



# **FORENSIC ACCOUNTING SKILLS AND FRAUD CONTROL IN COUNTY GOVERNMENTS IN KENYA: EVIDENCE FROM COUNTIES IN MT. KENYA REGION**

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## **Abstract**

*In the 21st century fraud is becoming an issue that top management are struggling to control. At least 5% of the firms lose their revenues to fraud annually. Past studies indicate that fraud can occur amidst policies that have been put in place. The current study aimed at investigating how application of forensic accounting skills influence fraud control in County Government. Seven counties in the Mount Kenya region and 351 staff members were the target population as well as the study sample size. The data was analyzed using SPSS. Descriptive statistics mainly percentages and frequency distribution were used for data presentation. Analysis of variance (ANOVA) was used to establish the level of statistical significance of difference between the observed and expected values. Regression analysis was used to estimate the model coefficients while Pearson coefficient of correlation was used to establish the strength of relationship among the variables. Test of hypothesis was also carried out. The study concluded that there was a positive linear relationship between*

*Forensic Accounting skills and fraud control with an influence of a coefficient of (0.267). The study therefore concluded that adoption of forensic accounting skills would contribute massively to fraud control in the public sector.*

*Keywords: Forensic accounting, Fraud, Fraud control, Forensic accounting skills*

## **INTRODUCTION**

The core objective of fraud prevention and detection is to discover concealed patterns of fraudulent activities in order to expose them and come up with recovery strategies to mitigate possible losses. Accounting fraud is a multifaceted and dynamic phenomenon which needs a deep understanding of its underlying behaviour when designing fraud prevention and detection mechanism. Essentially, an expert-based approach such as forensic accounting is inevitable because it takes into account previously detected fraud cases (Baesens, Vlasselaer, & Verbeke, 2015). Current fraud detection methods involve labour-intensive investigation of suspicious cases that heavily rely on human proficiency, which is an extremely expensive assignment in terms of time and manpower.

Forensic accounting skills helps to conceive satisfactorily an integral fraud-detection method which can identify signs of fraudulent financial reporting and further assist in examination of corporate financial reports (Savona & Berlusconi, 2015). Noviyanti & Winata (2015) established that most forensic accounting skills abide by 5/10/85 rule, which embraces that 5% of workforces can steal irrespective of the circumstances, 10% would never steal, and 85% may commit fraud, depending on the prevailing condition in the organization.

Accounting scandals and frauds have affected the society since the industrial revolution and has been a multi dollar loss in many countries across the globe (Bhasin, 2013). Traditionally accounting had been perceived to be the medium through which vital information for making economic decision was sourced but nowadays it has lost its meaning due to the rise of accounting and business scandals. The media has reported numerous financial reporting scandals and bankruptcies in companies such as ENRON, WORLDCOM, SUNBEAM, KMART, HIH insurance (Australia) and Maxwell among others which has put auditors and accountants in a critical condition as it was never before (Omar, Mohammed & Haron, 2013). The rise of these scandals has led to the rise of the field of forensic and investigative accounting which has created business for accountants (Omar et.al., 2013). Due to globalization, auditors have now moved their focus from fraud prevention and detection to financial statement reporting which has created a gap between accountants and users of financial statement since auditors are

perceived to be the first person defenders on occurrence of fraud ( Islam, Rahman & Hassan, 2011).

Fraud therefore being a result of change in accounting needs has immersely contributed to the loss of integrity and honesty in the society. In Kenya fraud has been one of major contributors to slow growth in public and private sectors. Donors have been reluctant to give aid to Kenyan government due to fraud amidst measures which have been put to combat crime like Ethics and Anti-corruption Commission (EACC), Integrated Finance Management Information System (IFMIS), Director of Public Prosecution (DPP) and Director of Criminal Investigation (DCI) (UN-REDS program, 2013). Regardless of many resolutions and supervision by Central bank of Kenya on prudent guidelines and fraud control mechanisms the internal fraud typologies and fraud loss has been rising up with less recovery rate (CBK, 2014 ; BFID Annual Report, 2015). With emergence of these empirical evidence across the globe necessited the exploration of the study's research problem to act as an eye opener to Kenyan County Governments on the importance of forensic accounting skills on fraud control.

