



(RESEARCH ARTICLE)



## Scope of Implication of Forensic accounting and Fraud Investigation in an emerging economy: An empirical study on the banking sector of Bangladesh

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### Abstract

The main objective of this study is to find out Forensic Accounting and fraud investigation (FAFI) implementation chances in the context of Bangladesh. Another objective of this study is to find out the reasons behind implementing Forensic Accounting and fraud investigation in the banking sector of Bangladesh.

This study has used regression, correlation and descriptive statistics to discuss the data. This study has collected a large number of sample from the accounting students who have forensic accounting knowledge or banking knowledge and the professionals of accounting. This study has provided a close ended questionnaire to the respondents to get their thoughts about it.

This study has found out that the government initiative can be the most important factor to implement Forensic Accounting and fraud investigation in the banking sector of Bangladesh. If government wants to implement, it can be implemented easily. The possibilities of implementation of Forensic Accounting and fraud investigation can be increased if the regulatory bodies have the courage to make it happen. This should be implemented in Bangladesh, since, the implementation of Forensic Accounting and fraud investigation can improve the situation of financial crime in the context of Bangladesh. Universities can play a great role in the process of implementation since, the implementation can be smooth by increasing the business knowledge of the stakeholders of the industry.

The implementation of this study is to find out the possible reasons to implementation of Forensic Accounting and fraud investigation in Bangladesh. Therefore, this study can help the stakeholders of the related industry to understand the important of Forensic Accounting and fraud investigation and the reasons of implementation in Bangladesh. This study can help to enlighten the core issues regarding FAFI.

The contribution of this study can help the stakeholders of the general industries of Bangladesh. This study is one of the very few studies where, Forensic Accounting and fraud investigation has been discussed to implement it in an emerging economy. This study has studied the possibilities and reasons of the implementation, which is very rare in this case.

**Keywords:** Banking, Forensic Accounting; Fraud Investigation; Emerging economy

### 1. Introduction

Forensic Accounting and Fraud Investigation can make a huge difference in the economic system of any country. Accounting keeps fraudster secret from the authority where Forensic Accounting and Fraud Investigation can get the fraudster in the light of crime. There is need of identifying the fraudster in the economy. Corruption can be controlled

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by the implication of Forensic Accounting and Fraud Investigation in an emerging economy. Nevertheless, the scope of implication is rare in the economy where the fraudster can control the regulation.

In the context of Bangladesh, this study is trying to find out whether there is any chance to take the fraudster in the light of law. In most of the cases, fraudster escape the scene by the help of accounting rules and regulation. In the guideline of threshold accounting, there is scope to find out whether there is any material misstatement or not, but there is no scope to find out the person who is responsible for the fraud. Therefore, this loophole gives the criminal minded persons to do what they want by using the loopholes of accounting regulation. By this way, they escape even though the fraud is identified by the external or internal accountant.

Nonetheless, Forensic Accounting and Fraud Investigation can make a difference in the economic system by helping the law-enforcing agency to find out the criminal. This study will help to understand the viability of implication of Forensic Accounting and Fraud Investigation in an emerging economy where crime rate is very high. On the other hand, this study will try to understand the thinking style of accounting background pupils about Forensic Accounting and Fraud Investigation regulation.

This study is based on an emerging economy where the scope of implication can be questioned. There is a very low chance to work in Forensic Accounting and Fraud Investigation research since there is not such implication in this area until date. For this reason, this study has taken a step to find out the chances of implication. There is a huge gap in the literature since there are a few such articles available in this topic. This study has taken help from other studies from different countries to find out the scope of the research.

This study is a unique study where Forensic Accounting and Fraud Investigation is being taken under serious consideration to find out the scope of implication. However, this study will try to understand the cause of implication or non-implication of Forensic Accounting and Fraud Investigation in this subcontinent. This study will try to help the stakeholders of accounting body to understand how they can imply Forensic Accounting and Fraud Investigation in an emerging economy like Bangladesh.

