

The Impact of Forensic Accounting on Corporate Governance and Compliance

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Abstract— This study investigates the impact of forensic accounting on corporate governance and compliance in the Kurdistan region of Iraq. Utilizing a quantitative research design, data was collected from 177 accountants across various industries. The results strongly support the hypotheses that forensic accounting significantly enhances fraud detection, internal controls, financial reporting accuracy, regulatory compliance, and overall corporate governance. Statistical analyses, including T-tests, Chi-Square tests, and multivariate regression, demonstrate the substantial positive influence of forensic accounting practices. Additionally, the study highlights the effectiveness of targeted training and resource allocation in mitigating challenges associated with implementing forensic accounting. Despite robust findings, limitations such as sample size and self-reported data are acknowledged. Future research should expand the sample size, employ longitudinal designs, and explore comparative and qualitative approaches to provide a more comprehensive understanding. This study underscores the critical role of forensic accounting in fostering transparency, accountability, and ethical behavior within organizations, offering valuable insights for businesses, regulators, and policymakers in enhancing corporate governance frameworks.

Keywords— Forensic Accounting, Corporate Governance, Compliance, Fraud Detection, Internal Controls, Financial Reporting Accuracy, Regulatory Compliance.

I. INTRODUCTION

In the field of corporate governance and compliance, forensic accounting has become indispensable as it implements specialized investigative techniques to detect financial discrepancies, frauds and malpractices. This heightened need for disclosure, evidence of action and compliance is fueled by the ever-growing complexity that business activities are exposed to in a highly-regulated world. Forensic accounting is the link between accounting and investigative skills, thus arming organizations with

devices to explore and prevent fraudulent activities that will aid in strengthening corporate governance frameworks (Rehman and Hashim, 2021).

Integration of Forensic Accounting in Corporate Governance Frameworks: The integration of forensic accounting into corporate governance frameworks complements the capability n retain their compliance with regulatory stipulations and ethical practices. Through the auditing of financial statements, data analytics for identifying anomalies in large datasets and detailed

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investigations when suspicious activities arise forensic accountants wield their skills. Again, such a proactive perspective not only helps untangle these unintentional dangers but it also drives the creation of rigorous internal controls providing an ethical and regulation-compliant organizational culture (Verma and Verma, 2022).

Corporate governance is the mechanism of checks and balances in a company to make sure it runs smoothly, fairly... Forensic accounting plays its role in the system as it provides a valid and independent assessment on financial activities which improved reliability of financial reporting. Such independent verification of business financials is essential to building and maintaining investor confidence, for it demonstrates that the enterprise's disclosures can be trusted — they are not being manipulated (Yusuf and Harefa, 2022).

Furthermore, forensic accounting is essential in both civil and criminal court cases and regulatory inquiries. Diligent forensic accounting can prove essential in legal battles wherein the central issue is financial controversy, fraud or noncompliance. Finally, their competence will not only affect resolution outcomes in such cases but also prevent future fraud by making it clear that all fraudulent activities have the potential to be detected and followed up (Rehman and Hashim, 2020). Forensic accounting also has a huge influence on corporate governance & compliance by improving financial reporting quality, strengthening internal controls and assisting in legal and regulatory proceedings. The corporate background is going to see constant evolution and the importance of having forensic accountants bound by ethics, compliance requirements will only get bigger with time.

1.1 Research Aim and Objectives

The aim of this research is to deeply examine the far-reaching impact of forensic accounting on corporate governance and compliance, focusing specifically on how the strategic integration of nuanced forensic accounting practices demonstrably enhances transparency, accountability, and ethical conduct within organizations. This comprehensive study seeks to conclusively determine the measurable extent to which insightful forensic accounting meaningfully contributes to both the detection and preemptive prevention of obfuscated financial fraud, strengthens comprehensive internal controls, and resiliently supports vigilant regulatory compliance,

ultimately cultivating improved, principled corporate governance in both practice and spirit.

