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Fraud Detection, Prevention, Control, and Investigation in Nigeria

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ABSTRACT

The study examined fraud detection, prevention, control, and investigation in Nigeria. The specific objectives were to; assess the motivation behind fraud, and fraudulent activities in Nigeria, investigate how fraud is concealed, examine processes of fraud discovery, and appraise the justification for committing fraud. Sample survey research was adopted for the study while the population comprised of banks, insurance firms, pension fund custodians, and microfinance banks. The analysis of data was carried out using tables, and mean while hypotheses was tested using, ordinal Linear-by-Linear Association model (Log-Linear Regression Model). It was found out that there are significant motivations behind fraud, and fraudulent activities in Nigeria, and there are equally significant ways of concealment of fraud in Nigeria. There are significant processes of fraud discovery in Nigeria. It was therefore recommended that the regulatory, and supervisory bodies of, organizations in Nigeria need to improve their supervision using all tools at their disposal to appropriately check, and curtain the incidence of fraud, and fraudulent practices. Furthermore, training techniques should be upgraded to test honesty, and integrity, and not just technical skills. This should entail extensive training programme regularly done, as well as personality tests, and IQ tests so as to understand the personality, and character of the trainee. This would reduce negligence, and carelessness in carrying out basic procedures that could pose as loopholes for fraud.

Keywords: *Fraud Detection; Integrated Payroll; Personnel Information System (IPPIS); Government Integrated Financial Management Information System (GIFMIS)*

1. Introduction

In Nigeria, business processes have been tainted by massive waves of fraud involving misuse of cash, forgeries of checks, and money laundering (Alizadeh, 2016). As a result of the increased scale, and complexity of the corporate environment, history has documented an unprecedented surge in fraud, and fraudulent practices. Fraud has progressed to the point where it now constitutes a threat not only to the organization in question but also to the entire economy (Adeniyi & Mieseigba, 2013). Fraud has long been regarded as a threat, with the Enron, and Bernie Madoff scandals, WorldCom, Lehman Brothers, Tyco International Ltd, and Adelphia Communications Corporation in the United States, Parmalat crisis in Italy, and HIH Insurance Ltd in Australia all falling victim to it. Massive fraud was a factor in the cases of Cadbury Nigeria Plc, and NAMPAK in Nigeria (Akeem, 2015).

All acts of fraud can be distilled into four basic elements, according to Abu-Saeed, and Kabir (2012): a false representation of material nature; knowledge that the representation is a false or reckless disregard for the truth; the person receiving the representation reasonably, and justifiably relied on it for decision making; and financial damages resulting from all of the above. As a result, fraud is a premeditated act intended to deceive those who rely on the information, and it usually results in victims suffering losses, often financial losses.

Fraud can be internal, or external to the organization; nevertheless, fraud committed by members of the organization is the most harmful. Financial statement fraud (a sort of insider fraud) has a greater negative impact on the victim firm, its shareholders, and the investing public, according to Abdullahi, Mansor, and Nuhu (2015). Intentional misstatements, or omissions of quantities, or disclosures in financial reporting are used to fool financial statement users in this sort of fraud. Financial statement fraud is defined as the manipulation, falsification, or change of accounting records, or supporting documentation used to create financial statements. Fraud, in addition to creating financial losses to the organization, when discovered, will lead to a loss of confidence among investors, depriving the organization of much-needed funds for future activities. Fraud has resulted in the closure of countless businesses that were previously deemed to be financially sound.

Despite the numerous laws in place to limit, alleviate, and, if possible, eliminate the occurrence, and instances of fraud, it is concerning that fraud has become so pervasive in Nigeria that it is fast approaching epidemic proportions. Fraud has become an everyday occurrence in Nigerian businesses (Abdul & Abdul, 2013). Financial fraud has persisted in most, organizations, according to Abdolmohammadi (2019), despite robust internal controls in place to prevent, and control any intentional intention to steal the company's money. As a result, businesses have spent a lot of time, and effort throughout the years trying to avoid, and detect fraud. Internal auditing is one of several business strategies used by firms to prevent fraudulent acts, apprehend culprits, and recover funds where possible.

The Integrated Personnel, and Payroll Information System (IPPIS), on the other hand, was implemented in the Nigerian public sector to help reduce corruption. It is an integral aspect of the Government Integrated Financial Management Information System (GIFMIS), which is a component of the Nigerian Government Economic Reform, and Governance Project (ERGP) (ERGP). Abdulsalam, Kabir, Sani, Jafaru, and Lawal (2020) are of the view that IPPIS provides a comprehensive computerized financial package that promotes the efficacy, and transparency of public resource management by computerizing the payroll management, and accounting system for the government. IPPIS is one of the offshoots of the civil service reform initiative, which aims to computerize the manual Payroll System to ensure transparency and accountability in the Nigerian civil service. The Government Integrated Financial Management Information System (GIFMIS), which promotes efficiency, effectiveness, accountability, transparency, data management security, and comprehensive financial reporting by the Nigerian public sector, is another such policy enacted, and implemented by the federal government of Nigeria (Ogbonna, 2015).