### **Statement to the Problem**

Fraud is on the rise and it is believed to be one of the greatest threat to the current economic conditions (Popoola, Ahmad & Samsudin, 2014). The fraud landscape has been fast-moving, dynamic and continually shifting. Fraudsters are becoming more classic in their use of technology and in their capability to commit and cover deceitful activities. As a result, fraud exposure methods must continue to evolve (Gill, 2009). Kenya has been rated to be the leader in occupation fraud at 66% which is perceived to be twice the global mean which stands at 34% in Government organisations (Mahinda, 2012). Many organisations have been forced to cover fraudulent situations for fear of damaging their reputation which has made it difficult to investigate, detect and prevent occurrence of fraud (Omondi, 2013).

County Governments in Kenya are organized into departments which cut across all the sectors of the economy. They play a major role in economic growth and development through provision of services to *mwananchi*, creation of employment opportunities, maintenance of infrastructure and participation in corporate social responsibility, among other devolved roles. Devolved units were targeted to decentralize resources by bringing them closer to the people. While many county Government are working hard to achieve this mandate fraud has been the major drawback since it has been rationalized in any government institution. Despite the government spending on training public accountants in the area of forensic accounting, many county governments have not been proactive in sealing loopholes on revenue pilferage.

Therefore this study sought to establish how application of forensic accounting skills would help in fraud control in the county governments in Kenya.

### **The purpose of the study**

The objectives of this study was to determine the influence of forensic accounting skills on fraud control among the county governments in Kenya.

### **Hypothesis**

This study strived to respond to the following hypothesis:

H<sub>0</sub>: Application of forensic accounting skills had no significant influence on fraud control in county governments.

## **LITERATURE REVIEW**

### **Theoretical Framework**

#### ***Anomie Theory***

The anomie theory was established by Émile Durkheim in 1897 to explain deviation of behaviour in the society's social structure (Kozlova, 2015). Durkheim's theory explained that fraud, prevailed within the society due to scantiness of resources to satisfy everyone's needs thereby creating a gap between the rich and the poor (Farley & Flota, 2012). Within the context of fraud, Durkheim tried to address the issue of peoples perceived happiness in the society they live in as the bedrock of fraudulent behaviour. He argued that fraud was a product of the disparity in individual needs and the means available to fulfill the current desire (Ortmann, 2000).

Ortmann (2000) compared humans beings to animals because they do not have any limit to their needs and desires. He contended that every person thrives in unending level of dissatisfaction that can only be solved by living beyond ones means which oftenly results to fraud. In situations where the societal needs and means to acquire wealth and perceived social structure draw apart, it results to inequality and anomie set in leading to disorder as currently portrayed in Kenya public sector which has escalated downwards to the county governments (Killia, 2012). Fraud which is one of deviance behavior is ignited by the societal inequilibrium whereby lower social classes face a disproportionate pressure to search for illegitimate means of getting richer (Ortmann, 2000).

Of all the modes of response to anomie, innovativeness is most the common deviant behaviour because people devise ways to accrue wealthy by whatever means even if it is through fraud (Ortmann, 2000). The relationship between anomic pressure and fraud related

offenses by county Government employees results from exaggerated hopes attributed by the mismatch between persons desire and the naked eye possibilities (Siebert, 2008). Existence of huge gap between the rich and the poor in terms of the remuneration and increased financial disadvantages amidst skewed wealth distribution are the key contributors to fraud in the twentieth century (Killias, 2012). According to Killia (2012) it is not scarcity of financial resources and the associated social tension which has led to inherent inequalities in society today. It is crystal clear that the desire of few people trying to enrich themselves at the expense of other poor citizens has forced everyone to perceive fraud as the norm in the public service. Thus, corruption and fraud is a product of the gap between aspirations to richness and actual means of realization of that dream (Killias 2012; Kozlova 2015). Of course, other theories are associated with explaining differences in fraud among certain populations. However, In the context of current study, other explanatory variables cannot be ignored. The research therefore focused on forensic accounting as a tool to deter anoemic pressure in order to control fraud. It is no doubt that persons with distinguishing careers and experience in the public service have misused their experience and knowledge to circumvent rules and procedures to act fraudulently without getting noticed (Couttenier, Rohner & Thoenig, 2017). Therefore, the focus lies on the social structures and their applicability to deter increased fraud incidences in the public sector.