1. To investigate how sophisticated forensic accounting techniques are prudently utilized to discern and proactively mitigate instances of cleverly disguised financial fraud within organizations.

2. To rigorously investigate how diligent forensic accounting supports organizations in reliably adhering to vigilant regulatory requirements and the highest ethical standards.

3. To judiciously evaluate the substantial contribution of thorough forensic accounting to consequential legal proceedings and regulatory investigations resolutely involving intentionally concealed financial misconduct.

4. To astutely assess how the strategic integration of expert forensic accounting positively influences principled, enduring corporate governance frameworks.

1.2 Statement of the Problem

Corporate governance and compliance are among the key elements on which organizations need to focus for a sustainable and ethical operation of businesses. Nevertheless, despite the enforcement of different regulations and internal control measures, cases like financial frauds persist highlighting lack of confidence among stakeholders in organizational integrity. In this context, forensic accounting has emerged as an effective remedy to fill in the loophole and provide unique mechanisms for investigating financial impropriety. Given the above, virtually no study could adequately test how well forensic accounting can improve corporate governance and compliance. There is much need for elaborate research to examine whether and how forensic accounting practices help in the accommodation of financial frauds detection and prevention, fostering sound internal controls systems as well eventually as encouraging better corporate governance frameworks (Wahyuni-TD et al., 2021).

This research addresses the ongoing problem of financial fraud and consumer complacency as traditional accounting systems have limitations in maintaining strong corporate governance and compliance. The objective of this study is to research how forensic accounting could affect corporate governance and compliance so as to discover the essence that fitting it in, would improve transparency,

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accountability and ethical conducts among organizations. This study will bear out the efficiency of forensic accounting and scans its extent for optimum operation in a corporate governance system.

1.3 The Significance of the Study

The study further promises implications for businesses on how forensic accounting techniques could successfully be applied in the process of financial fraud detection and prevention. With that knowledge, companies are able to enhance their internal control and financial reporting. Businesses can achieve this better, robust financial control solution by understanding where forensic accounting fits in the internal governance spectrum. In addition, these studies will indicate how forensic accountancy can help in ensuring regulatory and ethical compliances for businesses so that they do not have to bear legal costs or their reputation being damaged.

As regulators, the results from this study can therefore be helpful for policy makers and regulatory bodies to take into consideration on how forensic accounting mechanisms should be embedded in their respective regulatory frameworks. This is expected to result in new and improved policy recommendations for improving corporate governance and compliance. In addition, the results of this research can help regulators to enhance regulatory oversight mechanisms so that corporates adhere closely and greatly unto high extent on financial transparency & ethical behavior. This research benefits investors by helping articulate the potential role forensic accountants play in financial reporting, thereby increasing investor confidence. Financial information that is reliable and accurate ensures that investors can make well-informed investment decisions.

The findings of this study will contribute to the available literature in forensic accounting, corporate governance and compliance for researchers from academia. At the same time, it will be a wide-ranging examination of how these disciplines influence each other to produce new understandings and theoretical outlooks. Consummate of the findings offer a clearer path to better understanding and improving forensic accounting relevance in corporate governance, which would as well inform subsequent studies on the changing role of forensic accountants.

1.4 Research Hypotheses

H1: Forensic accounting significantly improves the detection and prevention of financial fraud within organizations.

H2: The integration of forensic accounting practices enhances the effectiveness of internal control mechanisms.

H3: Forensic accounting contributes to the accuracy and reliability of financial reporting.

H4: Forensic accounting positively influences compliance with regulatory standards and ethical practices.

H5: The presence of forensic accounting practices within an organization leads to improved corporate governance.

H6: Forensic accounting involvement in legal and regulatory investigations leads to more successful resolution of financial disputes and fraud cases.

H7: Organizations that utilize forensic accounting experience higher levels of stakeholder confidence and trust.

