International Journal of Business, Law, and Education
E-ISSN : 2747-1349X
Publisher: IJBLE Scientific Publications Community Inc.
IJBLE
Volume 5, Number 2, 2024
https://ijble.com/index.php/journal/index

Fraud Management Model and Forensic Accounting – A Systematic Literature Review

Deri Firmansyah[1]*, Asep Suryana[2], Dwinanto Priyo Susetyo[3], M. Yani Syafei[4]
[1]Department of Management STIE PASIM Sukabumi, Indonesia. [2]Department of Accounting Universitas Linggabuana PGRI Sukabumi, Indonesia. [3]Department of Accounting STIE PASIM Sukabumi, Indonesia. [4]Doctoral of Management Science Program, Universitas Komputer Indonesia, Indonesia
deri@stiepasim.ac.id pesarsuryana80@gmail.com dwi4education@gmail.com
yanisyafei@email.unikom.ac.id

ABSTRACT
This study interprets the importance of critical thinking and concern for the triggers of fraudulent behavior and financial fraud. The purpose of the study is expanded by explaining the application of fraud management as corporate governance to prevent fraud, and the involvement of forensic accounting practices is necessary. This study, a systematic literature review (SLR) by adopting part of the Preferred Reporting Items for Systematic Reviews and Meta-Analysis (PRISMA) method, to identify, and construct a fraud management and forensic accounting model. The findings, fraudulent behavior occurs because there is a triggering factor, and someone has difficulty ignoring it. Psychologically it has taken root and rationalized the truth of fraud on the basis of pressure, opportunity supported by capability, such as triggers for fraudulent behavior in the fraud triangle model and the diamond fraud model. Synthesis of findings, it is important for internal control in fraud management to be applied for early detection and investigation and it is necessary to involve forensic accounting practices to detect, investigate accounting and litigation to resolve financial fraud in the financial data-based justice system. The novelty of this research offers a fraud management and forensic accounting model to prevent fraud and the financial condition of the company.

Keywords: Fraud Triangle Model; Fraud Diamond Model; Financial Fraud and Financial Crime; Fraud Management Model; Forensic Accounting

INTRODUCTION

The trend of the business environment is now full of deception, the reality of fraud and financial fraud seems to have become a common thing. Even among people throughout their civilization from century to century has been infected with financial scandals since before the industrial revolution (Pearson & Singleton, 2008), until the industrial revolution. It is common for financial scams and scandals to start with problems and in small numbers, but greed can lead to an increasing trend of fraud and theft in larger quantities assessed, over time it can occur when the perpetrator is not caught and feels safe (Özkul & Pamukçu, 2012). This illegal act shows a game to gain profits quickly but to the detriment of other parties, because it is carried out by means of fraud and fraud to crime. Personally and economically will receive negative consequences as a result of violations, even those related to financial violations (Honigsberg, 2020).

In the business world in general, the motive of fraud occurs to meet personal needs with business resources, and fraud leads to falsification of financial statements prepared (Bozkurt, 2003; Özkul & Pamukçu, 2012). However, fraudulent acts and financial corruption can also occur due to the actions of external and internal parties or fraud by management, perhaps even a collaboration between the two (Modugu & Anyaduba, 2013); Efforts to stop this trend are certainly necessary (Modugu & Anyaduba, 2013; Koh et al., 2009), investigation and prevention of violations as early as possible must be carried out to avoid monetary disruption in a sustainable manner (e.g., Honigsberg, 2020; Pearson & Singleton, 2008; Ozili, 2023; Okpako & Atube, 2013; Özkul & Pamukçu, 2012; Liodorova & Fursova, 2018). Interestingly, efforts to detect, investigate and trace carried out to the crime scene financially have the equivalent of the word forensic accounting (Honigsberg, 2020). For example, Kaur et al., (2023), the findings of his research concluded that fraud detection and prevention are related to forensic accounting. These efforts play an important role in maintaining business stability and growth (Koh et al., 2009). Forensic accounting plays an important role in combating fraud, where the professionalism of accountants who enter this arena has the potential to foster the confidence of company founders, capital owners or investors (Rezaee et al., 2004), as well as other parties have an interest in this circle of economic activity.

On the other hand, forensic accounting techniques require an effective understanding of fraud, and an effective way to avoid, reduce and control fraudulent practices is inseparable from the application of fraud management (Ehioghiren & Atu, 2016). There is an important role of the management process that is adopted and developed as fraud management applied to forensic accounting practices. Although the detection of financial violations in forensic accounting relies heavily on analytical methodological aspects based on detailed information contained in financial statements (e.g., Honigsberg, 2020; Pearson & Singleton, 2008; Özkul & Pamukçu, 2012; Liodorova & Fursova, 2018; Modugu & Anyaduba, 2013; Alabdullah et al., 2014; Ramaswamy, 2007). However, without going beyond the role of auditors, financial auditors and fraud examiners to disciplines that have developed forensic accounting in the educational curriculum, it is not an exaggeration if fraudulent acts and violations become part of our concern as members of the community and personnel of business organizations. This condition has encouraged scientists and abundant literature in the past to the latest literature that has helped popularize and develop forensic accounting techniques in the thematic facts and interpretation of dispute resolution, violations in reporting to fraud and financial fraud.

this literature study, we interpret the importance of critical thinking and concern for the triggering factors of fraudulent behavior and financial fraud, the urgency of implementing fraud management as a good internal control to detect and prevent fraud and financial violations at an early stage, and how the performance of the interaction between the components of fraud management contributes to the success of effective forensic accounting practices. Therefore, the purpose of this study is to try to provide an overview in a global perspective on fraud, the driving factors of fraudulent behavior including financial misconduct and crime, financial fraud and its impact, referring to the fraud triangle model and the diamond fraud model. Definitions of fraud and forensic accounting from several literature using various terms will be outlined in this paper, in order to gain a good understanding of the relevant context forensics in the perspective of financial fraud and fraud in relation to legal issues involving the justice system.

The purpose of this study is expanded by explaining the application of fraud management processes as good corporate governance to prevent fraud, and the involvement of forensic accounting practices is necessary when indications of fraud and fraud have occurred on the basis of findings from fraud management performance, the goal of which is toadvanced detection, accounting and litigation investigations to dispute resolution or financial reporting violations. A synthesis of findings from various literatures is presented at the end of this paper, offering fraud management and forensic accounting models to prevent fraud in companies.

METHOD

This study is a systematic literature review (SLR) by adopting part of the Preferred Reporting Items for Systematic Reviews and Meta-Analysis (PRISMA) method, to identify, study and construct the literature on fraud management and forensic accounting. Qualitatively, the type of literature research is selected by referring to relevant literature that can be used as a reference to meet the adequacy and enrich the subject matter of the research as the function of the foundation of fraud management and forensic accounting theory, as well as for the construction of fraud management and forensic accounting models to prevent fraud and financial crimes.

The search engine uses the google scholar, crossref, and publish or perish databases, as well as a combination with mendeley which serves as a reference manager, an open knowledge maps is also used. The data sources used in literature studies are secondary data sources (Firmansyah, 2022). The relevant literature used in the study is articles containing content on fraud, financial misconduct and crime, financial reporting fraud and violations, fraud triangle model and diamond fraud model. While the main relevant literature is articles that raise the issue of fraud management and forensic accounting. Relevant literature of research results is a priority in the study, but does not leave relevant literature for review results. In the initial stage, as many as 45 relevant articles from reputable international publications can be collected and included as study materials. The compilation of the journal log list is made as a preliminary design for the scale of relevance and the selection process in the literature to be studied.

Methodologically, operationalization, methods of data analysis and interpretation in this literature review are carried out with three main parts. First, focusing on the issues that give rise to fraud and forensic accounting, identification and literature review are carried out to find out the important factors related to fraud management and forensic accounting models. Second, explain the components in the fraud model that trigger fraudulent behavior and financial fraud, crime and financial reporting violations, as well as their impact on individuals, communities and companies, components of fraud management and effective forensic accounting practices to prevent fraud. based on the synthesis of data from several relevant publications. Third, the discussion of the findings of the literature review, which ended by offering fraud management and forensic accounting models to prevent fraud and corporate financial fraud, conclusions, implications and recommendations. The snowball approach was adopted and selected in an advanced data search meta-analysis, with the aim of filling in the lack of article data from other publications that contain the relevant issues needed (Firmansyah & Saepuloh, 2022).

