



## **THE APPLICATION OF FORENSIC ACCOUNTING AS A MEANS OF MITIGATING CORRUPTION IN THE PUBLIC SECTOR**

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### **ABSTRACT**

The main purpose of this research work is on how forensic accounting practice could mitigate public sector corruption perspective of The Gambia Revenue Authority through fraud, bribery, embezzlement, and mismanagement prevention. Review of significant literature was carried out in order to improvement deeper understanding of the subject matter. Questionnaires were administered in order to generate the necessary primary data and were descriptively analyzed. Four hypotheses were identified and a Pearson's Correlation, regression and a coefficient analysis tests were conducted to study the hypothesis statements. The result revealed that fraud prevention, bribery prevention, embezzlement prevention and mismanagement prevention all shows positive significant influence on public sector financial corruption mitigation particularly in GRA. This implies that public sector financial stakeholders (GRA) should give a great value of consideration to fraud, bribery, embezzlement and mismanagement prevention in the efforts of public sector financial corruption mitigation in the Gambia Revenue Authority. To this effect, the research commends that forensic accounting must be introduced as a compulsory tool in dealing with financial sector corruption in order to promote corporate governance. The government should encourage the practice of forensic accounting by providing adequate training and resources to forensic accountants such that they become an expert in their particular field of expertise and develop new courses at tertiary institutions relating to forensic accounting practices.

**Keywords: Forensic Accounting, Public Sector Accounting, Corruption mitigation Fraud prevention, Bribery prevention, Embezzlement prevention and Mismanagement prevention.**

## INTRODUCTION

### 1.1 Background of the Study

According to Malgwi (2004) quite very many people in the world today assume “Africa” as identical to corruption and corrupt practices. He added that the reason for this is that, substantial number of corruption practices that affect the African continent and its citizens draw international attention due to the magnitude and frequency of corruption level in the continent. Similarly, Agbibo (2012) Corruption has been the greatest threat to the survival of African many countries or nation states. Even though African continent is blessed with plentiful natural resources and vast human resources capital, yet remains largely underdeveloped mainly due to corruption (Ogbeidi,2012). According to Transparency International (TI,2013), corruption can be described as the abuse of entrusted power for personal benefit in both public and private sectors of the economy. The report also features Corruption Perception Index (CPI) which is use for ranking countries public sector corruption. Also, Ofiafoh (2013) emphasized that corruption have serious adverse effect on human capital and infrastructural development in developing economies particularly list development countries where the risk has become endemic. Therefore, going by Ofiafoh remark, public sector corruption is a worldwide phenomenon that has raised concern globally. According to Manneh, M. et al (2020) corruption practices in public sector includes crimes such as fraudulent practices, bribery of public officials, embezzlement, nepotism, political corruption, extortion, money laundering, no asset declaration, window dressing of books of accounts and concealment. This research further alluded that, for any country to attain fitting economic development, its public sector needs to contest for a free corrupt practices environment.

Moreover, contemporary systematized corporate frauds are sophisticated and well-resourced by managers, entrepreneurs, civil servants and politicians among a host of others. In addition, there

is prevalent evolution in white-collar crimes shown by both fraudulent financial reporting and misappropriation of assets. Racketeering and terrorist groups repeatedly depend on money-laundering schemes to conceal and disguise their activities such as identity theft, present new challenges to accountants. As a result, today's law enforcement personnel are becoming more aware of white-collar crimes but lacks training and expertise in fighting these crimes, they are better trained in investigation of violent crimes but not economics crimes which necessitates the knowledge of accounting (Mazumder,2011). Further, Liodorova (2018) underscored that, governments should encourage the practice of forensic accounting by providing adequate training and resources to forensic accountants such that they become an expert in their particular field of expertise and develop new courses related to forensic accounting. Besides,(Ozili, 2015) emphasized that; today, forensic accounting is one of the fastest emerging areas in law enforcement. Ozili's research concluded that utilizing accounting forensic financial irregularities, money laundering, embezzlement plus other fraudulent activities can be detected high level corruptions which otherwise would have an overwhelming negative impact upon the business economy in the long run. Based on the above discussed evidence, there is a need to respond to this changing criminal threat and the skills of non-traditional investigators like accountant and the legal experts are needed to combat the corporate ill, this has stimulated the call for forensic accounting practices.

