

MODERN FORENSIC ACCOUNTING PRACTICES AND THEIR ROLE IN FIGHTING INSTITUTIONAL CORRUPTION: A SURVEY-BASED STUDY IN ALGERIA

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Abstract:

The study investigates the role of investigative forensic accounting techniques in limiting financial and administrative corruption. It focuses on the control measures that forensic accountants can apply to detect and reduce fraudulent practices. The empirical results confirm the relevance of these techniques in complex financial environments. The study recommends strengthening their application as a key anti-fraud tool.

Keywords: Investigative Forensic Accounting; Financial Fraud; Administrative and Financial Corruption; Fraudulent Accounting.

Jel Classification Codes :M40 ; D73 ; M41.

Résumé:

L'étude examine le rôle des techniques d'enquête en comptabilité légale dans la limitation de la corruption financière et administrative. Elle met l'accent sur les mesures de contrôle que les experts-comptables légaux peuvent appliquer pour détecter et réduire les pratiques frauduleuses. Les résultats empiriques confirment la pertinence de ces techniques dans des environnements financiers complexes. L'étude recommande de renforcer leur application en tant qu'outil clé de lutte contre la fraude.

Mots clés:comptabilité légale d'enquête ; fraude financière ; corruption administrative et financière ; comptabilité frauduleuse.

Jel Classification Codes :M40 ; D73 ; M41.

1. Introduction

A series of financial crises that have destabilized the global economy has profoundly undermined confidence in both the accounting profession and financial institutions. In response, forensic accounting has emerged as an indispensable discipline. This field transcends traditional auditing by focusing on uncovering financial malfeasance, resolving complex disputes, and providing critical support for legal and regulatory investigations.

Investigative forensic accounting, specifically, has become a critical tool for detecting, preventing, and curbing corruption. Its importance was starkly highlighted in the aftermath of major corporate scandals, such as the collapse of WorldCom. The perceived weaknesses in conventional auditing and oversight systems have been identified as significant contributors to recent financial crises. Consequently, financial corruption—exacerbated by high-profile scandals and systemic institutional failures—now represents one of the most formidable challenges to the stability of national economies.

Accordingly, this study aims to investigate the role of forensic accounting techniques as a strategic mechanism to combat financial fraud and accounting manipulation. The research evaluates this role from the perspective of certified accountants and academics within the Algerian context.

Research Problem:

The central research question guiding this study is formulated as follows:

To what extent can investigative forensic accounting techniques serve as an effective mechanism for mitigating financial and administrative corruption within the context of companies operating in Algeria?

Research Objectives:

- ✓ To address the research problem, this study pursues the following objectives:
- ✓ To establish the conceptual framework of investigative forensic accounting as a critical discipline that has gained prominence in response to rising incidents of fraud in the business environment.
- To delineate the various forms and practices of fraudulent accounting.
- ✓ To evaluate the role of investigative forensic accounting techniques in mitigating financial and administrative corruption in corporate financial reporting, based on the perceptions of professionals and academics in Algeria.

Significance of the Study:

The significance of this study is threefold. Theoretically, it contributes to the literature by defining the essential skills and competencies required of forensic accountants, thereby helping to establish an integrated framework that bridges accounting and legal expertise. Practically, it offers a strategic approach to addressing the formidable challenge of corporate corruption. From a policy

perspective, it highlights the potential for this discipline to play a significant role in curbing financial and administrative corruption, particularly within corporate financial reporting, and strengthening institutional integrity in Algeria.

Research Hypothesis:

The study is based on the hypothesis that:

The application of investigative forensic accounting techniques is positively associated with a reduction in financial and administrative corruption in corporate financial statements, according to the perceptions of professionals and academics in Algeria.

Research Methodology

This study employs a mixed-methods approach, combining inductive and deductive reasoning. The inductive phase involves a comprehensive review of prior studies, academic literature, and relevant publications on forensic accounting and corruption to build the theoretical framework. The deductive phase consists of a field study designed to empirically test the research hypothesis. This involves assessing the perceived effectiveness of a structured forensic accounting framework among practitioners in Algeria. The synthesis of these approaches aims to determine the extent to which such a framework can help mitigate fraudulent practices within corporate financial reporting.

2. General Overview of Investigative Forensic Accounting:

This section explores the concept, origin, importance, and objectives of investigative forensic accounting, as outlined below:

2.1. Concept of Investigative Forensic Accounting:

investigative forensic accounting is defined as "the application of specialized knowledge or specific skills to uncover evidence from economic transactions" (Mohamed Nour & Moussa Bashir, p. 08). It is also conceptualized as a distinct field within the broader accounting discipline, focusing on resolving obligations arising from actual or anticipated disputes presented before a court.

The term "forensic" denotes the legal context—particularly judicial settings—in which the accounting is applied. While sometimes used interchangeably with terms like forensic auditing or financial investigation, it is crucial to distinguish between these related yet distinct practices. Ultimately, the core responsibility of a forensic accountant is to provide expert testimony in court, grounded in their academic knowledge and professional experience relevant to the case under investigation (Siddig Mohamed Abkar, 2022, p. 868).

Alternatively, investigative forensic accounting is defined as a profession that merges financial expertise with investigative skills within a legal framework, designed to produce sufficient evidence for detecting fraud and verifying the credibility of financial statements (Mohamed Abdel Moneim Al-Shawarbi, 2018, p. 207).

