

# INTEGRATION OF FORENSIC ACCOUNTING AND MANAGEMENT CONTROL SYSTEM AS A TOOL FOR COMBATING CYBER FRAUD IN DEPOSIT MONEY BANKS IN NIGERIA

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## ABSTRACT

*Owing to the proliferation of cyber fraud and financial misappropriations in the Nigerian banking sector, this study investigated the integration of forensic accounting and management control system as a tool for combating cyber fraud in deposit money banks in Nigeria. Four (4) specific objectives were raised alongside four research questions and hypotheses. A Survey research design method was employed for the study with extensive reliance on primary data obtained through the use of structured Likert scale questionnaire. Data was collected through random distribution of questionnaire to 371 respondents. The data were analyzed using descriptive statistics and regression analysis on Statistical Package for Social Sciences (SPSS version 25). The research findings shows that integration of forensic accounting and management control system plays a significant role in combating cyber fraud, forensic accounting and management control system as a tool in combating cyber fraud in Nigeria deposit money banks has significant impact in preventing cyber fraud, there is a need of integration of forensic accounting and management system in combating cyber fraud in Deposit Money Banks in Nigeria, and the application of integration of forensic accounting and management control system as a tool in combating cyber fraud does not significant control cyber frauds in deposit money banks in Nigeria. Pertaining to the research findings the study recommended that; establishment of comprehensive fraud mitigating measures against external frauds at the cashier's departments, more enforcement of compliance of fraud mitigation method, employment of forensic auditing in Nigerian banks by amending the existing statutes, in such a way that forensic auditors are included in the audit team, the need to accord forensic accounting statutory role and distinct professional recognition by the government and professional bodies in Nigeria and Deposit Money Banks in Nigeria should enhance*

*the communication mediums on the various applications made available for their customers usage to serve as proactive measure in cyber fraud detection.*

**Keywords: Forensic Accounting, Management Control System, Cyber Fraud**

## **INTRODUCTION**

Globally, cyber fraud is the second most reported economic crime affecting organizations and close to half of the organizations surveyed believe that local law enforcement is not adequately resourced to investigate economic crime, leaving the responsibility for fighting crimes on organizations (PwC Global Economic Crime Survey, 2016). An increase in cyber fraud is directly proportional to the deployment of technology in the business area, that is, the growing use of technology-enabled business processes such as point of sale purchase, automated teller machine transactions, e-commerce, online sales processes, electronic business communication (e-mail) and so on, have made cyber fraud a threat to a wide variety of business operations (PwC Global Economic Crime Survey, 2014).

Cyber fraud is the most common and threatening form of fraud which takes place internationally. The cyber world has been expanding and growing throughout the twenty-first century, allowing fraudsters to hack victims' personal and financial information in a variety of ways. Fraudsters can use the information which they gather to then financially fund themselves, or worryingly they might use this money to fund terrorism. Therefore, it is essential that individuals and organizations are aware of how to protect themselves against cyber fraud.

Obviously, this is also true for the banking sector: As an important part of the global economy, traditionally the banking sector represents financial institutions that strengthen the national economy through fiscal and monetary policy formulation, credit facilities and interest rate frameworks (Raya, 2016). However, the banking business has become more complex with developments in the field of information and communication technology, changing the nature of bank fraud and fraudulent practices. According to Deloitte India Banking Fraud Survey Report (Deloitte, 2015), Common causes of frauds in banking include diversion and siphoning of funds, whereas fraudulent documentation and absence, or overvaluation of collaterals were the main reasons for fraud in retail banking.

There is an alarming increase in the number of cyber fraud and fraudulent activities in Nigeria emphasizing the need of integration of forensic accounting and management control system as a tool for combating for such activities. (Ojaide, 2000). Okoye and Akamobi (2009), Owojori and Asaolu (2009), Izedomin and Mgbame (2011), Kasum (2009) acknowledged in their separate works, that the increasing incidence of cyber fraud and fraudulent activities in Nigeria is on increase. These studies have argued that financial fraud is gradually gaining acceptance from the generality of the populace. As Kasum (2009) noted, the perpetuation of financial irregularities are becoming the specialty of both private and public sector in Nigeria as individual perpetrates fraud and corrupt practice according to the capacity of their office. Consequently, there is a general expectation that the integration of forensic accounting and management control system as a tool may be able to stem the tide of financial malfeasance witnessed in most sectors of the Nigerian economy.