According to (Crumbley, 2009) forensic accounting is define as an action of identifying, recording, settling, extracting, sorting, reporting and verifying past financial data or accounting activities for settling legal disputes. Similarly, (Olajide, 2014) described forensic accounting has to do with the use of accounting discipline to help determine issues of fact in financial litigation. The research also reported that, it involves the application of accounting, business, legal and financial skills in settling commercial or legal disputes. (Olukowade,2015) concluded that, the

role of a forensic accountant under contemporary conditions no doubt is very important because they help lawyers, courts, the police, regulatory bodies and other institutions in investigating and documenting frauds. Therefore, the impact of forensic accounting practices in the fight against public sector corruption has been dramatic over the last decade. This has created many job opportunities in the accounting profession at government agencies, such as The Central Bank, department of National Treasury, National Audit Office, The Revenue Authority and the office of the Inspector General of Police; all have an increased impact on accountants and others with forensic accounting investigation skills.

To fight corruption in the Gambia, many laws have been passed, tribunals set, and commissions of inquiries have been put in place but still yet bear meaningless fruit. The recent multi-million dalasi public finance embezzlement and mismanagement in the Gambia (Janneh Commission, 2019) have shaken the business world, International community and the Government of the Gambia. The public and governmental reaction to these events has been enormous. It has triggered congressional action that resulted in legislation (The Gambia Government Whitepaper, 2019) and auditing standards (Statement of Accounting Standard No. 99) that require public establishments and their auditors to be more aggressive in detecting and preventing fraud, which in turn, has elevated the importance of the forensic accounting profession in protecting the integrity of the financial system in order to prevent such fraud, mismanagement, bribery and embezzlement. To this effect, the focal point of this research work is the application of forensic accounting as a means of mitigating public sector corruption, case study on Accountant's perception in The Gambia Revenue Authority (GRA) through fraud, bribery, embezzlement and mismanagement of public fund reduction in the public sector accounting perspective of the Gambia.

## **1.2 Research problem and Justification**

The failure of statutory audit to prevent and reduce misappropriation of corporate fraud and an increase in corporate crime in the Gambian public sector environment has put pressure on the professional accountant and legal practitioner to find a better way of exposing crime in the public sector accounting of the Gambia. The specific problem which this research intends to address is: How can the application of forensic accounting practices help to mitigate corruption in the public sector particularly the Gambia Revenue Authority through fraud, bribery, embezzlement and mismanagement reduction?

## **1.3 Research Questions**

This research seeks to answer the questions: what are the accountants' perceptions on the application of forensic accounting as a means of mitigating corruption: a case study of The Gambia Revenue Authority? Meanwhile the goal of this research will first examine the perceptions of accountants' on the application of forensic accounting practices on the authority's mainstream financial management and audit exercises and secondly, evaluate its impact on Gambia Revenue Authority overall revenue target achievement. For the purpose of this study, the following are the questions

1. What are the accountants' perceptions on the application of forensic accounting as a means of mitigating corruption?
2. What are the perceptions of accountants' on the application of forensic accounting practices on the authority's mainstream financial management and audit exercises
3. What is the impact on Forensic Accounting on Gambia Revenue Authority overall revenue target achievement?

#### **1.4 Research Objective**

The main objective of this study is to investigate whether the application of forensic accounting practices can help in mitigating corruption in the public sector of the Gambia with a case study on the accountants' perceptions in the Gambia Revenue Authority (GRA) as to whether; forensic accounting practices can help in mitigating public sector fraud, whether forensic accounting practices can help in mitigating public sector bribery, whether forensic accounting practices can help in mitigating public sector embezzlement, whether forensic accounting practices can help in mitigating public sector mismanagement of public fund in the Gambia.

The main objective of this study is

1. To investigate whether the application of forensic accounting practices can help in mitigating corruption in the public sector of the Gambia with a case study on the accountants' perceptions in the Gambia Revenue Authority (GRA) as to whether.
2. To examine how forensic accounting practices can help in mitigating public sector corruption in GRA
3. To determine the impact of forensic Accounting on GRA overall revenue target achievement

#### **1.5 Scope of the Study**

The focus of this study is on forensic accounting practices with special emphasis on mitigating corporation through fraud, bribery, embezzlement and mismanagement of fund reduction in the public sector perspective of the Gambia with a case study on accountants' perceptions in the Gambia Revenue Authority (GRA). Data will be obtained from the Internal Audit Department as well as the Finance & Accounting Department in the Gambia Revenue Authority, analyzed through SPSS after a comprehensive relevant literature review of forensic accounting.

