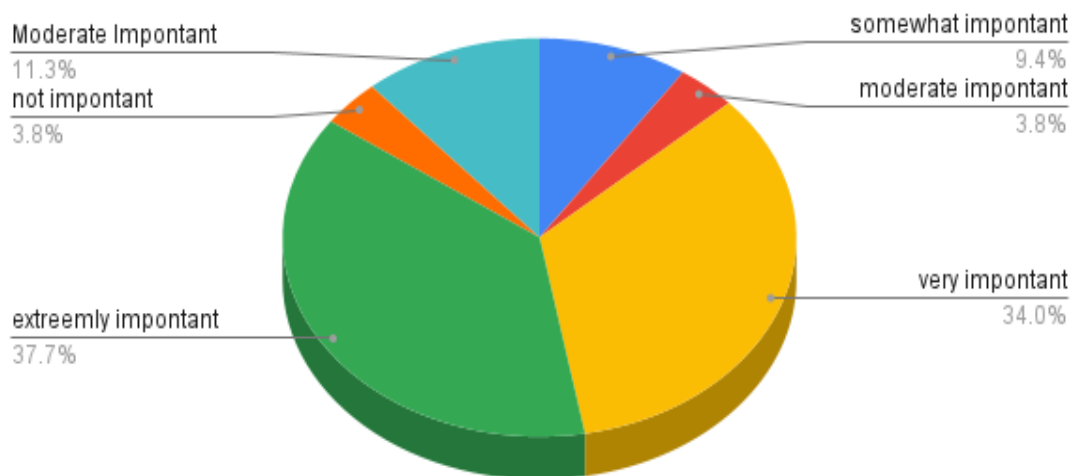Figure 4 2 Familiarity to forensic accounting in Fraud detection
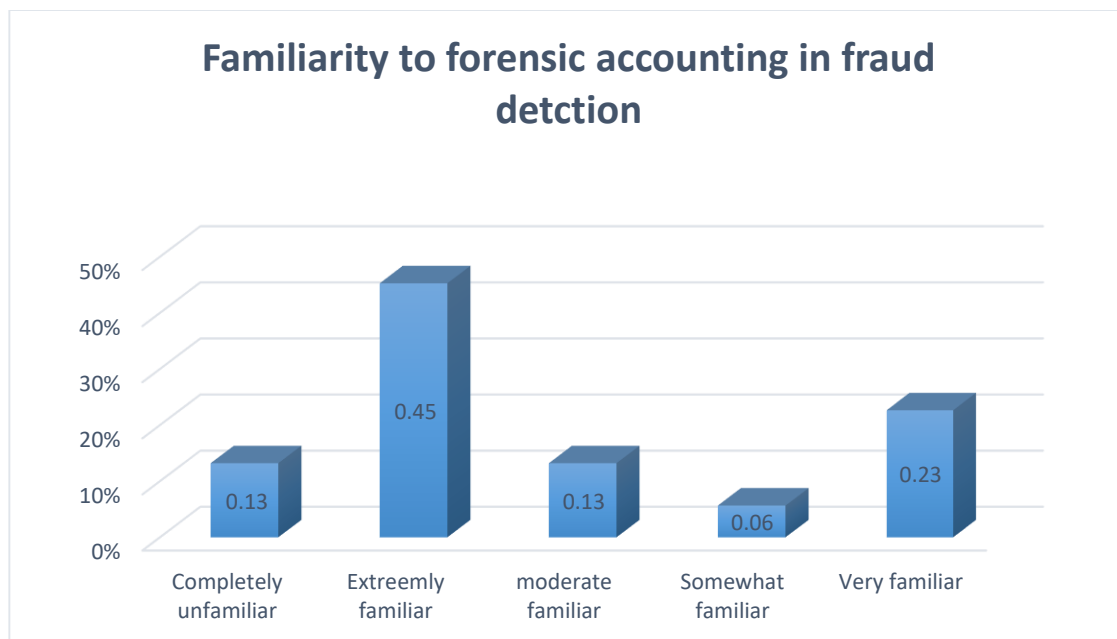


Source: Primary data

As depicted in Figure 4.4, a notable 45% of respondents expressed a high level of familiarity with forensic accounting and its role in fraud detection, with a significant proportion of these individuals holding ACCA qualifications. Following closely, 23% of

respondents indicated a very strong familiarity with the concept. The surveyed population primarily comprised branch managers at Ecobank Zimbabwe. However, these findings deviated from those of Njanike et al. (2009), who investigated the influence of forensic auditing in reducing bank fraud in Zimbabwe. Njanike et al. identified various fraud types, including cheque fraud and identity theft, contrasting with the present study's closed-ended questioning approach. Furthermore, our study predominantly targeted accounting professionals actively engaged in auditing, potentially influencing the divergence in findings.