There have been a number of studies on forensic accounting and management control system by many authors, like Modugu and Anyaduba(2013), Okoye and Gbegi (2013), and Oluwabi,Dada and olaye(2013) all of which present evidence on forensic accounting and management control system as a tool for fraud prevention and detection focusing mainly on public sectors. Therefore, these studies will serve as bases to assess critically the application of forensic accounting and management control system as a tool for detecting or combating fraud with a particular reference to deposit money banks in Nigeria

The test is to assess the awareness of forensic accounting and management control system as a tool for combating cyber fraud by the manager's or management in money deposit banks in Nigeria. The studies like Oluwagbemiga(2010), looked at the role of auditors in fraud detection and prevention, he concluded that auditors are not responsible for preventing or detection of fraud. Mainoma and Adejola (2009), where they examine the fundamentals of forensic accounting and fraud investigation, they concentrate mainly on anti-craft agencies and find out that there is shortage of Forensic Accountant in the country.

The main aim of this study is to investigate how the integration of forensic accounting and management control system as tools can combat cyber fraud in deposit money banks in Nigeria.

- i. To analyze the role of integration of forensic accounting and management control system as a tool in combating cyber fraud in deposit money banks in Nigeria.

- ii. To assess the impact of integration of forensic accounting and management control system as a tool in combating cyber fraud in Nigeria deposit money banks.
- iii. To ascertain if there is a need of integration of forensic accounting and management control system as a tool in combating cyber fraud in Nigeria deposit money banks.
- iv. To examine the application of integration of Forensic Accounting and management control system as a tool may bring in combating cyber fraud in Nigeria deposit money banks.

## **LITERATURE REVIEW**

### **Forensic Accounting**

Forensic Accounting entails the integration of accounting, auditing, criminology and law. It is interpreted as an independent investigation, which is performed in the interest of the company owners and other stakeholders (Dubinina 2018). Hence, forensic accounting is a technique which connects the conventional accounting system to the legal framework capable of uncovering fraud and providing a litigation support for the prosecution of the culprits (Karwai, 2004; Clayton, 2006:295). Therefore, forensic accounting can aid the fight against financial crime via the identification and tracking of suspected fraud cases Hibshi, (2011) Grubor, (2013). In the view of Howard & Sheetz (2006), it is the process of interpreting, summarising, and presenting complex financial issues in a concise, detailed, and factual manner for the purpose of uncovering fraud. The analysis, interpretation, summarization, and the presentation of difficult financial related issues are essential features of forensic accounting Bhasin,( 2007).

It involves thorough investigation of suspected fraud cases in which evidence gathered are expected to strictly follow the rule of evidence to gain acceptance in the court of law. Forensic accountants are taught to always consider the investigation of the numbers involved in case alongside the business realities of the suspected criminal cases. In this study, forensic accounting is considered alongside fraud detection, fraud investigation, fraud prevention and network security for the purpose of mitigating cyber fraud. As a special practice area of accounting, forensic accounting describes engagement resulting from actual or anticipated disputes or litigation. It is fast becoming popular in providing evidence in the prosecution of corruption and as well assists in dispute resolution (Okoye & Gbegi, 2013).

## **Concept of Fraud**

Curtis (2008) stated that fraud encompasses the acquisition of property or economic advantage by means of deception, through either a misrepresentation or concealment. Other components of fraud include bribes, cronyism, nepotism, political donation, kickbacks, artificial pricing and frauds of all kinds (Williams, 2005). Ihiagarajah (2008) views bank fraud to any of a number of actions carried out with the intent of defrauding a financial institution. Similarly, the concept has been stated to mean the use of fraudulent means to obtain money, assets, or other property owned or held by a financial institution. One thing stands out from the various definitions above which is the fact that fraud vary widely in nature, character and method of perpetration. However, Levanti (2001) argues that no definite and invariable rule can be laid down as a general proposition in defining fraud.