### **1.1. Problem statement**

There are some research questions based on which this study can be done. The problem statement of this study are based on the implementation of Forensic Accounting and Fraud Investigation. In the banking sector of Bangladesh, Forensic Accounting and Fraud Investigation might be suitable or might not be suitable for the internal and external environment of the industry. There are questions about whether the related party of Forensic Accounting and Fraud Investigation may help to implement this in this country or may not as well. On the other hand, it could help the economy to grow faster. Therefore, Bangladeshi authorities and companies should investigate the financial crime through Forensic Accounting and Fraud Investigation to improve the financial service of the country.

### **1.2. Research Question**

The research question of this study is about the implementation of Forensic Accounting and Fraud Investigation in an emerging economy like Bangladesh. This study asks a question about the possibility of implementation of Forensic Accounting and Fraud Investigation in the banking sector of Bangladesh. This study also asks the benefit of Forensic Accounting and Fraud Investigation. This study has asked the problem of implementing this in the banking sector of Bangladesh.

#### *Objective of the study*

- There are specific objectives to run the study through different kinds of questions. The objectives of this study are to investigate:
- The chance of implication of Forensic Accounting and Fraud Investigation in banks.
- The scope provided from the authority to imply Forensic Accounting and Fraud Investigation in banks.
- The need of implying Forensic Accounting and Fraud Investigation in an emerging economies' banks.
- The threats of implying Forensic Accounting and Fraud Investigation in an emerging economy like Bangladesh.

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## **2. Literature Review**

The method analyzed the identification of the reviewed studies for appropriate investigative accountability methods and discussed the policy on anti-economic crime, which may help counter-economic crime. In this way, two conceptual

models were created which integrated all the criteria for applying forensic accounts and integrating forensic accounting in the appropriate governance structure for successful fraud mitigation. (Akinbowale et al., 2020)

The article is based on literature analysis. Owing to the multi-disciplinary and very complex aspect of the practice, forensic accountants threaten to mix ethics with the law. The study states that knowledge of virtual ethics and in particular the virtue of "phronesis" or functional wisdom allows forensic accountants to preserve public trust and efficiency in their divisions and offer instruction in the discipline. (Howieson, 2006)

This research looks at the perceived usefulness of real and virtual fraud. It draws on the experiences of 31 experts working in London, Toronto, and the UK, Canada, inside the 'fraud justice network.' It underlines the realities that practitioners face in trying to sustain or collapse this gap in their daily work and the resulting possible advantages and challenges. (Cross, 2019)

SCG is the dependent variable for this analysis and FA is an independent variable. In this analysis, a cross-sectional qualitative analysis was used. The data was obtained via an online tool and evaluated using structural equation modeling (SEM) partial minus-squares and social sciences numerical kit. The findings show that FA has a substantial direct effect on SCG; furthermore, FA will play a role in the governance of fraud removal and SCG performance. (Rehman & Hashim, 2020)

This research, therefore, provides an applied approach for the application of forensic accounts to facilitate the recognition, in accordance with decision-making, appraisal, and Evaluation laboratory and analytic network mechanism, of the strategic map interaction between all the Balanced Scorecard- depending viewpoint and parameters. Taiwan has been proactively promoting fraud risk control and policy legislation to reduced earnings risks and brand damages to optimize the benefits of corporate governance and protect the interests of the stakeholders. The business strategy of cloud technology and forensic accounting strategies have become more relevant. (Yang & Lee, 2020)

The thesis followed the research pattern of the survey when data supply is the primary data and sets of the questionnaire provided to selected banks were obtained. Three (3) theories have been established and evaluated using a substantial Independent T, 5% Simple Regression, and Anova One direction. Findings found that direct investment in foreign and the entry of IFRS in the Nigerian banks is negative. Findings also demonstrate that there is a huge effect on the prevention and identification of fraud amongst forensic accounts. In the case of forensic accounting in the Nigerian banking industry, the results of this study indicate that there is still low understanding. (OgundanaOyebisi, Okere Wisdom\*, 2018)

The research further explored how, by using the ransom sampling tool, 60 governmental and semi-government tax officers can be best tailored for the current state of the Iraqi economy faced with a transition from oil to a tax-driven economy, the survey followed an investigation methodology. The study's key conclusions include the need for forensic accounting to be introduced in Iraq with fiscal reforms. (Ahmed Mahdi Hadi, Ahmed Rahi Abed, 2013)