Based on the literature reviewed, this study defines investigative forensic accounting as a specialized branch of accounting that integrates auditing, investigation, and legal principles to examine financial disputes, uncover corruption and fraud, and provide substantiated evidence to support judicial decision-making.

2.2. The Importance of Investigative Forensic Accounting:

The importance of this discipline stems from its capacity to enhance the efficacy of external auditing and reassure financial statement users who suspect fraud. By delving into past financial activities, it transcends numerical analysis to uncover hidden realities, thereby opening new avenues for academic inquiry.

Furthermore, its significance is underscored by its status as a modern, evolving domain offering solutions to future challenges. It helps codify the essential skills of a forensic accountant, equipping them to serve as expert witnesses, skilled investigators, and reliable advisors. Forensic accountants perform in-depth investigations that exceed the scope of standard audits, delivering legally sound, evidence-based reports that support legal claims and contribute to the pursuit of justice (Al-Zein Abdullah & Adel Salah El-Din, 2018, p. 95).

2.3. Objectives of Investigative Forensic Accounting:

Investigative forensic accounting serves a range of purposes that yield significant benefits for both individuals and society. It plays an active role in resolving financial disputes within legal contexts and serves as a deterrent to those engaging in fraud and breach of trust. The main objectives of this discipline include :

- ✓ Collecting sufficient evidence and delivering an impartial, technically sound report to support legal claims;
- ✓ Training forensic accountants with the necessary knowledge, expertise, and skills in accounting, auditing, and investigation—combined with legal understanding—to contribute effectively to judicial proceedings and the pursuit of justice;
- ✓ Protecting public funds from fraud, abuse, and misuse, while enhancing the performance and effectiveness of external auditing functions (Al-Zein Abdullah & Adel Salah El-Din, 2018, p. 95);
- ✓ Assessing damages resulting from the negligence of external auditors;
- ✓ Detecting embezzlement, determining its scope, and guiding the legal actions required in response (Mohamed Abdel Moneim Al-Shawarbi, 2018, p. 207).

2.4. Procedures of Investigative Forensic Accounting:

The procedures followed in investigative forensic accounting can be summarized as follows:

- ✓ Meeting with the client to understand the nature, scope, and underlying motives of the issue;
- ✓ Analyzing the case to identify involved parties and key components;
- ✓ Conducting a preliminary investigation before designing a detailed action plan (Najwa Ahmed Al-Sisbi, 2006, p. 53);
- ✓ Developing a work plan that outlines objectives, methodology, and procedures tailored to the case;
- ✓ Collecting and evaluating evidence to verify the accuracy of information using appropriate forensic tools and techniques (Sameh Mohamed Lotfi Saudi, 2015, p. 763);
- ✓ Estimating damages and calculating their present value using suitable analytical methods;

- ✓ Preparing a final report that includes the scope of work, methodology used, any limitations encountered, and the forensic accountant's opinion, supported by documented evidence (Durkin, Ronald L. et al., 2014, p. 22).

Theoretical Framework of Financial and Administrative Corruption:

Corruption is a complex and multifaceted concept that encompasses various forms of misconduct. It can be found across both public and private sectors, and often arises in organizational settings where individuals hold monopolistic control, possess decision-making power, or have the discretion to allocate resources or benefits selectively. This discretionary power, when unchecked, creates opportunities for corrupt practices to emerge.

Definition of Financial and Administrative Corruption

The accounting process inherently involves professional judgment and the resolution of competing approaches for presenting financial events. This flexibility can be exploited for manipulation, misrepresentation, and ultimately, corruption.

Key definitions of corruption include:

- ✓ **Encyclopedia of the Social Sciences** defines corruption as “the misuse of public power for personal gain”, a definition that primarily refers to bribery and abuse of office by local or national public officials, excluding similar acts in the private sector.
- ✓ **Transparency International** defines it as “the abuse of entrusted power for private benefit.”
- ✓ **The International Monetary Fund (IMF)** offers a broader view, describing corruption as “the abuse of delegated authority for personal or collective gain, involving networks of relationships” (Madrass Ali Sakar, 2010, p. 121).

As prior studies suggest, financial and administrative corruption are often intertwined. Bribery, embezzlement, and theft of public funds are forms of administrative corruption with a direct financial dimension. The objective may be monetary gain or to secure non-monetary benefits such as political loyalty, nepotism, or personal influence (Shaimaa Mohamed Samir, 2013, p. 126).

Corruption in public administration is frequently a byproduct of indifference, negligence, ethical decay, and the absence of moral deterrents. This leads to institutional disorder, a lack of accountability, and an environment conducive to the proliferation of corrupt practices (Mahdi Atiya Mouhi, 2015, p. 102).

3.2. Characteristics of Administrative and Financial Corruption

Administrative corruption is marked by several distinctive features that reveal its complexity and its deep-rooted effects on institutional and societal structures:

3.2.1. Secrecy: Secrecy is among the most defining features of administrative corruption. Because such practices are illegal or socially unacceptable—or both—they are often carried out in hidden or covert ways. However, when corruption becomes widespread, it may be normalized within society, no longer perceived as morally reprehensible. This normalization process is particularly dangerous, as it undermines the collective ethical foundations of institutions and communities (Adel Abdulaziz Al-Sin, 2007, p. 87).