.

RESULTS AND DISCUSSION

1. Fraud

In simple terms, the definition of fraud is deception, modeling and imitation behavior with the aim of deceiving or even misleading, attempts to gain profits by means of deception and criminal acts (Özkul & Pamukçu, 2012). Fraud is a misjudgment created by a party and continues to maintain it to influence the other party to enter into an agreement in a contract (Arzova, 2003). The concept of fraud contains the term error or mistake. Unintentionally and unknowingly, people can make mistakes or mistakes, and shortcomings are the source of them that can be caused by human actions or the influence of environmental aspects (Özkul & Pamukçu, 2012). The important elements that color and interpret deception from error are intention and purpose, as well as physiological factors (Özkul & Pamukçu, 2012; Ehioghiren & Atu, 2016).

Deception, mistakes, violations, cunning and injustice to gain profits by fraudulent means, even shockingly become characteristic of fraudulent activities, indicating the certainty and determination of the definition of fraud in general proportions still continue to be a discussion. Nevertheless, deception as a false representation stimulated by human ingenuity involves varied ways to gain an advantage over others who are not authorized (Okafor, 2004; Nwaze, 2012; Ehioghiren & Atu, 2016). The complexity, series of activities and variations of these methods show the generic nature of the application of the term fraud (Bello, 2001; Chi-Chi & Ebimobowei, 2012).

Fraud is about illegal activities and actions without violence carried out by individuals or groups in an organized way for the purpose of obtaining wealth illegally and contrary to the applicable regulations in their economic and administrative activities as stipulated in the law that has been set by the government (Ehioghiren & Atu, 2016). Fraud is defined as a set of activities to obtain illegitimate profits or the purpose of deceiving a person or organization by applying fraud procedures as ways to obtain them, carried out in a planned manner either by individuals or involving many people in a group (Nwaze, 2012; Ehioghiren & Atu, 2016). Following, Ramamoorti (2008), fraud is a human act that arises due to intentions and is carried out deliberately to fulfill one's desires in a certain intensity by involving fraud so as to cause consequences of the risk of arrest, disclosure, breach of trust and rationalization.

Sometimes fraud occurs and the organization knows that fraudulent activity is being carried out, but the reluctance to blame someone directly for the inability to disclose and the uncertainty in making a report of any indication of fraud will prolong in many of these cases, which exposes many people to fraud, and even the fear of being labeled as a whistleblower also contributes to such incidents (Özkul & Pamukçu, 2012). As for fraud that is committed in various cases of documents and occurs due to errors, it is a difficult and difficult task but it is not impossible, tracing and disclosure can be successfully carried out by auditors with all their knowledge and experience. Adequately or not from the information revealed, fraud investigation and detection can be traced by an experienced auditor, as there must be a trail left by the fraudster (Arzova, 2003; Özkul & Pamukçu, 2012).

On the other hand, Arzova (2003); in Özkul & Pamukçu (2012), states that various stressors, opportunities, and justifications for fraud can form a "fraud triangle model" that triggers fraud in companies or other organizations, and can strengthen the reasons why employees commit fraud. In fact, Wolfe & Hermanson (2004), have developed the fraud triangle model into a "diamond fraud model" with capabilities in mind as an addition. Although not as broad as the strength, basic and familiar triangle of deception, the diamond model of fraud is now starting to be widely adopted. The premise is that the planning and implementation of fraud details neatly and accurately is unlikely to be carried out without proper ability (Kassem & Higson, 2012; Sorunke, 2016).

Interestingly, those who are involved in fraudulent acts have the potential to continue to commit fraudulent habits and will find it difficult to get rid of them, cunning, unfair thinking and ingenuity continue to develop to deceive which continues, thus having an impact on increasing losses for a person or company, even a country. Financial auditors, forensic accountants, auditors as professional accountants under the applicable rules play an important role in combating and stopping the trend for cases suspected of fraud, fraud and financial violations as well as financial crimes. Meanwhile, employees or personnel of organizations who are not involved and the community still care and continue to witness it.

2. The Fraud Triangle and the Diamond Fraud Model

The triangle of fraud is increasingly echoed in the thematic of various literatures until it is expanded into a diamond fraud model. Both models are very interesting by offering an understanding of the theoretical and empirical framework on the basis of which a person or group can commit fraud. The fraud triangle generally refers to police and detective activities (Ramamoorti, 2008), i.e, the means, motives or pressures, and opportunities used to approach the occurrence of fraud (Arzova, 2003; in Özkul & Pamukçu, 2012). Three elements in the fraud triangle are the perceived motive/pressure, the perceived opportunity, and the rationality of the fraudulent behavior (see figure 1). Association of Certified Fraud Examiners (ACFE), has widely introduced the fraud triangle, which is prioritized to help corporate accountants and auditors (Albrecht, 2014; Homer, 2020).

Interestingly, the psychology of fraudulent behavior affects the fraud triangle. Motivation, personal incentives and perceived pressures trigger human behavior, and the need to rationalize or justify deception or error as something that can be maintained is so fundamentally psychologically fundamental in the idea of cognitive dissonance (Ramamoorti, 2008; Arzova, 2003; Özkul & Pamukçu, 2012). Even the assessment of opportunities, at a certain threshold, includes the disclosure and arrest of relatively low possibilities, and this depends on the personal behavior of the perpetrator (Ramamoorti, 2008). In the end, when trying to understand the basics of the causes of fraud, a psychological explanation is needed and the answer must be found, not just relying on logical reasoning.

However, apart from the triangle of deception, it is used as a strong conceptual framework and has become widespread. It's possible that other factors could trigger fraudulent behavior, but it's not easy to fit into the fraud triangle and it would be a worthwhile job, even though some researchers in the literature have developed diamond fraud models.

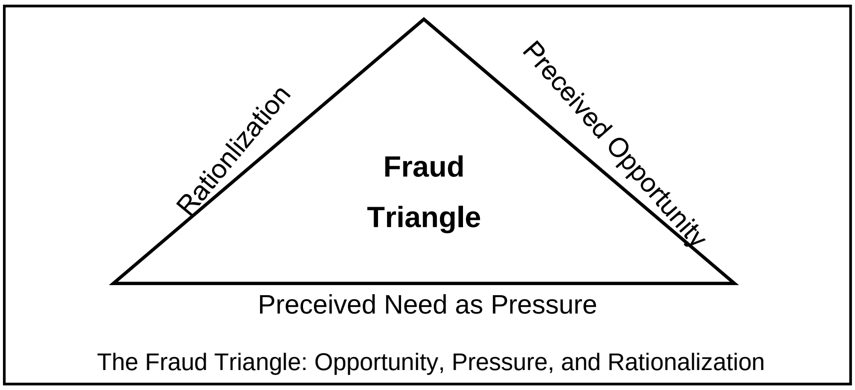


Figure 1. The Fraud Triangle Model
Source: Adapted from Ramamoorti (2008), theoretical from Albrecht (2014); Homer (2020) Arzova, (2003); Özkul & Pamukçu (2012)

The diamond fraud model, for example, was developed by Wolfe & Hermanson (2004), by including an element of capability in the diamond fraud model. The planning and implementation of fraud is carried out carefully, neatly and possibly in sophisticated ways, of course, regardless of the existence of capabilities. Capabilities include the complexity of the resources that support them, and they are also a trigger for fraudulent behavior. An illustration of the diamond farud model is shown in figure 2.

