

The Influence of Forensic Accounting Competence and Independent Audit Committee on Anti-Fraud in Firm Performance

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ABSTRACT

Anti-fraud is a special field in identifying, diagnosing and treating fraud, and entails the gathering, management, investigation, and utilisation of business data. This research investigated the effect of both the forensic accounting competence (FAC) and the independent audit committee (IUC) on anti-fraud in firms' performance of private companies registered in the Iraqi Stock Exchange, and used Smart PLS and SPSS (version 26), with a population of 94 survey participants. The result was positive for both variables on preventing fraud in the performance of Iraqi companies. As a result, the specialisation in the FAC and IUC is required in the world's most commercial and financial entities. Accounting and auditing staff have been pressured by national bodies and legislators to change their accounting curricula, include courses in forensic accounting competency, and pay attention to the audit committee because attention to these two areas properly increases the performance of companies in this work context avoid fraud. However, accounting and auditing professionals prepared according to the current curriculum have little understanding, competencies, and abilities to set organisational goals and perform them as required. As a result, this study evaluated research philosophies, cognitive research ideas, and strategies. It could be used to integrate the FAC and IUC into the best-performing economic entities.

Keywords: Anti-Fraud, Firm Performance, Forensic Accounting Competence, Independent Audit Committee, Iraq

1. INTRODUCTION

Shashkova (2018) defined fraud as a severe economic phenomenon in economic entities' affairs management and regarded it as administrators' deliberate use of formal positions to illicit wealth gains. The term "fraud" encompasses terms like "managerial fraud," "illegal commercial activities," and "firm malpractice. Therefore, finding fraud has been a primary concern for the accountancy community, and the inability of the auditing process to recognise, stop, and decrease company capital embezzlement in Iraq raises the prominence and demand for forensic accounting. Yet, year after year, Iraqi institutions create qualified accountants/auditors with competence through traditional auditing programs that do not prepare auditors with the abilities and qualities required for today's information business world (Awolowo, 2019; Flammer et al., 2021).

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Hence, the fight against corruption has become necessary in all aspects of life. Therefore, Li and Yang (2019) considered anti-fraud as a strategic process and a systematic procedure for reducing the opportunity of fraud and increasing the chances of preventing and controlling it.

Firm performance is a financial metric that measures how efficiently a company to fulfill its goals by combining individuals and material resources (Mikalef & Gupta, 2021; Younas & Rehman, 2021). Therefore, the company's priority is its business's satisfactory and continuous performance, so companies seek to overcome the obstacles that are a barrier to their performance by reducing hindrances to corporate trade and economic investment by identifying and treating fraud. Therefore, global capitalism works to improve business performance and activities while expanding business opportunities and containing fraud (Al-Matari et al., 2014). Firm valuation is a vital factor in the marketplace, and clients anticipate that every firm will balance its costs to manage the risks companies confront. In addition, the long-term interests of diverse stakeholders, not only the investors, are often considered when an organisation's performance is improved (Flammer et al., 2021; Awolowo et al., 2018).

According to Flammer et al. (2021), value is critical for all stakeholders because companies that value their shareholders in the long-term often create more chances, work with existing and decide to retire employees, satisfy their customers, and bear a more significant share of the burden of company responsibility than their short-sighted competitors (Flammer et al., 2021). Furthermore, business governance may contribute to the growth of business value via enhancing management oversight, enhancing knowledge production or dissemination, and increasing investor confidence. Studies indicate that improved corporate governance is associated with increased business value (Al-Matari et al., 2014; Awolowo et al., 2018).

Therefore, several of the globe's most fraudulent organisations and communities demand anti-fraud and forensic accounting expertise. First published in worlds with a great deal of money, wrongdoing avoiding via forensic accounting was developed there. Most long-term residents in (the USA), the United Kingdom, Australia, Canada, and France have incorporated scam and forensic accounting into their current accounting procedures (Hegazy et al., 2017; Hossain, 2018; Peltier-Rivest & Pacini, 2019). Practitioners in rudimentary nations that are now practicing accounting within the present context of their organisations have far less comprehension, abilities, and capabilities in fraud prevention, minimisation, and drain on the economy than practitioners in developed nations (Zhatkin et al., 2017; Azudin & Mansor, 2018). For the time being, accounting competence and procedure emphasised scam protection as a top priority (Webster, 2017; Meador, 2017). Nevertheless, the disaster of monumental auditing crises brought Arthur Andersen, Enron, and WorldCom to their knees, permanently changing accounting processes around the globe. Furthermore, elevated accusations made of fraudulent activity (e.g., WorldCom, Enron, Global Crossing, Sunbeam, Adelphia, Cendant, Rite Aid, Lucent, Micro Strategy, and Waste Management) had generated considerable misgivings about the truthfulness and dependability of the organisational finance function, leading to the formation of the Audit Committee of the American Accounting Association (Jones & Stanton, 2021; Church et al., 2019; Gale, 2017).