3.2.2. Involvement of Multiple Parties: Administrative corruption is rarely the act of a single

individual. It typically involves multiple actors engaged in a mutually beneficial relationship based on shared interests or reciprocal obligations. This dynamic often creates entrenched networks of influence that make the corruption more systemic and difficult to dismantle (United Nations, 1994, p. 55).

3.2.3. Rapid Spread: Corruption tends to spread quickly, much like a cancerous growth within the administrative body. Once a conducive environment is present—such as weak oversight or lack of accountability—corrupt individuals can expand their influence and suppress reform efforts. The contagious nature of corruption is not limited to a single institution or country; in the era of globalization, corrupt practices can cross borders and replicate in other systems (Mahdi Atiya Mouhi, 2015, p. 102).

3.2.4. Association with Administrative Underdevelopment: Administrative corruption is often accompanied by indicators of institutional backwardness, such as bureaucratic delays, inefficient time management, and misuse of public resources. These dysfunctions provide fertile ground for unethical behavior, fostering frustration and demotivation among honest employees. When corrupt individuals occupy decision-making positions, they may suppress efforts to expose misconduct, thereby protecting wrongdoers and diminishing the perceived severity of their actions. In the long term, this may extend beyond administrative circles, weakening public trust and harming society as a whole (Mahdi Atiya Mouhi, 2015, p. 102).

4. The Role of Investigative Forensic Accounting in Combating Financial and Administrative Corruption:

With the growing complexity and expansion of corruption in both scale and form, the need has intensified for a deeper examination of the role that investigative forensic accounting plays in identifying and addressing fraud, deceit, and financial misconduct. Moreover, enhancing the effectiveness of this discipline is essential for preventing such criminal behaviors in the future.

Investigative forensic accounting is fundamentally concerned with uncovering fraudulent activities by collecting admissible evidence that can be presented in court. It also aims to prevent fraud by identifying risk factors and correcting conditions that may give rise to unethical practices.

As previously discussed, this field operates at the intersection of accounting, auditing, investigative techniques, and legal knowledge. It focuses primarily on analyzing past events to forecast and mitigate future risks. Its importance increases significantly when professional doubts arise or when legal actions necessitate an objective expert opinion and well-substantiated reports to support litigation processes, inform the judiciary, and assist in the fair administration of justice.

The researcher proposes that the term “Judicial Investigative Auditing” may be more appropriate than “Forensic Auditing”, as it better reflects the dual nature of the services provided—namely, litigation support and investigative procedures. Under this broader conceptualization, the investigative auditor engages in uncovering fraud within financial statements and tracing the perpetrators of corruption within corporations. These corrupt acts may include embezzlement, bribery, extortion, abuse of power, and other unethical behaviors. Through these efforts, judicial investigative auditing serves as a critical mechanism for upholding transparency and accountability in financial reporting and corporate governance.

4.1. Techniques of Judicial Investigative Auditing: (Najwa Mahmoud Ahmed Abu Gabal, 2019, p. 36)

Judicial investigative auditing employs a range of methods tailored to uncover fraud and assess compliance. The key approaches include:

4.1.1. Interactive Auditing: This method involves conducting in-depth investigations into suspicious or potentially unlawful areas and activities. Its aim is to determine the presence or absence of fraud, identify those responsible, and collect admissible evidence to support legal claims.

4.1.2. Legislative Auditing: This approach focuses on assessing and evaluating the internal control systems of an organization to ensure that assets and resources are adequately safeguarded.

4.1.3. Structured Compliance: Primarily applied in governmental audits, this technique verifies whether the organization adheres to laws, regulations, and official procedures in the disbursement and recording of public expenditures.

4.1.4. Diagnostic Tool: Used to perform targeted examinations aimed at identifying fraud-related risks, with particular focus on vulnerable or high-risk areas.

4.2. The Role of the Judicial Investigative Accountant in Litigation Services:

In the context of litigation support, the forensic investigative accountant performs a range of crucial functions, including: (Najwa Mahmoud Ahmed Abu Gabal, 2019, p. 32)

- ✓ Assisting in obtaining the necessary documentation to either support or refute legal claims;
- ✓ Reviewing key documents and preparing preliminary case assessments, including identifying loss areas;
- ✓ Supporting investigative efforts by analyzing the content and intent of financial evidence embedded in legal questions;
- ✓ Participating in investigations, interpreting financial matters, and formulating additional questions based on findings;
- ✓ Reviewing and critiquing the opposing expert's report;
- ✓ Providing assistance during legal discussions and court proceedings, including attending hearings to listen to the testimony of opposing experts and supporting the legal team in conducting cross-examinations.

4.3. The Role of the Judicial Investigative Accountant in Investigative Services:

In the realm of investigative services, the forensic investigative accountant plays a pivotal role in: (Naamah Harb Mushabet, 2010, p. 95)

- ✓ Reviewing the actual status of cases and proposing corrective actions;
- ✓ Assisting in the protection and recovery of assets;
- ✓ Collaborating with other experts in legal or financial domains;
- ✓ Supporting asset recovery through civil proceedings or criminal prosecution.

4.4. Classification of Judicial Investigative Auditing Services:

Forensic auditing services are generally categorized into two main types:

4.4.1. Reactive Services: These services are initiated after suspected fraudulent or criminal

activity has occurred. They involve conducting forensic investigations, providing expert witness testimony, and offering legal support during litigation.