Every Government lays down rules and policies which needs to be followed both in central government or devolved unit which guides on the acceptable behaviour. However, as a result of day to day interaction, individuals may embrace the 'perceived values' in the public service which may be contrary to expectation of good corporate governance and therefore engage in fraud. In a world where 'anything appears normal, norms on fraud control stop to influence people to act in an acceptable way, giving rise to normlessness or 'anomie'. Anomia theory was therefore useful in the present study because most county government employees feel that the means to wealth creation may be through fraudulent means which leads to anomie which in turn spring forth to fraud.

The primary aim of this theory was to discover how certain social structures exert definite pressure on employees, and therefore motivate them to engage in unlawful manner leading to fraud (Merton, 1968). The question, is how do we establish the relationship between anomie as a societal condition and individual behaviour which needs to be characterized in order to facilitate a greater understanding of its effect on fraud control and how forensic accounting can act as a remedy (Shoemaker 2010). It was useful to incorporate forensic accounting skills as the best remedy to counter anomie, as alluded by Durkheim because it is the product of failure by Government to manage fraud prevalence and glorification of fraud as a culture in the public sector.

## Empirical review

### ***Forensic Accounting Skills and Fraud Control***

The most essential skills of forensic accountant arise from their widespread experience in accounting, internal controls, auditing, tax management, interpersonal relationships, communication skills, analytical abilities, creativity and imaginative skills, resilient writing skills and outstanding verbal communication skills (Samociuk, 2011). A number of prior studies and surveys of practitioners have explained an assortment of skills necessary for successful fraud control regardless of the accounting career path chosen. Some of the essential skills required by forensic accountants include problem-solving and analytic skills (Davis et al., 2010), critical thinking (DiGabriele, 2008), teamwork (Uyar & Gungormus, 2011), ethical awareness (Davis et al., 2010; Uyar & Gungormus, 2011), continuous learning (Vasarhelyi et al., 2010; Uyar & Gungormus, 2011) and investigative flexibility (DiGabriele, 2008). Forensic accountants also need strong communication skills both in their speech and in writing (Uyar and Gungormus, 2011). In addition, critical thinking prowess is an invaluable asset for forensic accountant (Coburn, 2006 ; Vasarhelyi et al., 2010). Equally, forensic accountants needs technical skills which is indispensable in the examination of cash flows across a variety of mediums to assist in gathering evidence and creating financial profiles (Bilbeisi & Brown, 2015). Bhasin (2015) suggested that competent and mature accounting professionals with forensic skills can be a treasured talent in the corporate-sector and gradually assist in improving County Government systems. Similarly, Bhasin (2016) argued that as institutions continually grow in magnitude and intricacy, exposing fraud required forensic accounting proficiency which has become an ever-increasing core skill and competence.

Temitope, Nasieku & Muturi, (2016) analysis on the role of fraud examiner professionalism on Nigerian Banks established that forensic skills expertise was a major requirements in fraud control. These was supported by the study by Shaheen, Pranathi, Sultana, & Noor (2014) on forensic accounting and its use in India who suggested that forensic accounting skills ought to be made compulsory in public sector and large scale companies to control white collar crimes. Essential skills of a forensic accountant are further anchored on the study by Dhami (2015) who recognized the importance of forensic accounting skills on fraud detection and how accountants would incorporate these skills in their day to day accounting work. Similarly, Aduwo (2016) study on accounting fraud and the role of forensic accountant on fraud identification revealed that personal judgments, accounting and legal skills were pivotal on the fight against fraud. On the other hand, the study by Eliezer & Emmanuel (2015) on exploration of the role of forensic accountants in fraud investigation stressed that forensic

accountants are expected to possess skills on financial fraud as a result of the failure of statutory audit to detect and prevent fraudulent activities.