Figure 4 3 The perceptions of stakeholders on the importance of institutions like Ecobank to have robust fraud detection mechanisms



Impontance of having Robust Forensic Accoutning in detection of fraud

Moderate Impontant 11.3%
not impontant 3.8%
extreemly impontant 37.7%
somewhat impontant 9.4%
moderate impontant 3.8%
very impontant 34.0%

 Source: Primary data

According to the figure conducted among respondents, the perceived importance of having robust fraud detection mechanisms in financial institutions like Ecobank Zimbabwe varied significantly. Upon analysis, 37.7% of respondents emphasized the extreme importance of robust fraud detection mechanisms for financial institutions like Ecobank Zimbabwe.

Additionally, 3.8% stressed their moderate importance. Interestingly, 3.9% expressed the view that fraud detection mechanisms are not important, while 9.4% indicated their somewhat importance. Notably, this viewpoint was predominantly observed among undergraduate students and those pursuing the Chartered Tax Adviser (CTA) qualification, constituting 37.7% of the respondents. Lastly, 34% of respondents asserted the importance of robust fraud detection mechanisms as very important, particularly among ACCA holders and postgraduates. These findings underscore the nuanced perspectives on the importance of fraud detection mechanisms, influenced by educational background and professional qualifications.

Table 4. 3 Financial Fraud Detection

| | Mean | Std. Deviation | N |
|---|---|---|---|
| Importance for financial institutions like Ecobank Zimbabwe to have robust fraud detection mechanisms in place? | 3.92 | 1.124 | 53 |
| The deployment of industry antifraud solutions will greatly avoid financial fraud? | 3.75 | 1.191 | 53 |
| How familiar are you with the concept of forensic accounting and its role in fraud detection? | 3.77 | 1.050 | 53 |
| **Average** | 3.81 | 1.121 | |

Table 4 1 Source: Primary data

The findings on financial fraud detection were presented through descriptive analysis tables generated using the Statistical Package for Social Sciences (SPSS). As shown on table 4.3 above, respondents' perspectives on financial the detection of fraud. The outcomes show that detection of financial fraud requires appropriate expertise and training, with a mean score of 3.92. The use of anti-fraud solutions to prevent financial fraud established a mean score of 3.75. Additionally, percentage of the study population knowledgeable about forensic accounting techniques had a mean score of 3.77, leading to an overall average mean score of 3.81.

The importance of financial institutions like Ecobank Zimbabwe having robust fraud detection mechanisms is highlighted by a mean score of 4.44, emphasizing the need to validate the effectiveness of forensic accounting in the detection of financial fraud. The above table also includes the standard deviation among respondents' views, which ranges from 1.124 to 1.050, with an overall difference of 0.632. The low standard deviations suggest minimal variation, indicating a high level of consensus among respondents.

## 4.4 Section C: Conducting investigations as a forensic Accounting technique

Table 4. 4: Conducting investigations

| | Mean | Std. Dev | N |
|---|---|---|---|
| Forensic accounting tools and techniques contribute to uncovering fraudulent activities | 3.64 | 1.331 | 53 |
| Conducting investigations assist in detecting and uncovering financial frauds | 3.60 | 1.246 | 53 |
| Creative accounting can be eliminated with forensic accounting techniques by reviewing source documents | 4.23 | 1.103 | 53 |
| **Average** | 3.82 | 1.227 | |

Source: Primary Data

Conducting investigation findings were presented using descriptive analysis tables generated from Statistical Package for Social Science (SPSS), Table 4.6 presents respondents' views on using investigations as a technique for financial fraud detection and forensic accounting tools. The data from the results shows that forensic tools and techniques contribute to uncovering fraudulent activities with mean 3.64. Conducting investigations aids forensic accountants in detecting and uncovering financial frauds, as indicated by a mean score of 3.60. Moreover, forensic accounting techniques, such as reviewing source documents, can mitigate creative accounting, as indicated by a mean score of 4.23. These findings indicate that conducting investigations is an important approach for detecting financial fraud as highlighted by (Agboare, 2021) who mentioned that there is a significant relationship between fraud detection and conducting investigation.

The table likewise shows the standard deviation of responses within the population sampled, with variations ranging from 1.103 to 1.331, averaging 1.227. These low variation values suggest that responses are not widely varied, indicating a consensus among respondents.

### 4.4.1 Regression Coefficients

This section examines the distinct influence of the independent variables on the dependent variables, as illustrated in the model above and assessed in the study.