The quality of government payroll administration has vastly improved, and an increasing number of MDAs are moving away from manual payroll administration. The MDAs have the necessary information for planning their personnel costs. IPPIS has reduced corruption by virtually eliminating ghost-worker syndrome where applied, thereby reducing the cost of governance. The Scheme has, from its launch in 2007 to November 2014, saved the government ₦185 billion (about US$1 billion), representing the difference between the money that the government would have released to MDAs based on their estimated nominal roll submissions, and the amount paid through the IPPIS platform. The scheme now covers 359 MDAs, and has successfully enrolled 237,917 members of staff, and weeded out 60,450 “ghost workers”. Furthermore, it reduced the red tape involved in manual payroll administration (Kabiru & Abdullahi, 2014). Salaries, according to the Federal Republic of Nigeria Financial Regulations (2009) Part I (1501), is the personal emolument paid to an employee of an organization, usually monthly for services rendered at a predetermined rate of pay. More so, part II (1518) of the financial regulation pointed out that the standard payroll system shall be applied in all offices, unless otherwise provided under financial regulation (1519), shall be such as to ensure that records shall be made in a single operation. Garbe, John, and Paul (2004) pointed out that the most essential computer application in an organization is payroll management as it calculates each employee's monthly basic pay, bonuses, tasks, national insurance, and pension contributions.

Many, organizations including both private, and public companies lack mechanisms for adequate monitoring of activities, and operations, thereby not giving room for easy achievement of the business goals (Alzeban & Gwilliam, 2014). Even Adetiloye, Olokoyo, and Taiwo, (2016) confirmed that the installation of internal controls cannot be sufficient to eliminate fraudulent activities, constant monitoring of the controls already put in place to ensure that they are effective in reducing fraudulent activities in companies should become important. Flaws and loopholes still exist in, organizations despite the existence of internal control system, which can easily be circumvented by individuals who are inclined towards fraudulent activities. Therefore, measures have to be put in place to checkmate such fraudsters. One best way of curbing, or minimizing the menace of fraud is through the institutionalization of a vibrant, and effective internal audit unit.

The presence of an effective internal audit in an organization is not only to checkmate fraudsters but also serves as a managerial control that functions by measuring, and evaluating the effectiveness of other controls (Al-Twaijry, Brierley, and Gwilliam (2018). The primary function of the internal auditor is to evaluate processes that are in place to identify any weaknesses in internal controls that might lead to undetected fraud. When any of such weaknesses are identified, they are reported to management for corrective action. The internal audit is expected to anticipate problems, visualize improvements, and propose preventive actions (Alleyne & Howard, 2017). The internal auditor has the responsibility to appraise the activities of other departments in an organization and provides management with information that is useful in assessing operational effectiveness. This study is therefore set to appraise fraud detection, prevention, control, and investigation in Nigeria. Specifically, it is set to; assess the motivation behind the fraud, and fraudulent activities in Nigeria, investigate how fraud is concealed, examine processes of fraud discovery, and appraise the justification for committing fraud. The scope of the study covered selected commercial banks, insurance firms, microfinance banks, and pension fund custodians in Nigeria.

2. Literature Review

2.1 Conceptual Framework

Fraud

Fraud is not peculiar to any specific, organization, it is a general phenomenon. Some multinational, organizations such as Enron, World com, and so on have been affected negatively due to fraud occurrence, therefore many, organizations have made so many attempts to restore their goodwill, and image by instituting internal controls, ethical guidelines, and code of ethics to prevent unethical behaviour. The terms fraud has received attention, and different definitions from different scholars, researchers, and authors. What is very peculiar to the definitions is that the concept has been associated with embezzlement, financial misstatement, and misappropriation, extortion, illegal amassing of wealth through dubious means, the act of deception, bribery, false representation, theft, concealment of material fact, etc.