## 1.6 Significance of the Study

When viewed from the perspective of forensic accounting practices in both the public sector as well as the business environment of the Gambia, the significance of this research will be appreciated. The primary focus of this research is to investigate how public sector corruption can be mitigate through fraud, bribery, embezzlement and mismanagement of public fund minimization within the public sector of the Gambia particularly; The Gambia Revenue Authority with the use of forensic accounting practices. Future researchers on this field will find this work as a very good reference material and will create a better insight into the relationship between forensic accounting practices and corporate fraud in general. The objectives of the study are to;

- 1) Examine if forensic accounting will be the right tool to mitigate corruption in the public sector
- 2) Determine the mode in which forensic accounting detects corruption through fraud, bribery, embezzlement, and mismanagement in the public sector.
- 3) Establish if forensic accounting actually exposes financial corruption in the public sector.

## 1.7 Hypotheses Statements

Hypotheses shall be developed and tested to ensure a more effective and result oriented work.

The null hypothesis (H0) and the alternative hypothesis (H1) will be used for the purpose of this study.

### Hypothesis (1)

H1: Fraud of public fund prevention will significantly ensure effective mitigation of corruption through the application of forensic accounting practices

Ho: Fraud of public fund prevention will not significantly ensure effective mitigation of corruption through the application of forensic accounting practices

### **Hypothesis (2)**

H2: Bribery of public fund prevention will significantly ensure effective mitigation of corruption through the application of forensic accounting practices

Ho: Bribery of public fund prevention will not significantly ensure effective mitigation of corruption through the application of forensic accounting practices

### **Hypothesis (3)**

H3: Embezzlement of public fund prevention will significantly ensure effective mitigation of corruption through the application of forensic accounting practices.

Ho: Embezzlement of public fund prevention will not significantly ensure effective mitigation of corruption through the application of forensic accounting practices.

### **Hypothesis (4)**

H4: Mismanagement of public fund prevention will significantly ensure effective mitigation of corruption through the application of forensic accounting practices.

Ho: Mismanagement of public fund prevention will not significantly ensure effective mitigation of corruption through the application of forensic accounting practices.

## **2.1 Concept of Forensics Accounting**

The studies of Arokiasamy & Cristal (2009), (Dhar, 2010), (Ramadhan, 2015) and (Sorunke, 2016) all revealed that, forensic accounting is a science that deal with the application of accounting facts and theories collected through auditing methods, techniques and procedures to resolve legal besides related problems which requires the integration of investigative, accounting and auditing skills. Likewise, DiGabriele (2015) defines forensic accounting as the integration of specialized accounting knowledge and positive mental attitude to resolve legal issues. Shanikat Khan (2013) remark that forensic accounting practice use auditing and investigating skills to



assist evidence in legal matters as well as establish administrative proceedings. Similarly, (Oyedokun, 2013) forensic accounting is a scientific accounting method of uncovering, resolving, analyzing and presenting fraud matters in a manner that is acceptable in the court of law. (Owolabi, 2013), share similar conclusion. Furthermore, Grippo (2003) forensic accounting is a science (i.e., a department of systemized knowledge) that deal with the application of accounting facts gathered through auditing methods and procedures to resolve legal problems. Moreover Jayadas, (2017) and Olajide (2014) all alluded that forensic accounting practice emanated as a result of the failure of statutory audit to combat modern high level sophisticated corruption practices. The above literature discussion confirm that mitigation of public sector financial corruption can be achieve through fraud, bribery and embezzlement of public fund prevention. As a result, this research identifies and adopted constructs that the research deems fit for further investigation.

#### **2.4 Past and Present Perspectives of Forensic Accounting**

Without studying the history of a particular phenomenon, one cannot understand this phenomenon in its modern sense, which was confirmed by Professor I. F. Krilov in the 20th century (Gasparyan, n.d.). Historians believe that record keeping originated about 4000 B.C., when ancient civilizations in the near East began to establish organized governments and businesses (Montgomery, 1998). It has been revealed that the accounting records came about to capture the most significant facts of economic life that had an impact on the legal consequences. Such consequences were often evidence of disputes initially addressed at the domestic level, but with the emergence of courts – at the legal level (Gasparyan, n.d.). The legal approach to bookkeeping had an impact on its personalization, thereby accounting objects are no longer just objects, but the rights and obligations of an economic entity. There are numerous examples in the ancient world of auditing and control procedures employed in the administration of public finance systems. The Shako dynasty of China (1122–256 B.C.), the Assembly in Classical

Athens, and the Senate of the Roman Republic – all demonstrate early belief on formal financial controls (Montgomery, 1998).