ALMusalamet & Kukreja (2015) study on the role of forensic accounting in fraud investigation in view of accounting professionals, financial analysts and auditors in Bahrain showed that incorporation of forensic accounting skill was important in fraud investigation. In the same vein, Enofeet & Utomwen (2015) opined that forensic accounting skills was an effective instrument for addressing economic crimes as compared to other conventional accounting techniques because forensic accounting is a strategic and dynamic tool for the management of all types of financial and economic crimes. Likewise, Adebisi & Matthew (2016) study on how incorporation of forensic accounting skills aided in the detection and prevention of fraud in Nigeria suggested that forensic accounting plays a significant role on detection and prevention of fraud. The study therefore, recommend that synchrony of forensic accounting in fraud detection was important component in reduction of finance and economic crime in many organizations. Correspondingly, the study by Daniel, Michael & Alexis (2016) on agencies necessary for fighting fraudulent activities established that fraud detection required amalgamation of forensic skills to curtail influx of fraud incidences.

On the other hand, accountants and auditors with forensic accounting knowledge and skills have been instrumental in deterrence of fraudulent activities in government entities because they use forensic analysis to monitor, asses and evaluate financial data to detect irregularities (Efosa & Kingsley 2016; Alao 2016). The ability of the organisations to posses skilled and qualified accountants with forensic knowledge would prevent fraud in every form of environment regardless of the organization set up (Claire & Jude 2016; Temitope, 2016). Okafor & Andrew (2016) opine that knowledge of forensic accounting is the means through which effective internal control system can be anchored upon because it plays a great role in reducing fraud. Ozili (2018) further stressed that forensic accounting knowledge driven by the desire to prevent fraud in organization is likely to detect and prevent fraud in companies and entities across the globe.

Kasum (2009), further studied on the relevance of forensic accounting in detriment of financial malpractice in private and public sectors in the developing countries. He empirically established that forensic accountant has a great role in combating fraud in all institutions based on their numerous skills. Messmer (2004) pointed out that forensic accounting not only demands speciality of skills as compared to other accounting professions, but needs a different disposition and set of character traits since it is more distinctive and calls for stronger analytical abilities. Forensic accountants requires specialists who can work with minimal guidance on rules and procedures as compared to normal accountants in order to flourish in their

engagement (Medland, 2012). A natural desire for knowledge and enthusiastic level of suspicion or scepticism are inevitable for a fruitful forensic accounting profession imagination (Davis et al., 2010 ; Medland, 2012). With current use of forensic accounting to handle fraud problems all over the world. An extensive body of research has investigated the relevant skills and traits which a successful accounting professionals should possess. For instance, Tan et al., (2004) investigated the influence of managerial accounting skills from the viewpoint of practitioners and academicians on fraud control, DiGabriele (2008) examined the perspectives of practitioners, academicians, and users of forensic accounting services on identification of relevant skills, Uyar & Gungormus (2011) surveyed external auditors to identify necessary skills they should possess and Vasarhelyi et al., (2010) evaluated the necessary skills needed by auditors in the real-time economy and continuous auditing workplace. As usually expected, forensic accountants should possess technical skills such knowledge of traditional accounting in addition to legal knowledge which is a significant requirement for excellent performance (Vasarhelyi et al., 2010).

Indisputably, the expertise of the forensic accountant can contribute to any fraud detection activity in the world (Ozili, 2015). Bierstaker et al. (2006) demonstrated that although forensic accounting skills can be used in the fraud detection process, the skills of a forensic accountant are the least preferred method by firms to detect fraud. The study adopted a three-fold forensic accounting work model by Ghosh & Banerjee (2011), which defines three layers of a forensic accountant skills as shown in figure 1.