Fraud may be classified into two broad ways: nature of fraudsters and method employed in carrying out the fraud. On the basis of the nature of the fraudsters, fraud may be categorized into three groups, namely; internal, external and mixed frauds. Internal fraud relates to those committed by members of staff and directors of the organizations while external fraud is committed by persons not connected with the organization and mixed fraud involves outsiders colluding with the staff and directors of the organization (Ajie & Ezi, 2000). Karwai (2002) reported that the identification of the causes of fraud is very difficult. He stated that modern day organizations frauds usually involve a complex web of conspiracy and deception that often mask the actual cause.

Various schools of thoughts have come out to categorise fraud. A particular school of thought categorised fraud according to occupation and nonoccupational (Singleton, 2006), while another on the basis of whether it is public or private sector fraud (Comer, 2001). Another school of thought also classified fraud in terms of industry in which the fraud was committed, such as bank fraud and insurance fraud (Skalah, 2001). Lendemen (2003) categorize it in terms of whether it is corporate or non-corporate, such as management fraud, insider dealing, investment fraud, and other related frauds.

Concentrating on fraud in DMBs, Singleton (2006) stated that bank frauds have developed in nature and complexity from the traditional system of simple cheque fraud, where fraudster would just forge his name on a simple cheque by using an ordinary pen to more sophisticated techniques, such as the advance fee fraud which utilizes the Internet and computer highways. Skalah, (2001) however identified two

species of fraud, those that are committed by insiders and those committed by other fraud felons outside. Among the bank frauds emanating from within are: rogue traders, fraudulent loans, wire fraud, forged documents, theft of identity, and demand draft fraud. On the other hand, fraud committed by outsiders include: forgery and altered cheques, stolen cheques, cheque kitting, payment card fraud, booster cheque duplication and skimming of card information, fraudulent loans applications, impersonation and theft of identity fraud and advance fee fraud, money laundering.

### **Fraud Management Tools and Fraud Control**

Fraud management tools involve activities and actions which are taken to bar occurrence of fraud. The study by Power (2013) on apparatus of fraud risk defines fraud management as re-organization of internal procedures, analysis of threat of fraud and review of management practices that eradicates incidences of fraud in the organization. Fraud management tools allow organizations to identify areas susceptible to fraud. These tools may not necessarily be used to investigate the motive or purpose for fraudulent action but could be used to identify possible fraud red flags. Recent studies regard fraud management tools as fraud deterrence techniques that can be used to detect and to some extent useful in prevention of fraud (Biegelman & Bartow, 2012; Morales, Gendron, & Guenin-Paracini, 2014). Studies affirm that organizations that have effective fraud deterrence structures must develop correct tools to expose incidences of fraud in the organization. In Australia, a guide from COSO model was developed in 1992 which recognized control environment as an essential tool for managing fraud in private and public sector (Rae, et (2017). A study by Laxman, Randies and Nair (2014); Behrend and Eulerich (2019) argued that organizations' control environment could be used to evaluate the effectiveness of fraud control tools. According to the study by Verovska (2014) on the importance of ICS on developing effective and stable company, it was established that organization's control activities could act as the initial point in the development of fraud control tools. Many countries have used accounting bodies to advice governments and other institutions on the importance of control activities in the organization (Rae, 2017). Therefore, organization managers should enhance their control activities in order to alleviate fraud by using correct tools.