Table 4. 5 Regression Coefficients

| Model | R | R Square | Adjusted R Square | F | Sig. |
|---|---|---|---|---|---|
| 1 | .501 | .251 | .221 | 8.386 | <0.001 |

  a.  Dependent Variable: Financial fraud detection
  b.  Predictor: (Constant) Conducting investigation as a Forensic Accounting tool and technique

Source: Researcher computation from SPSS


The regression analysis above is examining the relationship between financial fraud detection as the dependent variable and conducting investigations as a forensic accounting tool, as the independent variable, is summarized by the R-squared and adjusted R-squared metrics. The R-squared value represents the model's analytical power, indicating the percentage of variance in the dependent variable enlightened by the independent variable. In this model, the correlation coefficient (R) is 0.501, suggesting a moderate relationship strength between the dependent and independent variables.

The coefficient of determination ($R^2$) is 0.251, indicating that 25.1% of the variance in financial fraud detection within commercial banks in Zimbabwe is explicated by the independent variable, while the residual 74.9% is attributable to factors outside the model. This suggests that the model captures a relatively small portion of the variance in financial fraud detection. The adjusted $R^2$ value of 0.221 indicates that, when considering the entire population, the independent variable collectively accounts for 22.1% of the variance in the

dependent variable. This adjustment corrects for the number of forecasters in the model, provided that a more accurate consideration of the model's descriptive power.

The F-statistic of 8.386, with a p-value less than 0.0001, designates that the model is greatly significant at the 1%, 5%, and 10% levels. This high F-statistic value implies that the model has a strong overall fit, demonstrating that the independent variable is conjointly significant in manipulating the dependent variable.

These outcomes are consistent with findings from preceding studies. For instance, Enofe et al. (2013) found that forensic accounting significantly impacts fraud detection in Nigerian firms, with various forensic accounting tools contributing to the identification and prevention of fraudulent activities. Similarly, Dzomira (2014) highlighted the positive effects of forensic accounting practices in reducing fraud in Zimbabwean commercial banks, emphasizing the importance of specialized tools and techniques in detecting financial irregularities.

However, despite the positive correlation and significance of the model, the relatively low $R^2$ value point out that other issues not incorporated in the model also play a considerable role in financial fraud detection. This finding line up with the study by Tiriki and Tiriki (2022), that identified multiple dimensions and factors influencing fraud detection, including the role of forensic accountants in various contexts such as India, Nigeria, and Ghana.

Moreover, the results underscore the importance of continually refining and expanding forensic accounting methodologies to enhance their effectiveness. Albrecht (2008) pointed out the challenges in detecting and addressing fraud due to perpetrators' ability to exploit human fallibility and rationalize fraudulent activities. The modest $R^2$ value in this study suggests that forensic accounting tools must evolve to address these complexities more comprehensively.

Overall, the role of forensic accounting analyzed by the regression analysis underscores the critical investigations in detecting financial fraud, while also highlighting the need for ongoing improvements and the inclusion of additional variables to capture the full scope of factors influencing fraud detection in the banking sector.

**4.5 Section D: Likert Scale**

Figure 4.6 Forensic accounting is more effective than traditional auditing methods in identifying fraud

Figure 4 4 Forensic Accounting is more effective than traditional auditing methods in identifying fraud
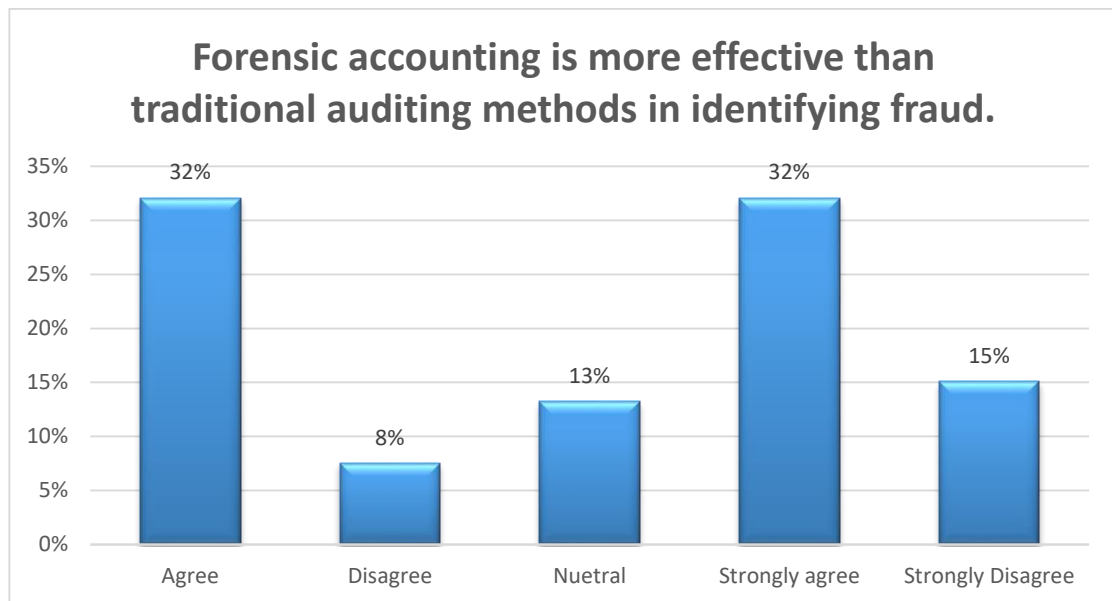