According to Mahdi, and Saeid (2010), fraud is defined as any illegal act characterized by deceit, concealment, or violation of trust. These acts are not dependent on the application of threat, or violence, or physical force. On the other hand, Lorsase (2004) defined fraud as any premeditated act of criminal deceit, trickery, or falsification by a person, or group of persons to alter facts to obtain an undue personal monetary advantage. Kabiru and Abdullahi (2014) defined fraud as all the multifarious means which human ingenuity can devise, and are resorted to by one individual to get any advantage over another. It includes all surprise, trick, cunning, dissembling, and unfair ways by which another is deceived. Fraud covers a plethora of corporate crimes like embezzlement, larceny, theft, misappropriation of assets, among others. Penny (2002) explains fraud as an illicit financial gain for the fraudster, or loss for the victim while Mahinda (2012) added that the menace occurs as a result of a person in a position of trust, or accountability who advances his interests at the expense of the public interests through digressing from the set standards, and rules.

Integrated Personnel, and Payroll Information System (IPPIS)

Integrated Personnel and Payroll Information System (IPPIS) is a world Bank-Assisted project under the Economic Reform, and Government Project (ERGP) which was aimed at establishing a reliable, and comprehensive database for the public service, facilitating manpower planning, assisting in providing information for decision making, eliminate double-dipping, and credentials falsification, facilitate easy storage, update, and retrieval of personnel record for administrative, and pension process, and to facilitate staff remuneration payment (Abiodun & Anichebe, 2019). IPPIS programme enable the government ministries, and MDAs to fish out the ghost workers for the attainment of public probity in governance.

Okonjo-Iweala (2014) stated that the government saved 160 billion Naira by weeding out 60.000 ghost workers from the payroll. This number excludes the 46,821 ghost workers identified in 215 ministries, departments, and agencies in 2013. The staff audit exercise conducted in the federal capital territory in 2013 revealed that out of 26,017 on the payroll, 6.000 were fictitious. The audit exercise exposed the extent of monumental corruption, theft, and financial irregularities that could be eliminated if the electronic payroll system was fully implemented in the public service. Hence, the consistent staff screening in government ministries, departments, and agencies will in no doubt improve the payroll report both at the federal, state, and local governments (Kabiru & Abdullahi, 2014). The integrated personnel payroll and information system have in no doubt enhanced accountability and transparency in the management of government resources. In 2013, the federal ministry of finance observed that the implementation of IPPIS has enhanced efficient personnel cost, planning, and budgeting as personnel cost was based on actual verified values and not estimates. This has broadened employment opportunities, reduced corruption in the public service, and reduced personnel costs.

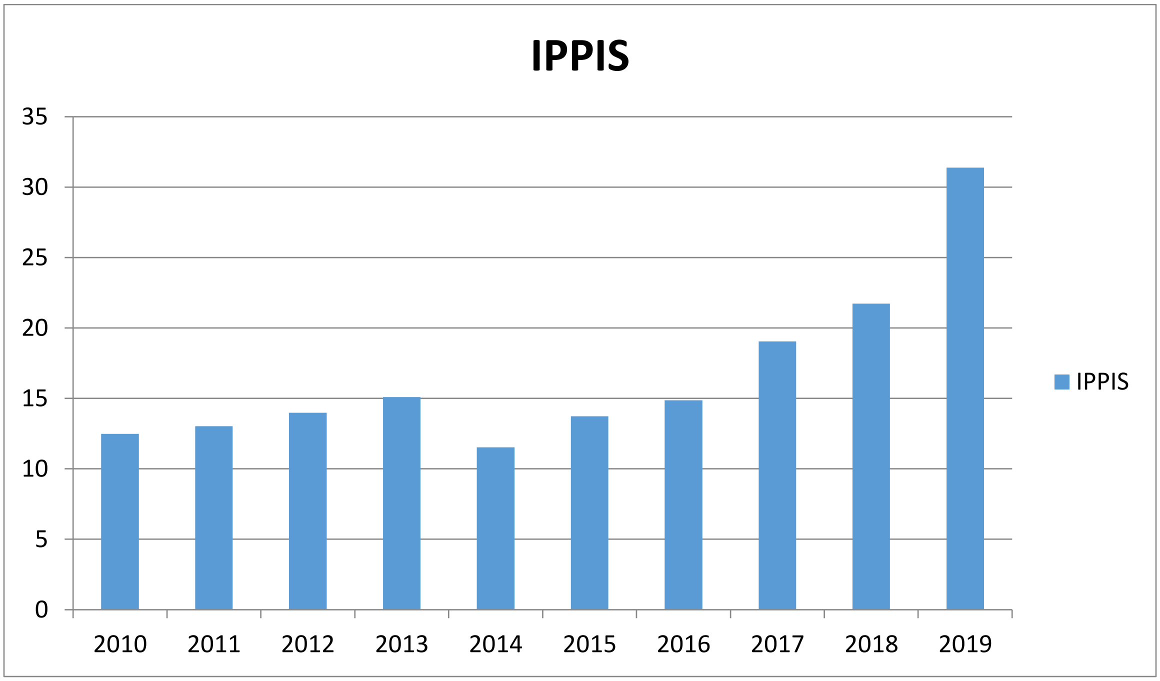

Figure 1 Integrated Personnel, and Payroll Information System

Figure 1 indicated that after the implementation of the Integrated Personnel and Payroll Information System, it has saved the federal government a huge amount of funds emanating from 2010 to 2019. The figure above indicated the variations of funds it aided the federal government to save.