In the middle ages, for the consideration of property disputes in court instances, competent persons who represented one of the parties began to be invited for accountancy. With the development of the accountant profession in the 13th century, the court practice widely used the conclusions of knowledgeable accountants in the handling of claims for damages, late payment, etc. (Gasparyan, n.d.). Much later, in the 12th and 13th centuries, the auditing work was performed in England, Scotland, Italy, and France. The audits in Great Britain, performed before the 17th century, were primarily directed towards ensuring the accountability of funds entrusted to public or private officials (Montgomery, 1998). Those audits were not designed to test the quality of the accounts, the inaccuracies point to the existence of fraud. Economic changes between 1600 and 1800, which saw the beginning of widespread commerce, introduced new accounting concerns focused on the ownership of property and the calculation of profit and loss in a business sense. At the end of the 17th century, the first law prohibiting certain officials from serving as auditors of a town was enacted in Scotland, thus introducing the modern belief of auditor independence (Montgomery, 1998). Along with the development of audit, to resolve financial disputes, it began popular to attract other professional auditors and inspectors to replace accounting examination with audit in countries based on the *Anglo-Saxon legal system* and the *Romano-Germanic legal system*.

One of the most well-known cases of forensic accountancy is the capture of Al Capone, where a team of forensic accountants gathered information in an undisputable case against Capone in 1931 (Dreyer, 2014). In 1949, Edwin Sutherland published his first edition of *White-Collar Crime*, in which he detailed the criminal behaviors of the largest US corporations at the time (Salinger, 2013), highlighting the new field of issue. Forensic accounting proved its importance after the Second World War, but its procedures were only introduced in the 1980s when

scientific research was published in this area (Ozkul, 2012). The development of forensic accounting in Great Britain and the USA was related to the loud fraud scandals in the 1970s, such as the Enron case, in which investors of audited companies lost millions. As a result, requirements for bookkeeping and internal control systems were reinforced by separating auditors from accounting experts (Stevenson, 2015). In France, these differences are mainly due to the early inclusion of accounting in the judicial system. By focusing on determining the role of the state in the economy in order to prevent fraud and legal conflicts with offenders, the requirements for bookkeeping with regard to commercial law had already been introduced in the French Code of Commerce in 1673 (Labelle, 2008). According to research by (Crumbley, 2003), forensic accounting was started in France in 1817, when the accountant was used as an expert witness in the court case of Meyer v. Sefton in 1817, related to bankrupt estate (Labelle, 2008); (Dreyer, 2014).

In Russia, the development of forensic accounting has a different path from other countries. Forensic accounting in the territory of the former Russian Empire is the result of the Great Judicial Reform in 1864 launched by Alexander II, summarizing the experience of Prussian, Austrian, Belgian and French control systems (Zavyagin, 2013).

In Latvia, the first step in the creation of independent audit was taken in 1938, creating the Latvian Institute of Sworn Auditors, which operated under the supervision of the Latvian Chamber of Commerce and Industry. This institute was liquidated in 1940, but their duties and materials were given to state control (Ponomarjovs, 2005). In the Soviet period, since 1940, with the exception of the Second World War, the control system in Latvia had been carried out in accordance with the laws and regulations of the USSR (Malderis, 2004). In 1991, after restoration of the independence of the Republic of Latvia, the previously existing system was taken over.

As a result, requirements for bookkeeping and internal control systems were reinforced by separating auditors from accounting experts (Stevenson, 2015). Today, forensic accounting technique is fast becoming popular in providing evidence in the prosecution of corruption and in disputes resolution. It provides an accounting analysis that is suitable to the court which will form the basis for discussion, debate and ultimately dispute resolution. Forensic Accounting encompasses both litigation support and investigative accounting (Olajide, 2014 ).

Composition of forensic accounting According to Zysman (2019), forensic accounting involves both investigative accounting and litigation support. Litigation support helps in all nature in a matter involving present or awaiting litigation. It also mainly deals with issues related to the quantification of economic damages. On the other hand, Malcolm (2020) went further to explain litigation support by saying, litigation support is the way of giving consultation and support services to attorneys regarding present and awaiting cases. This type of support services obtainable will depend on the requests of the attorneys and may range from research and documentation of proofs and instances before a case comes to trial or to assist in the determination of damages once a case has been tried. Consultants rendering this type of professional service may work alone or work with several consultant firms providing litigating support services. Forensic accountants assist on several issues under litigation support. They can help in obtaining documentation necessary for backing up a claim. They provide assessment of the relevant documentation to form an initial charge of the case and identify areas of loss. They also support in examining the formulation of questions to be asked concerning the financial evidence. Furthermore, they assist with settlement discussions and negotiations. (Malcolm 2020.)