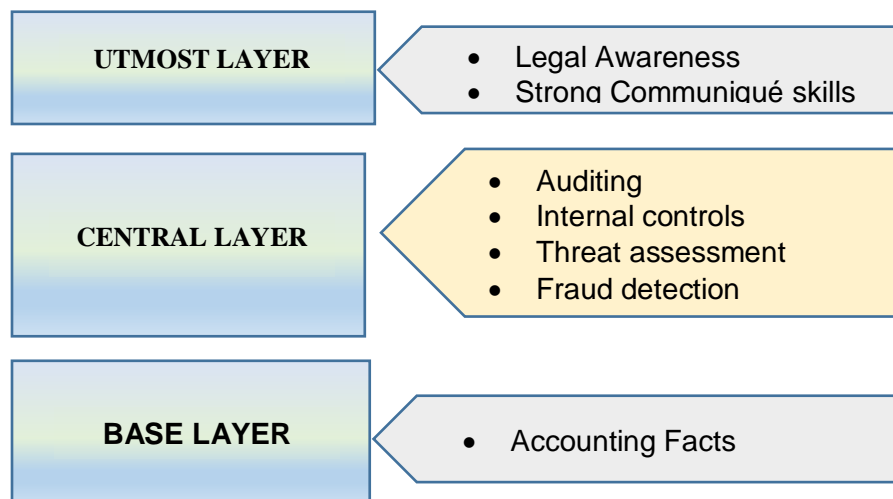


Figure 1 The Three-Fold Forensic Accounting Model

Source (Efiong, 2012)



In fact, Ramazani & Refiie (2010) perceived that organizations with low discernment of forensic accountants in the corporate structure were more prone to fraud. Actually, Ernst & Young (2014)'s global fraud examination document indicated that only 20% of firms employing the services of forensic accountants had a deep understanding of the importance of forensic accounting skills on fraud control. Normally, fraud discovery skills of forensic accountants are acquired from wide knowledge and training in forensic accounting practice which typically begins with identifying possible red-flags of fraud (Ozkul & Pamukc, 2012; Ozili, 2015). Fraud detection skills can therefore be enhanced by possessing adequate knowledge on financial statement preparation which is a loophole to fraudulent reporting (McVay, 2006).

Numerous empirical studies have been carried on the application of forensic accounting and fraud control. Jonathan & Osasumwen (2010), conducted a study on application of forensic services in Nigerian co-operative organization and found that forensic accounting skills were effective in determining fraudulent practices. The two were also trying to find out the perception of the users on quality of forensic services. They used structural interviews and questionnaires to collect data from the companies in the Nigeria stock exchange targeting banking, insurance, petroleum and beverage sector. The result of the study established that application of forensic accounting skills was an effective tool in fraud control. The study by Okaro & Okoye (2011), recommended that government should create a conducive environment for forensic accountant by incorporating forensic accounting skills in carrying out the audit work. In addition, they recommended that the curriculum for teaching forensic accounting should be incorporated in tertiary institutions since it would be the pathway to impacting forensic accounting skills. Correspondingly, Islam, Rahman & Hossan (2011), examined the application of forensic accounting in Bangladesh and how it could be used to deter fraud. It was established that incorporation of forensic accounting was an essential skill for combating fraud and corruption since it appeared to be one of the strategic tools for the management of all types of corruption.

Okafor & Agbiogwu (2016) examined the effects of forensic accounting on banks in Nigeria and established that forensic accounting skills was an important asset on the management of banking fraud in Nigeria. The study revealed that possession of forensic accounting skills assisted accountants in discharging their duties because it is an indispensable tool in predicting the trail of transactions whether financial or non-financial. Equally, Ehioghren & Atu (2016) studied on forensic accounting and fraud management from Nigeria and recognised that forensic accounting skills significantly influenced fraud detection and control because there exist significant differences between the duties of professional forensic accountant and that of traditional external auditors.