Source: Primary data

Figure 4.6 illustrates that when respondents were questioned if forensic accounting is more effective than the traditional method of auditing. 32% agreed and strongly agreed that it is more efficient. Then 15% of the population strongly disagreed, 13% were neutral, 8% of the population disagreed. However, as noted by Albrecht (2008), fraud is not always directly observable but can be inferred. This suggests that fraud in banks might occur more frequently than it is detected. Consequently, this study received a high number of responses agreeing or strongly agreeing that forensic accounting is more effective across all financial institutions.

Figure 4 5 Likert scale combined responses
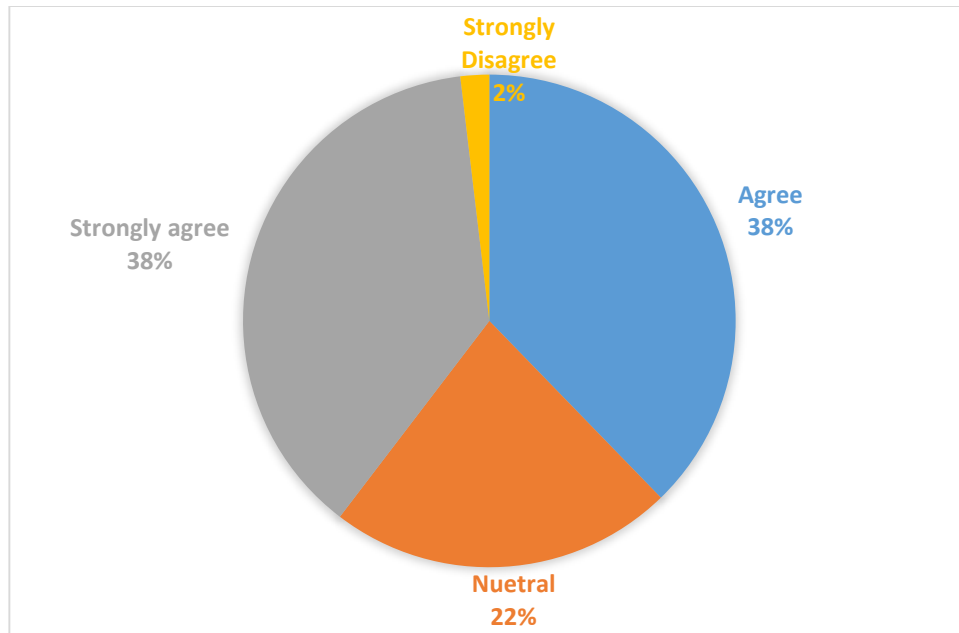


Source : Primary data combined Likert scale responses

Figure 4.7 presents responses to the Likert Scale questions, which questioned respondents to point out their scale of agreeing or disagreeing per various proclamations related to Ecobank Zimbabwe. As presented by the figure it can be seen that the most of the respondents agree to the notions on the relevance, effectiveness, impact, challenges faces in the absence of forensic accounting tools and that it have significance in the customer and investor confidence.  At the same time the same 22%of the population was neutral in their responses,38% agreed and 2% of the population strongly disagreed.

## 4.6 Interview Responses

The researcher utilized the interview method to collect data, primarily from Accountants and Auditors, as Directors were frequently occupied and often absent. These interview sessions enhanced the researcher's comprehension of specific inquiries posed by the staff. Although the researcher aimed to conduct a minimum of three interviews, only two were feasible, resulting in a response rate of 62.5%. Responses to respective questions during the interviews are summarized as follows:

**What is your perception of the effectiveness of forensic accounting in fraud prevention and detection within commercial banks?**

**Respondent 1**

From the experience of the respondent with Ecobank Zimbabwe, forensic accounting has been instrumental in their efforts to combat fraud. He added that it is like shining a light in the dark corners of financial transactions, uncovering discrepancies and irregularities that might otherwise go unnoticed. It's not foolproof, but it's definitely a powerful tool in the organization's arsenal. With the current situation of new papers highlighting different forms of fraud in the Bank it would be more appropriate to widen the detection of fraud and place prevention measures.