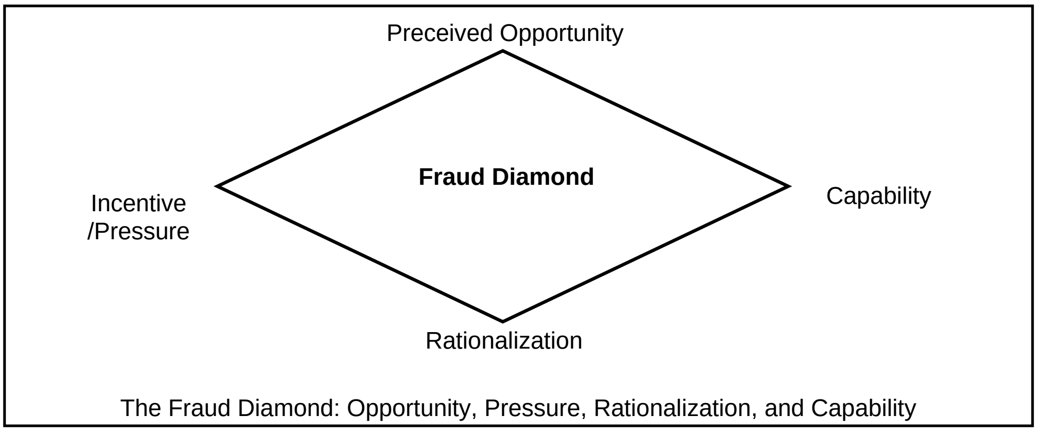


Figure 2. The Fraud Diamond Model
Source: Adapted from Wolfe & Hermanson (2004); Kassem & Higson (2012); Sorunke (2016); Peprah (2018)

The conceptual framework of the diamond fraud model considers four aspects of triggering fraudulent behavior, namely pressure, opportunity, rationalization or justification of fraud, and capability. The diamond fraud model still defines the detective method which starts with pressure/incentive, where pressure has encouraged fraudulent behavior. Referring to the conceptual framework of the fraud triangle, that with pressure, it is very likely that fraud, fraud and financial crime will occur. The drivers can come from personal, work and company pressures, and external or environmental pressures (Ehioghiren & Atu, 2016; Dimmock & Gerken, 2012). There can even be a combination of them that is well integrated and organized. Follows Adebisi, (2013); Peprah (2018), that financial and non-financial pressures can encourage fraudulent behavior at the individual level. Lifestyle and the importance of performance improvement in certain classes economically affect financial pressure, and gluttony, greed and low financial discipline can trigger nonfinancial pressure. Internally, the company's management, both employees at the strategic level and employees as subordinates or collaborators, can make financial reporting with purely manipulated figures, abuse policies, not subject to guidelines to cover up poor achievements with manipulation of financial data-based achievements or other specific objectives, potentially becoming fraudulent behavior at the company level.

The opportunity for fraud indicates the weak implementation of internal controls, including at the company level. The way and the important mechanism of financial fraud and fraud are designed on the basis of weak internal control that provides loopholes and opportunities (Ruankaew, 2016). There is a similarity of opportunity with perceived pressure, not always real when the opportunity exists and it is believed that it is an opportunity to commit fraud (Albrecht et al., 2006; Zikmund, 2008; Ruankaew, 2016). Therefore, the weak internal control of the company allows the implementation and development of fraud management to be improved to prevent fraudulent behavior from occurring. Recruitment mechanisms determine what motivates a person to be willing to be affiliated and want to work in the company, the clarity of the organizational structure, standard operating procedures and ensuring the running of the internal control and evaluation management process are carried out periodically, very likely to be an alternative solution to strengthen the internal control mechanism and reduce the chance of fraud (Holtfreter, 2004; Ramaswamy, 2007).

Rationalization is a psychological condition rooted in ideas and ways of thinking, where pressure and opportunity have driven behavior to justify fraud and error. Rationalization has led to the so-called getting everything in various ways, supporting the acceptance and dissemination of fraudulent behavior and actions to financial fraud. The illegal actions of fraudsters in their rationalization are seen as acceptable actions (Ruankaew, 2016). Fraudsters do not view unlawful actions as unethical acts, and justification of behavior and actions is said to be ethical before the occurrence of fraud (Dorminey et al., 2010). At the company level, for example, auditors have noted as bears the concept of accrual in accounting as a rationalization basis to justify or explain to the point that it may allow fraudulent actions (Skousen & Wright, 2006; Ruankaew, 2016). Ethical actions, attitudes and rationalization of actions must be morally acceptable, in accordance with regulations and policies, accounting reporting in accordance with generally applicable accounting standards and principles must be enforced in order to reduce rationalizations that lead to the justification of fraudulent acts and financial fraud.

Capabilities strengthen actions that allow the goals to be achieved to the maximum. This allows for adequate resources to support an action, including allowing fraudulent actions to be carried out seamlessly, but this is inseparable from the pressure, opportunities and rationalizations that justify unethical behavior and actions. Capability shows readiness to choose and do something supported by a variety of resources and personal competencies. Wolfe & Hermanson (2004), stated that fraud capability is about the skills, knowledge, beliefs, situations and conditions that individuals have to commit fraud. Because of the qualities of sophistication, intelligence, coercion, placement, ego, stress management, and deception can be supported by capabilities (Shelton, 2014).. A person's abilities and personality can affect the commitment that cheating can and cannot be committed (Ocansey &

Ganu, 2017; Peprah, 2018). Therefore, in the application of fraud management and forensic accounting practices, capabilities can be used as an important element in the identification of loopholes, detection and litigation of fraud and financial fraud.

Each element in the fraud triangle and the diamond fraud model provides inputs that lead to corporate governance and relate to internal controls to prevent and reduce the pressures, opportunities, and behaviors of fraud and financial fraud for individuals and companies. Despite criticism of the model's strength in its conceptual framework, it continues to be echoed and new diamond fraud models have the potential to continue to evolve. Regardless of the intention and purpose of the fraud, profitability factors in a broad sense (financial/non-financial, such as life/business stability, position, performance and economic competitiveness) have the potential to be used as the estuary of the purpose of the fraudulent act. This factor is important to consider in the calculations of fraud or theft detectives, especially major scandals that compare the risks and benefits/benefits of fraudulent actions.

However, it is recognized that the fraud triangle model and the fraud diamond model have a strong information relevance to fraud and financial fraud prevention efforts. In fact, various information and motives that trigger fraud can be used as a basis for consideration in the application of fraud management to prevent and detect financial fraud perpetrators early, as well as consideration of all elements or factors in the conceptual framework of the two models are needed in forensic accounting practice to understand why fraud occurs, detection and litigation to dispute resolution or financial fraud in the information-based justice system. financial data and sufficiency of evidence.

3. Financial Violations, Financial Crimes, Financial Fraud and Consequences

The terms financial violations and financial crimes are closely related to the term fraud for the purpose of obtaining economic benefits by unlawful means. In addition, in discussing the importance of forensic accounting, the context of the discussion will be related to financial violations and their consequences, so that this underlies the urgency of forensic accounting as a practice and tool to detect and prevent financial fraud and financial crime is increasingly needed. There are far-reaching economic consequences of financial breaches, significantly monetary losses can occur for the victims of either individuals, societies or companies faced with the ever-decreasing value of equity (Honigsberg, 2020; Karpoff et al., 2008). The impact of psychological losses can also be suffered by the victim (Honigsberg, 2020). In fact, the complexity of suffering losses may be more surprising after financial violations are revealed, to the potential to have an indirect impact on other interested parties. To strengthen our understanding of financial misconduct and financial crime to its impact, at a glance in a general perspective we will outline the definition of financial misconduct in the following sections.

The definitions of financial violations and financial crimes are still multi-interpreted according to the context of the monetary aspects violated, but financial crimes can still be explained. Quoted from Wikipedia (2022), the existence of actions in unlawful ways to obtain property belonging to others through an unauthorized selection process illustrates the occurrence of financial crimes on property. Williams (2005), provides an overview of financial crimes that are identified with the categories of corruption, bribery, nepotism, political donations, manipulative or mark-up in setting prices, and any actions that are indicated as types of fraud. In fact, the destruction of a business organization can be caused by financial violations and crimes (Ehioghiren & Atu, 2016).

The occurrence of financial violations at the level of companies that have gone public can result in damage to relationships between stakeholders, financial health is disturbed and the company's reputation declines to the loss of public trust, then the indirect impact will cause doubts and distrust of individual capital owners, the public and even investors to participate in the financial market (Button et al., 2014; DeLiema et al., 2020). Even in addition to investors who have invested in the company in question are significantly affected as real victims of this case, the consequences of losses can also be suffered by employees (Honigsberg, 2020). Financial fraud that occurs in business organizations is generally related to indications of errors, fraud and the preparation of financial reporting in accordance with what it should be, both in terms of data and figures as well as generally accepted accounting standards as procedures and guidelines in the preparation of financial statements.