Government Integrated Financial Management Information System (GIFMIS)

Hendriks (2012) stated that financial management information system (IFMIS) is an information system that tracks financial events, summarizes financial information, and is different from an accounting system configured to operate according to the needs, and specifications of the local environment. In the government realm, IFMIS refers more specifically to the computerization of public financial management (PFM) processes, from budget preparation, and execution to accounting, and reporting with the help of an integrated system for the financial management of line ministries, spending agencies, and other public sector operations (USAID, 2008). Luz (2013) stated that GIFMIS is an integrated, and comprehensive system that aims to facilitate the generation of vital information on any, and all aspects of government financial transactions that can be made accessible to the public through information technology. Ibrahim & Dauda (2014) stated further that IFMS consists of several subsystems which are normally included accounting, budgeting, cash management, debt management, and related core treasury systems.

In the Nigerian context, GIFMIS will support the public resources management and targeted anticorruption initiatives area through modernizing the fiscal process using better methods, techniques, and information technology (Office of the Accountant General of the Federation (OAGF), 2014). GIFMIS will help to improve the acquisition, allocation, utilization, and conservation of public financial resources using automated, effective, efficient, and economic information systems. It will also aid strategic management of public financial resources for enhanced accountability, transparency, cost-effective public service delivery, and economic growth, and poverty reduction efforts (OAGF, 2011). Its implementation will facilitate tremendous improvement in efficiency in operations as the FG continues in its quest for a new Nigeria positioned to achieve vision 2020.

Fraud Prevention

Fraud prevention involves those actions taken to discourage the commission of fraud and limit fraud exposure when it occurs. Instilling a strong ethical culture, and setting the correct tone at the top are essential elements in preventing fraud. A strong principal mechanism for preventing fraud is effective, and efficient internal controls, including controls related to screening customers, vendors, and external business relationship partners (IIA 2009). An organization with effective internal controls deters fraudsters from the temptation to commit fraud. Management is primarily responsible for establishing and maintaining internal controls in an organization. The European Federation of Accountants (2005) however presented the following measures to combat the risk of fraud in companies:

i. Ethical culture – ethical standards in the working environment

ii. Identification of risk areas

iii. Set-up of policies, sound internal control procedures, and monitoring

iv. Whistleblowing

Fraud Detection

Fraud detective controls are designed to provide warnings, or evidence that fraud is occurring, or has occurred. Effective internal controls are one of the strongest deterrents to fraudulent behavior and fraudulent actions. Simultaneous use of preventive, and detective internal controls enhances any fraud risk management program's effectiveness (Josiah, Samson & Akpeti, 2012). Although detective internal controls may provide evidence that fraud exists, detective internal controls are not intended to prevent fraud. Fraud detection methods need to be flexible, adaptable, and continuously changing to meet the changes in the risk environment. While preventive measures are apparent and readily identifiable, detective controls may not be as apparent (that is, they operate in the background) (John & Rudesill, 2010)., organizations often rely on employees to report suspicious activity through an anonymous whistleblower hotline. Using employee feedback capitalizes on the fact that many employees within the organization want to share what they know about, organizational issues (IIA 2009). An effective way for an organization to learn about existing fraud, according to IIA (2009) is to provide employees, suppliers, and other stakeholders with a variety of methods for reporting their concerns about illegal, or unethical behavior. Ways to collect this information include:

1. Code of conduct confirmation: When employees sign an annual code of conduct outlining their responsibilities in the prevention, and detection of fraud, they can be asked to report any known violations.

2. Whistleblower hotline: This can take the form of a telephone hotline or Web-based reporting system where the whistleblower can remain anonymous.

3. Exit interviews: Conducting exit interviews of terminated employees, or those who have resigned can help identify fraud schemes. They may also help determine whether there are issues regarding management's integrity, and may provide information regarding conditions conducive to fraud.

4. Proactive employee survey: Routine employee surveys can be conducted to solicit employee knowledge of fraud, and unethical behavior within the organization. A proactive survey could elicit anonymous information from employees, which would aid, organizations in catching fraud sooner than if they wait for employees to volunteer such information.

5. Other methods for fraud detection include surprise audits in high fraud risk areas by internal auditors, external auditors, or management.