**Respondent 2**

Forensic accounting operates as an indispensable shield fortifying our operations here at Ecobank. Think of it as enlisting a seasoned detective onto our team, someone whose sharp eye meticulously pores over every financial document, transaction, and record with a fine-tooth comb. It's a role that's not always adorned with glamour, yet its significance cannot be overstated. Like a vigilant guardian, forensic accounting stands at the forefront, tirelessly scouring through the intricate labyrinth of financial data to unearth any semblance of fraudulent activity. It's our first line of defense against those who seek to exploit vulnerabilities within our systems. Every meticulous examination, every painstaking analysis serves a singular purpose: to safeguard the integrity of our bank and shield our cherished customers from the lurking perils of financial harm. In a world where trust is paramount, forensic accounting stands as a stalwart sentinel, ensuring that every penny entrusted to us is safeguarded with unwavering diligence and dedication.

**Respondent 3**

At Ecobank, we've seen firsthand the influence that forensic accounting has on the prevention of fraud. It's not just about catching the bad actors after the fact; it's about putting systems and processes in place to deter fraud from happening in the first place. It's a proactive approach that's proven to be effective in safeguarding our assets and reputation.

**Respondent 4**

As someone who works on the front lines at Ecobank, I can attest to the importance of forensic accounting in our daily operations. It's about more than just crunching numbers; it's about understanding the patterns and behaviors that can signal potential fraud. With forensic accounting, we're able to stay one step ahead of the fraudsters and protect our customers and stakeholders

**Respondent 5**

From where I stand at Ecobank, forensic accounting is a game-changer in the combat contrary to fraud. It's about bringing clarity to complex financial transactions and uncovering the truth behind the numbers. While it's a constant battle to stay ahead of the ever-evolving tactics of fraudsters, forensic accounting gives us the tools we need to protect our assets and uphold the integrity of our bank

**How do forensic accounting techniques assist in identifying fraudulent activities?**

**Respondent 1**

Forensic accounting techniques offer us a unique perspective into the world of financial fraud, allowing us to see beyond the surface and uncover the underlying truths. By leveraging data analysis tools, conducting thorough examinations, and employing industry expertise, we're able to identify fraudulent activities and protect our bank's asset

**Respondent 2**

Forensic accounting techniques serve as our arsenal against financial fraud, equipping us with the means to detect and deter illicit activities. Through careful examination of financial records, transactional patterns, and behavioral indicators, we're able to uncover fraudulent schemes and safeguard the integrity of our bank

**Respondent 3**

In my experience, forensic accounting techniques provide us with invaluable tools to detect, investigate, and prevent fraudulent activities effectively. From data analysis to conducting

interviews, these techniques empower us to delve deep into financial records, identify irregularities, and safeguard our bank and customers from financial harm

**Respondent 4**

Forensic accounting techniques are our vigilant guardians in the battle against financial fraud. Through meticulous analysis of financial data, they unveil hidden truths and trace intricate patterns, guiding us to uncover signs of deceit. Their ability to identify inconsistencies ensures transparency and accountability, instilling confidence in customers and investors alike. By safeguarding against fraudulent schemes, these techniques not only protect our bank but also foster trust and reliability among stakeholders.

**Respondent 5**

The respondent highlighted that, forensic accounting techniques are like puzzle pieces that we carefully fit together to reveal the bigger picture of fraudulent activities. It's all about connecting the dots, following the money trail, and piecing together evidence to build a solid case against financial fraud. It's both challenging and rewarding work that keeps us on our toes

**Based on your observations, to what extent has forensic accounting reduced fraudulent activities in Zimbabwean commercial banks?**

**Respondent 1**

Forensic accountants are trained to detect various forms of fraudulent activities, such as embezzlement, money laundering, and accounting fraud. By conducting thorough examinations of financial records and transactions, they can uncover irregularities that may indicate fraudulent behavior within commercial banks.

**Respondent 2**

The respondent asserted that at Ecobank, our team of detectives, called forensic accountants, take a close look at how we do things inside our bank. We're like detectives, but instead of solving crimes, we're looking for places where sneaky people might try to steal money or do something tricky. When we find these spots, we come up with ways to make them safer. For example, we might have one person check something, and another

person watch over them to make sure everything is okay. It's like having extra eyes to keep a lookout! By doing this, we make sure our bank is like a fortress, strong and secure, so our customers can trust us to keep their money safe.