4.4.2. Proactive Services: Proactive services aim to prevent fraud before it occurs. They involve examining the internal control systems, identifying areas most vulnerable to fraud, and ensuring adherence to relevant laws and regulations. These services contribute to strengthening preventive measures against financial misconduct.

4.5. Mechanisms of Investigative Forensic Accounting for Combating Financial and Administrative Fraud:

Based on the discussion above, the mechanisms used by investigative forensic accountants to combat fraud and corruption include: (Najwa Mahmoud Ahmed Abu Gabal, 2019, p: 35)

- ✓ Possessing the skills to provide legal, investigative, and advisory services related to fraudulent and corrupt activities;
- ✓ Demonstrating strong negotiation capabilities to resolve legal disputes concerning fraud and corruption;
- ✓ Holding specialized expertise in areas such as money laundering, cybercrime, and organized crime investigations;
- ✓ Mastering the abilities necessary to prevent, detect, investigate, report, and minimize fraud, including the use of advanced IT tools in digital and electronic business environments;
- ✓ Having the analytical skills and technical knowledge required to address fraudulent behavior, examine legal disputes, and resolve conflicts arising from financial misconduct.

5. Field Study to Examine the Impact of Investigative Forensic Accounting Techniques on Reducing Financial and Administrative Corruption in Algeria

To reinforce the practical value of this research, a field study was conducted to assess the real-world impact of investigative forensic accounting techniques in mitigating fraudulent accounting practices. This empirical investigation complements the theoretical framework by linking conceptual analysis with observable realities through the design of a structured questionnaire aimed at gathering relevant data to support the research objectives and validate the proposed hypothesis.

5.1. Methodology of the Field Study:

The study tests the research hypothesis through a structured analysis of data collected via a questionnaire. The questionnaire was designed in the form of a series of statements to which participants responded, enabling the examination and interpretation of responses in line with the study's objectives.

The questionnaire was divided into three main sections. To measure responses, a **five-point Likert scale** was employed, assigning numerical values to the degree of agreement or disagreement as follows:

Opinion	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
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Relative Weight (Score)	5	4	3	2	1
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5.2. Population and Sample of the Study :

Table 1 presents the population and sample of the study, as well as the rates of valid responses used for analysis across the different categories. Given that the study population is relatively large, undefined, and composed of heterogeneous subgroups, response behavior is expected to vary between these strata. Therefore, relying on a single random sample would not provide statistically reliable representation.

To address this challenge, the study adopted a **simple stratified random sampling method**, as recommended by statistical experts in such cases (Abdul Hamid Al-Baldawi, 2007, p. 25).

This method involves selecting a sample from each subgroup proportionally, taking into account the diversity within each stratum and ensuring representation based on population structure.

The questionnaire was distributed electronically to all selected participants. The table below summarizes the number of valid responses by respondent category:

Table 1: Study Sample

Respondent Category	Sample Size	Valid Responses	Valid Rate	Response
Account Controllers	20	16	80.00%	
Forensic Accounting Experts	17	13	76.47%	
Accountants	12	08	66.67%	
Academics	30	26	86.67%	
Total	79	63	79.74%	

Source:Prepared by the researcher using SPSS v.30.

As shown in the table, the overall valid response rate reached **79.74%**, which is statistically sufficient to proceed with data analysis and to apply appropriate statistical techniques for testing the null and alternative hypotheses.

5.3. Statistical Analysis of the Data:

Following the collection of completed questionnaire responses and their subsequent data entry, the responses were statistically analyzed using **SPSS** software. Several statistical tools and techniques were employed to test the reliability of the instrument and to explore the central tendencies in the participants' responses:

5.3.1. Reliability Analysis (Cronbach's Alpha): The **Cronbach's Alpha coefficient** was used

to assess the internal consistency and reliability of the questionnaire. This test evaluates whether the items included in the survey instrument consistently measure the same underlying concept.

5.3.2. Descriptive and Inferential Statistics: Descriptive statistics, including **mean values and standard deviations**, were calculated to understand the general trends and respondent perceptions regarding the role of **investigative forensic accounting techniques** in reducing fraudulent accounting practices within the Algerian context.

5.3.3. One-Sample T-Test for Hypothesis Testing: To assess the validity of the study’s independent hypotheses, the **one-sample T-test** was employed. Additionally, to evaluate the internal consistency of the questionnaire, **Cronbach’s Alpha** coefficient was calculated.

a. Reliability Analysis using Cronbach’s Alpha: The reliability test aimed to determine whether the questionnaire adequately covered the key dimensions relevant to the respondents and whether it would yield consistent results if reapplied. The instrument consisted of four main axes (dimensions), and the reliability coefficients for each are presented in Table 2 below:

Table 2: Reliability Coefficients (Cronbach’s Alpha)

Study Axis	Cronbach’s Alpha
Justifications for adopting investigative forensic accounting techniques in Algeria	0.967
Barriers to implementing forensic accounting techniques in Algeria	0.987
Financial and administrative corruption in Algeria	0.988
Mechanisms of forensic accounting techniques to reduce corruption	0.987
Overall Reliability	0.993

Source: Prepared by the researcher using SPSS v.30.