Enofe, Omagbon & Ehigiator (2015) focussed their study on forensic audit and corporate fraud and established that frequent utilisation of forensic audit skills would significantly help in the detection, prevention and reduction of corporate fraud. Equally, an empirical study by Sidharts & Fitriyah (2015) on forensic accounting and fraud prevention in Indonesia public sector, revealed that forensic accounting skills was a crucial skill in fraud detection and prevention in the public sector. In similar aspects a study by Dauda, Ombugadu & Aku (2016) on forensic accounting: a preferred technique for modern fraud detection and prevention in the public sector of Nasarawa State held that forensic accounting skills was the only sure test for detection and prevention of fraud in Nigeria public sector.

Despite the different version on importance of forensic accounting skills on fraud control its applicability is gaining momentum day by day. Some organizations may appear shortsighted on usage of forensic accounting skills and thrive on a belief that everything is working well by ignoring the potential detrimental consequences of their actions; but they may be inviting a major ‘scar’ that may not be healed in their organization.

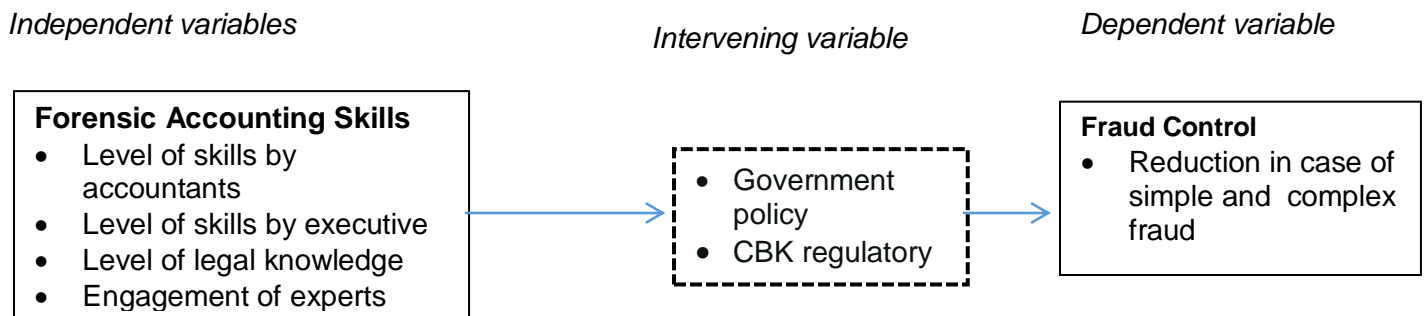


Figure 2 Conceptual Framework

## METHODOLOGY

### Research Philosophy

The study adopted positivist research philosophy because it assumes that there is an objective reality which can be accurately described and explained objectively (May, 2013).

### Research Design

Descriptive research design using survey method was adopted. The design was adopted since it described in-depth the nature of forensic accounting and its contribution to fraud control and examined actions as they happen rather than manipulation of variables (Mitchell & Jolley, 2010).

It also provided numeric explanations of the population and described events as they were (Oso & Onen, 2011).

### **Target population**

The target population for this study was 351 staff of 7 County Governments in Mount Kenya region consisting of Accountants, Auditors, Revenue officers and the Chief Officers.

### **Sampling Procedure and Sample Size**

The study considered each county selected as a stratum and used saturate sampling with all the subjects from each county considered in the study. The study adopted saturate sampling because it was important to purposively include all the members in each county. Therefore, the sample size for the study was 351 respondents.

### **Research Instruments**

The study relied on primary data with the questionnaires as the main tools because the study was concerned with variables that could not be openly experimental such as opinions, sentiments, insights and emotions of the respondents (Touliatos & Compton, 2013). A questionnaire for the county staff was constructed to capture relevant information on the objectives of the study. The questionnaire had both open and closed questions with each item capturing specific relevant data to avoid ambiguity of the data collected. Since the study was considered to be opinion based responses at a five Likert scale was used. To ensure the information provided was rich and more comprehensive interview schedules were prepared to triangularise the data obtained.