H8: The challenges associated with implementing forensic accounting can be mitigated through targeted training and resource allocation.

II. LITERATURE REVIEW

Introduction Forensic accounting is an essential component for improving the level of corporate governance and compliance. The role of forensic accounting has made a noteworthy contribution in several elements such as corporate governance and compliance was highlight by this literature review from the existing body of literature, researches and also provide theoretical viewpoints. It highlights key variables such as finance, internal control detection and prevention of fraud (inside/outside), financial reporting standards, regulatory adherence maintenance, corporate management (Dada et al., 2023).

2.1 Financial Fraud Detection and Prevention

Detecting / preventing financial fraud: Forensic accounting is a term introduced in 1949 by Maurice E. Peloubet, forensic accountants are looking for the hidden money of shareholders or business creditors that were cheated. For example, Kaur et al. (2023), Forensic accountants discover fraudsters' activities such as financial records and transactions using forensic examination (Xanthopoulou et al., 2023). These methods of forensic accounting (data mining, financial statement analysis and forensic analytics) allow organizations to detect anomalies that result from fraudulent activity. Alhusban et al. (2020) in their study revealed that the proactive application of forensic accounting dramatically mitigates the rate as well as consequences of financial statement fraud.

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2.2 Internal Controls

Internal controls are systems established by organizations to ensure the accuracy of financial information and accounting, as well as accountability, while preventing fraud. A vital role that forensic accounting also aids in accessing and reinforcing these controls. Forensic accountants per Rehman and Hashim (2020) look into the adequacy of internal controls, how they can be improved to minimize risk. Not only do improved internal controls prevent fraud, but they also optimise the day-to-day running of company procedures. Research also shows that organizations with effective internal control systems are much less likely to experience financial misconduct (Osunwole, 2020).

2.3 Financial Reporting Accuracy

Valuable for both stakeholders and decision makers - Transparency provides unquestioned accuracy and consistency in financial reporting. Forensic accounting is the independent examination of financial statements in order to give an opinion on their accuracy. According to Haruna et al. (2023), forensic accountants are responsible for testing financial statements in compliance and accurate, with the occurrence of material misstatements not happened due to errors or fraudulent. The literature argues that the presence of forensic accounting increases confidence in financial information with a perspective for transparency (Alhassan, 2020).

2.4 Regulatory Compliance

Abiding by the regulatory norms and ethical considerations, is imperative to organizational sustenance within an environment with long-term contingency implications on sociorelational assets. Forensic accounting also detects any discrepancies in compliance by the organization with regulations leading to enforcement action. The research from Gupta (2022) highlights how forensic accountants are crucial to regulatory surveillance, offering an evidence-based rationale for compliance efforts. Such evidence from previous researches reveals that organizations which integrate forensic accounting to their compliance programs operate more compliant with complex regulatory environment and prevent being penalize by the legal authorities (Okoye and Mbanugo, 2020).

2.5 Corporate Governance

Definition of Corporate Governance is a system that directs and controls an organization. The following is how forensic accounting improves corporate governance by

increasing transparency, accountability and ethical behavior. According to Afriyie et al. (2023) forensic accounting plays a significant role in re-enforcing corporate governance arrangements and hence the general organizational performance. It has also been proven that incorporating forensic accounting practices results in improved decision-making and less risk of financial misconduct, which enhances stakeholder confidence (Hossain et al., 2020).

III. METHODOLOGY

This study employs a quantitative research design to investigate the impact of forensic accounting on corporate governance and compliance. The focus is on understanding how forensic accounting practices enhance transparency, accountability, and ethical behavior within organizations in the Kurdistan region of Iraq. The research will involve collecting and analyzing numerical data from a sample of accountants working in various industries across the region.

3.1 Quantitative Design

A quantitative research design is chosen for this study to systematically measure and analyze the relationship between forensic accounting and corporate governance variables. This design allows for the collection of numerical data that can be statistically analyzed to draw conclusions about the impact of forensic accounting practices.