**Respondent 3**

Forensic accountants play a vital role in helping commercial banks stay ahead of potential fraud risks. They work closely with these banks to conduct thorough assessments of all possible weak points where fraudsters might try to exploit loopholes. This involves diving deep into both historical financial data and current trends in the banking industry. By meticulously analyzing this information, they can pinpoint areas of concern and help banks implement proactive measures to shore up their defenses against fraud. This hands-on approach significantly reduces the chances of fraudulent activities occurring within the bank's operations.

**Respondent 4**

The respondent highlighted that forensic accountants are incredibly important in dealing with financial fraud cases. They're like the detectives of the banking world. When there's a suspicion of fraud, they're the ones who dig deep into all the financial records and transactions to find out what's really going on. Once they've gathered all the evidence, they use their expertise to explain it in a way that everyone can understand, especially in court. This is crucial because it helps the judges and juries see exactly how the fraud happened and who was responsible. When fraudsters see that they can be caught and punished, it makes them think twice before trying anything dodgy again. So, having forensic accountants around not only helps catch the bad guys but also scares off anyone thinking about doing something similar in the future. And that's a big win for everyone involved, especially for keeping our bank and our customers safe.

**Respondent 5**

The respondent mentioned that forensic accountants play a vital role in scrutinizing internal control systems to pinpoint potential weaknesses vulnerable to exploitation by fraudsters. Their recommendations for improvements, such as segregating duties and implementing

more robust monitoring mechanisms, provide commercial banks with actionable strategies to fortify their defenses against fraudulent activities effectively.

## 4.7 Chapter summary

This chapter have presented the data which was collected from respondents and presented in this chapter through diagrams, charts, tables, descriptive statistics and linear regression. From the findings the researcher has carried out the study and collected data from 53 participants which included Ecobank employees and other stakeholders. The information in this study was also put in a regression coefficient test which showed the relationship between independent and dependent variable, these variables included financial fraud detection and conducting investigations.

# CHAPTER V

## SUMMARY, CONCLUSION AND RECOMMENDATION

### 5.1 Introduction

This chapter provides a comprehensive summary of the research findings and presents well-considered recommendations derived from these findings. It seeks to highlight the major discoveries in relation to the research questions and the objectives set forth at the beginning of the study. By systematically addressing research question, the chapter underscores how the findings contribute to the overall understanding of the topic. Additionally, the recommendations proposed are grounded in the core findings and are intended to offer practical solutions and improvements. Furthermore, this chapter identifies areas that would benefit from further investigation, suggesting directions for future research to build upon the current study's outcomes and address any gaps that remain.

### 5.2 Summary

**Embracing of technology in Forensic accounting**

Technology is advancing at a large scale in this generation. Technological advancements have greatly transformed the banking operations in recent years, however as Ecobank Zimbabwe have evolved within these advancements so too have fraudulent activities.

In accordance to main findings in this study it is crucial for organizations to implement effective methods for identification and prevention of prevention of fraud which is why forensic accounting techniques are now being employed to combat fraud within commercial banks. This research focused on the perceptions of stakeholders in the effects of forensic accounting in the prevention and detection of fraud within Ecobank Zimbabwe. The main findings of the study include:

**Conducting investigations as a forensic accounting tool and technique**

This have a positive impact the detection of financial fraud in Zimbabwe commercial banks. Since in chapter 2 of the study the researcher highlighted that forensic accounting evidence is sufficient to be used in legal proceeding hereby it is crucial for investigations to be carried out.

**Reconstruction of incomplete records as a forensic accounting tool**

Forensic accounting reconstructs records to settle claims and uncover fraud needing broad financial expertise. Forensic accountants identify, prepare reports, review findings, brief legal consultants support and assist in environmental accounting.

**Financial fraud detection**,

This mechanism includes the use of various techniques, tools to uncover anomalies, irregularities and suspicious behavior in fraudulent activities.

**5.3 Conclusion**

This study as drawn in chapter four have highlighted that forensic accounting has become a major crucial tool for all organizations in the detection and prevention of fraudulent activities. Organizations like Ecobank Zimbabwe with large sums of transactions operations on a daily basis should hunt for ways to fight these complex activities of fraud. The concern of all stakeholders is to adopt and ensure smoothness in all activities, avoid errors, detect and prevent fraud.

Data gathered and presented in chapter four of this study, have provided an insight indicating a positive correlation amongst forensic accounting and fraud detection. The study has proven to that conducting investigations as a forensic accounting tool and technique is effective in detecting and preventing fraudulent activities. This study also concluded that reconstructing of incomplete records as a forensic accounting component have a positive effect in the detection of fraud in Zimbabwe commercial banks. In light of this study, discovered that it is imperative for organizations such as commercial banks to have robust prevention of fraud mechanisms and implement forensic accounting fraud detection measures when necessary.