Fraud Remediation

At the conclusion of every audit assignment, findings, and recommendations are made in relation to the lapses in the internal control, fraud, or irregularities established during the audit. Therefore, Management is expected to take necessary corrective actions to address the findings, and recommendations of internal auditors, and external auditors in a timely manner; addressing control weaknesses, non-compliance with policies, laws, and regulations, and other problems identified by internal audit, and external audit, and ensuring that deficiencies identified by supervisory authorities related to the internal audit function are remedied within an appropriate time frame, and that progress of necessary corrective actions are reported to the Board of Directors (Chimeocha, 2018)

2.2 Theoretical Framework

This study will be anchored on the Agency Theory.

Agency Theory

The theory was developed by Jensen and Meckling in 1976. The theory is used to understand the relationships between agents, and principals. The agent represents the principal in a particular business transaction and is expected to represent the best interests of the principal without regard for self-interest. The different interests of principals and agents may become a source of conflict, as some agents may not perfectly act in the principal's best interests. The resulting miscommunication and disagreement may result in various problems, and discord within companies. Incompatible desires may drive a wedge between each stakeholder, and cause inefficiencies, and financial losses. This leads to the principal-agent problem (Investopedia 2019).

This theory defines the contract among the company owner(s), and its top management. Managers work with the company as agents to perform some service on behalf of owners who delegate some decision-making authority to managers. These authorities could be misused by managers to meet their interests through fraudulent engagements. Therefore, internal auditors will help the company in enhancing their performance, and also will ensure that the management carries out its plans according to procedures. Ilaboya and Ohiokha (2014) considered internal auditors as agents and monitors for a variety of internal audit users that include the board, audit committee, and senior management. Internal auditors often are employed by senior management, but at the same time, they are also agents of the board, and audit committee who trust in the internal auditors' ability to evaluate senior management's works, and anti-fraud controls established by the senior management.

Internal auditors as agents must perform audit processes at the professional level requiring education, and professional certifications, experience, and other competencies needed to perform their responsibilities perfectly. Having internal auditors with such requirements, and the existence of training programs for internal auditors, would increase the confidence level of the board, and audit committee in the internal auditor competence. At the same time, internal auditors, by proving their duties in accordance with the professional level, can refute charges of neglecting their duties.

The internal audit department works are achieved under the supervision of the chief audit executive who is the main responsible individual for putting the internal audit plan, reporting internal audit findings, and following up on internal audit recommendations. The organization members are required to evaluate the internal control system, and in, order to achieve this requirement they depend on the internal audit department. During this evaluation, internal auditors should collect sufficient, and reliable evidence that will support their assessment of the internal control system. The existence of such evidence will increase the confidence level of company members on the works performed by the internal audit. Hence, internal audit department performance is a crucial requirement for company members to consider internal auditors as agents (Idris, 2009).

Internal auditors, as agents of the company members, need their support. The existence of an effective audit committee in the company enhances internal audit independence, and also, reduces senior management interferences either in internal audit scope, or its performance. For example, the problem related to the ability of senior management's influence over the future employment, and salaries of internal auditors will be resolved by having an audit committee as the absolute authority for appointment, and removal of the chief audit executive. Another clear example of, organization members' support occurs when senior management asks all departments to accomplish the internal audit recommendations.

2.3 Empirical Review

Prior to this study a lot of research works have been conducted by other researchers related to this topic; some of such works have been reviewed below:

Chimeocha (2018) carried out a study on the examination of internal audits as an effective tool for fraud control in a manufacturing organization. The main objective of the study is to examine the internal audit system in the operation of companies in Nigeria and evaluate the effectiveness of the system as a strategy for fraud control. The data were collected through the primary source, and using Taro Yamane's 1964 formula out of the population of eight (8) staff in Michelle laboratory Enugu. The data were analyzed using t-test analysis. The study revealed that internal audit has statistical significance association on fraud prevention in manufacturing, organization, also that internal audit has statistical significance association on fraud detection in manufacturing, organization, and finally, internal audit has no statistically significant association on fraud remediation in manufacturing, organization.

Enofe, Abilogu, Omoolorun, and Ehailo (2017) carried out a study on the measures of fraud prevention in the banking industry. Primary data were used for this study. This study was carried out by collecting data from 15 quoted commercial banks in Nigeria as of 31st November 2015. The study utilized, ordinary least square regression model. It was observed that a strong internal control system, good corporate governance, and compliance with banking ethics have a positive, and significant influence on fraud prevention in the banking industry. The study recommended that banking institutions should establish, and ensure effective and strict implementation of all these variables which is strong enough to prevent fraud, errors, and misappropriations.