To accurately resolve the challenges and opportunities in a broad-scale era, the authors survey students and professionals regarding the market, relevance, and content of large- data academic and forensic accounting education. Big data analytics and forensic accounting should be incorporated into the corporate curriculum; all of these concepts should be used in forensic accounting and many of the proposed big data subjects should be taken into account; and some characteristics and strategies of large data are essential to improvement for the time being, according to findings. (Rezaee & Wang, 2019)

A survey is done by comparative response review. Results show that while both groups believe that the need for forensic accounting will soon be increased and that they want a different degree or course to be taught at the graduate and bachelor levels, there are some major gaps among students and professionals about forensic accounting subjects and favored teaching techniques. Professionals see the issues of forensic compliance rather than standard accounts as more relevant and value-added training approaches that add a dimension for experiential learning. (Kramer, B., Seda, M., & Bobashev, 2017)

This article discusses many facets of the advancement of undergraduate forensic accounting at the University of Indonesia's (UII) accounting program using a qualitative descriptive approach. An innovation in undergraduate forensic accounting education in the nation is the expertise-based methodology used by the UII accountability program. The program will be reorganized to meet the needs of the discipline and carried out in coordination with the national forensic auditing certification body. (Prabowo, 2021)

## 2.1. Gap in the Literature

Nevertheless, there is a huge gap in the literature to find out whether Forensic Accounting and Fraud Investigation can be implemented in an economy or not. In the emerging economy like Bangladesh, Forensic Accounting and Fraud Investigation can make a difference to keep the economic growth smooth. On the other hand, there are very few studies depending on the emerging economy's condition about it. Therefore, this is a gap in the literature, which is being investigated in this study.

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## 3. Methodology

### 3.1. Introduction

This chapter is based on the procedures of this study. This chapter will describe the research design, sampling and data collection procedure. From this chapter, the complete idea how this study has been done, can be found.

### 3.2. Research Design

This research is designed based on a model. The model is given below:

*Model 1:*

Implication = reduce+ efficiency+ Re\_risk+ avo\_leg+ repu\_com+ moni\_com+ fin\_cri+ time+ exp+ emp\_inte+ outside+ gov\_fac+ Reg\_bod+ emp\_ben+ mgt\_ben+ stock\_ben+ bus\_knw+ univ+ e

Where,

Impli = whether Forensic Accounting and Fraud Investigation (FAFI) can easily be implied in the banking sector of Bangladesh without any problem or not.

Reduce = Forensic Accounting and Fraud Investigation (FAFI) can easily reduce the losses because of fraud.

Efficiency= Forensic Accounting and Fraud Investigation (FAFI) can easily improve efficiency.

Re\_risk= Forensic Accounting and Fraud Investigation (FAFI) can reduce exploitation risk.

avo\_leg= Forensic Accounting and Fraud Investigation (FAFI) implementation can help to avoid legal issues.

repu\_com= Implementation of Forensic Accounting and Fraud Investigation (FAFI) can improve the reputation of the company.

moni\_com = Implementation of Forensic Accounting and Fraud Investigation (FAFI) can improve the monitoring of the organization.

fin\_cri= Implementation of Forensic Accounting and Fraud Investigation (FAFI) can solve financial crime.

Time= Implementation of Forensic Accounting and Fraud Investigation (FAFI) can be time consuming.

Exp= Implementation of Forensic Accounting and Fraud Investigation (FAFI) can be expensive.

emp\_inte = Implementation of Forensic Accounting and Fraud Investigation (FAFI) can affect employees morale to think that organization doubts their integrity.

Outside= Implementation of Forensic Accounting and Fraud Investigation (FAFI) can affect employees by distracting themselves because of outsiders.

gov\_fac= Implementation of Forensic Accounting and Fraud Investigation (FAFI) can be facilitated by the government authorities.

Reg\_bod= Implementation of Forensic Accounting and Fraud Investigation (FAFI) can be facilitated by the authority of the regulatory Body like BSEC, BB or ICAB.

emp\_ben = Implementation of Forensic Accounting and Fraud Investigation (FAFI) can bring benefit the employees of the organization.

mgt\_ben = Implementation of Forensic Accounting and Fraud Investigation (FAFI) can bring benefit the management of the organization.

stock\_ben = Implementation of Forensic Accounting and Fraud Investigation (FAFI) can bring benefit the stockholders of the organization.

bus\_knw = Proper business education can pave the way to imply FAFI.