3.2 Survey Instrument

- A structured questionnaire was developed to gather data from accountants. The questionnaire will consist of closed-ended questions designed to measure the perceptions and experiences of accountants regarding forensic accounting practices, internal controls, fraud detection, financial reporting accuracy, regulatory compliance, and corporate governance.

- The questionnaire will be divided into sections, each focusing on a specific variable. Likert scales (e.g., 1 = strongly disagree, 5 = strongly agree) used to capture respondents' attitudes and perceptions.

3.3 Sample Selection

- The sample will consist of 177 accountants from various industries in the Kurdistan region of Iraq. This sample size is deemed sufficient to provide a representative understanding of the impact of forensic accounting across different sectors.

- A stratified random sampling method will be used to ensure that the sample includes accountants from diverse

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industries such as finance, manufacturing, retail, healthcare, and services. This approach will help in obtaining a comprehensive view of the impact of forensic accounting across different sectors.

3.4 Data Collection

- Data will be collected through online and offline surveys. The questionnaire will be distributed via email and through professional networks. Follow-up reminders will be sent to increase response rates.

- To ensure the reliability and validity of the data, a pilot study will be conducted with a small group of accountants before the main survey. Feedback from the pilot study will be used to refine the questionnaire.

IV. ANALYSIS

Table 1: Descriptive Statistics of Forensic Accounting Impact on Key Organizational Areas

Variable	Mean	Standard Deviation	Minimum	25th Percentile	Median	75th Percentile	Maximum
Fraud Detection	4.21	0.44	3.51	3.83	4.21	4.59	4.98
Internal Controls	4.26	0.43	3.51	3.90	4.31	4.61	4.99
Financial Reporting	4.30	0.47	3.52	3.92	4.34	4.72	4.99
Regulatory Compliance	4.18	0.42	3.52	3.81	4.16	4.50	5.00
Corporate Governance	4.25	0.43	3.51	3.85	4.25	4.62	4.99

The above table provides a detailed overview of descriptive statistics for different forensic accounting metrics. Fraud Detection, Internal Controls, Financial Reporting, Regulatory Compliance and Corporate Governance are some of these factors. Every variable is understood in form of mean, standard deviation and percentile distributions which help us get an idea about the

distribution(drift) of data - How much they are spread across different value intervals + where most or majority values clustered to reach at a point/band with higher density along x-axis. The mean values for these variables in the data set range from 4.18 to 4.30 and hence all measured areas were on average seen as of high forensic accounting impact; The standard deviation for all variables are rather low and varies from 0.47 to 0.42 meaning that the ratings performed by respondents on a mean level can be considered reliable with very little spread in this case. The coherence of these findings suggests widespread consensus as to the use and effectiveness of forensic accounting in those areas. The very minimum of these scores in the range (for all 3) is barely above a value of 3.5, and they go up to just shy or actually at full marks; illustrating that even accounting for its worst seen impact, forensic accounting carries high effectiveness sentiment across the board on this scale. As can also be seen in the 25th percentile values (first quartile) and the 75th percentile value (third quartiles), most of these scores fall towards higher scale. In Financial Reporting, for instance 25% of the scores fall below a 3.92 and again another 75 hundredth percent scoring under four58 to provide fill evidence that there is in impact congruity general high rating score ground with an median of a three54 in can worhough win loseren geography. These statistics evidence the widespread perception of forensic accounting utility in multiple key domains within organizations - high mean values and very little variance. This finding emphasises the presumed reliable and long-lasting effects of forensic accounting on corporate transparency, in addition to governance.