Obonyo (2017) carried out a study on the effect of internal audit practices on fraud risk management in state corporations in Kenya. The study sought to establish the extent to which internal audit practices contribute to the success of fraud risk management in State Corporations. The target population was all-state corporations in Kenya; Stratified random sampling was used to sample the state corporations under study. Structured questionnaires were used to collect data. 40 state corporations were sampled for the study. The researcher used Pearson Chi-Square to analyze the data. The study concludes that internal audit practices; fraud policy, periodic assessment of fraud risk exposure, fraud prevention, and fraud detection when combined contribute to the success of fraud risk management in state corporations in Kenya.

Olatuji and Adekola (2017) conducted a study titled 'the role of auditors in fraud detection, and prevention in Nigeria deposit money banks: evidence from Southwest. This study examined the impact of auditors captured by risk assessment, system audit, and verification of financial reports on banking fraud control. The study relied on primary data. Multiple regression techniques and ANOVA were used for the analysis. The results indicated that the level of fraud control in Nigerian banks during the period covered was low; the result revealed that risk assessment management, system audit, and verification of financial reports adopted by the banking industry in Southwest Nigeria limit the fraudulent activities among the Nigerian banks.

3. Methodology

The study used the survey design to obtain information for the study.

A population is the set of all objects (units), or observations in which conclusions are to be drawn (Osuala, 2005). The population of study covered the banking sector, insurance sector, pension fund custodian, and microfinance banks in Enugu State.
The population distribution is shown below:

Table 3.1 Population Distribution Table

S/N	*Options*	*No. of Respondents*
1	First Bank Plc, Ogui Road	34
2	Zenith Bank	29
3	NIRSAL Microfinance Bank	25
4	Umuchinemerem Microfinance Bank	22
5	Leadway Assurance	29
6	IGI Insurance	17
7	Access Pension Fund Custodian	20
8	First Pension Custodian	13
	Total	189

Sample Size
The Cochran formula was adopted in the determination of the sample size of the study. Cochran formula allows a researcher to calculate an ideal sample size given a desired level of precision, desired confidence level, and the estimated proportion of the attribute present in the population.
The formula is given below:

$$n = \frac{n_o}{1 + \frac{(n_o - 1)}{N}}$$

$$n_o = \frac{Z^2 pq}{e^2}$$

Where:

n	=	Sample Size
no	=	Representative Sample for Proportion
N	=	Total Population
Z^2	=	The abscissa of the normal curve = 1.96
p	=	Proportion of success in the population from pilot survey = 0.5
q	=	Proportion of failure in the population from pilot survey = 0.5
e	=	error estimate = 0.05

$$n_o = \frac{(1.96)^2 (0.5 \text{ X } 0.5)}{(0.05)^2}$$

$$n_o = \frac{3.8416 \times 0.25}{0.0025}$$

$$n_o = 384.16$$

Therefore,

$$n = \frac{384.16}{1 + \frac{(384.16 - 1)}{189}}$$

$$n = \frac{384.16}{3.03}$$

$$n = 127$$

This study used data collected from primary sources. The primary data used for this research work were obtained using a well-structured questionnaire.

For a reliable, and comprehensive source of information, a structured questionnaire was employed as the instrument of data collection for the study. The questionnaire is divided into two parts; Part A and B. Part A was based on the personal data of the respondents. Part B comprises of five-point rating scale questions ranging from Strongly Agree (5), Agree (4), Undecided (3) Disagree (2) Strongly Disagree (1).

Data were analyzed using, ordinal Linear-by –Linear Association model (Log-Linear Regression Model).

4. Data Presentation, Analyses, and Discussion of Results

The collected copies of the questionnaire were checked for consistency before being coded. SPSS version 23 platform was used to facilitate analysis. Descriptive statistics such as frequency distribution and percentages were used to analyze general information. Means were used to analyze the study. A regression model was used to analyze the data.