In view of this, the role of forensic accounting emerged as an approach to avoiding fraud. Because forensic accounting is "the use of glaring accounting occupations, such as coroner's accounting procedures that can be used in different sectors, and evidentiary competence to gather, evaluate, and examine relevant data and to typify and show data in a financial advisory or impartial skilled witness abilities" (Nicolae & Diana, 2017). According to Efiog (2012), the increased acceptance of forensic accounting as a Portion of the accounting framework at a growing number of accounting practices in advanced nations reflects an increasing demand of sets of competencies and abilities that are equivalent with and advanced sufficiently to address the intricacies that firms encounter in the forehead of increasing fraud risks. Hence, the conception of FAC depending

on qualities, talent, and information appears to be an under-theorised approach in the research Scholars (Othman & Laswad 2019; Saadeh, 2019; Melinder et al., 2020).

However, the current finance field restructuring in Iraq has resulted in the discovery of the majority of private sector embezzlement and fraud through the assistance of overseas auditors. This is attributable primarily to the country's shortage of competent forensic accounting. While organisations such as the auditing firms in Iraq recognised a deficiency of specialist competencies to forensic accounting by establishing professional to prepare Chartered Accountant to become Certified Forensic Accountant, Iraq's auditing field have yet to incorporate forensic accounting into their framework (Jabbar & Jabbar, 2018; Kadhim et al., 2019). Moreover, audit' responsibilities for crafty activities have been increased by necessitating scrutiny firms be mindful of company contexts, staff incentives, and operational flaws, which might relate to the chance of fraud happening (Durtschi & Fullerton, 2005). On this grounds, inspectors must whet their competence in fraud mitigation and investigation, protection, and monitoring.

Therefore, this issue may serve as a model for studying how the IUC affects the firm's value, indicating that Iraq may be an ideal country for this research project. Furthermore, Iraq began to seek to improve its financial field and corporate governance following the global financial crisis that occurred over time (Alsmairat et al., 2019). Furthermore, there are numerous audit committee attributes overall that can be discovered. Still, because of the scarcity of research on the features of an IUC exclusively, this research project will use the size, context and abilities, and tenure of IUC members as a baseline. The number of independent members determines the size of an audit committee, and the experience and abilities of the independent members are defined by their specialisation. Meanwhile, board tenure refers to the number of years served on the board by an independent member.

2. LITERATURE REVIEW

In 1946, Maurice E. Peloubet coined the term "forensic," which says that it isn't only utilised in courtrooms but also a part of the accounting ground (Liodorova & Fursova, 2018). On the other hand, the IUC has a meaningful role in combating fraud, assisting the firm's performance and reducing financial gaps to curb illegal financial operations (Toumeh et al., 2020). Therefore, this paper is a continuation of previous studies but with a new vision and by examining the FAC and the IUC on anti-fraud in firm performance and provides support for prior research conducted by other writers.

2.1 Anti-Fraud in Firm Performance

Financial scandals and worries about the economic validity have resulted in a rush of requests for the FAC and audit committee to be more effective (Othman & Laswad 2019; Saadeh, 2019; Melinder et al., 2020; Bronson et al., 2009). Moreover, the lack of truth in financial data reporting and the audit committee's lack of effectiveness have resulted in many MNCs' enormous losses. And each MNC's primary purpose was to increase income, so when an institution experiences a financial crisis, the firm's value ultimately declines and its income decreases, affecting the management and the shareholders. This might result from the audit committee including insiders and individuals with strong ties to the firm, who may have information that would enhance their performance favourably (Sumartono et al. 2020: Liu & Sun, 2010). Therefore, anti-fraud is a special field in identifying, diagnosing and treating fraud, and entails the gathering, management, investigation, and utilisation of business data to obtain insights for outcome and performance improvement (Sihombing, 2021; Mikalef & Gupta, 2021). Wherefore, it is thought that having

the FAC and IUC members may help restore and improve the firm's value and avoid fraud activities by ensuring the FAC and IUC operates at a high degree of effectiveness and more robust performance (Nigrini, 2020; Toumeh et al., 2020).