According to Jans et al., (2011); Glancy & Yadav (2011), mentioned that financial statement fraud is a deliberate misrepresentation of certain financial values to increase the impression of profitability and deceive shareholders or creditors, while transaction fraud includes the process of embezzlement and seizure of an organization's assets. Fraudulent behavior related to the financial context is divided into main areas, namely internal, accounting and credit (Glancy & Yadav, 2011). Internal fraud is divided into two categories, namely financial statement fraud and transaction fraud (Albashrawi, 2016). If the misrepresentation of the truth is intentional to manipulate or deceive a company or individual, it means that fraud has occurred as this term applies in the law (Koh et al., 2009). Meanwhile, Karwai (2004); Ajie & Ezi (2000), argue that in general there are variations in financial fraud models in organizations seen from their nature, character and operating methods (Modugu & Anyaduba, 2013). There are two general ways of classifying fraud, namely the nature of fraud and the methods adopted to be developed in financial fraud practices. The nature of fraud is divided into three groups, namely internal fraud, external fraud, and fraud that is carried out in combination and the cooperation of the two is colluding. Therefore, the trend of violations committed by a person can also be influenced by fellow colleagues and the environment (Dimmock & Gerken, 2012).

In this sophisticated modern era, fraud networks within organizations usually involve conflicts between employees at various levels which they are sometimes able to cleverly cover up the causes of fraud (Karwai, 2004). As a result, efforts to expose fraud, including fraud by making false financial reports, to financial violations and financial crimes are at a high level of difficulty in the identification and detection process. It is not surprising that now various industries have placed special attention to financial fraud in the development of their organizations (Albashrawi, 2016). Beyond this, internally financial crime can infect employees or management, and this is like an enemy in a blanket for company owners and stakeholders who are struggling to improve their welfare from the business. Games in such conditions are shown by behaviors that may be biased, such as in statistical language in the numeric pattern of numbers that have statistical abnormalities showing violations and abnormalities according to the criteria.

This is the description of work behavior in business organizations, such as yes but not one vision and mission to achieve goals. The analogy indicates work behavior that is not in accordance with the rules and is fraudulent, for example, maneuvering in the preparation of financial statements, as if the financial statements reflect a summary of great achievements over a certain period, when on the contrary they are corrupt and in fact fraud, violations and financial crimes have occurred. As a result, the company will be trapped in the abyss of financial distress, in the danger zone or bankruptcy until it may eventually have to be liquidated (e.g., Firmansyah et al., 2020). However, this condition is certainly not expected by any company owner. Therefore, company owners and stakeholders must still be vigilant about behavior and acts of violations, as well as financial crimes, because initially these financial frauds and frauds may have small signals and are difficult to detect. For this reason, it is important to apply control and evaluation in fraud management by conducting early detection and investigation through forensic accounting practices for the purpose of preventing fraud, deception, violations and financial crimes.

4. Forensic Accounting

The increase in financial fraud and the white-collar allotment of forensic accounting continues to be a topic of discussion among practitioners, academics and researchers (Bhasin, 2007). Forensic accounting is increasingly popular as a regulatory tool and part of investment instruments, inseparable from the low intensity of disclosure of indications of persistent financial violations (Honigsberg, 2020). Forensic accounting considers it important to integrate skills, audits, and investigations into fraud and theft to financial fraud (Özkul & Pamukçu, 2012). Previously, Zysman (2004b); Bhasin (2007), also mentioned that the specialization of the accounting profession known as forensic accounting is inseparable from the integration of skills in the fields of accounting, auditing and investigation. In fact, forensic accounting is an interesting, promising career and has the potential to be the best career for accountants in the future, which is currently in the top 20 in the top career path criteria. According to Özkul & Pamukçu (2012), forensic accounting is a specialization of the profession in the field of accounting that reflects its performance involved in the settlement of fraud, the outcome of actual or anticipated disputes or litigation. Standards and potential outcomes as guidelines for how forensic accounting works by referring to forensic or feasible for court proceedings (Crumbley et al., 2007; Özkul & Pamukçu, 2012).

According to Siegel & and Shim (2010), forensic accounting is a science related to the application of accounting facts collected through audit methods and procedures to solve legal problems. While Rezaee et al., (2004), define forensic accounting as a rigorous data collection and analysis practice in the fields of litigation support, consulting, expert witnesses, and fraud examinations. Referring to the American Institute of Certified Public Accountants (AICPA) (2011) defines forensic accounting as a service that involves the application of specialized knowledge and investigative skills possessed by Public Accountants to collect, analyze, and evaluate evidence, and to interpret and communicate findings in courtrooms, meeting rooms, or other legal or administrative places (Botes & Saadeh, 2018).

According to Albrecht et al., (2011), forensic accounting in current practice is more associated with investigative accountants on the basis of suspicion and detective style. Dorrell & Gadawski (2012), defines forensic accounting as the art and science of investigating people and money (Botes & Saadeh, 2018). Meanwhile,

International Journal of Business, Law, and Education
E-ISSN : 2747-139X
Publisher: IJBLE Scientific Publications Community Inc.
IJBLE
Volume 5, Number 2, 2024
https://ijble.com/index.php/journal/index

Keskin & Ozturk (2013) define forensic accounting as an illmu that allows accounting reality to be discovered through the application of audit methods and procedures to legal issues relying on financial characteristics. Forensic accounting is comprehensively defined by Bologna & Lindquist (1995:p.41); in Botes & Saadeh (2018), Forensic accounting is the implementation of financial skills, and an investigative mentality towards unresolved problems, guided by regulations and the adequacy of information for proof. This discipline includes financial expertise, knowledge of fraud, and a good knowledge and understanding of the realities of business and how the legal system works. Improvement of skills in this field can be achieved specifically through on-the-job training, as well as experience with investigative officers and legal counsel.

According to the Association of Certified Fraud Examiners (ACFE) (2006), forensic accounting is the use of skills in potential or real civil or criminal disputes, including generally accepted accounting and auditing principles; determining losses or profits, income, property or damages, estimation of internal controls, fraud and others that involve the inclusion of accounting expertise into the legal system (Ehioghiren & Atu, 2016). Forensic accounting is a field of science that applies accounting as a tool to identify, investigate and develop evidence of financial fraud (Ehioghiren & Atu, 2016). Forensic accounting is a science that applies accounting concepts and techniques to legal problems (Zysman, 2004).

Quoted from Zysman, (2004b), that the forensic accounting process includes litigation and investigative accounting. In general, litigation is to calculate economic losses as a result of a breach of contract. Meanwhile, accounting investigations are usually related to investigations into fraud, fraud, and theft committed by employees. On the other hand, the forensic accounting process has now developed, starting from forensic accounting techniques using conventional accounting and auditing tools to the process combined with elements of forensic computer tools (e.g., Smith, 2015; Bhasin, 2016; and Liodorova & Fursova, 2018). Technological advances today support the forensic accounting process in an effort to obtain data sources, especially for cases with large amounts of data, through computer audits and various other relevant techniques it is possible to determine and analyze data, to evaluate and compile results reports (Bhasin, 2016). Forensic accounting continues to develop globally in various countries, but at the same time fraud, fraud and financial violations are carried out with sophisticated models and provide challenges in solving them, so they must be overcome with more sophisticated tools at their disposal. Forensic accounting is identical to auditing, especially in terms of follow-up on auditor audit results.

5. Forensic Accounting and Auditing

Forensic accounting and auditing are in the same area and complement each other in practice, then raise and strengthen each other's performance, but differ in how they work. Forensic auditing and accounting carry out their activities in one field, but operate in their own ways and techniques (Liodorova & Fursova, 2018). Howewer, Ramaswamy (2007), mentioned that there is a significant difference between audit and forensic accounting. Audits are related to materials. But in investigative accounting, the common thread that uncovers a large accounting fraud can come from a small, suspicious-looking transaction. Audit is an examination of a subject, in forensic accounting, and finance as the subject (Liodorova & Fursova, 2018). Usually, the company's bookkeeping's compliance with generally accepted accounting principles, audit standards, and company policies is examined by auditors (Bhasin, 2016).

Meanwhile, forensic accounting is a financial examination that adopts and develops the judicial system, relying on the matching of data, facts or sets of documents and other supporting evidence in solving legal problems. As for the subject of forensic accounting, according to Crumbley et al., (2005), the subject of forensic accounting is the act of identifying, recording, settling, extracting, classifying, reporting and verifying past financial data or or other economic events to resolve current legal disputes or predict their possibilities, or refer to past financial data as a database to resolve disputes and project financial data future. However, Koh et al., (2009), mentioned that the forensic accounting process is nothing but a form of audit that prioritizes investigative skills with all the knowledge and experience that supports it. Forensic accounting is considered an expert witness (e.g., Dykeman, 1982; in Botes & Saadeh, 2018).