Univ = Universities can play a great role to imply FAFI

E = error

Regression, correlation and descriptive statistics will be used for analyzing the data underlying this model. SPSS will be used for analyzing the data.

### **3.3. Population and sample**

This study is based on accounting where the basis accounting knowledge or banking knowledge is must to be a part of this study. On the other hand, this study is related to fraud management, which is a very new concept of accounting. For these reasons, the study area of this study is only those persons who have knowledge about accounting ethics or Forensic accounting. Target population for this study are the students who are reading in accounting or have passed from accounting, the faculty members of accounting departments of various university and the professional persons who are working in accounting or banking professionals of Bangladesh.

Stratified sampling is used in this study since every person can not understand the questionnaire and they might mislead the study otherwise. Nevertheless, this study is based on the accounting background pupil, the real scenario can only be find out by understanding their opinion. There are another strata in the sample depending on the current position of the respondents.

### **3.4. Research Instruments**

There are few studies based on forensic accounting, since this is a new topic. For this reason, the questionnaire is designed based on authors thinking perspective and based on the practical situation of an emerging economy. The review of literatures have a great impact on the questions of the questionnaire because of the influence of the study. The questionnaire is a close ended questionnaire. Five point likert chart is used for collecting the data through this questionnaire.

This study has used a questionnaire on which the analysis is based on. This study has used quantitative analysis for this study. Nevertheless, this study will do regression for the analysis part of this study.

Target population for this study are the students who are reading in accounting or have passed from accounting, the faculty members of accounting departments of various university and the professional persons who are working in accounting. Two hundred and seventy five response is collected from students, twenty-five from accountants who are actually in this profession and other five responses are collected from the faculties of different universities.

### **3.5. Data analysis technique**

The data analysis technique used here is based on quantitative research method. Regression, correlation will be done here. SPSS will be used for the study. This study will also do descriptive statistics for the analysis of the data. P plot will be used to understand the diversification of the data. This study will analyze the data based on the result from the SPSS. This study will also use histogram for the analysis of the data.

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## **4. Results and Discussion**

### **4.1. Introduction**

This part of the analysis represents the analysis of the study. This part is consists of the analysis done by SPSS. This part of the study is based on the data collected by the questionnaire for the analysis.

### **4.2. Statistical analysis**

From table 1, it can be explained that the mean of the dependent variable is more than average. The standard deviation is also very low and it means that the value is not very much deviated from the mean. Therefore, the dependent variable “imply” means that most of the accounting background people think that there should be Forensic accounting for the management of the fraud in the country. There are 300 samples taken by this study, which means this study has huge area coverage with such tough sample.

The employees might not be benefited by this, which is described by the variable, employee benefit. The application of forensic accounting can reduce fraud in the circumstances, which is described by the variable named “reduce”. However, financial crime might not be avoided by the implementation of it, which is explained by the variable “fin\_cri”. The government and the regulatory body can be the key people to implement FAFI, which is described by the two variables related to it.

**Table 1** Descriptive statistics

<b>Descriptive Statistics</b>			
	<b>Mean</b>	<b>Std. Deviation</b>	<b>N</b>
Impli	3.56	1.139	300
Reduce	3.47	1.192	300
Efficiency	2.98	1.478	300
Re_risk	2.98	1.403	300
avo_leg	2.94	1.387	300
repu_com	3.05	1.340	300
moni_com	3.00	1.477	300
fin_cri	2.89	1.419	300
Time	2.99	1.405	300
Exp	2.93	1.390	300
emp_inte	2.95	1.393	300
Outside	3.16	1.389	300
gov_fac	3.55	1.154	300
Reg_bod	3.45	1.137	300
emp_ben	2.92	1.399	300
mgt_ben	3.01	1.396	300
stock_ben	3.00	1.440	300
bus_knw	3.48	1.178	300
Univ	3.02	1.432	300

**Table 2** Variables entered in regression analysis

<b>Variables Entered/Removed<sup>a</sup></b>			
<b>Model</b>	<b>Variables Entered</b>	<b>Variables Removed</b>	<b>Method</b>
1	gov_fac	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
2	Reg_bod	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
3	bus_knw	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
4	Reduce	.	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).