The table demonstrates that all dimensions of the questionnaire achieved **Cronbach’s Alpha values above the 0.60 threshold**, which is considered statistically acceptable. Consequently, it can be concluded that the research instrument is **highly reliable** and suitable for conducting data analysis and hypothesis testing.

b. Descriptive Statistics and Analysis of Study Hypotheses:

To analyze the results of the study, frequencies and percentages were calculated for each axis of the questionnaire. This helped assess the level of agreement or disagreement among the respondents concerning each axis. Below is the presentation of the findings related to the **first axis**:

b.1. Responses of Study Sample to Axis 1: Table 3 presents the descriptive statistics, including frequencies, percentages, means, and standard deviations related to the study sample's responses to Axis 1, which tests the null hypothesis that there is **no statistically significant difference** in the respondents' views regarding the justifications for adopting investigative forensic accounting techniques in Algeria.

Table 3: Summary of Respondents' Views on Axis 1

Justifications for Adopting Investigative Forensic Accounting Techniques in Algeria	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev.
The emergence of forensic accounting as a field and a new specialty in business, requiring professionals with specific qualifications and skills, helps expand the market for accounting and auditing services and increases demand from society.	05 (7.93%)	50 (79.36%)	04 (6.35%)	03 (4.76%)	01 (1.59%)	3.89	0.649
The rise in litigation and legal disputes and the judiciary's need for experts or consultants to express opinions and provide	06 (9.52%)	44 (69.84%)	07 (11.11%)	04 (6.35%)	02 (3.17%)	3.74	0.842

reports on financial violations.								
Applying forensic accounting contributes to economic progress, especially in light of contemporary developments such as the Covid-19 pandemic.	04 (6.35%)	38 (60.31%)	08 (12.70%)	10 (15.87%)	03 (4.76%)	1	3.5	1.002
Investors' and stakeholders' trust in external auditors has declined due to their failure in detecting many fraud and manipulation cases in financial statements.	04 (6.35%)	47 (76.20%)	06 (9.52%)	05 (7.93%)	01 (1.59%)	5	3.7	0.821

It contributes to enhancing the efficiency and effectiveness of external auditing and reassuring financial statement users about the absence of earnings management or fraud.	07 (11.11%)	41 (65.08%)	09 (14.29%)	04 (6.35%)	02 (3.17%)	8 3.8	0. 634
Overall Mean						5 3.7	0. 754

Source:Prepared by the researcher using SPSS v.30.

The data in Table 3 indicate that the majority of the respondents held **positive attitudes** toward the justifications for using forensic accounting techniques in Algeria. All mean values exceed the neutral midpoint of the scale (3.00), suggesting agreement.

The statement that received the **highest level of agreement** was: **“The emergence of forensic accounting as a new field in business, requiring professionals with specific skills, will expand the market for accounting and audit services”**, with a mean of **3.89** and a **standard deviation of 0.649**, indicating low dispersion and a high level of consensus across the respondent groups.

These results support the importance and relevance of forensic accounting techniques in the Algerian context from the perspective of both professionals and academics.

b.2. Presentation of the Respondents’ Feedback on the Second Axis Questions: Table 4 below presents the descriptive statistics, frequencies, and percentages of the study sample's responses regarding the second axis, which states: “There is no statistically significant difference among the study sample categories concerning the obstacles to implementing investigative forensic accounting techniques in Algeria.”

Table 4: Summary of Respondents’ Opinions Regarding the Second Axis Statements

Obstacles to Implementing Investigative Forensic Accounting	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev.
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Techniques in Algeria							
Absence of legal frameworks and regulations governing forensic accounting work and procedures.	05 (7.94%)	40 (63.50%)	08 (12.70%)	07 (11.11%)	03 (4.76%)	3.61	0.9 52
Lack of an official, independent professional association for forensic accounting.	03 (4.76%)	41 (65.07%)	06 (9.52%)	08 (12.70%)	05 (7.94%)	3.48	1.0 14
Shortage of qualified personnel academically and practically to implement forensic accounting.	06 (9.52%)	42 (66.67%)	07 (11.11%)	06 (9.52%)	02 (3.17%)	3.66	0.9 49
Lack of interest from professional organizations in this field, and insufficient efforts to train qualified forensic accountants.	09 (14.29%)	43 (68.25%)	03 (4.76%)	05 (7.94%)	03 (4.76%)	3.76	0.9 09
Universities' reluctance to adopt a curriculum in forensic accounting	06 (9.52%)	37 (58.73%)	08 (12.70%)	07 (11.11%)	05 (7.94%)	3.62	0.9 59

negatively affects the profession's development.							
Overall Mean						3.62	0.933

Source:Prepared by the researcher using SPSS v.30.

It is evident from the above table that the majority of the study sample had a positive attitude regarding the obstacles to implementing investigative forensic accounting techniques in Algeria. The calculated means for all items exceeded the measurement tool's neutral midpoint value of 3. The highest-rated item was statement number (4):**“Lack of interest from professional organizations in this field, and insufficient efforts to train qualified forensic accountants,”**which scored the highest mean of **3.76** and a standard deviation of **0.909**.