6. Objectives of Forensic Accounting

The purpose of forensic accounting is to carry out early detection of financial violations that may occur in a company. According to Honigsberg (2020), the essence of forensic accounting aims to minimize losses by relying on predicting the possibilities that financial reporting violations have been committed in a company, so that various possible violations related to financial reporting can be detected from the beginning. The forensic accounting model in the perspective of current practice is carried out with a combination of technology-based big data analysis and psychological intuition, without leaving the characteristics of executive behavior in the company by prioritizing the approach of originality of financial data-based numbers as previously focused on the effectiveness of traditional forensic accounting techniques (Honigsberg, 2020).

Forensic accounting is growing with the increase in fraud with increasingly sophisticated methods (Botes & Saadeh, 2018; Alabdullah et al., 2014; Liodorova & Fursova, 2018; Modugu & Anyaduba, 2013). This allows for the increasing need for anti-fraud experts, and the goal of forensic accounting is to minimize the risk of business scandals, even related to the country's financial security in the future (Botes & Saadeh, 2018).

7. Fraud Management Model and Forensic Accounting to Prevent Fraud

The management process in a company, even in the general context of activities and achievement of goals, is of course inseparable from planning, organizing, actuating and controlling (POAC), so that it is possible to evaluate failures or successes (Firmansyah, 2023). This shows that there is a cycle theory that interacts with one activity with another in the management process. Management is related to the style and art of managing the various resources owned so that goals can be achieved effectively and efficiently. Performance (good/bad) or failure is then evaluated and corrected refers to which level of activity is wrong or an indication of which work is not in accordance with the established standard operating procedures. Likewise, fraud detection and financial violations can be done by applying the management life cycle theory, namely fraud management. For example, the fraud management lifecycle theory proposed by Wilhelm (2004) in the research of Amasiatu & Shah (2018).

Wilhelm (2004), proposed eight components that can encourage success or failure in knowledge management, namely: prevention, deterrence, detection, mitigation, analysis, policy, investigation, and prosecution. However, in addition to the right resources must be considered for the balance of the components of the framework so as to ensure that the fraud response can be coordinated effectively, the success of integrating information technology can facilitate the interaction and mutual relationship between each component (Wilhelm, 2004; Amasiatu & Shah, 2018). The era of transformation and digitization practices along with technological advances in the disruptive era can affect fraud management practices that are dynamic and continue to be modified today according to increasingly ingenious fraud developments and challenges.

The framework of the eight components of fraud management can start from the prevention stage, which is an activity that aims to prevent fraudulent attempts, and secure the organization from fraudulent practices. The deterrence stage is the activity of creating strong internal controls of the company to prevent fraud, by implementing control systems, processes and procedures that can provide high difficulties for fraudulent practices. The detection stage is an activity that focuses on uncovering the existence of fraud. The mitigation stage means a plan aimed at minimizing potential losses to reduce the number of related frauds. Meanwhile, the analysis stage is carried out on the basis of two functions, namely the process of identifying and understanding the occurrence of fraudulent losses, along with monitoring the performance of each stage. The policy stage is the evaluation stage, which is an activity that aims to reduce the occurrence of fraud, by creating, or redesigning and modifying fraud policies. Policy is one of the keys to success in fraud management. Investigation as the stage of gathering sufficient evidence to stop fraud and assist in prosecution procedures. While the prosecution stage usually involves legal action for the perpetrator.

At the prosecution stage, forensic accounting is usually already in this area, even involved from the beginning of the fraud management process. The existence of audits conducted by internal auditors and external auditors on a regular basis may not necessarily be able to stop fraud and financial fraud. The auditor's primary duty is to express an opinion on the financial statements in a reasonable belief in favour of assessing the possibility of material misrepresentation due to unintentional error or hoarding or fraud. This does not indicate its role in the disclosure of misappropriation or other similar indications, including exposing management who deliberately made misrepresentations (Ramaswamy, 2007), although in fact the external auditor has an important role as an opener, exposing fraud and presenting evidence because it allows no intervention from management compared to internal auditors. To detect fraud in the company's books, forensic accounting is still needed.

Prevention methods to control fraud, including 1) An organization must create the right work environment starting from the right recruitment process, implementing the code of ethics and organizational commitments are implemented and well understood; 2) Selecting and implementing the right internal control system for asset control, especially physical, appropriate authorization, clarity of duties and responsibilities, and an appropriate documentation recognition system so as to eliminate the opportunity for fraud (Ramaswamy, 2007). Alarm information as the beginning of fraud detection to find something wrong may have occurred. There are basically two ways to detect fraud, namely: 1) detecting signs of fraud by chance; 2) proactively conduct research and encourage early identification of symptoms of fraud (Özkul & Pamukçu, 2012). Interactive and proactive fraud management can potentially help organizations recognize red flags and detect fraud events early. Whatever the reason, even if it is based on good intentions to encourage fraud to occur, it is appropriate for a forensic accountant to be called to overcome it (Ramaswamy, 2007).

Usually, forensic accounting conducts financial examinations conducted for litigation purposes, which rely on the skills and techniques in the applied forensic accounting model. The prediction of violations in forensic accounting practices based on financial data as the focus of the approach in accounting that specifically aims to gengentize corporate financial violations is carried out by analyzing financial statements (theoretically quoted from Honigsberg, 2020): namely 1) studying statistical anomalies, and 2) accounting-based predictors.

First, statistical abnormalities are carried out by paying attention to data and trying to find numerical patterns. Statistically, it is possible that some numbers show statistical abnormalities assuming normal distribution in the data is applicable. Where meeting the target is the basis of this evaluation, the fewer losses or fewer profits the company reports among the thresholds specified as the question. The unsmoothness of public companies can occur at the profit level (Burgstahler & Dichev, 1997). A company's profit rate is measured by comparing its annual net profit with its market value at the beginning of the year (Honigsberg, 2020). The meaning of the explanation of this process is that the deviation can be caused by human intervention for the finding of kinks in the zero number data in the smooth distribution of the analysis results. Following Honigsberg (2020), that small profits will fall below zero may be experienced by many companies, if there is no profit management (using alternative explanations he suggests). Burgstahler & Dichev (1997), documenting the context of this kink, another factor in influencing a company's earnings, to meet or exceed targets seems to be correct in reference to the intuition that a company can manage revenue or engage in financial reporting violations (Honigsberg, 2020).

Second, accounting-based predictors, this is about forensic accounting practices relying on traditional accounting-based approaches. In addition, generally accepted accounting principles and audits to find financial reporting violations are developed in the disclosure of financial information to the public for each public company on the basis of information contained in financial statements. Accounting-based predictors are carried out by identifying abnormal accruals and audit-based predictors (Honigsberg, 2020).

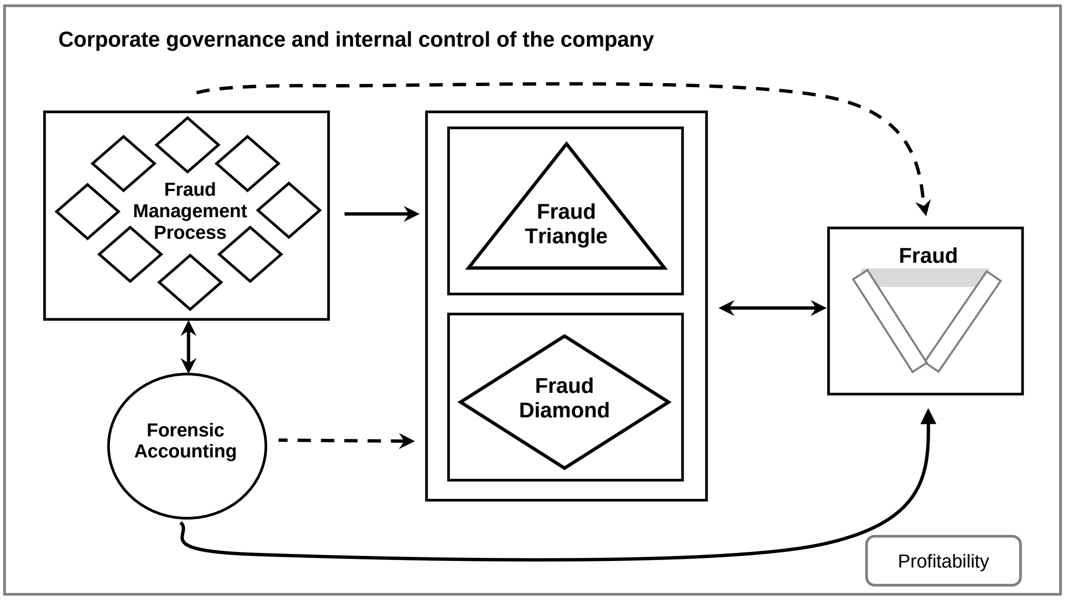
The identification carried out on the abnormal accrual level in the company's financial statements can show that the quality of the company's financial statements is in the poor or good category. This identification refers to the transaction-based recording system of receivables projects as recognizable financial posts, and is different from the cash-based recording system. Theoretically, he admitted that financial posts may be able to improve the company's performance, and this is most likely to happen at times of high abnormal accruals. But empirically, Dechow et al., (2011); Francis & Krishnan, (1999) mentioned in the Honigsberg studi report (2020), that high abnormal accruals in companies will potentially be subject to enforcement action by the Securities and Exchange Commission (SEC), restate profits, and receive a modified audit opinion. The accrual calculation model is derived from accruals in financial statements, and the majority of approaches estimate expected or normal accruals as a function of sales growth including credit sales growth