2.2 Forensic Accounting Competency (FAC)

The conception of FAC depending on qualities, talent, and information appears to be an under-theorised approach in the research scholars (Othman & Laswad, 2019; Saadeh, 2019; Melinder et al., 2020). Moreover, FAC is the consequence of a combination of inborn traits, knowledge, and skills acquired through intense occupation practices and years of experience in the field of forensic accounting (Nigrini, 2020; Bartulovic & Filipovic, 2017).

Abukhalaf (2016) constructed his questionnaire based on generally accepted accounting principles (GAAP) and association of international certified professional accountants (AICPA) operational expectations regarding forensic accounting skills and traits without providing a basis for matching their features and competencies with others. According to (Sumartono et al., 2020; Tiwari & Debnath, 2017; Nigrini, 2020), FAC is highly needed because of its capacity in legal, auditing, investigation matters and accounting. As a result, dealing with corporate fraud and accounting crises necessitates the competence of forensic accounting.

Furthermore, appear to interchange the phrases "trait" and "characteristic," implying that the phrase "characteristic" may have a poor meaning. Despite the validity of the conjecture, there is a paucity of explanation of the precise relationships and contrasts among (traits/skills/competencies) and "method" in this quite fresh-faced research discipline of forensic accounting. As a consequence, it may even be important to analyse the triangle's theories in order to provide some means for formalising the relationships and distinctions in between related constructs that under broad term "competency."

According to Dhar and Sarkar (2010), a forensic accounting must additionally possess the following characteristics: 1. Curiosity: a desire to see behind the calculate. 2. Creativity: the ability to conceive creatively 3. Discretion: refers to the quantity of deviations beyond the defined items that the user approves. 3. Discretion: to the extent that the customer authorises deviations as from defined issues. 4. Organisation: To reduce the number of things to a separate unit. In addition, the questionnaire developed by Davis et al. (2010) discovered that at least 60% of attorneys consistently rated analytic skills, info, and moral traits as vital. Those multiple participants did agree that one of the most critical characterisations for forensic accounting to obtain was insightful ability. This conclusion implies that whether you are a normal accounting or a forensic accounting, that there were at least three essential features and traits shared by all occupations.

As stated by Salleh (2014), five critical top facts regarding the key characteristics of forensic accounting are as follows: Detail-oriented, Analytical, Evaluative, Ethical, and Analytical. Furthermore, the forensic examiner's distinctive characteristics include the anticipation of declared professional witness and the provision of stated professional witness. The skill provided sworn professional testimony, which is critical for conducting forensic analysis. Additionally, a dependable personality is required. In the worst-case scenario, forensics experts' mistakes or a paucity of proficient standards and features will lead in false convictions (Okoye & Ndubuisi, 2020). Nonetheless, Owolabi et al. (2013) suggest that the distinguishing characteristic should be incorporated into functioning forensic accounting aims in order to be outstanding; this means that the inspector should discover the convict's techniques in order to conduct a fruitful inquiry.

Furthermore, accounting and auditing are jobs with a broad range for recognising and preventing fraud in this field. Nonetheless, their efforts are constrained, in part due to a dearth of forensic accounting skill.

As scam is inextricably linked to the accounting periods and auditing process, abilities are required to avoid scam (Smiths, 2005). Additionally, Sumartono et al. (2020) detect a comparable perspective and skills had also evolved into a sort of forensic accounting with the purpose of uncovering scam in their actions. As a result, accounting and auditing professionals must possess excellent forensic accounting abilities in order to detect scam (Towler et al., 2018). This necessitates investigation abilities to guarantee that scam happens (Salleh & Aziz, 2014). Therefore, forensic accounting should possess the skill to evaluate the operational processes holistically. Forensic accounting is often required to evaluate a user's or institutions corporate operations against a number of standards (Chukwu et al., 2019). In light of what was mentioned, forensic accounting ought to be capable of evaluating all factors, both financial and non-financial. Assessing firms and corporate sectors requires a level of expertise that forensic accounting must possess. The scale of operation or the ability to complete tasks which can be quantified in a company or governmental authority entity at a specified price per unit is critical for forensic accounting (Messmer, 2004).

