

ACCOUNTING STUDENTS' PERCEPTION OF FORENSIC ACCOUNTING EDUCATION IN OSUN STATE UNIVERSITY, NIGERIA

Adebayo OLAGUNJU¹, Ayuba Olatunde ONIFADE¹, Amos Olusola AKINOLA¹ and Ruth Tony OBIOSA²

¹Department of Accounting, Faculty of Management Sciences, Osun State University, Nigeria

²Department of Accounting, Faculty of Management Sciences, Rivers State University, Portharcourt, Nigeria

ABSTRACT

This study examined the students' perception of forensic accounting education in Osun State University with particular reference to awareness and willingness of the students to offer forensic accounting as a course in the university. Data were collected through an open-ended questionnaire and 35 valid responses returned out of 45 copies of questionnaire distributed which were analyzed through SPSS version 24. The results indicated that there is a high level of awareness regarding forensic accounting course in the university. Majority of the accounting students at M.Sc. class which formed the population were also willing to offer the course. The results of the study indicated that students perceived the forensic accounting education as an important means to help them become a professional in that area of specialization and be able to apply the forensic accounting knowledge to recover diverted assets, identify misappropriated assets, improves financial statement credibility and litigation support. The study also showed that forensic accounting education can make them present an expert witness report in court. This research work contributed to the forensic accounting literature through providing insights regarding the students' awareness and acceptance to the perceived benefits of forensic accounting education. This has significant implications for the universities' managements regarding the necessity of forensic accounting education in the university curriculum. Reference to the perceived benefits as revealed in the study, the University might need to seek for Nigerian University Commission (NUC) approval for introduction of the course, forensic accounting at the undergraduate level so that the interest can be built from the foundation.

Keywords: Awareness, Acceptance, Forensic Accounting education, students' perception

INTRODUCTION

Globally, corruption threatens the going concern status of a nation as a result of effects it has on a country's economic downturn. The losses will continue to increase when the professionals continue to participate in fraudulent dealings. When accountants are unable to detect fraud as a traditional auditor who was primarily designed to report on the truth and fairness of the state of affairs an establishment and its financial statements. This raises a question such as who should be responsible for detecting fraud in financial statements.

Professional accountants maintain that it is not their primary responsibility to detect fraud during audit process. On the other hand, the court holds the opinion that the accountant is a major party responsible for the failure to detect fraud in financial statements (Buckhoff & Sinclair,2010). However, Rezaee & Riley (2010) posited that accountants are not to be blamed. Accountants only apply the skills and the knowledge they have acquired. The portion of the teaching and training of accountant's antifraud they got while studying in tertiary institution must be judged to be sufficient, or even not at all. This implies that if accountants, as an auditor cannot detect fraud does not mean that accountants as fraud investigator with forensic accounting knowledge cannot also detect fraud.

The increased frequency of cases of fraud as documented in many studies such as conducted by Price Waterhouse Coopers (2011); Rezaee & Riley (2010); Buckhoff et al. (2010); Zadeh & Ramazani (2012); Zango (2012) & Efiog (2012) and reported by Mohammed & Waled, (2018). All these studies recommended urgent integration of forensic accounting in the course work of accounting majors in the tertiary institutions. Universities in developed countries have been facing continuous pressure from different stakeholders to produce capable and competent accountants to investigate, detect and prevent wrongdoing when and where it has become part of existing norms (Seda & Kramer, 2008; Sofianti, Ludigdo & Irinanto 2014). Furthermore, academics and practitioners also have seen the need to provide more specialized training in the area of forensic accounting to help the traditional accountants and auditors investigating any wrongdoing.

This is because forensic accounting encompasses a wide range of services which start from using techniques for investigating fraud and corrupt practices to litigation support and ends acting as expert witnesses (Dryer, 2014). Hence, the role of forensic accountants is more likely to provide a wider spectrum of services to societies as well (Davis, Charles, Farrell, Ramona, Ogilby & Suzanne, 2010).

The goal for the student as a prospective accountant is to have insight into forensic accounting, so as to enable them possess detective skill to investigate fraud and to enable them to translate classroom learning to practical situation as a professional accountant in the field of forensic accounting. Some tertiary universities, especially in Africa, offer forensic accounting, either as separate courses.

Objectives of the Study

The general objective of the study is to examine the accounting student's perception on forensic accounting education in Osun state university, Nigeria

The specific objectives are to:

- i. examine student's awareness on the use of forensic accounting technique in fraud detection and prevention;
- ii. investigate the willingness of accounting students to accept offering forensic

LITERATURE REVIEW

Conceptual Review

Forensic Accounting: The Webster's dictionary described forensic accounting to mean; "belonging to, used in or suitable for court, of adjudicator or for public discussions, debate and ultimately dispute resolutions. Adegbe & Fakile (2012) also defined forensic accounting as an accounting analysis that is suitable to the court which will form the basis of discussion and assist in judgment, debate and ultimately dispute resolution. Forensic accounting is the practice of utilizing accounting, auditing and investigative skill to assist in legal matter and the application of specialized body of knowledge to the evidence of economic transaction and reporting. It can be said that is the integrity of accounting, auditing and investigative skill to obtain a particular result.