From table 2, it can be understood that four variables have entered into this analysis. The variables are, gov\_fac, reg\_bod, bus\_knw, reduce. These four variables have positive correlation with the dependent variable “impli”.

This analysis means that all the other variables other than these four have no significant relationship with the dependent variable. These four variables based on government initiative, regulatory body’s initiative, business knowledge of the stakeholders and the reducing fraud due to implementation have positive correlation and significant relation with the dependent variable impli.

**Table 3** Model summary

Model Summary <sup>e</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.916 <sup>a</sup>	0.839	0.839	0.457
2	0.954 <sup>b</sup>	0.910	0.910	0.342
3	0.966 <sup>c</sup>	0.932	0.932	0.298
4	0.971 <sup>d</sup>	0.942	0.942	0.275

From the above table, table 3, it can be explained that the R, R square, adjusted R square explains that the model of this study is very much positive with the dataset. This analysis also explains that the error of this analysis is minimum. Therefore, this table explains that the data set is very good for this analysis.

**Table 4** ANOVA of regression analysis

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	325.581	1	325.581	1556.365	0.000 <sup>b</sup>
	Residual	62.339	298	0.209		
	Total	387.920	299			
2	Regression	353.086	2	176.543	1505.227	0.000 <sup>c</sup>
	Residual	34.834	297	0.117		
	Total	387.920	299			
3	Regression	361.680	3	120.560	1359.987	0.000 <sup>d</sup>
	Residual	26.240	296	0.089		
	Total	387.920	299			
4	Regression	365.555	4	91.389	1205.433	0.000 <sup>e</sup>
	Residual	22.365	295	0.076		
	Total	387.920	299			

From the table 4, it can be said at first that the four variables are very much significant with the dependent variable. This analysis also says that the residual of the data is more strong than the regression data.

From the above table, it can be said that the four variables are set with the analysis very strongly, however, the residual provides negative impact on the data set, which can be ignored if the whole analysis is measured properly.

**Table 5** Coefficient of regression analysis

Coefficients <sup>a</sup>										
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	.347	.086		4.050	0.000	0.178	0.515		
	gov_fac	.904	.023	.916	39.451	0.000	0.859	0.949	1.000	1.000
2	(Constant)	.070	.067		1.058	0.291	-0.061	0.202		
	gov_fac	.534	.030	.541	18.026	0.000	0.476	0.593	0.335	2.982
	Reg_bod	.461	.030	.460	15.314	0.000	0.402	0.520	0.335	2.982
3	(Constant)	-.003	.058		-.048	0.962	-0.118	0.112		
	gov_fac	.396	.029	.401	13.477	0.000	0.338	0.453	0.258	3.872
	Reg_bod	.349	.029	.348	12.235	0.000	0.293	0.405	0.282	3.544
	bus_knw	.273	.028	.283	9.846	0.000	0.219	0.328	0.277	3.605
4	(Constant)	-.027	.054		-.498	0.619	-0.133	0.080		
	gov_fac	.344	.028	.348	12.218	0.000	0.288	0.399	0.241	4.151
	Reg_bod	.281	.028	.281	10.038	0.000	0.226	0.336	0.250	4.001
	bus_knw	.209	.027	.216	7.698	0.000	0.156	0.263	0.247	4.044
	Reduce	.192	.027	.201	7.149	0.000	0.139	0.245	0.247	4.048

From the coefficient of the stepwise regression analysis, it can be said that all the variables, which have entered into this analysis have a significant and positive relationship with the dependent variable. On the other hand, the most positive relation of this data has the government factor. Since, government can implement the FAFI to improve the situation. The regulatory bodies, in fact, can be more efficient than any other bodies after government. They have the rights and the power to talk and work about FAFI. Business knowledge of the stakeholders can be an important positive factor to implement FAFI, since, the knowledge of the business can help the people understand about the importance of the FAFI. Nonetheless, the implementation of FAFI can help to reduce fraud in the industry obviously.

