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Management Accounting Control Systems And Fraud Risk Mitigation: An Empirical Investigation

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Management Accounting Control Systems, Fraud Risk Mitigation, Internal Control, Corporate Governance, Empirical Study.

ABSTRACT

This study examines the role of Management Accounting Control Systems (MACS) in mitigating fraud risk and strengthening organizational resilience within financial institutions. The primary objective is to empirically investigate how key fraud risk management mechanisms risk assessment practices, internal controls and continuous monitoring, fraud investigation and response strategies, and regulatory compliance frameworks contribute to organizational resilience, while assessing the moderating influence of organizational culture. Although prior research has extensively addressed internal controls, corporate governance, and forensic accounting as post-fraud detection mechanisms, limited empirical evidence exists on the preventive governance function of integrated MACS in reducing fraud risk before occurrence. This study addresses this research gap by positioning MACS as a proactive and strategic framework for fraud risk mitigation.

A quantitative, survey-based research design was adopted. Primary data were collected from 320 employees (91% response rate) of a Nigerian microfinance bank using a structured questionnaire. Reliability testing yielded a Cronbach's Alpha of 0.882, confirming strong internal consistency. Data were analyzed using descriptive statistics and multiple regression analysis (OLS) via SPSS version 27. Diagnostic tests confirmed the absence of multicollinearity (VIF < 1.01) and autocorrelation (Durbin–Watson ≈ 2).

The findings reveal that all fraud risk management components significantly and positively influence organizational resilience: risk assessment ($\beta = 0.229$, $p < 0.001$), internal controls and monitoring ($\beta = 0.219$, $p < 0.001$), fraud investigation and response strategies ($\beta = 0.174$, $p < 0.001$), and regulatory compliance ($\beta = 0.123$, $p < 0.001$). The regression model explains 46% of the variance in organizational resilience ($R^2 = 0.460$). When organizational culture was introduced as a control variable, the explanatory power substantially increased to 82.7% ($R^2 = 0.827$), with culture emerging as the strongest predictor ($\beta = 0.326$, $p < 0.001$). These results demonstrate that a strong ethical culture enhances the effectiveness of MACS in fraud mitigation.

The novelty of this study lies in its integrated empirical model linking management accounting control systems, fraud risk management strategies, and organizational resilience within a unified governance framework. Unlike prior studies focusing primarily on detection mechanisms, this research advances management accounting theory by demonstrating the preventive and resilience-building capacity of MACS. The study concludes that effective integration of MACS components significantly strengthens fraud risk mitigation and enhances organizational resilience, particularly when supported by a strong ethical culture. However, the findings are limited by the single-institution sample, cross-sectional design, and reliance on self-reported data, which may restrict generalizability and causal inference. Future research should employ longitudinal designs, multi-sector comparative studies, and mixed-method approaches to validate and extend these findings. Further investigation into the role of digital technologies, artificial intelligence, and advanced forensic analytics in enhancing management accounting controls would provide valuable insights into strengthening fraud prevention frameworks in increasingly complex financial environments. ...

1. INTRODUCTION

Businesses all around the globe face a substantial risk from fraud, which undermines their financial stability, organizational integrity, and the confidence of their most important stakeholders. Globalization, the increasing complexity of financial transactions, and technological advancements have all contributed to an increase in the likelihood of fraudulent acts occurring within businesses. As a result, effective fraud risk management (FRM) strategies are essential for reducing these threats and strengthening the company's resistance to them. The ability of an organization to anticipate, plan for, respond to, and adapt to unforeseen fraud-related issues while maintaining operational continuity is referred to as "organizational resilience" in this context. In the Nigerian business environment, the relationship between FRM practices and organizational culture is given a lot of weight (Adegbite, 2020). The existence of a solid corporate culture that is defined by shared ethical ideals, openness, and responsibility has a significant impact on the adoption and efficacy of FRM techniques. In general, businesses that incorporate stringent ethical standards into their operational frameworks are more likely to demonstrate higher levels of fraud prevention and detection, ultimately enhancing their resilience. The foundation of FRM is based on risk assessment techniques, which include identifying and assessing potential fraud threats before they become more serious. Comprehensive risk assessments improve an organization's ability to develop proactive solutions and, in the long run, increase its resilience (Mbatha, 2023). On the other hand, the success of risk assessments is contingent on the existence of a company culture that promotes transparency and information accountability. Employees and management are more likely to support measures to prevent fraud when they share similar ethical principles, which improves the company's ability to withstand fraudulent attacks. Internal controls and constant monitoring are essential components of financial risk management (FRM) that help detect anomalies early on and prevent potential losses. Studies have shown that businesses with effective internal control procedures are more resilient (Wells, 2020). This is because these businesses are able to quickly adapt to fraud-related disruptions. However, the company's cultural norms have an effect on the effectiveness of the internal controls, particularly when it comes to the development of a compliance-driven atmosphere. Internal safeguards can be circumvented by employees working for businesses with a poor ethical culture, which undermines efforts to build resilience. Methods for investigating fraud and dealing with it are absolutely necessary in order to improve the resilience of an organization. These methods guarantee that fraudulent situations are dealt with quickly and minimized. A company's ability to recover and alter its operations is frequently impacted by how it responds to instances of fraud (Duke II & Kankpang, 2013). According to research, businesses with effective investigative frameworks experience fewer interruptions and fewer financial losses than those with ineffective fraud response processes. When it comes to fraud investigations, however, the culture of the business plays a significant role since it influences how workers view and respond to the investigations (Li & Wang, 2019). By cultivating a culture that encourages openness and the reporting of wrongdoing, it is possible to increase the effectiveness of fraud response methods. Regulatory compliance and ethical leadership further contribute to the development of fault risk management and resilience by ensuring that industry norms and governance frameworks are adhered to. Incorporating ethical leadership into the governance structures of an organization helps to cultivate a culture of integrity, which in turn reduces the possibility that fraudulent activities will take place. On the other hand, businesses that lack ethical leadership and inadequate compliance procedures are more likely to be victims of fraud and have a harder time remaining resilient. As a result, an organization's culture plays a significant role as a mediator in determining the efficacy of FRM programs and their impact on the organizations' capacity for resilience (Marquis & Tilcsik, 2016).