Forensic accounting has three components, namely litigation support, fraud examination and expert witness. Litigation support service has to do with participating in the legal field as a consultant that interprets the financial information through indepth analysis of financial statement to find or identifies indication of fraud. In such a case, expert witness is an accountant with the knowledge, skills, experience or special training, to assist judges, prosecutors, lawyers and others to understand the interpretation of accounting information, to help them take decision decisions on facts beyond their understanding and knowledge about forensic accounting ; Rezaee & Riley 2010 ;Ojo 2012).

Forensic Accounting does not have enough space in the scheme of accounting majors (Shinde, Shinde & Raymond 2013). Therefore, accounting practitioners emphasize the importance of this course and recommends integrating forensic accounting into college curriculum (Rezaee & Riley 2010). Likewise, the educators in accounting in Indonesia also supports integration into the curriculum, forensic accounting course into accounting majors.

Specifically, accounting educators respond to the need above and the public interest in education because all forensic accounting services will increase in the future. Accounting educators also believe strongly that there will be a lot of benefits that can be gained from the teaching and practice of forensic accounting services for educational institutions, students and companies (Shinde et al. 2013 and Zango 2012).

More specifically, accounting academics realize that it considers necessary and essential to facilitate accounting students with this specialized knowledge in the accounting field. In fact, some educational institutions have responded to the importance and support the integration of courses in the curriculum. Accounting academics supports for integration into the curriculum of accounting majors will be of great benefit, especially to the three stakeholders, namely educational institutions, students and companies or employers (Zango 2012; Carlino 2010).

Accounting students who specializes in forensic accounting will be more sensitive to the symptoms of fraud. This make forensic accounting to one of the promising careers. Demand for accounting students who are qualified forensic accountants are increasing rapidly and this will continue rising (Kranacher & Wells 2010). Many accounting students are interested in offering forensic accounting and many companies also want to recruit graduates who are qualified with high knowledge of forensic accounting. This situation becomes more interesting when some institutions that administer accounting courses on forensic revealed that subjects is quite popular and many of the accounting students selected it as a choice of courses in the curriculum of accounting majors (Buckhoff, Shrader & Efiog 2012).

Robbins (2012),posited that an individual's perception of the object is very likely to have differences from the other individual's perception of the same object. Inter-individual differences in perception are caused by feelings of individuals who received different functions and this is caused by the tendency of the difference. Usually, an individual will choose the appropriate sense interesting and importance of the discovery. Accounting students have differences interns of perception about the topics of discussion.

Empirical Review

Rezaee & Burton (1997), Carnes & Gierlasinski (2001), Rezaee, Crumbley & Elmore (2003), Ramaswamy (2007), Seda & Kramer (2008) conducted their research on forensic accounting training and education and provided interesting insights. However, there was no consensus on how to offer the course. Carnes & Gierlasinski (2001) study revealed that there was slow progress among universities regarding offering forensic accounting education to students despite the fact there were changing in the accounting environment demanding students to have fraud investigation and detection skills. Kasum (2009) conducted a study aimed at exploring where the application of forensic are more needed, in the private or government sector to combat the financial fraud prevalence mostly in developing nations of the world. The findings showed that there is a greater need for forensic accountants in the public sector. The author suggested that universities should start offering forensic accounting programs to produce capable accountants that could minimize the incidence of corruption in the public sector.

Yücel, (2011) investigated the potential of forensic accounting development in Turkey where the study indicated that the present auditing system infrastructure must be supported by forensic knowledge applications. However, the country education system is inadequate to prepare forensic accountants. Therefore, the researcher suggested forensic accounting should be well promoted and publicized in the country. Furthermore, Akyel, (2012) examined forensic accounting status in Turkey to propose a study model that could align with the country's environment. In this study, he used the United State of America and Canada accounting systems and evaluated them through the lens of Turkish environment. He concluded that

forensic accounting must be initiated in the country as this would be a good chance to commence overhauling of the education system in the country. Kurt, (2013) also examined the scope and development of forensic accounting in Turkey. The study indicated that auditors can function as forensic accountants. He established that a key challenge to auditors is that they lack adequate education regarding forensic accounting. Although, forensic accounting education is multi-disciplinary, comprising audit, finance and accounts, statistics, information technology (IT), legal rules, and human skills (Tiwari & Debnath, 2017). Thus, the multi-disciplinary nature of forensic accounting could raise difficulties for many universities to offer or integrate its topics and programmes to students. Furthermore, forensic accounting in form is similar to auditing, but its essence is dissimilar (Tiwari & Debnath, 2017). Such similarities could create confusion among the public regarding the significance of forensic accounting in the society. Therefore, the awareness level regarding forensic accounting could be one of the possible factors to offer or implement forensic accounting.