### **Reliability and Validity of Data Collection Instruments**

The reliability of the instruments was done to check whether the respondent's answers were consistent with the expected responses. Two data sets for each instrument were used to compute the Pearson Moment Correlation Coefficients. Korb (2016), advised that if the computed reliability index for a tool was greater than 0.6 then the tool was reliable. The questionnaire had reliability index greater than 0.6 and therefore was considered reliable for the study.

To enhance validity of the instruments test, retest method was used. Further validation of the instrument was done to ensure that all the items in each instrument were based on the study objectives. Two sets of data from each instrument were used to compute the content validity index for the instrument. Validity was determined by giving two experts to evaluate the

relevance of each item in the instrument to the objectives and rate each item on the scale of very relevant (4), quite relevant (3), somewhat relevant (2) and not relevant (1). Validity was determined using content validity index (C.V.I),  $C.V.I = \frac{\text{items rated 3 or 4 by both judges}}{\text{total number of items in the questionnaire}}$ . This was symbolized as  $n^{3/4} / N$ . The CVI computed for each tool was greater than 0.6 hence the instrument was considered valid as advised by Jeffry, (2011).

### Data Analysis and Presentation

Data was analysed using statistical package for social science, (SPSS) version 20.0. Data analysis was carried out using frequencies, percentages, regression and correlation. The results were presented in form of tables. The study used a multiple regression analysis to show the effect and influence of the independent variable on the dependent variable. In relation to inferential statistics the study used analysis of variance and multivariate regression analysis to test the hypotheses of the study.

## RESULTS

### Findings on Forensic Accounting Skills and Fraud Control

The study analysed the extent to which forensic accounting skills influenced fraud control in County Governments in Kenya. The quantitative analyses result revealed that forensic accounting skills influenced fraud control.

Table 1 Model Summary for Forensic accounting skills and Fraud control

R	R Square	Adjusted R Square	Std. Error of the Estimate
.591	.350	.344	.32684

The results in table 1 revealed that, the R-squared for the relationship between forensic accounting skills ( $X_1$ ) and fraud control was 0.350. This indicated that forensic accounting skills could explain 35% of the dependent variable (fraud control) variation. It explained that 35% of the variation in the fraud control could be explained by a unit change in forensic accounting skills, while the remaining 65% could be explained by other variables. These insinuates that forensic accounting skills play a significant role in enhancing fraud control. The findings were supported by Temitope, Nasieku & Muturi, (2016) on the analysis of the role of fraud examiner professionalism on Nigerian Banks who established that forensic skills expertise was a major requirements in fraud control.

**ANOVA for Forensic accounting skills and Fraud control**

The study used ANOVA to establish the significance of the regression model. In testing the significance level, the statistical significance was considered if the p-value was less or equal to 0.05.

Table 2 ANOVA for Forensic accounting skills and Fraud control

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	6.605	1	6.605	61.835	.000
Residual	12.285	275	.107		
Total	18.890	276			

The significance of the regression model was shown in the Table 2 with P-value of 0.00 which was less than 0.05. This indicated that the regression model was statistically significant in predicting the effect of forensic accounting skills on fraud control in Kenya. The ANOVA results shown in table depict that; the F-critical (1, 275) was 3.88 while the F-calculated was 61.835. This demonstrated that the F-calculated was greater than the F-critical hence there was a linear relationship between the two variables (forensic accounting skills and fraud control). This implied that when there was an increased application of forensic accounting skills there was a significant influence on fraud control. This confirmed goodness of fit of the model in predicting the influence of forensic accounting skills ( $X_1$ ) on fraud control. The results agreed with Dhimi (2015) who alluded that incorporation of forensic accounting skills on fraud detection played a great role on running of day to day accounting work.