Investigative Accounting according to Zysman (2019) is usually associated with investigations of criminal issues. A good example of investigative accounting assignment would be an investigation of worker theft. Other examples include securities fraud, insurance fraud, and incomes of crime investigations. Investigative accounting helps on the following issues. They

help in the assessment of the accurate situation and provide suggestions concerning possible courses of action. More so, they can help with the guard and retrieval of assets, co-ordination of other professionals (including private investigators, forensic document examiners and consulting engineers), and also help in the line of criminal prosecution. (Zysman 2019.)

## **2.5 Empirical Review**

Empirical evidence from a study by (Boritz, 2008) confirms that forensic accountants could detect significantly higher number of fraud than auditors. Srivastava, Mock and Turner (2003) in their study found that forensic audit procedures significantly lowered fraud risks. Also, research has also proven that proactive forensic data analysis using computer based sophisticated analytical tests can detect fraud that may remain unnoticed for years (Brown, Aiken, and Visser 2007). Furthermore, a study by Bierstaker, Brody and Pacini (2006) also revealed that fraud detection and prevention methods.

According to Shah (2018) the root causes of all financial problems in the public sector is an inefficient and poor corporate governance and a strong corporate governance is essential for the smooth running of an organization. Williams (2005) description of corruption does not only include fraud but also bribes cronyism, nepotism, political donation, kickbacks, artificial pricing and frauds of all kinds. As indicated by (Ramaswamy, 2005), bribery cases are due to poor corporate governance as it is more likely that a fraud may be committed. In addition, Bhasin (2016) investigated the rise of forensic accounting due to widespread financial corruption and identified the main duties (auditing, accounting, and investigative) of a forensic accountant in dealing with frauds and bribery.

According to (Rezaee, 2005) public sector fund embezzlement is a deliberate attempt by public corporations to deceive or mislead users of published financial statements, especially the central government and general public or citizens, by preparing and disseminating materially misstated

financial statements'. The studies of Apostolou (2001) Rezaee, (2002) and Ozkul (2012) all revealed that extensive misconduct and embezzlement of public funds is a key component of public sector financial corruption. Shah (2018) added that in order to fight public sector financial corruption, embezzlement of public fund should be prevent first. To this effect, the above discuss constructs need to be further investigate in the premises of mitigating public sector financial corruption.

According to (Ibanichuka and Onuoha 2012) the mismanagement of public funds is associated with the misuse and potential loss of funds and therefore raises questions about the integrity of the people in charge of the funds. The studies of Apostolous (2001) discovered that extensive mismanagement of public funds is a key factor and element of public sector financial corruption. In order to fight corruption in the public sector, the mismanagement of public fund should be avert. As a result of this, the above constructs need to be investigating in the facts of mitigating public sector financial corruption.

### **3.1 Research design**

According to Walliman (2011), there are numerous types of research designs that are appropriate for the different types of research projects such as descriptive research, explanatory research, explorative research and evaluation research. The choice of which design to apply depends on the nature of the complications posed by the research aims. Each research design has a range of research methods that are commonly used for collecting and analyzing the type of data that is generated by the investigations. Here the study used descriptive design because of the nature on how the study gathered data which was through questionnaires. A research design is a map which identifies the means and methods to be pursued for collecting and analyzing the data. It can also be defined as the systematic procedure which includes the designing, compiling, and analyzing of information through the conceptual model, variables, and construction of the

questionnaire. This study adopts a quantitative methodology and survey method. The study was entirely conducted in English language and all the questions of the constructs were obtained from previous literatures. The scale items in all constructs will be at least four (4) questions has recommended by most researchers.

### **3.2 Data collection**

To collect the data from various respondents, we need to understand the sample population. It is important to remember that sampling technique is chosen on the basis of the selected population. The study work is going to use both primary and secondary data collection. Primary source will involve empirical data collection techniques of structured survey administered questionnaires that will measure target respondents perceptions on the research variables (constructs). The secondary data source were acquired as a result on contextual review of the appropriate literature on ‘ ‘ the application of forensic accounting as a means of mitigating corruption in the public sector: a case study on accountants’ perceptions in the Gambia Revenue Authority’’. Meanwhile, a self-administered survey structured questionnaires were used to obtained information from the target respondents on the specific variables. Furthermore, this study will use Likert’s five (5) point scales ranging from 1-5, as a form of questioning to be employ in this study. This method encourages respondents to give their opinion and motivations relevant to this study (Saunders et al 2009).