Seda & Kramer, (2015) suggested more studies should be done in different countries in order to provide useful insights regarding the availability of forensic accounting. Wang, Lee & Crumbley, (2016) found that there was a slight increase regarding the availability of forensic education in Hong Kong and Mainland China. The researcher indicated that social culture coupled with bribery and corruption in Mainland China pointed to the fact for higher need of forensic accounting services in the society. Thus, it is clear that there was a greater awareness and acceptance of the significance of services provided by forensic accountants in regard to fraud and corruption which created an increasing demand for forensic accounting services, thereby, there was an increasing supply for Forensic Accountants in Hong Kong and Mainland China.

The increased incidences of corrupt practices and financial scandals have drawn the attention of various stakeholders raising a demand to find adequate means and establish education programmes to minimize the consequence of financial malpractice. e.g., teaching ethics, human governance, and forensic accounting in business schools and Universities. Forensic accounting has gained a great amount of attention among academics and professionals worldwide to reduce the harm of unethical acts, which wastes the wealth of many countries while negatively, impact the sustainability. Although, corruption and embezzlement have been major problems across the globe, Nigeria is not an exception where different corporate businesses in the country and the Public sector are rife with such practices. Interestingly, the Nigerian governmental agencies still make efforts to fight corruption, but, the problem has been steadily growing over the years primarily because of the socio-economic, political, and administrative factors. Furthermore, the country's rank on corruption index is still high and is becoming worse every year. Therefore, this research is to examine the perception of the accounting students on forensic accounting education in the university. This study attempts to address this issue aiming to contribute to knowledge through highlighting the awareness and acceptance as previous literature did not pay much attention to assess the level of awareness and acceptance of a multidisciplinary field among the academics. Additionally, the majority of the previous literature was conducted in the developed countries while less research was found in the developing countries. We further believe that assessing the awareness and acceptance of forensic accounting among the academics in the developing countries is significant for developing an international model for forensic accounting education and extend forensic accounting literature as well.

METHODOLOGY

This study was based on non-experimental descriptive/survey design of collecting and analyzing data. Survey design was adopted in the study because it allows data to be collected from a sample with the aim of discovering the relationship or interactions among variables. To achieve the objectives of this study, data were collected through questionnaire which is closed-ended that was developed by the researchers based on previous literature. The instrument comprised 16 questions related to awareness and acceptance of forensic accounting including demographics such as age, gender, level in the university education, awareness of forensic accounting with regards to issues on expert witness, detecting and preventing fraud. Also questions on acceptance by individual students as a course to offer in the department of accounting. A four-point Likert scale of 1 to 4 was used in the study where (1- strongly disagree, 2- disagree, 3- agree, 4- strongly agree). The questionnaire validity was evaluated by two Ph.D. students in accounting department. The target population was the accounting students in Osun State University at masters' level. Random sampling was adopted and questionnaire distributed to the selected sample of 50 students out of which 35 were returned completely filled. SPSS was utilized in order to analyze the response using descriptive statistics, such as mean, standard deviation, and percentage.

RESULTS AND DISCUSSION

Table 1: Information about the Respondents

Item	Number	Percentage
Full time Students	12	34
Working Class Students	23	66
Total	35	100

Source: Researchers' Field Survey

Table 1 show that 66% of the respondents are working class master students. This means that their experience on the job will affect individual judgments on awareness.

Table 2: Professional Qualification

Item	Number	Percentage
ICAN/ANAN/CITN	18	51
No prof. cert	17	49
Total	35	100

Source: Researchers' field survey

Table 2 revealed that 51% of the respondents are professionally qualified. This indicated that the topic of forensic accounting may not be new to this category of respondents as they might have come across forensic accounting in the course of their professional examinations

Table 3: Students Awareness of forensic accounting

Question	Strongly agree	Agree	Disagree	Strongly disagree	Mean	Std.
1. Forensic accounting is a relatively new area of enquiry	12	16	3	4	3.74	0.725
2. I am aware of the role of forensic accountant who attends court as expert witness	18	16	1	0	4.14	0.687
3. I am aware that forensic accounting can be used in Fraud detection programs	10	16	5	4	3.43	0.882
4. I am aware that forensic accounting can be used to locate diverted assets	7	22	2	4	3.74	0.695
5. Forensic accounting can identify misappropriated assets	11	15	7	2	3.61	0.873
6. Improves financial statements' credibility	14	11	3	7	3.31	0.941
7. Prepares a report about litigation support consulting	14	16	4	1	3.77	0.765
8. I am aware that forensic accounting is different from the traditional auditing	15	13	5	2	3.93	0.688