This indicates strong agreement among the respondents that there are indeed significant obstacles hindering the adoption and application of forensic accounting techniques in Algeria.

b.3. Presentation of the Respondents' Feedback on the Third Axis Questions: Table 5 below displays the descriptive statistics, frequencies, and percentages of the study sample's responses regarding the third axis, which states:

Table 5: Summary of Respondents' Opinions Regarding the Third Axis Statements

Financial and Administrative Corruption in Algeria	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	n	Mean	Std. Dev.
Weak adherence to accounting transparency and disclosure standards is a cause of financial and administrative corruption.	08 (12.70%)	33 (52.38%)	13 (20.63%)	06 (9.52%)	03 (4.76%)		3.62	0.971
The absence of qualified individuals in decision-	07 (11.11%)	35 (55.55%)	11 (17.46%)	08 (12.70%)	02 (3.17%)		3.61	0.930

making positions within government departments leads to public fund misuse.							
Pressure on investigative authorities weakens their effectiveness and contributes to the spread of corruption.	05 (7.94%)	40 (63.49%)	06 (9.52%)	08 (12.70%)	04 (6.35%)	3.58	0.9 92
Ineffective oversight of the use of government resources and assets is a form of financial and administrative corruption.	04 (6.35%)	39 (61.90%)	09 (14.29%)	08 (12.70%)	03 (4.76%)	3.55	0.9 06
Political pressure on employees in decision-making positions leads to the expansion of financial and administrative corruption.	05 (7.94%)	40 (63.49%)	08 (12.70%)	06 (9.52%)	04 (6.35%)	3.62	0.9 47
 Overall Mean						3.59	0.9 27

Source:Prepared by the researcher using SPSS v.30.

From Table 5 above, it is evident that the majority of the study sample expressed positive views concerning the **existence of financial and administrative corruption in Algeria**, with all

mean values exceeding the neutral point of 3 on the Likert scale.

Notably, **statement (1)**: "Weak adherence to accounting transparency and disclosure standards is a cause of financial and administrative corruption," and **statement (5)**: "Political pressure on employees in decision-making positions leads to the expansion of financial and administrative corruption".

received the highest agreement levels, both in terms of mean scores and consistency among responses, as reflected in their lower standard deviations.

This suggests a general consensus among respondents acknowledging the prevalence of financial and administrative corruption in Algeria.

b.4. Presentation of the Respondents' Feedback on the Fourth Axis Questions: Table 6 below presents the descriptive statistics, frequencies, and percentages of the study sample's responses regarding the fourth axis, which states: "There is no statistically significant difference among the study sample categories regarding the mechanisms of forensic accounting techniques in reducing financial and administrative corruption in Algeria".

Table 6: Summary of Respondents' Opinions Regarding the Fourth Axis Statements

Mechanisms of Forensic Accounting Techniques	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev.
The forensic accountant's analysis of financial information for use in courts and financial disputes helps reduce corruption practices.	05 (7.93%)	50 (79.36%)	04 (6.35%)	03 (4.76%)	01 (1.59%)	3.89	0.649
Exercising professional skepticism by forensic accountants helps detect financial and administrative corruption.	03 (4.76%)	41 (65.07%)	06 (9.52%)	08 (12.70%)	05 (7.94%)	3.48	1.014

Awareness of fraud patterns, manipulation, and forecasting models by forensic accountants reduces and limits corruption practices.	05 (7.94%)	40 (63.49%)	06 (9.52%)	08 (12.70%)	04 (6.35%)	3.58	0.9 92
Providing legal authorities with information about fraud, errors, and manipulation in financial statements aids justice and reduces corruption.	09 (14.29%)	43 (68.25%)	03 (4.76%)	05 (7.94%)	03 (4.76%)	3.76	0.9 09
Forensic accounting improves the efficiency of oversight bodies and helps the judiciary quickly resolve legal disputes.	05 (7.94%)	40 (63.49%)	08 (12.70%)	06 (9.52%)	04 (6.35%)	3.62	0.9 47
Overall Mean						3.66	0.9 02

Source:Prepared by the researcher using SPSS v.30.

From Table 6 above, it is clear that the majority of respondents had **positive attitudes toward the role of forensic accounting techniques** in limiting financial and administrative corruption in Algeria, as all the mean values exceeded the neutral midpoint (3) on the Likert scale.

The highest level of agreement was with statement (4):

"Providing legal authorities with information about fraud, errors, and manipulation in financial statements aids justice and reduces corruption." This statement achieved the highest mean (3.76) with a relatively low standard deviation (0.909), indicating a high degree of consensus among respondents on the effectiveness of forensic accounting in combating fraudulent practices.

5.3.4. Hypotheses Testing:

The **One Sample T-test** was used to test the research hypotheses as follows:

a. Results of the First Hypothesis Test: The **first hypothesis** states: "There is no statistically significant difference among the study sample categories regarding the justifications for the adoption of forensic accounting techniques in Algeria".

Table 7 below presents the results of the T-test for this hypothesis:

Table 7: T-test Results for the First Hypothesis

Mean	Std. Deviation	Calculated T Value	Tabulated T Value	Significance Level (Sig.)
3.75	0.754	15.884	1.960	0.000

Source:Prepared by the researcher using SPSS v.30.

Since the **tabulated T value at 252 degrees of freedom and 0.05 level of significance is 1.960**, and the **calculated T value (15.884)** is greater than the tabulated one, the test value lies **outside the acceptance region** of the null hypothesis.