### **3.3 Method of Data Analysis**

The completed questionnaires will be edited for completeness and consistency, checked for errors, omissions, and then coded to SPSS and analyzed the data quantatively and qualitatively. Qualitatively, the data was sought into categories and patterns. According to Saunders (2007), this enables the researcher to make general statement in terms of the observed attributes hence conceptualization. Once the data had been checked, they were arranged in a format that enables easy analysis. Quantifiable data from the questionnaires were coded into the software for

analysis Statistical Package for Social Science (SPSS 20.0) was then used to analyze the data. The version of SPSS was selected for analysis since it offers a more user friendly interface and be easily link with Microsoft of utility programs, and can generate descriptive statistic for the study. Afterwards, several techniques were used to analyze the coded data into the SPSS software. These techniques comprises of Cronbach’s Alpha reliability analysis, descriptive analysis, normality test, multicollinearity analysis, Pearson correlation and linear regression analysis.

#### 4.1 Descriptive Analysis

##### Respondent demographic profile

##### 4.1.1 Gender

The analyzed data was based on the total sample size of 45 completed questionnaires of which 29 respondents were male accounting for 64.4% of the total respondents, while 16 respondents were female accounting for 35.6 % of the total respondents. This shows a gender bias parity of more male respondent over the female category.

*Table 1 Gender*

#### Gender

	Frequenc y	Percent	Valid Percent	Cumulative Percent
Male	29	64.4	64.4	64.4
Valid Female	16	35.6	35.6	100.0
Total	45	100.0	100.0	



### 4.1.2 Age

The ages of the respondents were categorized into clustered groups such as 18 – 24, 25 – 34, 35 – 40 and above 40. The age categories of 25 –34 registered the highest frequency value of 22 from a total of 45 (recording 48.9 % of the total respondents). The second highest frequency category is 35-40 registering a frequency of 12 out of the total respondents of 45 (representing 26.7% of the total respondents). This was followed by Above 40 categories with a frequency of 10 from the total respondent of 45 (representing 22.2 % of the total respondents). The lowest frequency of 1 was recorded by 18 – 24 age categories (indicating 1 % of the total respondents).

*Table 2 Age*

#### Age

Frequency	Percent	Valid Percent	Cumulative Percent
1	2.2	2.2	2.2
22	48.9	48.9	51.1
12	26.7	26.7	77.8
10	22.2	22.2	100.0
45	100.0	100.0	

### 4.1.3 Educational Level

In addition, the Bachelor’s degree category of the respondent’s educational qualification recorded frequency majority value of 24 (53.3%) while Master’s degree holders seconded the bachelor holders and accounts for 9 (20.0%). The ACCA cluster comprised of 8 (17.8%) whereas Diploma cluster recorded the lowest frequency of 4 (8.9%). This result shows that significant number of the respondents hold a bachelor’s degree.

*Table 3 Education Level*

**Educational Background**

Frequency	Percent	Valid Percent	Cumulative Percent
4	8.9	8.9	8.9
24	53.3	53.3	62.2
8	17.8	17.8	80.0
9	20.0	20.0	100.0
45	100.0	100.0	

**4.1.4 Marital Status**

Meanwhile, the marriage category of the respondent recorded a frequency of 31 representing 68.9% of the total respond population whereas unmarried or single status recorded a frequency of 14 representing 31.1% of the target respondent. This indicates that great number of the targeted respondent are in the married than single status.

*Table 4 Marital Status*

**Marital Status**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Married	31	68.9	68.9	68.9
Valid Single	14	31.1	31.1	100.0
Total	45	100.0	100.0	

#### 4.1.5 Length of Employment

Furthermore, target respondents who spent 1-5 years in the authority scored the highest frequency of 17 which account for 37.8%, follow by 5-10 of employment status in the authority with a frequency of 16 denoting 35.6% of the total respondent. The third highest frequency of 10 was registered by those who spent between 10-15 years in the authority indicating a 22.2 % of the survey population. The last and the lowest frequency of 2 were recorded by employment status of between 6 months to 1 year of service to the authority. This means that the great number of this survey respondent spent between 1-15 years (1-5, 5-10 and 10-15 categories) of the employment service to the authority.