(Amiram et al., 2018; Dechow et al., 2010). The abnormal accrual model is designed to identify possible financial violations through abnormal accrual mechanisms. High abnormal accruals are carried out by excessive recording of receivables, and low income as above the target.

Meanwhile, audit-based predictors, the focus on accountant professionalism continues to grow where the information used in audit design to predict and explain financial reporting errors. Although there is definitely variation among auditors. In fact, the occurrence of financial reporting violations is inseparable from the possibility of a trend in auditor client involvement. Following the report of the Honigsberg study (2020), that to predict financial violations can use auditors. Generally, it is unlikely that there will be financial misconduct involvement for large firm clients, but these firms show variations in the quality of their work (Farber, 2005; Lennox & Pittman, 2008; Palmrose, 1988; Honigsberg, 2020). In detail, as mentioned by Gul et al., (2013); Yuan & Zhang (2015); Knechel et al., (2013), that this correlation continues to occur until it extends to the partner who leads the audit, because it is very likely that certain partners have a significant relationship with financial reporting violations.

Forensic accounting is in charge of analyzing the interpretation, summarizing, and presentation of complex financial business issues (Bhasin, 2007). This means that forensic accounting activities involve: 1) investigating and analyzing financial evidence; adopt and develop computerized applications used to aid in the analysis and presentation of financial evidence; 2) interpret and communicate its various findings in the form of reports, evidence, and document collections; and assisting in legal proceedings, including testifying in court, as an expert witness, and preparing visual aids to support trial evidence (Bhasin, 2007; Ehioghiren & Atu, 2016). Forensic accounting carries out its important profession by providing numerical assistance from accounting variables that are entangled in financial criminal problems and economic problems on the basis of involving existing cases or pending cases (Damilola & Olofinsola, 2007).

Ultimately, the fraud management component framework remains very important to be adopted and developed as a company's internal control that leads to good governance as a mechanism to detect fraud early, to prevent fraud and financial reporting violations that may be occurring. Where the performance of the interaction between the components of fraud management contributes can help the success of more effective forensic accounting practices. Realistically, the company's financial security and health allow for good governance, avoid fraud and fraud by management internally, employee welfare is guaranteed, and indirectly the implementation of fraud management can create happiness management in the workplace and the business organization environment (Firmansyah & Wahdiniwaty, 2023). Fraud management model and forensic accounting to prevent corporate financial fraud and fraud, illustrated in figure 3.



Accounting Model for Fraud Prevention and Corporate Financial Fraud
Source: Synthesis of research findings, 2024

On the other hand, fraud and financial fraud are inseparable from the triggers, namely pressure, opportunity, rationalization or justification of fraudulent behavior and are supported by the capabilities of the perpetrators, as conceptualized in the framework of the fraud triangle model and the diamond fraud model in the previous section. On the other hand, profitability indicates its estuary in the sense of economic and non-economic benefits or subsequent strategic benefits pragmatically in the further phase continue to overshadow motives in the minds of fraudsters or financial fraudsters. The premise is, if it is safe and not caught or at least before being caught, it can be hoped that the fraudsters can enjoy the results (profitability), such as stability of life at the individual level, position, performance or competitiveness of the economy and business in the context of the industrial environment.

The implementation of good fraud management allows corporate governance and internal control to be improved so that it is able to cover gaps and gaps in the third and fourth factors in the fraud model as a trigger for fraudulent behavior to corporate financial fraud. If there are indications of fraud or financial negligence in the company and have already occurred based on the findings of fraud management activities, then the management proactively calls and urgently needs forensic accounting services. All factors in the conceptual framework of the two relevant fraud models are considered in forensic accounting practice to understand why fraud occurs, detection, accounting and litigation investigations to dispute resolution or financial fraud in the judicial system based on information, financial data and other evidence sufficiency support.

CONCLUSION

Fraudulent behavior has the potential to become a habit of fraud, fraud and violations to financial crimes. Fraudulent behavior occurs inseparable from the triggering factors. In fact, it will be difficult for a person to deny it, because psychologically it has taken root and rationalized the truth of fraud on the basis of pressure, needs and opportunities supported by the existence of fraudsters as well as the triggering factors of fraudulent behavior in the conspetual framework of the fraud triangle model and the diamond fraud model. New diamond fraud models that are constantly being modified and developed are very likely to be rediscovered in the future. Profitability factors in a broad sense are also relevant to consider, as they can intimidate fraudulent motives. However, the occurrence of fraud, financial violations at the level of companies that have gone public can result in damage to relationships between stakeholders, financial health is disturbed and the company's reputation declines to the point of loss of public trust, then the indirect impact will cause doubts and distrust of individual capital owners, the public and even investors to participate in the financial market. Judging from its nature, fraud is divided into three groups, namely internal fraud, external fraud, and fraud that is carried out in combination and cooperation with both.

For internal control and evaluation in fraud management, it is important to apply early detection and investigation through forensic accounting practices for the purpose of preventing fraud, fraud, violations and financial crimes. Fraud detection and financial violations can be done by applying the management life cycle theory, namely fraud management. The fraud management model framework consists of eight components, namely prevention, deterrence, detection, mitigation, analysis, policy, investigation, and prosecution. The fraud management component framework remains very important to be adopted and developed as an internal control of the company that leads to good governance as a mechanism to detect fraud early, to prevent fraud and financial reporting violations that may be occurring. Where the performance of the interaction between the components of fraud management contributes can help the success of more effective forensic accounting practices. The synthesis of findings and novelty of this study offers a fraud management and forensic accounting model to prevent corporate financial fraud and fraud.

The implications of the research, we should admit again consciously that those who are involved in fraudulent acts have the potential to continue to commit fraudulent habits and will find it difficult to get rid of them, cunning, unfair thinking styles and ingenuity continue to develop to deceive which continues, so that it has an impact on increasing losses for a person or company, even a country. At the company level, owners and stakeholders must still be vigilant about behavior and violations, as well as financial crimes, because initially these frauds and financial fraud may have small signals and are difficult to detect. For this reason, control and evaluation in fraud management are important to be applied by conducting early detection and investigation through forensic accounting practices for the purpose of preventing fraud, fraud, violations and financial crimes.

The limitations and recommendations of the research, regardless of how many synthetics of findings and models are offered, from the methodological aspects, operationalization and structural approach in this systematic literature review are recognized as still many weaknesses and we are subject to limitations. In addition, instead of finding the ideal and up-to-date fraud management and forensic accounting model, it is possible that the most relevant and up-to-date databases, content and literature can be missed in the meta-analysis we conduct. An important lesson for future research that is expected to be more careful in choosing an approach in the process and practice of systematic literature review needs to be strictly implemented, in order to obtain a clearer understanding in defineing, operationalizing, observing fraudulent and financial fraud behavior, financial violations and crimes, as well as their triggering factors and their impact on victims, differences in forensic accounting and auditing, constructing fraud management and forensic accounting models to prevent fraud and corporate financial crimes.