Additionally, the **significance level (0.000)** is **less than 0.05**, confirming the rejection of the **null hypothesis**. Therefore, we **reject the first hypothesis** and conclude that:

There is a statistically significant difference among the study sample categories regarding the justifications for the adoption of forensic accounting techniques in Algeria.

b. Results of the Second Hypothesis Test: The **second hypothesis** states: "There is no statistically significant difference among the study sample categories regarding the obstacles to applying forensic accounting techniques in Algeria".

Table 8 presents the T-test results for this hypothesis:

Table 8: T-test Results for the Second Hypothesis

Mean	Std. Deviation	Calculated T Value	Tabulated T Value	Significance Level (Sig.)
3.62	0.933	10.644	1.960	0.000

Source:Prepared by the researcher using SPSS v.30.

Since the **calculated T value (10.644)** is greater than the **tabulated T value (1.960)** at **252 degrees of freedom and 0.05 significance level**, the result falls **outside the acceptance region** for

the null hypothesis.

Furthermore, the **significance level (0.000)** is less than **0.05**, leading to the **rejection of the null hypothesis**.

Therefore, there is a statistically significant difference among the study sample categories regarding the obstacles to applying forensic accounting techniques in Algeria.

c. Results of the Third Hypothesis Test: The **third hypothesis** states: “There is no statistically significant difference among the study sample categories regarding financial and administrative corruption in Algeria.”

Table 9 presents the T-test results for this hypothesis:

Table 9: T-test Results for the Third Hypothesis

Mean	Std. Deviation	Calculated T Value	Tabulated T Value	Significance Level (Sig.)
3.59	0.927	10.185	1.960	0.000

Source:Prepared by the researcher using SPSS v.30.

The **calculated T value (10.185)** is again higher than the **tabulated T value (1.960)**, indicating a statistically significant result.

Moreover, the **significance level (0.000)** confirms this conclusion, as it is less than **0.05**.

Hence, the null hypothesis is rejected, and it is concluded that there is a statistically significant difference among the study sample categories regarding the existence of financial and administrative corruption in Algeria.

d. Results of the Fourth Hypothesis Test:The **fourth hypothesis** states:“There is no statistically significant difference among the study sample categories regarding the mechanisms of forensic accounting techniques in reducing financial and administrative corruption practices in Algeria.”

Table 10 presents the T-test results for this hypothesis:

Table 10: T-test Results for the Fourth Hypothesis

Mean	Std. Deviation	Calculated T Value	Tabulated T Value	Significance Level (Sig.)
3.62	0.933	10.644	1.960	0.000

Source:Prepared by the researcher using SPSS v.30.

Since the **calculated T value (10.644)** is greater than the **tabulated T value (1.960)** at **252 degrees of freedom** and **0.05 significance level**, this result falls **outside the acceptance region** for the null hypothesis.

In addition, the **significance level (0.000)** is less than **0.05**, confirming the statistical

significance of the result.

Accordingly, the null hypothesis is rejected, and it is concluded that there is a statistically significant difference among the study sample categories regarding the mechanisms of forensic accounting techniques in reducing financial and administrative corruption in Algeria.

5.3.5. Summary of Hypotheses Testing Results:

To consolidate the findings of the inferential statistical analysis, the following table summarizes the results of the one-sample T-tests conducted for the four main hypotheses of the study. Each hypothesis was tested to determine whether statistically significant differences exist among the sample categories concerning the major variables under investigation: justifications for applying forensic accounting techniques, barriers to implementation, perceptions of financial and administrative corruption, and the mechanisms by which forensic accounting techniques mitigate such corruption.

Table 11: Summary of Hypotheses Testing Results

Hypothesis	Hypothesis Statement	Mean	Std. Deviation	Calculated T	Tabulated T	Sig.	Hypothesis Decision
1	No significant differences among sample categories on the justifications for applying forensic accounting techniques in Algeria.	3.75	0.754	15.884	1.960	0.000	Null Hypothesis Rejected
2	No significant differences among sample categories on the barriers to applying forensic accounting techniques in Algeria.	3.62	0.933	10.644	1.960	0.000	Null Hypothesis Rejected
3	No significant differences among sample categories regarding perceptions of financial and administrative corruption in Algeria.	3.59	0.927	10.185	1.960	0.000	Null Hypothesis Rejected
4	No significant differences among sample categories on the mechanisms of forensic accounting techniques in reducing corruption.	3.62	0.933	10.644	1.960	0.000	Null Hypothesis Rejected

Source:Prepared by the researcher

Interpretation:As demonstrated, all calculated T-values exceeded the tabulated critical value

at a 0.05 significance level, and all p-values were less than 0.05. These results provide strong statistical evidence to reject the null hypotheses across all four dimensions, indicating that the perceptions and evaluations of the respondents significantly differ regarding the key variables examined in this study.

5.3.6. Conclusion and Interpretation of Hypotheses Testing:

Based on the foregoing, it is evident that the results of the four hypotheses testing are consistent with the theoretical framework and analytical discussion of the study. The findings confirm the following:

1. **Consensus on the Justifications for Forensic Accounting Techniques in Algeria:** The sample groups demonstrated a high degree of agreement regarding the rationale behind the adoption of forensic accounting techniques in Algeria. This consensus is attributed to:

- The limited scope, low quality, and inefficiency of current forensic accounting practices in Algeria;
- The absence of guiding and enforceable standards for forensic accounting;
- The lack of sufficient academic, practical, and professional training of forensic accountants to effectively detect financial fraud and corruption.