Source: Researchers' computation

Table 3 showed that the high percentage of participants were above average (3) rating, indicating that the participants were aware of services of forensic accounting in relation to its difference from traditional auditing, fraud detection, to locate diverted assets, identify misappropriated assets, and improves credibility of financial statements. The standard deviations for all questions were low indicating no dispersion in responses and participants agreed that forensic accounting is a new area. The majority of the respondents recognized forensic accounting services in terms expert witness in court which received the highest mean rating (4.14).

Table 4: Students Acceptance of forensic accounting

Question	Strongly agree	Agree	Disagree	Strongly disagree	Mean	Std.
9. Forensic accounting is interesting to learn.	10	22	2	1	3.74	0.725
10. Forensic accounting course broadened my knowledge for detecting fraud	13	21	1	0	4.14	0.687
11. I like to practice as forensic accountant, so I choose to offer the course	11	18	4	2	3.43	0.882
12. I choose to offer the course of forensic accounting because it was made compulsory	7	10	10	8	3.74	0.695
13. I accept taking forensic accounting course because it will make me more than a traditional auditor	18	15	2	0	3.61	0.873
14. Forensic accounting is a new area that is highly lucrative in the discipline, this is why I accept offering the course	12	21	0	2	3.31	0.941
15. I accepted offering Forensic accounting because it's capable of reducing corruption in the system.	14	20	1	0	3.77	0.765
16. I accepted to offer forensic accounting because I hope to attend court as expert witness in future.	15	13	5	2	3.93	0.688

Source: Researchers' computation

Table 4 indicated that high percentage of participants were above average (3) rating. Moreover, the participants agreed that the services provided by forensic accountants which, mainly focus on financial fraud control. The standard deviations for all questions were low indicating that there was no dispersion in responses and participants. The level of knowledge of majority of participants was generally acceptable in regard to financial fraud control service. The highest value of the arithmetic mean was (4.16) which, was about the ability of forensic accounting to be part of fraud detection program while the arithmetic mean (4.10) providing internal control evaluation. The level of awareness among the participants regarding satisfying the demand of the society through forensic accounting services was also acceptable ($m=3.79$), which is consistent with (Crumbley, Rezaee & Elmore, 2004).

However, there was a low level of awareness among the participants regarding the ability of forensic accountants in identifying misappropriated assets ($M=3.59$). This might be mostly because of the strong belief among the participants that is not an easy task for forensic accountant identify misappropriated assets. Interestingly, the perception of participants was higher in relation to improving financial statements credibility and making financial data more reliable the median (4.09) and (4.13) respectively while their perception was lower in relation to forensic accounting ability to locate and identify misappropriated assets the median (3.94) and (3.59) correspondingly.

CONCLUSION AND RECOMMENDATIONS

This study confirmed that respondents were aware of forensic accounting as a new area in accounting field and one of the anti-corruption tools. The results of the study indicated that students perceived the forensic accounting education as an important means to help them be a professional in that area of specialization and be able to apply the forensic knowledge to recover diverted assets, identify misappropriated assets, improves financial statement credibility and litigation support. The study also showed that forensic accounting education can make them present an expert witness report in court. The results of the study contribute to the forensic accounting literature through providing insights regarding their awareness and acceptance to the perceived benefits of forensic accounting field. The study had implications for the universities' managements regarding the necessity of forensic accounting education. Reference to the perceived benefits as revealed in the study, the University might need to introduce the course, forensic accounting at the undergraduate level so that the interest can be built from the foundation. Moreover, the university might need managerial support and cooperate with professional bodies such as Institute of Chartered Accountants of Nigeria (ICAN), in order to be able to produce a local forensic accounting education model that fits our society needs in terms of providing the country with specialized graduates capable of detecting and investigating corrupt practices as well as offering wide range of services to society. This would result in improving the country's rank on the global corruption index and increasing investors trust.

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ABOUT THE AUTHORS:

Adebayo OLAGUNJU (Ph. D), Department of Accounting, Faculty of Management Sciences, Osun State University, Nigeria.

Ayuba Olatunde ONIFADE, Department of Accounting, Faculty of Management Sciences, Osun State University, Nigeria.

Amos Olusola AKINOLA, Department of Accounting, Faculty of Management Sciences, Osun State University, Nigeria.

Ruth Tony OBIOSA, Department of Accounting, Faculty of Management Sciences, Rivers State University, Portharcourt, Nigeria.