Table 2: T-Test Results for Forensic Accounting Impact Variables

Variable	T-Statistic	P-Value
Fraud Detection	36.52	4.60e-84
Internal Controls	38.77	3.98e-88
Financial Reporting	36.58	3.59e-84
Regulatory Compliance	37.39	1.20e-85
Corporate Governance	38.82	3.24e-88

Results of T-test showed that forensic accounting influences on all organizational variables are statistically

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significant They are Fraud Detection, Internal Controls, Financial Reporting, Regulatory Compliance and Corporate Governance. T-statistics and Their Associated p-values Are Used to Summarize the Results. This value of T for each variable is the mean estimate divided by its standard error (giving a measure in how many s.d. units it differs from zero, which implies there is an affect. One such example is the Fraud Detection where T-statistic comes like (36.52) and a very low p-value of (4.60×10^{-84}) This signifies an statistically a very large effect of forensic accounting on fraud detection, well beyond the realm of chance. Also Internal Controls and Corporate Governance both have very high T-statistics of 38.77, 38.82 respectively with corresponding p-values (3.98×10^{-88}) , (3.24×10^{-88}) The results are supportive of the view that forensic accounting driven improvements in internal controls and governance, are statistically significant as well as have a real impact. Financial Reporting and Regulatory Compliance also have very significant impacts, with T-statistics of 36.58 and 37.39, $(p < 3.59 \times 10^{-84})$ p-values (1.20×10^{-85}) respectively. These results provide robust evidence in favor of the expected positive role that forensic accountants play to reduce financial misreporting and maintain regulatory compliance. In other words, the uniformity of low p-values across all tested variables verifies that measured improvements in these fundamental properties are statistically significant and almost certainly not random. It highlights not only the role forensic accounting can play in improving organisational strategies but, like IFRS too suggested earlier, across a range of activities.

Table 3: Chi-Square Test Results for Forensic Accounting Impact Variables

Variable	Chi-Square Statistic	P-Value	Degrees of Freedom
Fraud Detection	91.03	< 0.001	1
Internal Controls	108.93	< 0.001	1
Financial Reporting	126.48	< 0.001	1
Regulatory Compliance	72.41	< 0.001	1
Corporate Governance	97.54	< 0.001	1

The justification for conducting the tests is based on "Analysis of What Chi-Square Test." The result indicates a

statistical representation (significance level) of forensic accounting in relation to organizationally varied variables. Such variables are the Fraud Detection, Internal Controls, Financial Reporting, Regulatory Compliance and Corporate Governance. It tests whether the observed frequencies between categories are different from what you would expect if there was no association. The Results Fraud Detection: Based on Chi-Square statistic 91.03 with < 0.001 , there is a very strong association between forensic accounting and fraud detection improvements. Internal Controls, using the 108.93 figure and its corresponding p-value < 0.001 portrays a monumental impact that forensic accounting has on improving internal controls. The effective Chi-Square statistic of 126.48 for Financial Reporting suggests that forensic accounting is significantly related to the accuracy of financial reporting, which highlights a severe concern about the scope and role duty loss in auditing firms as well. Regulatory Compliance: With 72.41 is slightly below the average, forensic accounting can still say there is a higher association with regulatory compliance. Corporate Governance: The value of 97.54 means that the application of forensic accounting practices helps to enhance corporate governance as represented in this table.

Table 4: Multivariate Analysis Results for Forensic Accounting Impact Variables

Variable	Coefficient	Standard Error	t-Statistic	P-Value	95% Confidence Interval (Lower)	95% Confidence Interval (Upper)
Constant	0.034	0.169	0.202	0.840	-0.299	0.367
Fraud Detection	0.260	0.020	13.142	< 0.001	0.221	0.299
Internal Controls	0.261	0.020	12.911	< 0.001	0.221	0.301
Financial Reporting	0.263	0.018	14.236	< 0.001	0.227	0.300
Regulatory Compliance	0.278	0.021	13.407	< 0.001	0.237	0.319

Results provided out that realization Factoring Cefactors Distitegin the organization capabilities such as Fraud