Table 5 Length of Employment

#### How many years have you served in the Authority

	Frequency	Percent	Valid Percent	Cumulative Percent
6months to 1year	2	4.4	4.4	4.4
1year to 5years	17	37.8	37.8	42.2
Valid 5years to 10years	16	35.6	35.6	77.8
10years to 15years	10	22.2	22.2	100.0
Total	45	100.0	100.0	

#### 4.1.6 Reliability Statistics

According to Streiner & Norman, (2008) the Cronbach Alpha is a recognized and the most used means of ascertaining the reliability of the model and data used for a study especially when the research adopted the Likert scale to measure variables.

**Table 6: Reliability Statistics**

Cronbach's Alpha	No. of Items
.752	7

The Cronbach Alpha of the variables indicated in table 6 above data (Cronbach's alpha =.752) shows that the data is good, strong, and more reliable since it is all above 0.70 which means the variables indicates strongly within the reliability scores based on the thumb rule which states that the Cronbach Alpha coefficient is good when the value is  $0.7 < 0.8$  and is very good when the value is  $0.8 < 0.9$  (Cohen et al., 2013).

#### 4.1.7 Regression Analysis

Heppner and Heppner (2004) stated that the primary objective of multiple regression analysis is to predict the single dependent variable by a set of independent variables. The multiple regression analysis was undertaken to determine the impact of the independent variables, Bribery Prevention (BR), Embezzlement, (EMBZL), and Fraud Prevention (FP) and Mismanagement (MM) on the dependent variable Forensics Accounting (FA) of the study. The regression defines the extent to which the model explains the dependent variable through the model summary. Using a model equation  $CM = \beta_0 + \beta_1FP_1 + \beta_2EMBZL_2 + \beta_3MM_3 + \beta_4CORRP_4 + \varepsilon$ , Table --- below presents the model summary of the study where R is reported to be 0.847 and R Square of 0.718. This presupposes that the independent variables explained about 71.8% of the variations in the dependent variable. This also means that 28.2% of the variations are defined by other factors not accounted for by this study.

**Table 7**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.847 <sup>a</sup>	.718	.030	.703	.118	1.339	4	40	.272

a. Predictors: (Constant), MP, BP, FP, EP

**4.1.8 Collinearity Statistics**

According to (Hair JF, 2006), high levels of collinearity increase the probability that a good predictor of the outcome will be found insignificant and rejected from the model. To this effect, a collinearity analysis was conducted to evaluate the variables by observing the Variance Inflation Factor (VIF) as well as the tolerance level. The maximum acceptable VIF value suggested by Hair et al. was **5.0** and a tolerance level not less than **0.10** becomes a concern (Table 6).

Therefore based on the information in the table below, the Variance Inflation Factor (VIF) for all the variables were less than 5.0, (2.257, 1.328, 2.625, 2.186) while the Tolerance level ranges from .381, .443, .457, and .753 respectively according to the table. This result demonstrates that multicollinearity was not a problem for this research as vividly shown in the table below.

**Table 8 Regression Coefficients**

**Coefficients'**

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	Collinearity Statistics

	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.729	1.236		.589	.000		
1 FP	.565	.381	.317	1.486	.001	.443	2.257
BP	.474	.340	.228	1.392	.000	.753	1.328
EP	.325	.388	.193	.838	.000	.381	2.625
MP	.212	.348	.128	.609	.000	.457	2.186

a. Dependent Variable: corruption mitigation

### 4.1.9 Regression Coefficients

From the table below, fraud prevention (FP1) regression coefficient value of 0.565 and significant at .001 means that the (FP1) have a positive impact on the dependent variable of Corruption Mitigation (CM). This means that any unit increase in Fraud Prevention will lead to a 72% increase in Corruption Mitigation (CM). Additionally, the analysis also indicates that Bribery Prevention (BP) ( $\beta=.474$ ,  $p=000$ ) has a positive significant effect on Corruption Mitigation. A unit increase in Bribery Prevention (BP) will also lead to 47.4% increase in Corruption Mitigation (CM). The same pattern exists for Embezzlement Prevention (EP) ( $\beta=.325$ ,  $p=000$ ). Finally Mismanagement Prevention (MP) ( $\beta=.212$ ,  $p=000$ ) indicates that any unit increase in Mismanagement Prevention will cause a 21.1% increase in Corruption Mitigation (CM) respectively.