### **Empirical Review**

Adewale (2020) investigative accounting is the application of financial skills and investigative mentality to unresolved issues, conducted within the context of the rules of evidence. As a discipline, it encompasses fraud knowledge, financial expertise, and

a sound knowledge and understanding of business reality and the working of the legal system. The failure of the major corporate governance mechanism to reduce financial fraud and the increasing sophisticated financial fraud has posed serious threat to investors, government, and general public. Corporate financial fraud could be drawn from recent bank failure in Nigeria where management has fraudulently given loans without board approval and yet such bank annual report has been unqualified. The use of forensic accounting is not yet common in Nigeria, the rate at which financial irregularities in Nigeria is spreading especially in the banking sector has put the focus on the need for forensic accounting techniques to be utilized. Forensic accounting is seen as encapsulating all other investigation related areas in uncovering financial fraud. The increasing sophistication of financial fraud requires that forensic accounting be added to the tools necessary to bring about the successful investigation and prosecution of those individuals involved in criminal activities. The broad objective of this study is to examine an Assessment of the Contemporary Issues in Forensic Accounting and Forensic Audit. The instrument used for data collection was a self developed questionnaire. The data collected were analyzed using Frequencies and Percentages. The recommendations of the study indicated that Federal government through federal ministry of finance should implement policies formulated to address effective Forensic Accounting service in the public sector in Nigeria and Forensic Accounting service should focus on improving the performance of the public sector in Nigeria and financial system in Nigeria.

Inyada, et al. (2019) examine the effect of Forensic Audit on Bank Fraud in Nigeria. The unprecedented increase in cases of bank frauds in Nigeria has made the application of forensic audit an indispensable tool in the audit cycle. Forensic audit skills are contemporary and diagnostic audit tools that help in the detection, prevention and reduction of frauds. Forensic audit skills give not only greater and current insight into the banks' internal control measures and risk management techniques but also made available the technical capability for the detection, prevention and reduction of frauds. This study therefore examines the effect of Forensic Audit on Bank Fraud in Nigeria. The survey design was employed and the sample of the study was 128 out of a population of 165. The data were analyzed using the ordinary least square (OLS) regression model. The findings show that forensic audit helps in an enhanced bank fraud detection and prevention. Furthermore, the results show that forensic audit is not just an effective tool but also an efficient tool for the detection, prevention and reduction of bank fraud in Nigeria. It is therefore

recommended that forensic audit should be highly embraced by specialized institutions like bank and insurance companies to ensure that fraud cases are speedily detected and adequately prevented. Also, a separate body should be constitutionally established and mandated for the training and retraining of forensic auditors. It is also recommended that our institutions of higher learning, apart from teaching forensic accounting and auditing, should have standard forensic audit laboratories with the tools for practical study.

Bashir and Augustine (2019) examines the impact and effectiveness of forensic auditing in detecting, investigating, and preventing frauds in digital environment with emphasis on commercial banks in Nigeria. The study sought to find out to what level the forensic auditors are able to fulfill this mandate and investigate problems that hinder forensic auditors to make progress in their operations in Nigeria. It also established the role of forensic auditing in Nigeria banking operations. This paper also discusses four aspects of computer aided fraud detection that are of primary interest to fraud investigators and forensic auditors: data mining techniques for the detection of internal fraud, ratio analysis for the detection of financial statement fraud, the issues surrounding external information sources, and computer forensics during fraud investigations. Questionnaires, personal interviews, and document review are the methods that were used to obtain data for this study. A sample of One hundred and fifty-three respondents from various categories of staff were used from ten commercial banks and four audit firms in Nigeria. The collected data were analyzed using application of non-parametric statistical tests. It was found that the forensic auditing departments suffer from multiple challenges, among them being the lack of material resources, technical know-how, interference from management, and unclear recognition of the profession. In conclusion, forensic auditors must be capacitated materially and technically to improve their effectiveness.

### **Fraud Diamond Model**

Fraud prevention and detection has led to the development of interdisciplinary approaches to control fraud. These approaches have been used by a number of academicians and professionals to understand the reason why fraud occurs so that it can be eradicated. The most popular model is the fraud triangle developed by (Cressy, 1953) cited by (Ramamoorti, 2008). A better model with four elements was developed by (Gramling and Hermanson, 2009) which had the fourth element called capability attached to the original fraud model.