Acknowledgment
We would like to thank the parties involved in the operation of this literature study, who of course make more use of the artifact database from relevant publications as a source of reference. We also convey our respectful greetings and terms of love to the authors whose scientific works have been used as studies and references related to the concept of fraud, financial fraud, fraud management and forensic accounting practices as the main issues in the study, as well as other content related to the context of the main issues that can provide benefits for academics, practitioners and organizations as well as for the global community.

Reference

ACFE. (2006). *Forensic Procedures and Specialists: Useful Tools and Techniques. Special Report by Business Valuation and Forensic and Litigation Services Section of AICPA*. Association of Certified Fraud Examiners (ACFE).

Adebisi, J. (2013). The New Fraud Diamond Model-How can it Help Forensic Accountants in Fraud Investigation in Nigeria? Gbegi, Do. *European Journal of Accounting Auditing and Fiancé Research*, *1*(4), 129–138.

AICPA. (2011). *The 2011 forensic and valuation services (FVS) trend survey*. American Institute of Certified Public Accountants (AICPA). Available from https://www.aicpa-cima.com/InterestAreas/ForensicAndValuation/Resources/PractAidsGui

Ajie, H. A., & Ezi, C. T. (2000). Financial institutions and markets. In *Corporate Impressions, Owerri*.

Alabdullah, T. T. Y., Alfadhl, M. M. A., Yahya, S., & Rabi, A. M. A. (2014). The role of forensic accounting in reducing financial corruption: A study in Iraq. *International Journal of Business and Management*, *9*(1), 26.

Albashrawi, M. (2016). Detecting financial fraud using data mining techniques: A decade review from 2004 to 2015. *Journal of Data Science*, *14*(3), 553–569. https://doi.org/10.6339/JDS.201607_14(3).0010

Albrecht, W. S. (2014). Iconic fraud triangle endures. *Fraud Magazine*.

Albrecht, W. S., Albrecht, C. C., & Albrecht, C. O. (2006). *Fraud examination* (2nd ed.). Mason, OH: Thomson Higher Education.

Albrecht, W. S., Albrecht, C. C., Albrecht, C. O., & Zimbelman, M. F. (2011). *Fraud Examination*. Cengage Learning, Boston, MA.

Amasiatu, C. V., & Shah, M. H. (2018). First party fraud management: framework for the retail industry. *International Journal of Retail & Distribution Management*, *46*(4), 350–363. https://doi.org/10.1108/IJRDM-10-2016-0185

Amiram, D., Bozanic, Z., Cox, J. D., Dupont, Q., Karpoff, J. M., & Sloan, R. (2018). Financial reporting fraud and other forms of misconduct: a multidisciplinary review of the literature. *Review of Accounting Studies*, *23*(2), 732–783. https://doi.org/10.1007/s11142-017-9435-x

Arzova, S. B. (2003). İşletmelerde Çalışanlar Tarafından Yapılan Hilelerin Kırmızı Bayraklar Yoluyla İzlenmesi. *Muhasebe ve Finansman Dergisi*, *20*, 118–126.

Bello, S. (2001). Fraud prevention and control in Nigerian public service: The need for a dimensional approach. *Journal of Business Administration*, *1*(2), 118–133.

Bhasin, M. (2016). Forensic accounting in Asia: Perspectives and prospects. *International Journal of Management and Social Sciences Research*, *5*(7), 25–38.

Bhasin, M. L. (2007). Forensic accounting: A new paradigm for niche consulting. *The Chartered Accountant, January*, 1–7. https://ssrn.com/abstract=2703647

Bologna, J., & Lindquist, R. J. (1995). *Fraud Auditing and Forensic Accounting: New Tools and Techniques*. Wiley, New York.

Botes, V., & Saadeh, A. (2018). Exploring evidence to develop a nomenclature for forensic accounting. *Pacific Accounting Review*, *30*(2), 135–154. https://doi.org/10.1108/PAR-12-2016-0117

Bozkurt, N. (2003). *Calisanlarin Yaptiklari Yolsuzluklar, Bunlarin Ortaya Cikarilmasi ve Onlenmesi* (p. 2).

Burgstahler, D., & Dichev, I. (1997). Earnings management to avoid earnings decreases and losses. *Journal of Accounting and Economics*, *24*(1), 99–126. https://doi.org/10.1016/s0165-4101(97)00017-7

Button, M., Lewis, C., & Tapley, J. (2014). Not a victimless crime: The impact of fraud on individual victims and their families. *Security Journal*, *27*(1), 36–54. https://doi.org/10.1057/sj.2012.11

Chi-Chi, O. A., & Ebimobowei, A. (2012). Fraudulent activities and forensic accounting services of banks in Port Harcourt, Nigeria. *Asian Journal of Business Management*, *4*(2), 124–129. Retrieved form https://www.airitilibrary.com/Article/Detail/20418752-201204-201508130021-201508130021-124-129

Crumbley, D. L, Heitger, L. E., & Smith, G. S. (2005). *Forensic and investigative accounting* (2nd ed.). CCH Incorporated, Chicago.

Crumbley, D Larry, Heitger, L. E., & Smith, G. S. (2007). Forensic and investigative accounting. In *(No Title)*. CCH Group, Chicago, IL.

Damilola, D., & Olofinsola, J. (2007). Forensic Accountants and the Litigation Support Engagement. *Nigerian Accountant*, *40*(2), 49–52.

Dechow, P., Ge, W., & Schrand, C. (2010). Understanding earnings quality: A review of the proxies, their determinants and their consequences. *Journal of Accounting and Economics*, *50*(2–3), 344–401. https://doi.org/10.2139/ssrn.1485858

Dechow, P. M., Ge, W., Larson, C. R., & Sloan, R. G. (2011). Predicting material accounting misstatements. *Contemporary Accounting Research*, *28*(1), 17–82. https://doi.org/10.1111/j.1911-3846.2010.01041.x

DeLiema, M., Deevy, M., Lusardi, A., & Mitchell, O. S. (2020). Financial fraud among older Americans: Evidence and implications. *The Journals of Gerontology: Series B*, *75*(4), 861–868. https://doi.org/10.1093/geronb/gby151

Dimmock, S. G., & Gerken, W. C. (2012). Predicting fraud by investment managers. *Journal of Financial Economics*, *105*(1), 153–173. https://doi.org/10.1016/j.jfineco.2012.01.002

Dorminey, J. W., Fleming, A. S., Kranacher, M.-J., & Riley Jr, R. A. (2010). Beyond the fraud triangle. *The CPA Journal*, *80*(7), 17.

Dorrell, D. D., & Gadawski, G. A. (2012). *Financial Forensics Body of Knowledge*. John Wiley & Sons, Hoboken, NJ.

Dykeman, F. C. (1982). *Forensic Accounting: The Accountant as Expert Witness*. Wiley, New York.
Ehioghiren, E. E., & Atu, O. O. K. (2016). Forensic accounting and fraud management: Evidence from Nigeria. *Igbinedion University Journal of Accounting*, *2*(8), 245–308.
Farber, D. B. (2005). Restoring trust after fraud: Does corporate governance matter? *The Accounting Review*, *80*(2), 539–561. https://doi.org/10.2308/accr.2005.80.2.539
Firmansyah, D. (2022). Teknik Pengambilan Sampel Umum dalam Metodologi Penelitian: Literature Review. *Jurnal Ilmiah Pendidikan Holistik (JIPH)*, *1*(2), 85–114. https://doi.org/10.55927/jiph.v1i2.937
Firmansyah, D. (2023). Manajemen Sumber Daya Manusia: Fungsi dan Peran SDM Perusahaan, Kompetensi Strategis di Industri 4.0. In *Eureka Media Aksara*. Eureka Media Aksara.
Firmansyah, D., Saepuloh, D., & Susetyo, D. P. (2020). *AKuntansi Manajemen ; Informasi dan Alternatiif Untuk Pengambilan Keputusan*. Tangerang. Banten: PT. Bidara Cendekia Ilmi Nusantara.
Firmansyah, D., & Wahdiniwaty, R. (2023). Happiness Management: Theoretical, Practical and Impact. *International Journal of Business, Law, and Education*, *4*(2), 747–756. https://doi.org/10.56442/ijble.v4i2.244
Francis, J. R., & Krishnan, J. (1999). Accounting accruals and auditor reporting conservatism. *Contemporary Accounting Research*, *16*(1), 135–165. https://doi.org/10.1111/j.1911-3846.1999.tb00577.x
Glancy, F. H., & Yadav, S. B. (2011). A computational model for financial reporting fraud detection. *Decision Support Systems*, *50*(3), 595–601. https://doi.org/10.1016/j.dss.2010.08.010
Gul, F. A., Wu, D., & Yang, Z. (2013). Do individual auditors affect audit quality? Evidence from archival data. *The Accounting Review*, *88*(6), 1993–2023. https://doi.org/10.2308/accr-50536
Holtfreter, K. (2004). Fraud in US organisations: an examination of control mechanisms. *Journal of Financial Crime*, *12*(1), 88–95. https://doi.org/10.1108/13590790510625070
Homer, E. M. (2020). Testing the fraud triangle: a systematic review. *Journal of Financial Crime*, *27*(1), 172–187. https://doi.org/10.1108/JFC-12-2018-0136
Honigsberg, C. (2020). Forensic accounting. *Annual Review of Law and Social Science*, *16*(1), 147–164. https://doi.org/10.1146/annurev-lawsocsci-020320-022159
Jans, M., Van Der Werf, J. M., Lybaert, N., & Vanhoof, K. (2011). A business process mining application for internal transaction fraud mitigation. *Expert Systems with Applications*, *38*(10), 13351–13359. https://doi.org/10.1016/j.eswa.2011.04.159
Karpoff, J. M., Scott Lee, D., & Martin, G. S. (2008). The consequences to managers for financial misrepresentation. *Journal of Financial Economics*, *88*(2), 193–215. https://doi.org/10.1016/j.jfineco.2007.06.003
Karwai, M. (2004). Forensic accounting and fraud investigation for non-expert. In *New Jersey*. New Jersey: John Wiley and Sons, Inc.
Kassem, R., & Higson, A. (2012). The new fraud triangle model. *Journal of Emerging Trends in Economics and Management Sciences*, *3*(3), 191–195.