**Regression Coefficients for Forensic accounting skills and Fraud control**

Using the unstandardized coefficients the following equation applied:

$$Y = 2.395 + 0.397X_4$$

Table 3 Regression Coefficients for Forensic accounting skills and Fraud control

	Unstandardized Coefficients		Standardized Coefficient	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.395	.225		10.662	.000
Forensic accounting skills	.397	.050	.591	7.864	.000

The results in table 3 indicated that fraud control had an index of 2.395 when forensic accounting skills ( $X_1$ ) were held constant. In addition, the Beta coefficient ( $\beta_4$ ) was 0.397. This revealed that a unit increase in forensic accounting skills ( $X_4$ ) would result to 39.7% influence in fraud control. In addition, the t calculated (7.864) was greater than the t critical (1.645) hence the relationship was significant as the P-value (0.000) was less than the significance level (0.05).

### Results of Hypothesis Testing

The results of hypothesis test show that the hypothesized relationship was statistically significant meaning they forensic accounting skills contributed immensely to fraud control.

***H<sub>a</sub>: There was a positive significant relationship between forensic accounting skills and fraud control in the county government in Kenya.***

The results in the Table 3 indicated that the Beta coefficient ( $\beta_4$ ) was 0.397. The relationship was significant as the P-value (0.000) was less than the significance level (0.05), and the t calculated (7.864) was greater than the t critical (1.645). The alternative hypothesis was accepted and it was therefore concluded that, "there was a positive significant relationship between forensic accounting skills and fraud control in the county government in Kenya". These findings concurred with previous studies by (Ozili, 2015) who unarguably contended that the expertise of the forensic accountant was imperative in any fraud detection activity. Likewise, in agreement with the assertions by Nonye & Okoli (2015), Imam, Kamshe & Jajere (2015) rejected the null hypotheses and accepted the alternative hypothesis by asserting that government's application of forensic accounting skills was an essential requirement in fraud control. Their study recommended that forensic accounting skills needed to be incorporated in the organisation's legal framework to act a bridge on fraud control.

### CONCLUSIONS

The rationalization for the study of this nature could not be undermined as fraud remains a deep wound on the devolved units of our country. The degree at which fraud is extending its roots in the County government and the perceived desperation by the citizens had got the attention of the researcher which was the key driver for carrying this research. The research heavily relied on quantitative data with supplement of qualitative data to examine the contribution of forensic accounting on fraud control in county governments in Kenya. The study identified the influence of forensic accounting skills on fraud control in county governments.

The findings of the study show that application of forensic accounting skills had not grown immensely in the county Governments in Kenya. It was alleged that counties needed to

engage forensic accountants because fraud menace reduced once they were on board. Equally, engagement of specialists in the area of forensic accounting would greatly enhance fraud control because county employees as well as the executive had no adequate knowledge on forensic accounting. On the other hand, County Government accountant needed to enhance their forensic accounting skills because it is the bridge between fraud perpetration and control. Generally, the study provided outstanding insights on the current state of forensic accounting in Kenya and its application in fraud control in county governments.

## **RECOMMENDATIONS**

With respect to the findings of this study and in the spirit of curtailing fraud in county government and other government entities, it is recommended that organisations should adopt forensic accounting skills in their quest to control fraud. This is because the study revealed that traditional fraud prevention and detection methods have proved to be least effective in battling fraud nuisance.

Additionally, both the national and county government should provide a conducive environment for forensic accounting discipline to get its root in order to move with the global trend in fraud control. This was in view of the fact that county accountants and executives have low level of awareness on methods of forensic accounting skills have been identified as key bottlenecks to the application of forensic accounting in County Governments in Kenya. Finally, all regulatory bodies, including the Institute of Certified Public Accountants (ICPAK) and the Institute of Internal Auditors (IIA) should include forensic accounting in the curriculum as well as its training to act as a key requirement to full membership accreditation in their respective professions.

## **LIMITATIONS OF STUDY**

However accurate, no study is free of limitations. Some respondents were not zealous to opening up and providing facts about their county government because of fear of victimization and conventional nature of government entities regarding information disclosure. However the researcher created a good rapport by promising that they were to respond voluntarily without any form of coercion. Due to the respondents tight schedules and complexity of their work, it was a major challenge as it took quite a few weeks to get the information. To avoid this constraint, proper arrangements was made with the employees to fill the questionnaires by encouraging them on the importance of the study with responses picked after a fortnight.

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