Four elements of diamond four factor fraud models are the Perceived Motivation, Assumed chance, Capability to act fraudulently and Justification of why fraud occurs. Perceived motivation relates to elements that result to fraudulent behavior. Anyone who perpetrates fraud may be driven by certain desire to commit deceitful act (Abdullahi, Mansor, 2015). These drives could occur as a result of financial stressors or non-financial stressors. In case employees believe that the desire to act fraudulently is uncontrollable, this could result to fraud behavior. Certainly, over 95% of fraudulent cases could come up as a result of greed to acquire more than someone's earning (Kiragu, 2013). For instance, the study by Vona (2008) highlighted certain reasons that push people to commit fraud which includes: unsustainable expenditures or huge debt, marital and family problems, greediness and living beyond one's means. The study by Chen, (2007) documented other causes for fraudulently behavior which include: general irresponsibility, individual problems, crave for positions and employee relationships.

Assumed chance is another element which triggers fraud in the organization. When system of control appears weak, individuals could create an opportunity to commit fraud because they may not be detected (Kelly & Hartley, 2010). A number of factors can create opportunities for fraud and may include contravention of organization policies, lack of fraud management tools and failure to conduct disciplinary action in case employees engage in fraud (Sausser, 2007). The study by Srivastava, Mock and Turner (2005) explained the relationship between desire and perceived chance. They argued that, though the desire to act fraudulently may appear exciting, fraudulent act

may not take place unless a chance to perpetrate fraud shows up. Lack of fraud management tools and inadequate internal policies may create opportunities for fraud (Kenyon & Tilton, 2006). Similarly, Lindquist and Singleton (2006) pointed out that incorrect application of fraud management tools may allow employees and the management to exploit organization’s system of control to propagate fraud.

## **METHODOLOGY**

This study employed a survey research design to investigate how integration of forensic accounting and management control system help to combat cyber fraud in deposit money banks in Nigeria. Survey research is defined as “the collection of information from a sample of individuals through their responses to questions” (Check and Schutt, 2012, p. 160). This type of research allows for a variety of methods to recruit participants, collect data, and utilize various methods of instrumentation. Survey research can use quantitative research strategies (e.g., using questionnaires with numerically rated items), qualitative research strategies (e.g., using open-ended questions), or both strategies (i.e., mixed methods). Survey research has historically included large population-based data collection.

The population of the study comprised of 5158 internal control staff in listed money deposit banks registered in the Nigeria Exchange Group (NGX) as of 31<sup>st</sup> December, 2022. The population was selected based on the fact that the internal control staffs in the listed deposit bank listed in NGX are well trained on cybercrime and utilization of forensic accounting and management control system to track financial transaction domestically and internationally as shown in Table 1.

**Table 1: Population of Study**

<b>S/N</b>	<b>List of <u>Commercial</u> Banks</b>	<b>Year incorporated</b>	<b>Year listed</b>	<b>No of internal control staffs</b>
1.	Access	1989	1998	207
2.	Citi Bank	1812	2010	189
3.	Eco Bank	1989	1999	236
4.	FCMB	1982	2004	271
5.	Fidelity	1988	1999	211
6.	First Bank	1894	1771	233
7.	Globus Bank	2019	2019	156
8.	GT Bank	1971	1971	214
9.	Heritage	2012	2013	189
10.	Jaiz Bank	2003	2011	154
11.	Keystone	2011	2012	215
12.	Polaris	2018	2018	221
13.	Stanbic IBTC	1989	1999	214

14.	Standard chartered	1968	2006	199
15.	Sterling	1960	1992	245
16.	San trust bank	2016	2015	241
17.	TaJ bank	2006	2009	189
18.	Titan Trust Bank	2018	2019	216
19.	UBA	1949	1970	265
20.	Union Bank	1917	1971	231
21.	Unity	2006	2006	245
22.	Wema	1945	1990	205
23.	Zenith	1990	2004	217
24.	Providous Bank	2016	2016	195
	Total			5158

Source: NSE, 2024

To determine the sample size of the study, Yemane Taro (1967) formula of sample size of a finite population was used to select 371 sample from the population of 5158 as shows in equation 1

$$n = \frac{N}{1 + N(e)^2}$$

(3.1)

Where;

N= Sample population

n=Sample size

e= Margin of error (assumed 95% sample confidence)

$$n = \frac{5158}{1 + 5158(0.05)^2} = 371$$

This study will use SPSS version 25 for data analysis. During the process of research work, statistical tools that was utilized for the successful analysis and interpretation of the data collected includes descriptive statistical, and ordinary least square (OLS) techniques for the study and interpreting the data to be collected and also to be tested.