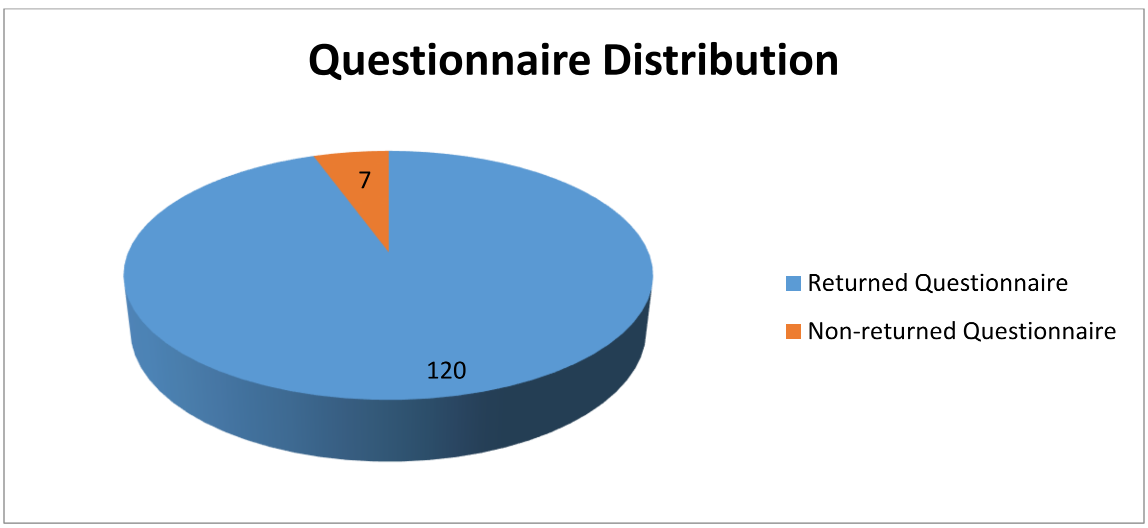

Fig 2 Response Rate

The total copies of questionnaire distributed were 127 but the study received a total of 120 duly completed copies of the questionnaire which constituted a response rate of 94 percent. De Vaus, (2013) informs that a response rate of 80 percent and above is considered adequate. This implies that response rate for the study was adequate to enable the researcher to perform the analyses. Therefore, there were a total 120 respondents from the returned and filled copies of questionnaire.

Bio Data

Gender of Respondents
The study sought to identify the gender of the respondents that took part in the research

Table 4.1 Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	84	70.0	70.0	70.0
	female	36	30.0	30.0	100.0
	Total	120	100.0	100.0	
Missing	System	0	0.0		
Total		120	100.0		

Table 4.1 showed that 84 male respondents are representing 70.0% while 36 female respondents are representing 30.0%.

Marital Status

Table 4.2 Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent 4.3
Valid	Single	25	20.8	20.8	20.8
	married	95	79.2	79.2	100.0
	Total	120	100.0	100.0	
Missing	System	0	0.0		
Total		120	100.0		

Source: SPSS Version 23.0

Table 4.2 showed that 25 single respondents are representing 20.8% while 95 married respondents are representing 79.2%.

Table 4.3 Response on the motivation behind fraud and fraudulent activities in Nigeria

S/N	Response	SA	A	U	DS	SD	N	Total	Mean score	CM	RMK
a	Inability to pay one's bills	75	20	12	8	5	120	512	4.26		**Accept**
b	Drug, or gambling addiction	65	25	15	11	4	120	496	4.13	**3.82**	**Accept**
c	Need to meet earning to sustain investor confidence	5	15	20	30	50	120	255	2.12		**Reject**
d	Need to meet productivity targets at work	80	20	10	5	5	120	525	4.37		**Accept**

Source: Field Survey Report, 2021

Table 4.3 shows the response on the motivation behind fraud and fraudulent activities in Nigeria. The analyses showed that the motivation behind fraud and fraudulent activities in Nigeria include; inability to pay one's bills, drug, or gambling addiction, and the need to meet productivity targets at work.

Table 4.4 Response on Concealment of Fraud

S/N	Roles	SA	A	U	D	SD	N	Total	Mean score	CM	RMK
A	Creating, and altering physical documents	80	22	10	4	4	120	530	4.41		**Accept**
B	Altered transactions in the accounting system	70	30	10	6	4	120	516	4.3	**3.97**	**Accept**
C	Destroyed physical documents	79	21	11	7	2	120	528	4.4		**Accept**
D	**Creating fraudulent electronic documents, or files**	**6**	**14**	**19**	**32**	**49**	**120**	**256**	**2.13**		**Reject**

Source: Field Survey Report, 2021

Table 4.4 shows the response on the concealment of fraud. The analyses showed that the ways of concealing fraud include: creating, and altering physical documents, altering transactions in the accounting system, and destroying physical documents.

Table 4.5 Response on Processes of Fraud Discovery in Nigeria

S/N	Roles	SA	A	U	DS	SD	N	Total	Mean score	CM	RMK
a	Test transactional data for possible indicators of fraud	79	21	12	6	2	120	529	4.40		**Accept**
b	Improve controls by implementing continuous auditing, and monitoring	72	30	11	4	3	120	524	4.36	**3.80**	**Accept**
c	Communicate the monitoring activity throughout the, organization	5	13	20	32	50	120	251	2.09		**Reject**
d	Provide management with immediate notification when things are going wrong	**78**	**21**	**12**	**6**	**3**	**120**	**525**	**4.37**		**Accept**

Source: Field Survey Report, 2021

Table 4.5 shows processes of fraud discovery in Nigeria. The analysis showed that the processes of fraud discovery in Nigeria include**:** test transactional data for possible indicators of fraud, improve controls by implementing continuous auditing, and monitoring, and provide management with immediate notification when things are going wrong.