In the same vein, precise skills are necessary for forensic accounting, as this type of accountants is not a conventional auditor. A forensic accountant is an accountant who investigates fraudulent acts committed by persons who abuse operations and financial processes or who misuse techniques that cause a business suffering through fraud (Uyar & Cavuşolu, 2020). Forensic accounting must take fraudulent investigative factors into account, such as scam diagnosis, evidence, principles, and conclusions (Sumartono et al., 2020). Chukwu et al. (2019) claimed that competent forensic accounting requires investigative abilities and expertise. A forensic accounting probe frequently reveals the offender's deception (Towler et al., 2018).

On top of that, to handle complicated scam situations and perform appropriately in court, forensic accounting must have a foundation of knowledge in addition to abilities (skills), attributes, and procedures. A knowledge foundation encompasses practical abilities, such as testifying (Nigrini, 2020; Abukhalaf, 2016; Macnab, 2019). Nonetheless, the framework of the theory of malfeasance and its implications indicate that observers and forensic accounting professionals can and should recognise that the scam triangle doesn't at all rely solely on scam whenever it happens, and must therefore presume that there have been aspects of scam and corrupt practices that must be incorporated into another tactic that demonstrates, predicts, detects, and prosecutes fraud cases, among which scam is essentially a component (Huber, 2017).

Further, Rezaee and Wang (2018) hypothesised that competency is founded on forensic accounting skill and situational effectiveness based on knowledge. The result system of a modelling is built on accounting knowledge, supplemented by the more specific forensic accounting skills. Does Dhar and Sarkar (2010), and Elzain (2020) definitions of "distributed knowledge" are correct? Ultimately, both two knowledge requirements enable successful communication in forensic accounting through writing reports and testimony. To find out this answer, the knowledge is another way of thinking about just the link among human knowledge in forensic accounting and judiciary performance.

Therefore, forensic accounting professionals should have the knowledge and ability to connect effectively with law specialists, gather evidence, and testify as a trained eyewitness in court processes. Numerous assessments examining the needed information for forensic accounting continuously underlined the importance of substantial knowledge of pertinent legislation and experience with court proceedings such as gathering and giving evidence (Howieson, 2018).

2.3 Independent Audit Committee (IUC)

The primary characteristic of a competent audit committee is independence. As per Global Public Sector Insight 2014, the IUC is a council inside an economic entity comprised of the most external observers responsible for assessing administrative actions in key governance areas (Toumeh et al., 2020). IUC support government sector agencies in meeting taxpayers' growing demands for responsibility and transparency by scrutinising management procedures in crucial governance areas. In addition, Bronson et al. (2009) state that IUC are a vital part of a company's management process. Retaining an inspection committee with a majority of independent members will aid the board in carrying out its supervisory responsibilities. Therefore, the audit committee must comprise of three or more members of the board of directors, entire of who are independent according to the opinion of the board of directors. Moreover, Liu and Sun (2010) emphasise that external directors play a critical role in supervising management since they are not affiliated with the organisation. However, Bhagat and Black (2002) stated that external auditors are much less conscious than functional managers. Consequently, external directors will gradually get knowledge of the organisation's internal management structure and operations. Additionally, external managers may develop professional ties with management and acquire progressively important information about accounting issues due to these interactions.

H₁: There is a significant influence of forensic accounting competency (FAC) on anti-fraud in firm performance.

H₂: There is a significant influence of independent audit committee (IUC) control on anti-fraud in firm performance.

2.4 Fraud Triangle Theory

Owing to the difficulty of the survey's issue, this investigation used the Fraud Triangle Theory to support the components in the research. Cressey (1953), an American penologist, sociologist, is attributed with this theory. The fraud triangle is used by forensic accounting to identify potential fraud, its causes, and the organisational flaws that led to the scam. The three components that contribute to the triangle, according to the fraud triangle concept, are:

Opportunity, when there is a lack of control over misuse in the company's performance; employees utilise their place to perpetrate fraud. Most staff who perpetrates fraud does so because they have access to assets and data that enable them to hide their fraudulent activities. Staff requires access to a specific platform to do their work. The employee may be able to perpetrate fraud using the same key (Mansor & Abdullahi, 2015).

Pressure: Pressure may be the Incentive that can lead to employees defrauding the company. Financial pressure isn't the only type of pressure. Still, there is Individual pressure to pay for a lifestyle, job pressure and external pressure such as challenges to the business's financial stability, fiscal restrictions, and market expectations.