## 5.4 Recommendations

### Embracing of technology in Forensic accounting

In view of the above conclusions, it is crucial for banks that the banking sector should embrace forensic accounting in the prevention and detection of forensic fraud. The study in chapter two highlighted that some fraud cases are discovered by customers, this would keep all stakeholders alert.

Due to the rapid evolution of information communication technology and its transformative impact on banking operations and client interactions, coupled with the significant findings of this research regarding the effectiveness of forensic accounting in fraud detection, the researcher recommends the increased employment of forensic accountants by commercial banks in Zimbabwe. This recommendation is rooted in the rise of the prominence of forensic accounting skills in battling current financial and fraud crimes driven by technological advancements.

### Conducting investigations as a forensic accounting tool

Furthermore, the study underscores the importance of implementing biometric transactions for both employees and customers within the banking industry in Zimbabwe. Such measures would serve as robust controls against fraud, enhancing security and trust in banking transactions. The researcher also recommends that the banking industry should conduct staff continuous training and possible workshops at all forensic accounting units or in the case of Ecobank Zimbabwe is called Fraud and Risk management department so as to be cognizant with modern developments as approach of commercial banks trades are constantly shifting to advancements in technology.

This study also recommends that further research should ascertain research on other topographical areas by covering a cross-country tactic. For instance, Ecobank is a PAN Africa bank in which further study ascertain research on other countries branches of the bank and place main focus on head quarter transactions and accounting records.

### 5.5 Areas of further study

In addition, for the nature of this study it has focused on the banking sector due to large sums of transactions, hereby the researcher would recommend further researches to be

conducted on other sectors which include public sector, manufacturing industry, oil and gas, consumable, mining, etc.

In data analysis the researcher adopted the regression analysis in answering and replying the research questions, hereby would recommend further studies to use hypothetic tests, analytical techniques and analysis of variances(ANOVA) approach.

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**BINDURA UNVVERSITY OF SCIENCE EDUCATION**



**FACAULTY OF COMMERCE**

**Dear sir/madam**

RE: REQUEST TO RESPOND TO QUESTIONIARE

Good day, I hope l find you well. My student registration number is B201352B I am currently carrying out my studies at Bindura University of Science Education. I am currently carrying out a study on the **perceptions of stakeholders on the effects of forensic accounting in the detection of fraud, case study of Ecobank Zimbabwe**. Your response will be greatly appreciated and they will make contributions to the industry. Kindly note that the information provided herein will be confidential and will be sorely used for scholarly purposes at any circumstances will not be issued to third parties without your consent.

Your responses will be greatly appreciated

Yours faithfully

B201352B

Contact details…………………..

Email address…………………………………

**APPENDIX 1: QUESTIONAIRES**

Thank you for participating in this questionnaire. This questionnaire aims to understand your perceptions of the Effects of Forensic Accounting in the detection of financial fraud at Ecobank Zimbabwe. Your honesty and responses are highly confidential.

**Section A: Demographics of Employees**

- **Gender**
  **Please tick where appropriate**

☐ MALE

☐ FEMALE

1. **Age**

**Please tick where appropriate**

☐ Less than 21

☐ 21 to 30

☐ 31 to 40

☐ 40 and above

2. **Branch**
   **Please tick where appropriate**

☐ Borrowdale Branch

☐ Samora Machel Branch

☐ Bradfield Branch

☐ Nelson Mandela Branch

☐ Bindura Branch

☐ Granite side Branch

☐ Mutare Branch

☐ Kwekwe Branch

☐ Msasa Branch

☐ Southerton Branch

☐ RGM International Airport Branch

5. **Years of experience**
- **Please tick where appropriate**

☐ 0 to 2 years

☐ 3 to 5 years

☐ 5 to 10 years

☐ 10 and above years

6. **Stakeholder Group (Employees and Stakeholders)**
- **Please tick where appropriate**

☐ Ecobank Employees

☐ Group Auditors

☐ Internal Auditors

☐ External Auditors

☐ Regulatory authority agent

☐ Others (Please specify)

……………………………………………………………………………………………………

**7. Education Level (Employees and Stakeholders)**

- **Please tick where appropriate**

☐   Ordinary Level

☐   Advanced Level

☐   Diploma Level

☐   Undergraduate Level

☐   Post Graduate Level

☐   Others (Please specify)

……………………………………………………………………………………………………………

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**Section B: Financial Fraud Detection**

5. How familiar are you with the concept of forensic accounting and its role in fraud detection?

Tick were appropriate

☐   Completely unfamiliar

☐   Somewhat familiar

☐   Moderate familiar

☐   Very familiar

☐   Extremely familiar

6. In your opinion, how important is it for financial institutions like Ecobank Zimbabwe to have robust fraud detection mechanisms in place?