### 4.2.0 Hypothesis Testing

**Table 9 Hypothesis**

HYPOTHESIS	MODEL COEFFICIENT	ACCEPT/REJECT

	(β)	
H1: Fraud prevention will significantly ensure effective mitigation of corruption through the application of forensic accounting practices	.565	<b>ACCEPT</b>
H2: Bribery prevention of public fund will significantly ensure effective mitigation of corruption through the application of forensic accounting practices	.474	<b>ACCEPT</b>
H3: Embezzlement of public fund prevention will significantly ensure effective mitigation of corruption through the application of forensic accounting practices.	.325	<b>ACCEPT</b>
H4: Mismanagement of public fund prevention will significantly ensure effective mitigation of corruption through the application of forensic accounting practices.	.212	<b>ACCEPT</b>

A multiple regression analysis was conducted to further test the four hypotheses identified for this study (Tables 8). The study shows a significance acceptance of all the four hypotheses because the model coefficient tested is below 5.0.

The study shows that by reducing corruption prevention through forensics accounting by 1 unit will subsequently increase fraud prevention by 0.565 with the other independent variables being constant. An increase in corruption prevention through forensics accounting by 1 unit will increase bribery prevention by 0.474, with the other independent variables remaining constant. In

addition, increasing corruption prevention through forensics accounting by 1 more unit will increase embezzlement prevention by 0.325 while the rest of the independent variables remain unchanged. Finally, increase in corruption prevention through forensic accounting means by 1 unit will significantly lead to an increase in mismanagement prevention by 0.212, while the remaining independent variables remain constant. Moreover, the result also indicates that fraud prevention has a higher influence on corruption prevention through forensics accounting with a standardized coefficient  $\beta$  value of 0.565. This is followed by bribery prevention with standardized coefficient  $\beta$  value of 0.474, followed by embezzlement prevention with standardized coefficient  $\beta$  value of 0.325, and finally mismanagement prevention with a standardized coefficient  $\beta$  value of 0.212.

## **5.0 SUMMARY AND CONCLUSION**

The purpose of empirical study is to investigate how forensic accounting practice could mitigate public sector corruption through fraud, bribery, embezzlement, and mismanagement prevention. Four hypotheses were identified and a Pearson's Correlation Analysis was conducted to test the hypothesis statements. The result revealed that fraud prevention, bribery prevention, embezzlement prevention, and mismanagement prevention all shows positive significant influence on public sector financial corruption mitigation respectively.

In addition, the study also conducts a regression analysis and the results revealed that fraud prevention, bribery prevention, embezzlement prevention, and mismanagement prevention with coefficient  $\beta$  scores of 0.565, 0.474, 0.325 and 0.212 respectively have positive influence on the mitigation on public sector financial corruption particularly The Gambia Revenue Authority. This explains that public sector financial stakeholders should give a great value of consideration to fraud, bribery, embezzlement, and mismanagement prevention in the efforts of public sector financial corruption mitigation in the Gambia Revenue Authority.



Furthermore, a collinearity analysis was also conducted to evaluate the variables and the result shows that the Variance Inflation Factor (VIF) for all the variables were less than 5.0, while the Tolerance level ranges from 0.443, 0.753, 0.381 and 0.457 respectively, indicating that multicollinearity was not a problem for this research. This is further vindicated by the coefficient (R<sup>2</sup>) value of 0.718, which means that fraud prevention, bribery prevention, embezzlement prevention, and mismanagement prevention explains (71.8%) of total public sector financial corruption mitigation in Gambia Revenue Authority, thus leaving only (28.2%) of the model unexplained by the variables.

This empirical result is comparatively in uniform with the previous literatures such as (Olukowade 2015, Ofiafoh 2013, Olajide, D. S. 2014, Oluwatoyin et al. 2014, Ozili, P. K. 20015 & 2018, , Shah, M.K., 2018, Madumere et al. 2013).

## **5.1 Recommendations**

1. Professional bodies in the Gambia like The Gambia Accountant Association should encourage the formalization and specialization in the field of forensic accounting.

2. Government should develop more interest in forensic accounting the public sector for monitoring and investigating suspected culprits in fraud, bribery, embezzlement, mismanagement preventions as previously cited.

3. Government and its regulatory authorities should ensure the provision of standards and guidelines to regulate forensic accounting activities in the public institutions to embrace integrity, objectivity, fairness and accountability in their day-to-day activities. This will help public sector financial stakeholders (Gambia Revenue Authority) to adapt forensic accounting as financial strategy towards curbing economic and financial crimes in the Gambia.

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