Rationalisation: This is a justification for employees why they perpetrate fraud. For example, a worker who is about to be expelled from their dwelling can be utilised the justify wrongful doing. The worker may say, "I worth to have a residence, so a worker who feels low-paid may think it is a way of extending their payment. As such, rationalisation is a doing of a worker who perpetrates fraud to present excuses for his doing. Personal pressure to settle for a lifestyle, career pressure. Consequently, identifying these three fraud factors through the triangle theory is influential in preventing fraud through FAC.

Forensic accounting and fraudulent analysis are both pertinent terminologies, but they differ in regards of the fundamental purpose of every operation. For instance, FAC and IUC are carried out by accountants and audit who anticipate litigation in a variety of domains like frauds and assessment. Scam indicators point both to proactive and reacting approaches to fraud, which are

conducted by both accountant and non-accountant. A fraud scanning directs attention exclusively to antifraud themes. FAC and IUC employ accounting, audits, and observational skills to conduct bribery and fraud prosecutions. Numerous items and circumstances necessitate a wide range of roles from customers; FAC and IUC duties include company interrogations, situation assistance, illegitimate issues, compensation claims, public sector problems and good performance; thus, FAC and IUC are viewed as the nexus of accounting, examination, and law (Houck et al., 2006). Furthermore, FAC and IUC assists with legal problems like as shareholder/partner disagreements, mediated settlements, contract violations, white-collar ongoing cases, insolvency and the trend towards better performance of the company (Warshavsky, 2013).

3. METHODOLOGY

This research employs (Smart PLS, SPSS - version 26) research design techniques in conjunction with a quantitative methodology. Because the population investigated was somewhat appropriate, the entire population was utilised as a population of 94 survey participants. In this situation, the staff chosen in private sectors in ISX (CEO, CFO, and IUC) was selected as the participants because they were the most qualified. The data was collected via a survey, and the kind of data processing employed was descriptive data statistical analysis, which was accomplished through the utilisation of multiplex regression methods. Likert scale with seven alternatives is utilised to assess forensic accounting competency (x1) and independent audit committee (x2) anti-fraud in firm performance (Y). From 1 to 7, 1 strongly disagrees (SD) and seven strongly agree (SA).

4. RESULTS AND DISCUSSIONS

The majority of respondents were (male) with a total proportion of (87.5%) and (female) with (12.5%). In addition, in light of what was mentioned, the tests of (validity and dependability) will show in Table 1:

Table 1 Gender of Respondents

Gender	Portion
Men	87.5%
Women	12.5%

Based on these data, the majority of participants were (male) with a gross proportion of (female) and (87.5%) by (12.5%). Therefore, the outcome of the validity and reliability tests per these data is shown in Table 2.

Table 2 Validity Results

Variables	Inquiry	Loading	Alpha
FAC	X1.1	0.675	0.05
	X1.2	0.744	0.05
	X1.3	0.662	0.05
	X1.4	0.564	0.05
	X1.5	0.816	0.05
IUC	X2.1	0.884	0.05
	X2.2	0.843	0.05

	X2.3	0.643	0.05
	X2.4	0.552	0.05
	X2.5	0,741	0.05
ATFP	Y1.1	0.711	0.05
	Y1.2	0.755	0.05
	Y1.3	0.804	0.05

In light of the findings of the validity measure, the acquired level of data validity was Sig. Also, the Alpha plane ≤ 0.05 level, which indicates the variable in this research, is valid. Besides, the reliability test is in Table 3.

Table 3 Reliability Results

Variables	Coefficient
FAC	0.882
IUC	0.826
ATFP	0.875

Given that the Cronbach Alpha values of all investigated variables are more than 0.70, it can be argued that all variables in this research may be considered trustworthy.