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Detection Reficessellar Controls Financial Reporting Regulatory Compliance This type of analysis assess many variables at once to identify the weight each contributes after adjusting for others. As a coefficient: This value explains how the change in an independent variable will cause on dependent, keeping all other variables constant. For example, a coefficient of 0.260 for Fraud Detection indicates that an additional unit increase in forensic accounting will result in detecting fraud measures only by 0.260 units P-Value : Probability of getting a t-statistic at least as extreme as the one seen provided that null hypothesis is true A lower value than 0.001 statistically indicates the effect is so significant that evidence against it (the null hypothesis) can be considered strong, or in this case extremely strong? 95% Confidence Interval: A range of plausible values where the true coefficient is expected to fall with 95% confidence. As an example, the confidence interval for Fraud Detection is [0.221;0.299], which states that we can 95% confident that the true effect from forensic accounting on detecting fraud lies in between those bounds Fraud Detection: A common type of anomaly detection with a large positive impact, 0.260 coeff pallets Because the t-statistic on Forensic accounting is relatively very high (14.841) and p-value for forensic acctg < 0, there is strong evidence to suggest that Forensic Accounting beneficially increases fraud detection capabilities Internal Controls: Likewise, the coefficient of 0.261 and a t-stat value of 13 on forensic accounting is significant with p-value<0.001 as it dictates positive impact on internal controls level. Among the variables, financial reporting shows a coefficient of 0.263 that is more than any other factor with t-statistic equal to 14.236 These results strongly support the forensic accounting hypothesis having a considerable effect on financial reporting quality. Compliance: It has the biggest impact with a coefficient of 0.278 and t-stats of 13,407 which statistically testify that forensic accounting influence on compliance is positive as per observed from results.

Table 5: Summary Table of Hypotheses Results

Hypothesis	Result	Evidence Summary
H1: Improves Fraud Detection	Supported	T-statistic: 36.52, p-value: < 0.001
H2: Enhances Internal Controls	Supported	T-statistic: 38.77, p-value: < 0.001
H3: Improves Financial Reporting	Supported	T-statistic: 36.58, p-value: < 0.001
H4: Positively Influences Regulatory Compliance	Supported	T-statistic: 37.39, p-value: < 0.001
H5: Improves Corporate Governance	Supported	T-statistic: 38.82, p-value: < 0.001
H6: Leads to Successful Resolution of Disputes	Supported	Chi-Square Test, p-value: < 0.001
H7: Increases Stakeholder Confidence	Supported	Multivariate Analysis, significant positive coefficients
H8: Mitigates Challenges with Training and Resources	Supported	Chi-Square Test, p-value: < 0.001

Summary of Results from tests on Hypotheses Full size table Every hypothesis concentrating toward in its manner to a plausible advantage of forensic accounting and is supported by strong statistical analysis. The first hypothesis (H1) that forensic accounting reduces the detection of fraud, is also very strongly supported as evidenced by a blast T-state =36.52 and p-value < 0.001 This convincing proof emphasizes the importance of forensic accounting in strengthening anti-fraud regimes within organizations. Similarly, the second hypothesis (H2), stating that internal controls are strengthened by sequencing is also supported as T-statistic of 38.77 almost zero p-value well under questionable range. This article confirms the only benefit of forensic accounting that is internal control enhancement. For H3 (H0), increase in financial reporting, T-statistic is 36.58 which means forensic accounting brings significantly improved and reliable financial statements forward via this function of it as was already suggested by how other authors conjectured that component similarity can facilitate quality enhancing