The error of the data is not very significant in this analysis as before. The tolerance of the collinearity can be ignored, however, VIF has also no significant big result in this analysis, which explains that there are very less chance of multicollinearity in this analysis.

**Table 6** Excluded variables

Excluded Variables <sup>a</sup>								
Model		Beta In	t	Sig.	Partial Correlation	Collinearity Statistics		
						Tolerance	VIF	Minimum Tolerance
1	Reduce	0.421 <sup>b</sup>	13.664	0.000	0.621	.350	2.858	0.350
	Efficiency	0.005 <sup>b</sup>	0.229	0.819	0.013	0.994	1.006	0.994
	Re_risk	-0.022 <sup>b</sup>	-0.937	0.350	-0.054	0.997	1.003	0.997
	avo_leg	0.017 <sup>b</sup>	0.709	0.479	0.041	0.994	1.006	0.994
	repu_com	-0.002 <sup>b</sup>	-0.084	0.933	-0.005	0.997	1.003	0.997



	moni_com	-0.034 <sup>b</sup>	-10.475	0.141	-0.085	0.999	1.001	0.999
	fin_cri	-0.002 <sup>b</sup>	-0.102	0.919	-0.006	0.995	1.005	0.995
	Time	0.032 <sup>b</sup>	10.362	0.174	0.079	0.996	1.004	0.996
	Exp	0.032 <sup>b</sup>	10.372	0.171	0.079	0.999	1.001	0.999
	emp_inte	-0.009 <sup>b</sup>	-0.372	0.710	-0.022	10.000	1.000	10.000
	Outside	-0.001 <sup>b</sup>	-0.026	0.979	-0.002	0.999	1.001	0.999
	Reg_bod	0.460 <sup>b</sup>	150.314	0.000	0.664	0.335	2.982	0.335
	emp_ben	0.005 <sup>b</sup>	0.196	0.845	0.011	10.000	1.000	10.000
	mgt_ben	0.017 <sup>b</sup>	0.746	0.456	0.043	10.000	1.000	10.000
	stock_ben	0.044 <sup>b</sup>	10.890	0.060	0.109	10.000	1.000	10.000
	bus_knw	0.422 <sup>b</sup>	130.100	0.000	0.605	0.330	3.033	0.330
	Univ	0.004 <sup>b</sup>	0.178	0.859	0.010	0.999	1.001	0.999
2	Reduce	0.272 <sup>c</sup>	90.376	0.000	0.479	0.277	3.608	0.266
	Efficiency	0.006 <sup>c</sup>	0.371	0.711	0.022	0.994	1.006	0.335
	Re_risk	-0.012 <sup>c</sup>	-0.673	0.501	-0.039	0.995	1.005	0.334
	avo_leg	0.014 <sup>c</sup>	0.796	0.427	0.046	0.994	1.006	0.335
	repu_com	-0.004 <sup>c</sup>	-0.237	0.812	-0.014	0.997	1.003	0.335
	moni_com	-0.023 <sup>c</sup>	-10.323	0.187	-0.077	0.997	1.003	0.334
	fin_cri	-0.001 <sup>c</sup>	-0.063	0.950	-0.004	0.995	1.005	0.335
	Time	0.021 <sup>c</sup>	10.178	0.240	0.068	0.994	1.006	0.334
	Exp	0.020 <sup>c</sup>	10.122	0.263	0.065	0.997	1.003	0.334
	emp_inte	-0.028 <sup>c</sup>	-10.631	0.104	-0.094	0.994	1.006	0.334
	Outside	0.001 <sup>c</sup>	0.075	0.940	0.004	0.999	1.001	0.335
	emp_ben	0.019 <sup>c</sup>	10.117	0.265	0.065	0.996	1.004	0.334
	mgt_ben	0.010 <sup>c</sup>	0.563	0.574	0.033	0.999	1.001	0.335
	stock_ben	0.027 <sup>c</sup>	10.557	0.121	0.090	0.996	1.004	0.334
	bus_knw	0.283 <sup>c</sup>	90.846	0.000	0.497	0.277	3.605	0.258
Univ	0.015 <sup>c</sup>	0.842	0.400	0.049	0.998	1.002	0.335	
3	Reduce	0.201 <sup>d</sup>	70.149	0.000	0.384	0.247	4.048	0.241
	Efficiency	-0.002 <sup>d</sup>	-0.121	0.904	-0.007	0.991	1.009	0.258
	Re_risk	0.001 <sup>d</sup>	0.090	0.928	0.005	0.988	1.012	0.256
	avo_leg	0.007 <sup>d</sup>	0.460	0.646	0.027	0.991	1.009	0.258
	repu_com	0.006 <sup>d</sup>	0.399	0.690	0.023	0.993	1.007	0.258
	moni_com	-0.019 <sup>d</sup>	-10.238	0.217	-0.072	0.996	1.004	0.257
	fin_cri	0.005 <sup>d</sup>	0.325	0.745	0.019	0.993	1.007	0.258
	Time	0.002 <sup>d</sup>	0.106	0.915	0.006	0.978	1.022	0.254
	Exp	0.008 <sup>d</sup>	0.546	0.585	0.032	0.992	1.008	0.257
	emp_inte	-0.011 <sup>d</sup>	-0.732	0.465	-0.043	0.981	1.019	0.258