Table 4 Coefficients of Multiple Linear Regression Tests

Paradigm	Non-standardised Beta		Standardised Beta	t	Sig
	Beta	Std. Err	Beta		
Stationary	0.189	1.060		0.177	0.798
FAC	0.239	0.212	0.147	2.089	0.028
IUC	0.498	0.046	0.648	10.189	0.000

DV: anti-fraud in firm performance

The multiple regression formula generated in the table above-mentioned is:

$$Y = 0.189 + 0.239 X1 + 0.498 X2 + e$$

Stationary: 0.189 is the constant value. Forensic accounting competency (X1) and independent audit committee (X2) are both 0; hence anti-fraud in firm performance (Y) is 0.189. FAC: 0.239 the FAC variable's regression coefficient on the dependent variable (anti-fraud in firm performance). This suggests that if other independent variables stay (Stationary) and FAC enhances, the impact on anti-fraud in firm performance will grow by 0.239 percentage points or 23.9%. The positive coefficient indicates a convenient association between FAC and anti-fraud in firm performance. Therefore, raised FAC will influence the anti-fraud in firm performance. IUC: 0.498 it is the regression coefficient value between IUC and the anti-fraud in firm performance. This indicates that if other independent variables stay (Stationary) and IUC increases in unity that will influence the anti-fraud in firm performance efforts. The coefficient is favourable, indicating a favourable association among IUC and anti-fraud in firm performance; the more the IUC, the greater the degree of anti-fraud in firm performance in the company.

Table 5 t-Test Outcomes

Paradigm	coef	t Calcu	Sig	prospect
Stationary	0.193	1.879		
FAC	0.252	3.010	0.041	0.05
IUC	0.495	6.978	0.020	0.05

The significant level (Sig.) of the FAC variable (X1) is 0.041, as seen in the table ahead. Since the prediction is sig. 0.041 smaller than 0.05, and it is recognised that the t chart (table) value is 1.879, whereas the t chart (table) of the FAC variable is 3,010, and the t chart (table) value is 1.879. So, because the t value of (FAC) is greater than the t table value (AFFP), the first hypothesis (H₁) may be supported. This indicates that FAC (X1) influences anti-fraud in firm performance (Y). As for IUC variables (X2), the value is 0.020. So, because of sig. 0.020 prophecy 0.05 and it is recognised that the t table value is 1.879 and the t value of the IUC variable is 6,978; it is helpful to adopt H₂ or the second hypothesis. This indicates that IUC (X2) influences anti-fraud in firm performance (Y). The findings of this research are corroborated by studies performed by (Bronson et al., 2009; Salleh, 2014), which indicate that IUC impacts anti-fraud in firm performance.

5. CONCLUSIONS

Based on the results, FAC and IUC have an influence on anti-fraud in firm performance. Therefore, all components and indications of FAC and IUC must be effectively blended to impact anti-fraud in firm performance in private firms. Basis on the conclusions of this research was conducted on FAC factors and IUC, resulting in an influence on anti-fraud in firm performance in private firms.

The intricate, interdisciplinary context wherein FAC and IUC function needs professionals to handle with rapidly shifting unorganised challenges marked by a lack of clarity regarding evidence and results. Furthermore, FAC and IUC usually work in judicial settings, necessitating a thorough understanding of applicable legislation, judicial processes. In conjunction with judicial expertise, FAC and IUC are considered to maintain excellent practical competence in financial accounting, evaluation, and related analytical processes. Extra, the disciplines have indeed been viewed to be excessively motivated by corporate motives, undermining confidence of the public in their individuals' capacity to act in the general welfare. Every one of these issues may tempt forensic accounting to react with restrictive regulations mechanical resolutions, and such a method limits FAC and IUC to exercise expert judgment.

This research project sought to see if the FAC and IUC had a major influence on the firm's fraud performance. In light of the analyses, the IUC's size and board tenure are least in a part impoverished relationship. Conversely, the IUC's context and skills have a robust correlation of both financial and non-financial measures of the firm value.

The economic entities can potentially use this research to foresee potential effects on corporate governance. This study may aid in raising economic entities' understanding of the need for FAC and IUC in determining a company's performance in this study. This may also help organisations improve their internal control, and effectiveness impact company value rather than revenue, which this study used as a control variable. Firm effectiveness may be a control variable on substantial value for economic entities. It can be inferred.

Appreciably, this study looked at how the FAC and IUC may improve the corporation's value of economic entities established to enhance company performance. This research also aids investors and shareholders in ensuring that corporate governance meets adequate standards, mainly through a FAC and IUC to assess the firm's fraud performance, longevity, and efficiency. Furthermore, this study shows how fraud triangle theory work together to increase the FAC and IUC.

It is predicted that the outcomes of this research study will give an understanding for designing (firms) initiatives and methods to avoid fraudulent acts, particularly for (private sector) or similar entities. Effective strategy & program planning should take into consideration the organisation's capacity to exert internal control and an appreciation of organisational commitment to avoid fraud.

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