### **Variables and its Measurements**

The dependent variable of the study is Cyber fraud, the instrument that was used collection of the primary data is questionnaire.

The independent variable, Forensic accounting and management control system was measured based on its role, impact, needs and application in combating cyber fraud.

This was summarized in Table 2 below;

**Table 2: Variables and their measurement**

S/N	Variables	Measurement	Source
1.	Role of FAM	Questionnaire	Edward (2021)
2.	Impact of FAM	Questionnaire	Asusu (2019)
3.	Need of FAM	Questionnaire	Asusu (2019)
4.	Application of FAM	Questionnaire	Edward (2021)

Source: Generated by the researcher, 2024

**Model Specification**

The linear relationship between the dependent and independent variable is shown in the regression models as follows.

$$CF = \beta_0 + \beta_1 RoleFAM + \beta_2 ImpactFAM + \beta_3 NeedFAM + \beta_4 ApplicationFA$$

Where,

CF = Cyber fraud

FAM = Forensic Accounting and Management System

$\beta_0$  = Interception of Model

$\beta_1 + \beta_2 + \beta_3 + \beta_4 =$  The Regression Coefficient

$e$  = error term

The priori expectation is that  $\beta_1 + \beta_2 + \beta_3 + \beta_4 > 0$

**RESULT AND DISCUSSION**

Table 3 Regression Summary for the Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	significant
1	.939 <sup>a</sup>	.883	.881	1.140	688.142	.000 <sup>b</sup>

a. Dependent Variable: CF

b. Predictors: (Constant), ApplicaFAM, ImpactFAM, NeedFAM, RoleFAM

Source: Researcher's Computations from SPSS version 25

The regression analysis for the relationship of the study employs Cyber fraud as its dependent variable whereas role of forensic accounting and management system, impact of forensic accounting and management system, needs of forensic accounting and management control system and application of forensic accounting and management control system as independent variables. The summary of the model is predicated by the R squared and the adjusted R squared. The R squared is the predictive power of the model. It explains the proportion of the changes in the dependent variable that are being accounted for by the independent variables. In the model, the coefficient of determination (R) stood at 0.939 which means the strength of the relationship between the dependent and independent variables is strong. The coefficient of multiple determination ( $R^2$ ) stood at 88.3%. This implies that only 88.3% of the variations in cyber fraud in Deposit Money Banks in Nigeria consideration is explained by the independent variables while the remaining 11.7% is accounted for by factors not included in the model. This means that the factors captured in the model explain a large proportion of the variations in cyber fraud in Deposit Money Banks in Nigeria. The adjusted  $R^2$  of 88.1% indicates that if the entire population is considered, the independent variables will jointly account for the variations in the dependent variable by 88.1% positively. The F-statistic value is well above zero (688.142) with a probability value less than 0.0001 which is significant at 1%, 5% and 10%. This implies that the model has a good fit. This means that the explanatory variables are jointly significant at influencing the behavior of the dependent variable

### Regression Coefficients

This regression coefficient analyzes the individual effects of the independent variables on the dependent variables as captured in the model estimated in the study.

Table 4: Regression Coefficients for Model above

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	23.188	.402		57.722	.000
RoleFAM	-.049	.018	-.094	-2.671	.008
ImpactFAM	-.227	.013	-.581	-17.495	.000
NeedFAM	-.163	.014	-.348	-11.306	.000
ApplicaFAM	-.007	.014	-.014	-.474	.636

- a. Dependent Variable: Cyber fraud
  - b. Predictors: (Constant), RoleFAM, ImpactFAM, NeedFAM, ApplicaFAM
- Source: Researcher's Computations from SPSS version 25

The constant (intercept) term is 23.188 is statistically significant at 1% probability level indicating that if any of the independent variables role of forensic accounting and management system, impact of forensic accounting and management system, needs of forensic accounting and management control system and application of forensic accounting and management control system are held constant cyber fraud will increase by 0.049%, 0.227%, 0.163% and 0.007% respectively.