Test of Hypotheses
The Researcher conducted a multiple regression analysis to determine the relationship between the independent, and the dependent variables.

Decision Rule:
Reject the null hypothesis when the Sig. value is less than 0.05, otherwise, accept the null hypothesis.

Hypothesis One
There are no significant motivations behind fraud and fraudulent activities in Nigeria

Table 4.6 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.115[a]	.730	-.151	.55528
a. Predictors: (Constant), there are no significant motivations behind fraud and fraudulent activities in Nigeria				

Table 4.6 above showed that the R^2 is 73%. The R^2 is used to explain the goodness of fit. Therefore, since it is about 73%, it implies that about 73% change in the dependent variable is explained by the independent variables, and the higher the R^2 the better fit the independent variables.

Table 4.7 Anova[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.025	1	.025	3.081	.005[b]
	Residual	1.850	6	.308		
	Total	1.875	7			
a. Dependent Variable: fraud						
b: (Constant), there are no significant motivations behind fraud and fraudulent activities in Nigeria						

Table 4.7 showed that the F – statistics is 3.081 while the Sig. value is 0.005. This shows that the model is significant, and has high goodness of fit.

Table 4.8 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.750	.481		3.639	.011
	There are no significant motivations behind fraud, and fraudulent activities in Nigeria	-.050	.176	-.115	-.285	.785
a. Dependent Variable: fraud						

Decision
Given the decision criteria to reject H_O if the probability value is less than 0.05, table 9 shows that the probability value is 0.011. We reject the null hypothesis (H0) and conclude that there are significant motivations behind fraud and fraudulent activities in Nigeria.

Hypothesis Two
There are no significant ways of concealment of fraud in Nigeria.

Table 4.9 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.417[a]	.874	.036	.50819
a. Predictors: (Constant), there are no significant ways of concealment of fraud in Nigeria				

Table 4.9 above showed that the R^2 is 87%. The R^2 is used to explain the goodness of fit. Therefore, since it is about 87%, it implies that about 87% change in the dependent variable is explained by the independent variables, and the higher the R^2 the better fit the independent variables.

Table 4.10 Anova[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.325	1	.325	4.260	.015[b]
	Residual	1.550	6	.258		
	Total	1.875	7			
a. Dependent Variable: fraud						
b. Predictors: (Constant), there are no significant ways of concealment of fraud in Nigeria						

Table 4.10 showed that the F – statistics is 3.081 while the Sig. value is 0.015. This shows that the model is significant, and has high goodness of fit.

Table 4.11 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.027	.401		5.059	.002
	There are no significant ways of concealment of fraud in Nigeria	-.153	.136	-.417	-1.123	.305
a. Dependent Variable: fraud						

Decision
Given the decision criteria to reject H_O if the probability value is less than 0.05, table 12 shows that the probability value is 0.002. We reject the null hypothesis (H0) and conclude that there are significant ways of concealment of fraud in Nigeria.

Discussion of Results
The interpretation of the findings is presented in this section for each study objective based on the result of the analysis conducted**.**

The analysis of the study also discovered that there are significant motivations behind fraud and fraudulent activities in Nigeria based on the premise that the probability value being 0.002 was less than 0.05.

The study discovered that there are significant ways of concealment of fraud in Nigeria due to the fact that the probability value of the response which was 0.011 was less than 0.05.

5. Summary of Findings, Conclusion, and Recommendations

The analysis of the study also discovered that there are significant motivations behind fraud and fraudulent activities in Nigeria, and there are equally significant ways of concealment of fraud in Nigeria. There are significant processes of fraud discovery in Nigeria.

In conclusion, fraud from this study, and analysis has been noted as a trait that is associated with virtually all sectors of the Nigerian economy and needs to be adequately regulated and controlled.

It is therefore recommended that the regulatory, and supervisory bodies of, organizations in Nigeria need to improve their supervision using all tools at their disposal to appropriately check, and curtain the incidence of fraud, and fraudulent practices. Furthermore, training techniques should be upgraded to test honesty, and integrity, and not just technical skills. This should entail extensive training programme regularly done, as well as personality tests, and IQ tests so as to understand the personality, and character of the trainee. This would reduce negligence, and carelessness in carrying out basic procedures that could pose as loopholes for fraud.

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