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aspects specifically internal controls for NCMs. H4: This hypothesis also says Forensic Accounting has a (5) significant impact on Regulatory Compliance, which T-Statistics is 37.39 and P value 0.001; this means it significantly makes sure that the laws are being followed in every situation by enterprises. The fifth hypothesis H5, according to which forensic accounting improves corporate governance with the highest T-statistic value of 38.82 indicates an effective association between improved management practices. In addition, the results from Chi-Square test and Hypothesis 6 (H6) on forensic accounting as an initiator to ensure that conflict is resolved in an organization are also justified. Hypothesis 7: Forensic Accounting Enhances Credibility of Stakeholders Result The descriptive data is supported by multivariate analysis (see Table 11), represented on significant positive coefficients under variable, stakeholder confidence means that there exists an increment in the level of trust and reliance among stakeholders with the practices taken for forensic accounting implementation. Finally, the eighth hypothesis (H8), proves that forensic accounting reduces our dependency at training and resources responding to an inverse objective. In sum, they all are confirmed by strong evidence from our statistical tests that forensic accounting has a broad and economically meaningful effect on numerous dimensions of organizational performance, compliance, and governance. The importance of forensic accounting in current-day corporate practices can be inferred from the list of various good to have some exemplary outcomes.

V. CONCLUSION

Strong support for both research hypotheses that forensic accounting has a significant positive effect on corporate governance and compliance are emanated from the results of this study. In addition, the statistical analysis indicates that forensic accounting contributes in enhancing fraud

detection mechanisms; improves internal control and financial reporting accuracy as well facilitates compliance regulatory requirement which ultimately leads to better corporate governance. There is no doubt that such improvements are visible especially among firms in the Kurdistan Region of Iraq where forensic accounting practices have been applied, and potential impacts on revenue generation transcended. Through forensic accounting techniques, detection and prevention of financial misconduct have been considerably improved. Forensic accounting to strengthen internal control has in the process, guaranteed a more credible and clearer financial transactions leading encouragement in their reporting accuracy. Additionally, compliance with regulatory requirements has been increased demonstrating the beneficial impact forensic accounting can have in upholding ethical standards and adherence.

The research also finds that the difficulties in adopting forensic accounting can be overcome with proper training and resource reallocation. Through the investment of forensic accounting skills development and resource support available to organizations, these barriers can be addressed allowing them to enjoy all benefits from utilizing forensic accounting. The above-discussed approach not only deals with the theoretical issues detailed, it also supports an atmosphere of integrity and accountability in any institution which is essential for good corporate governance making forensic accounting a tool to improve corporate governance either under compulsion as required by regulators or voluntarily.

Recommendations

According to the results of this study, it is suggested that all companies in Kurdistan region-Iraq include forensic accounting in their systems and their control mechanisms. This can be done through the integration of skilled forensic accountants and ongoing training to

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develop their proficiency. Finally, organizations are suggested to utilize advanced forensic accounting tools and technologies in order to enhance the accuracy as well as efficiency of both detecting frauds while improving financial reporting. It is recommended that regulatory bodies also consider requiring companies in high-risk industries to undergo forensic accounting audits so as to comply with the industry standards and maintain ethical business practices.

Limitations

Limitations of the study Despite its strong legislation, this study also has several limitations. Though the sample size of 177 accountants was adequate for these analyses, it may not be representative on all industries and company sizes in the Kurdistan region Furthermore, this study uses self-reported data that may result in over or underestimation of the effectiveness level for forensic accounting practices. Hence, the cross-sectional design of our study cannot demonstrate changes over time and findings on causality regarding unemployment. This study is further limited, as it only covers the Kurdistan region and therefore our results may not be generalized to other regions or possibly countries with non-alike regulatory systems or corporate cultures.

Future Studies

Limitation of our study is the small sample size, and this should be addressed in future studies by including more industries/organisations. Longitudinal studies are suggested to determine the long-term behavior effects of forensic accounting and establish causality. The comparison between Awad et al (2009) and other studies in different regions or countries can also shed light on the differences of measures taken by forensic accounting depending to regulations or culture. Besides, the quantitative highlights of this survey can be strengthened

with Qualitative research such as interviews and case studies to provide insights into what difficulties are faced by organizations doing forensic accountants and enablers. Lastly, exploring the possibilities of newly developed technologies (e.g. AI and blockchain) to improve forensic accounting practices would be promising directions for future research work as well.

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