Mark one oval

☐    Not important at all

☐    Somewhat Important

☐    Moderate Important

☐    Very Important

☐    Extremely important

7. In your opinion, to what extent does the deployment of industry anti-fraud mechanisms will greatly avoid financial fraud?

Mark one oval

☐    Not important at all

☐    Somewhat Important

☐    Moderate Important

☐    Very Important

☐    Extremely important

**Section C: Conducting investigations with forensic Accounting tools and technique**

8. To what extent do you believe forensic accounting tools techniques contribute to uncovering fraudulent activities within Ecobank Zimbabwe?

Mark one oval

☐ To a minimum extend

☐ To a limited extend

☐ To a moderate extent

☐ To a significant extend

☐ To a high extend

9. In your own view, how confident that conducting investigations assist in detecting and uncovering financial frauds in commercial banks?

☐ Not at all confident

☐ Somewhat confident

☐ Neutral

☐ Moderate Confident

☐ Highly confident

10. To what extend do you agree with that creative accounting can be eliminated with forensic accounting techniques by reviewing source documents

☐ Strongly Disagree

☐ Disagree

☐ Neutral

☐ Agree

☐ Strongly agree

**Section C: Reconstruction of incomplete records**

11. In your experience, how effective are forensic accounting practices in assisting with investigations into financial crimes at financial institutions? (Select one)

☐ Ineffective

☐ Somewhat ineffective

☐ Moderate ineffective

☐ Highly effective

☐ Extremely effective

12. To what degree do you believe that reconstructing incomplete accounting records effective in detecting financial fraud in organizations like Ecobank Zimbabwe? (Select one)

☐ To a very limited Extend

☐ To a slight extend

☐ To a moderate extend

☐ To a considerable extend

☐ To a very significant extend

**Section D: Forensic Accounting effects in the detection of fraud**

13. Below is a Likert scale on which your responses will provide a valuable insight to the current state and potential improvements for the forensic accounting practices in fraud detection.

**Instructions:** Please read each statement carefully and indicate the extent to which you agree or disagree by selecting the appropriate option on the scale provided. The scale is as follows:

**1** = Strongly Disagree

**2** = Disagree

**3** = Neutral

**4** = Agree

**5** = Strongly Agree

| Section 1: Importance and Relevance | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1. Forensic accounting is crucial for detecting fraud in the banking sector. | | | | | |
| 2. The banking sector adequately prioritizes forensic accounting in its fraud detection efforts. | | | | | |
| Section 2: Effectiveness and Impact | | | | | |
| 1. Forensic accounting is more effective than traditional auditing methods in identifying fraud. | | | | | |
| 2. The use of forensic accounting has significantly reduced the incidence of fraud in my organization. | | | | | |
| | | | | | |
| **Section 3: Challenges and Limitations** | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| 1. There are sufficient resources available to support forensic accounting initiatives in the banking sector. | | | | | |
| 2. The lack of skilled forensic accountants is a major challenge in fraud detection. | | | | | |
| **Section 4: Stakeholder Confidence** | | | | | |
| 1. Forensic accounting enhances customer confidence in the integrity of the banking sector | | | | | |
| 2. Investors feel more secure knowing that forensic accounting measures are in place. | | | | | |

**Recommendations**

Please share any suggestions you may have for improving the effectiveness of fraud detection and prevention at Ecobank Zimbabwe. (Open-ended)

THANK YOU FR YOUR VALUABLE PARTICIPATION

**APPENDIX 2: INTERVIEW QUESTIONS GUIDE**

**INTERVIEWER: B201352B BARCHELORS HONORS DEGREE STUDENT IN ACCOUNTING AT BINDURA UNIVERSITY OF SCIENCE EDUCATION**

INTERVIWEE: INTERNAL AUDITORS/FORENSIC ACCOUNTANTS

**PROJECT TITTLE: Perception of Stakeholders on The Effects of Forensic Accounting in The Detection of Fraud Case Study of Ecobank Zimbabwe**

**General Question**

1. How familiar are you with the current fraud detection mechanism in commercial banks?

**Interview Questions**

2. What is your perception of the effectiveness of forensic accounting in fraud prevention and detection within commercial banks?

3. How do forensic accounting techniques assist in identifying fraudulent activities?

4. How effective are forensic accounting techniques in reconstructing incomplete financial records?

5. Based on your observations, to what extent has forensic accounting reduced fraudulent activities in Zimbabwean commercial banks?

6. What specific recommendations would you propose to enhance the effectiveness of forensic accounting in fraud detection and prevention?