The coefficient of Role of integration of forensic accounting and management control system is negative (-0.049) and it is statistically significant. The magnitude of the coefficient indicates that a percentage change in dependent variable will result to a negative change or decrease in cyber fraud by 0.0049%. This means that there exists a negative relationship between extent or role of integration of forensic accounting and management control system and cyber fraud in deposit money banks in Nigeria. This relationship indicates that if the role of forensic accounting and management control system increase by money deposit banks in Nigeria, other things being equal, there will a significant decrease in cyber fraud.

The coefficient of impact of integration of forensic accounting and management control system is negative (-0.227) and it is statistically significant. The magnitude of the coefficient indicates that a percentage change in dependent variable will result to a negative change or decrease in cyber fraud by 0.227%. This means that there exists a negative relationship between the impact of integration of forensic accounting and management control system and cyber fraud in deposit money banks in Nigeria. This relationship indicates that if the impact of forensic accounting and management control system is felt positively by money deposit banks in Nigeria, other things being equal, there will a significant decrease in cyber fraud.

The coefficient of the need of integration of forensic accounting and management control system is negative (-0.163) as expected and is statistically significant at 1% level of significance (given the probability value of 0.000). The magnitude of the coefficient reveals that a percent increase in need for integration of forensic accounting and management control system will lead to decrease in the level of cyber fraud in deposit money banks in Nigeria by 0.163%. This relationship indicates that

increase in the need for integration of forensic accounting and management control system will lead to decrease in cyber fraud in Nigeria Deposit Money Banks.

The coefficient for application of integration of forensic accounting and management control system is negative (-0.007) and it is statistically significant. The magnitude of the coefficient indicates that a percentage change in dependent variable will result to a negative change or decrease in cyber fraud by 0.007%. This means that there exists a negative relationship between the application of integration of forensic accounting and management control system and cyber fraud in deposit money banks in Nigeria. This relationship indicates that if application of forensic accounting and management control system is increase by money deposit banks in Nigeria, other things being equal, there will a significant decrease in cyber fraud.

### **Discussion of Findings**

This study examined the integration of forensic accounting and management information system as a tool in combating cyber fraud in money deposit banks in Nigeria. Four (4) research questions and hypotheses were formulated and tested. The data collected were analyzed using descriptive statistics to answer the research questions and regression analysis to test the formulated hypotheses at 5% confidence level.

The major findings regarding research questions and hypothesis one revealed that the respondents agreed that integration of forensic accounting and management control system plays a significant role in combating cyber fraud in money deposit banks in Nigeria. Similarly, the hypothesis test indicated that integration of forensic accounting and management control system as a tool play a significant role in combating cyber fraud in deposit money banks in Nigeria. This collaborate the finding of Edward (2021) that forensic accounting techniques of conducting investigation, analyzing financial transactions and reconstructing incomplete accounting records have significant effect on financial fraud detection in deposit money banks in Nigeria. Similarly, Enofe, Agbonkolor and Edebiri (2015) revealed that there is a need for forensic accountants in the Nigerian banking system, forensic accounting is an effective tool for addressing financial crimes in the banking system and there are significant differences between the roles of forensic accounting and that of conventional accounting in curbing financial crimes. Similarly, Eliezer and Emmanuel (2015) reported that found among others that forensic accounting services

will assist audit committee members in carrying out their oversight functions by providing assurance on internal audit report.