2. **Positive Perceptions Regarding Barriers to Implementation:** The majority of respondents agreed on the presence of significant barriers hindering the effective application of forensic accounting techniques, primarily due to:

- The lack of legal frameworks regulating forensic accounting procedures;
- The insufficient attention paid by professional bodies to this field and the lack of adequate training for forensic accountants;
- The absence of binding ethical codes or professional conduct standards governing fraud detection procedures.

3. **Agreement on the Prevalence of Financial and Administrative Corruption:** Respondents expressed strong agreement on the reality of financial and administrative corruption in Algeria. The most significant contributing factors, based on levels of agreement, include:

- Weak adherence to transparency and accounting disclosure standards;
- Ineffective oversight of the use of public resources and assets;
- Political pressures exerted on decision-makers, which contribute to the spread of corruption.

4. **Strong Support for the Role of Forensic Accounting Mechanisms in Combating Corruption:** The respondents largely agreed on the effectiveness of forensic accounting mechanisms in limiting fraudulent financial practices. The most agreed-upon aspects include:

- Providing the judiciary with information on fraud, errors, and manipulation in financial statements, which helps to establish justice and reduce corruption;
- Offering legal and financial advisory services by forensic accountants to assist in litigation and fraud prevention;

➤ Supplying financial and accounting data to the judiciary to trace illicit transactions and mitigate fraudulent accounting practices.

6. Conclusion:

In light of the theoretical framework of the study, supported by previous literature and empirical research on forensic accounting and its role in limiting financial and administrative corruption, this conclusion presents a summary of the key findings. These results serve as answers to the research questions and provide validation for the hypotheses upon which the study was built.

6.1. Key Findings:

Based on both the theoretical and empirical dimensions of this research, the following conclusions have been drawn:

✓ Forensic accounting represents an integrated advancement that bridges accounting and law, working collaboratively to provide deeper investigative insights related to litigation and the detection of financial corruption.

✓ Forensic accounting techniques can be categorized into two main aspects: an accounting aspect and a legal aspect that involves conducting investigations to prove fraud and financial misconduct.

✓ One of the most significant causes of financial corruption is the lack of separation between the executive, legislative, and judicial authorities. This institutional overlap facilitates violations without detection, as the regulator may also be the violator.

✓ The presence of forensic auditors has contributed to the availability of more accurate and relevant information through their investigative work, a role that traditional internal auditors have often failed to fulfill effectively in monitoring and controlling corruption.

✓ Among the most important requirements for effective forensic accounting in detecting financial corruption are: reforming and updating the regulatory framework governing local government entities, improving their accounting systems, developing internal control mechanisms, and applying governance principles.

✓ There is a lack of consensus among internal auditors regarding the nature of their roles. Some focus on pre-approval audits (similar to financial oversight roles within the Ministry of Finance), while others conduct comprehensive document reviews or use sampling techniques, indicating inconsistency in internal auditing practices.

✓ Financial and administrative corruption has been one of the major factors behind the collapse of numerous companies worldwide. Such practices are often used by management to manipulate financial results, which distorts the true performance of firms and undermines the credibility of financial statements and investment decisions.

✓ Both theoretical and empirical findings confirm that the implementation of forensic accounting techniques and procedures significantly contributes to reducing financial and administrative corruption. These methods enhance the reliability and integrity of financial information, improve professional auditing performance, and provide dependable tools for fraud detection.

✓ The theoretical and field-based components of the study converge on the importance of enabling conditions for forensic accounting to effectively mitigate corruption. These include

reforming public sector legislation, strengthening internal controls and governance mechanisms, and upgrading accounting and performance management systems.

6.2. Recommendations:

In light of the above findings, the following recommendations are proposed:

✓ **Restructure and enhance the role of internal auditing** by increasing the authority granted to forensic accounting teams, enabling them to swiftly respond to managerial misconduct, fraud, and financial corruption.

✓ **Foster integration between forensic auditors and public sector auditors**, particularly those appointed by the national audit authority in local government sectors. This should serve as a transitional phase during which public auditors receive the necessary academic and practical training to independently perform forensic audit functions.

✓ **Incorporate forensic accounting services** into the portfolio of services offered by accounting and auditing firms in Algeria, in line with the growing demand for fraud and financial corruption detection in Algerian enterprises.

✓ **Develop and issue a government forensic accounting manual** to provide standardized procedures and methodologies for the profession.

✓ **Establish specialized training programs** for internal government auditors to equip them with sufficient knowledge and capabilities to perform forensic accounting tasks that align with the goals of financial transparency and the reduction of corruption in the local public sector.

✓ **Create an independent, official professional association** for forensic accounting in Algeria, to oversee the development of standards, ethical conduct, and continuous professional development in this field.

✓ **Require accounting firms to adopt modern forensic auditing approaches**, such as brainstorming within audit teams, maintaining professional skepticism, assuming the possibility of fraud, and utilizing advanced tools to detect and prevent financial and administrative corruption.

✓ **Integrate a dedicated forensic accounting course** into the accounting curricula of Algerian universities, ensuring that academic staff are encouraged to focus on real-world case studies involving fraud and financial misconduct in both private and public sector organizations.

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