https://doi.org/10.10520/EJC132216
Kaur, B., Sood, K., & Grima, S. (2023). A systematic review on forensic accounting and its contribution towards fraud detection and prevention. *Journal of Financial Regulation and Compliance*, *31*(1), 60–95. https://doi.org/10.1108/JFRC-02-2022-0015
Keskin, D. A., & Ozturk, S. G. (2013). Determining of employee frauds in forensic accounting: A research on forensic cases in the City of Kars in Turkey. *Journal of Modern Accounting and Auditing*, *9*(6), 729.
Knechel, W. R., Vanstraelen, A., & Zerni, M. (2013). Does the identity of engagement partners matter. *An Analysis of Audit Partner Reporting Decisions (Working Paper). Gainesville: University of Florida*.
Koh, A. N., Arokiasamy, L., & Suat, C. L. A. (2009). Forensic accounting: Public acceptance towards occurrence of fraud detection. *International Journal of Business and Management*, *4*(11), 145–149.
Lennox, C. S., & Pittman, J. (2008). Big five audits and accounting fraud. *Available at SSRN 1137829*, 1–57. https://doi.org/10.2139/ssrn.1137829
Liodorova, J., & Fursova, V. (2018). Forensic Accounting in the World: Past and Present. *Journal of Economics & Management Research*, *7*. https://doi.org/10.22364/jemr.7.06
Modugu, K. P., & Anyaduba, J. O. (2013). Forensic accounting and financial fraud in Nigeria: An empirical approach. *International Journal of Business and Social Science*, *4*(7), 281–289.
Nwaze, D. (2012). Due process and accountability: Advanced fee fraud. *Zenith Economic Quarterly*, *8*(2), 24–28.
Ocansey, E., & Ganu, J. (2017). The role of corporate culture in managing occupational fraud. *Research Journal of Finance and Accounting*, *8*(24).
Okafor, B. (2004). Strategic approach to reduction of employee, theft fraud and embezzlement. *Nigerian Accountant*, *37*(4), 3–5.
Okpako, A. E., & Atube, E. N. (2013). The impact of forensic accounting on fraud detection. *European Journal of Business and Management*, *5*(26), 61–70.
Ozili, P. K. (2023). Forensic accounting research around the world. *Journal of Financial Reporting and Accounting*, *ahead-of-p*(ahead-of-print). https://doi.org/10.1108/JFRA-02-2023-0106
Özkul, F. U., & Pamukçu, A. (2012). *Fraud Detection and Forensic Accounting BT - Emerging Fraud: Fraud Cases from Emerging Economies* (K. Çaliyurt & S. O. Idowu (eds.); pp. 19–41). Springer Berlin Heidelberg. https://doi.org/10.1007/978-3-642-20826-3_2
Palmrose, Z.-V. (1988). 1987 competitive manuscript co-winner: An analysis of auditor litigation and audit service quality. *Accounting Review*, 55–73. https://www.jstor.org/stable/247679
Pearson, T. A., & Singleton, T. W. (2008). Fraud and forensic accounting in the digital environment. *Issues in Accounting Education*, *23*(4). Retrieved from http://www.ncjrs.gov/ pdffiles1/ nij/ grants/ 217589.pdf
Peprah, W. K. (2018). Predictive relationships among the elements of the fraud diamond theory: The perspective of accountants. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, *8*(3), 141–148. https://doi.org/10.6007/IJARAFMS/v8-i3/4547
Ramamoorti, S. (2008). The psychology and sociology of fraud: Integrating the

behavioral sciences component into fraud and forensic accounting curricula. *Issues in Accounting Education*, *23*(4), 521–533. Accessed Juny 10, 2024 available from http://jthomasniu.org/class/781/Readings/psychoffraud.pdf
Ramaswamy, V. (2007). New frontiers: training forensic accountants within the accounting program. *Journal of College Teaching & Learning (TLC)*, *4*(9).
Rezaee, Z., Crumbley, D. L., & Elmore, R. C. (2004). Forensic accounting education: A survey of academicians and practitioners. *Advances in Accounting Education, Forthcoming*. https://doi.org/10.1016/s1085-4622(04)06010-9
Ruankaew, T. (2016). Beyond the fraud diamond. *International Journal of Business Management & Economic Research*, *7*(1), 474–476.
Shelton, A. M. (2014). *Analysis of capabilities attributed to the Fraud Diamond*.
Siegel, J. G., & and Shim, J. K. (2010). *Accounting Handbook* (5th ed.). Barron's Educational Series, Hauppauge, NY.
Skousen, C. J., & Wright, C. J. (2006). Contemporaneous risk factors and the prediction of financial statement fraud. *Available at SSRN 938736*, 1–47. https://doi.org/10.2139/ssrn.938736.
Smith, G. S. (2015). The past, present, and future of forensic accounting. *CPA Journal*, *85*(3).
Sorunke, O. A. (2016). Personal ethics and fraudster motivation: The missing link in fraud triangle and fraud diamond theories. *International Journal of Academic Research in Business and Social Sciences*, *6*(2), 159–165. https://doi.org/10.6007/IJARBSS/v6-i2/2020
Wikipedia. (2022). *Financial crime*. Wikipedia, The Free Encyclopedia. Accessed Juny 11, 2024 available from https://en.wikipedia.org/wiki/Financial_crime
Wilhelm, W. K. (2004). The fraud management lifecycle theory: A holistic approach to fraud management. *Journal of Economic Crime Management*, *2*(2), 1–38. https://down.documentine.com/ea80f388718a146639ba2de126df2377.pdf
Williams, I. (2005). Corrupt practices: implications for economic growth and development of Nigeria. *The Nigeria Accountants*, *38*(4), 44–50.
Wolfe, D. T., & Hermanson, D. R. (2004). The fraud diamond: Considering the four elements of fraud. *Digital Commons, Kennesaw State University*, *74*(12), 38–42. Retrieved from https://digitalcommons.kennesaw.edu/facpubs/1537/
Yuan, Q., & Zhang, Y. (2015). Do banks price litigation risk in debt contracting? Evidence from class action lawsuits. *Journal of Business Finance & Accounting*, *42*(9–10), 1310–1340. https://doi.org/10.1111/jbfa.12164
Zikmund, P. E. (2008). Reducing the expectation gap. *The CPA Journal*, *78*(6), 20.
Zysman, A. (2004a). *Forensic Accounting Demystified, World Investigators Network Standard Practice for Investigative and Forensic Accounting Engagements*.
Zysman, A. (2004b). *Forensic Accounting Demystified: What is Forensic Accounting?* Forensic Accounting Demystified. Accessed Juny 10, 2024 available from https://www.forensicaccounting.com/one.htm