Similarly, the major highlight from research questions two and its corresponding hypothesis revealed that the respondents agreed that integration of forensic accounting and management control system as a tool in combating cyber fraud in Nigeria deposit money banks has high impact in preventing cyber fraud. Similarly, the null hypothesis was rejected indicating that integration of forensic accounting and management control system as a tool has a significant in combating cyber fraud in deposit money banks in Nigeria. Enofe Agbonkolor & Edebiri, (2015) inferred that there is need to consider how forensic accounting impacts on fraud detection in deposit money banks in Nigeria. If well applied, forensic accounting could be used to reverse the leakages that cause corporate failures, this is because of the fact that forensic accounting is a technique that encapsulates accounting, auditing and investigative skills to address issues relating to financial fraud. Also, Enofe, Idemudia and Emmanuel (2015) in their survey found that forensic accounting enhances financial fraud reduction in Nigeria firms through fraud prosecution and prescription of punishment for fraudsters; forensic accounting has significant impact in improving internal control systems of firms in Nigeria leading to fraud reduction; forensic accounting has significant impact on the financial reporting credibility of firms in Nigeria; forensic accounting has significant impact on firms transparency in Nigeria.

Analysis of the result from research questions and hypothesis three indicated that the respondents agreed that there is the need of integration of forensic accounting and management system in combating cyber fraud in Deposit Money Banks in Nigeria. This was also supported by the tested hypothesis that there is need of integration of forensic accounting and management control system as a tool in combating cyber fraud in deposit money banks in Nigeria. Junaidu(2018) in his study recommended that Forensic Accounting should be adopted in Borno State, and proper training and retraining on Forensic accounting should be provided to staff, strict adherence to accounting and auditing standards should be followed to help prevent fraud and improve financial transparency in the banking sectors. Also, Akintude and Adewale (2020) reported that The failure of the major corporate governance mechanism to reduce financial fraud and the increasing sophisticated financial fraud has posed serious threat to investors, government, and general public. Corporate financial fraud could be drawn from recent bank failure in Nigeria where management has fraudulently given loans without board approval and yet such bank annual report has been unqualified. The use of forensic accounting is

not yet common in Nigeria, the rate at which financial irregularities in Nigeria is spreading especially in the banking sector has put the focus on the need for forensic accounting techniques to be utilized.

Similarly, the major finding from research questions and hypothesis four of the study shows that the respondents agreed that application of integration of forensic accounting and management system help in combating cyber fraud in Deposit Money Banks in Nigeria. However, the test of the hypothesis indicated that the application of integration of forensic accounting and management control system as a tool in combating cyber fraud does not significant control cyber frauds in deposit money banks in Nigeria. This agreed with the findings of Jephitha (2020) who established that policies on forensic accounting were not properly enforced by country government employees to fight threat of fraud. County governments requires to be vigilant in reporting cases of fraud as the study concluded that reporting of the cases could be hampered by lack of fraud control plan and inefficient fraud reporting mechanism and application.

## **CONCLUSION AND RECOMMENDATIONS**

The study concluded that the integration of forensic accounting and management control system plays a significant role in combating cyber fraud in money deposit banks in Nigeria.

The integration of forensic accounting and management control system as a tool in combating cyber fraud in Nigeria deposit money banks has significant impact in preventing cyber fraud in money deposit banks in Nigeria.

The application of integration of forensic accounting and management control system as a tool in combating cyber fraud does not significant control cyber frauds in deposit money banks in Nigeria The study recommends that:

1. There should be establishment of comprehensive fraud mitigating measures against external frauds at the cashier's departments, more enforcement of compliance of fraud mitigation methods, and lifestyle audits among the bankers to detect fraud occurrences among bankers in money deposit banks in Nigeria.

2. There should be employment of forensic auditing in Nigerian banks by amending the existing statutes, in such a way that forensic auditors are included in the audit team.
3. There is a significant need of integration of forensic accounting and management system in combating cyber fraud in Deposit Money Banks in Nigeria. Thus there is the need to accord forensic accounting statutory role and distinct professional recognition by the government and professional bodies in Nigeria.
4. Also, the study recommends that Deposit Money Banks in Nigeria should enhance the communication mediums on the various applications made available for their customers usage to serve as proactive measure in cyber fraud detection. Applications such as Online banking platforms, Mobile banking applications, Unstructured Supplementary Service Data (USSD) codes should also avail customers' tools to block their accounts when they suspect a fraudulent activity, rather than waiting to visit a banking hall or call customer care centers. Such service will enhance curbing cyber fraud.

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