4	Outside	-0.006 <sup>d</sup>	-0.373	0.709	-0.022	0.997	1.003	0.258
	emp_ben	0.003 <sup>d</sup>	0.183	0.855	0.011	0.984	1.016	0.258
	mgt_ben	0.013 <sup>d</sup>	0.847	0.398	0.049	0.999	1.001	0.258
	stock_ben	0.022 <sup>d</sup>	10.431	0.154	0.083	0.995	1.005	0.257
	Univ	0.010 <sup>d</sup>	0.640	0.523	0.037	0.997	1.003	0.258
	Efficiency	0.004 <sup>e</sup>	0.273	0.785	0.016	0.988	1.012	0.241
	Re_risk	0.000 <sup>e</sup>	0.023	0.981	0.001	0.988	1.012	0.239
	avo_leg	0.013 <sup>e</sup>	0.893	0.373	0.052	0.988	1.012	0.241
	repu_com	0.002 <sup>e</sup>	0.165	0.869	0.010	0.991	1.009	0.240
	moni_com	-0.013 <sup>e</sup>	-0.949	0.343	-0.055	0.993	1.007	0.240
	fin_cri	0.001 <sup>e</sup>	0.057	0.955	0.003	0.991	1.009	0.241
	Time	0.008 <sup>e</sup>	0.584	0.560	0.034	0.974	1.027	0.238
	Exp	0.013 <sup>e</sup>	0.924	0.356	0.054	0.989	1.011	0.240
	emp_inte	-0.015 <sup>e</sup>	-10.063	0.289	-0.062	0.980	1.021	0.241
	Outside	0.002 <sup>e</sup>	0.119	0.905	0.007	0.992	1.008	0.241
	emp_ben	0.003 <sup>e</sup>	0.195	0.846	0.011	0.984	1.016	0.241
	mgt_ben	0.010 <sup>e</sup>	0.745	0.457	0.043	0.998	1.002	0.241
	stock_ben	0.010 <sup>e</sup>	0.732	0.465	0.043	0.982	1.019	0.239
	Univ	0.005 <sup>e</sup>	0.355	0.723	0.021	0.995	1.005	0.241

From the table 6, it can be understood that these variables are out of the analysis because of the nature of their significance. They have p value more than 5%, which is not significant. Therefore, this table explains why these variables are not entered in to the analysis.

**Table 7** Collinearity Diagnostics

CollinearityDiagnostics <sup>a</sup>								
Model	Dimension	Eigenvalue	Condition Index	Variance Proportions				
				(Constant)	gov_fac	Reg_bod	bus_knw	Reduce
1	1	1.951	1.000	0.02	0.02			
	2	.049	6.327	0.98	0.98			
2	1	2.922	1.000	0.01	0.00	0.00		
	2	.060	6.989	0.99	0.08	0.10		
	3	.018	12.819	0.00	0.91	0.90		
3	1	3.897	1.000	0.01	0.00	0.00	0.00	
	2	.066	7.671	0.99	0.03	0.03	0.04	
	3	.020	13.971	0.00	0.00	0.69	0.71	
	4	.017	15.084	0.00	0.97	0.28	0.25	
4	1	4.873	1.000	0.00	0.00	0.00	0.00	0.00
	2	.071	8.301	0.98	0.01	0.01	0.02	0.03

3	.020	15.547	0.00	0.07	0.28	0.63	0.27
4	.020	15.798	0.02	0.23	0.35	0.07	0.62
5	.017	16.960	0.00	0.70	0.35	0.28	0.08

From the above table, it can be assured that there is not any multicollinearity in this data set. Therefore, this important table proves that this dataset is fair to the analysis and there no problem in the data. No person has filled this data twice.

#### 4.3. Analysis of Forensic Accounting and fraud investigation

From the above analysis about Forensic Accounting and fraud investigation, it can be understood that the implementation of FAFI is greatly dependent on the government initiative about it. The government body related to accounting and business must think about the benefits of implementing FAFI in accounting process. If FAFI can be implemented, the fraudster might be aware of doing fraud, since the related party of Forensic Accounting and fraud investigation might caught them for doing the fraud.

Nevertheless, in normal accounting, the fraudster detection process is not available. Therefore, the fraudster can do fraud without thinking about a great threat of investigation about the fraudster. In this circumstances, the related regulatory body of accounting can also play a great role to implement FAFI, since, the government body might listen to them for implementation of Forensic Accounting and fraud investigation.

Therefore, the regulatory body like Bangladesh Security and exchange commission (BSEC), Institute of chartered accountant (ICAB), Institute of Cost and Management Accounting (ICMAB) etc. can play a great role to implement Forensic Accounting and fraud investigation in the context of Bangladesh.

The business knowledge of the stakeholders can play a great role in this area, since, if the stakeholders have proper business knowledge, they will be able to understand the importance of Forensic Accounting and fraud investigation in the context of Bangladesh. Moreover, in many cases, the stakeholders do not understand the importance of implementation of Forensic Accounting and fraud investigation that is why, Forensic Accounting and fraud investigation is not still implemented in Bangladesh.

Universities can play a great role in the implementation Forensic Accounting and fraud investigation, since universities can make students who can understand the importance of Forensic Accounting and fraud investigation. Therefore, they might be in the place of stakeholders who can implement Forensic Accounting and fraud investigation in the banking sector of Bangladesh.

Therefore, from the above analysis, it can said that Forensic Accounting and fraud investigation implementation can play an important role to prevent and reduce fraud in the banking sector of Bangladesh. The fraudster might be in danger because of implementation of Forensic Accounting and fraud investigation in the banking sector of Bangladesh.

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## 5. Conclusion

In this study, it has been found that implementation of Forensic Accounting and fraud investigation has an positive and important impact on the relevant market, since the fraudster can be detected by the help of Forensic Accounting and fraud investigation. In this study, it has been found that the government initiative can be the first priority to implement Forensic Accounting and fraud investigation in the banking sector of Bangladesh. Since, the government can entirely change the situation of the market. The importance of BSEC, ICAB, ICMAB cannot be ignored in this case. This organization can influence the government to implement Forensic Accounting and fraud investigation in the relevant field. Even though, they can implement it by the help of their own power.

The implementation of this study is to realize the importance of implementing Forensic Accounting and fraud investigation in an emerging economy like Bangladesh, This study has investigated the causes behind the implementation and non-implementation. Therefore, this study can help the stakeholders to implement Forensic Accounting and fraud investigation in the banking sector of Bangladesh by taking proper steps. This study also has find out the importance of Forensic Accounting and fraud investigation to reduce fraud in the banking sector of Bangladesh.

The main limitation of this study is not getting enough response from the professional accountants. This study has tried to take professional accountant as their respondents; however, the number of the professional accountants in this study is very low. Nevertheless, the sample could be dependent on only the professional accountants so that the result of this study can be more believable and trustable.

This study recommends future researchers to work on this topic taking only the professional accountants as their sample. That study could have given the better result than this.

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## Compliance with ethical standards

### *Disclosure of conflict of interest*

No conflict of interest to be disclosed.

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