2. STATEMENT OF PROBLEM

Fraud has a significant impact on stakeholder trust, financial stability, and organizational performance in both the public and private sectors. Even though legal frameworks and internal control systems are getting smarter, occupational fraud, misuse of organizational resources, and financial manipulation are still common. Traditional fraud control methods have primarily focused on detection and post-incident inquiry rather than preventative governance systems. By giving management up-to-date and pertinent information, Management Accounting Control Systems (MACS) facilitate control, planning, and performance assessment. Although previous research has recognized the significance of corporate governance frameworks and internal controls in preventing fraud, there has been little empirical investigation into the impact of MACS as a proactive strategy to mitigate fraud risk. Management accounting systems are still seen by many companies more as means to control costs or monitor performance than as essential parts of fraud risk management frameworks.

Due to the fact that current control systems are not integrated with organizational risk management procedures, there is a lower likelihood of fraud and a lack of cohesive supervision. Due to the lack of empirical evidence linking particular aspects of MACS (such as budgeting controls, performance measurement systems, internal reporting mechanisms, and behavioral controls) to reducing fraud risk, it is difficult for managers and lawmakers to develop efficient strategies for preventing fraud. A comprehensive empirical study of the role of Management Accounting Control Systems in lowering fraud risk and enhancing corporate governance is necessary to fill this knowledge gap.

Objectives of the Study

investigate how risk assessment techniques affect an organization's resilience;

determine how the company's resilience is affected by ongoing monitoring and internal controls;

determine the impact on organizational resilience of fraud investigation and response techniques;

learn how organizations' resilience is affected by compliance with regulations and legal frameworks...

look at how company culture affects overall resilience.

Research Gap

Despite the fact that previous studies have thoroughly investigated internal controls, corporate governance, auditing, and forensic accounting as means of detecting and investigating fraud, there is a lack of empirical data on the preventative function of Management Accounting Control Systems (MACS) in reducing the risk of fraud. In the existing literature, post-fraud detection methods have received more attention than preventative management controls that reduce the likelihood of fraud before it occurs. In addition, control mechanisms are often discussed in isolation in the literature, ignoring how MACS integrates behavioural controls, internal reporting mechanisms, performance assessment systems, and budgetary controls to impact organizational behavior. Despite its crucial role in preventing the justification of fraud and ethical violations, management accounting's cultural and behavioral aspects have received surprisingly little research. Furthermore, results cannot be applied to other organizational contexts since much of the available research is sector- or context-specific. As a result, there is a noticeable dearth of empirical research that examines how Management Accounting Control Systems reduce firms' risk of fraud. These systems are viewed as a framework for integrated governance. This void must be filled if management accounting as a strategy tool for preventing fraud is to advance theoretically and practically.

3. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

A research was carried out by Aminat, Ezekiel, and Obafemi (2023) to evaluate the effectiveness of risk assessment and other internal control measures in preventing and detecting fraud in deposit money institutions in Nigeria. Using a descriptive research method, primary data were gathered from the management staff of selected banks. For the analysis, multiple OLS estimates were used. The findings indicate that there is a positive and statistically significant connection (r=0.4082, p=0.01990.05) between risk assessment and the detection and prevention of fraud. As a result, risk assessments enhance banks' ability to detect and prevent fraud, which in turn helps them become more resilient. It was suggested that management conduct risk assessments on a regular basis to improve internal controls and reduce fraudulent behavior.

Johnson, Uchegbu, and Okoye evaluated the effectiveness of internal control systems in preventing fraud in Nigerian financial institutions (2024). We collected data from 200 participants using a descriptive study approach; out of those, 160 were able to be recovered and analyzed. Data analysis in the research was done using Z-tests and simple percentages. The data indicate that a lack of an efficient internal control mechanism is a major factor in the fraud that occurs in financial institutions. According to the research, implementing a consistent internal control system is essential for ensuring the solvency of banks and promoting operational continuity. It was suggested that the management of the bank establish and maintain robust internal control systems in order to reduce the likelihood of fraud and boost the resilience of the organization.

Adebayo, Olagunju, and Bankole (2022) investigated Nigeria's oil and gas industry to determine whether fraud risk management techniques reduced fraud. Structured questionnaires were used to collect data from one hundred accounting and risk management employees. Internal controls, whistleblowing, fraud awareness/training, and fraud response were all identified as fraud risk management strategies that significantly contributed to a decrease in fraud, according to the study's regression analysis of the collected data. Following their conclusion that these strategies enhance fraud prevention, the authors of the study urged the oil and gas industry to make extensive use of them.

Saadat and Sopelola (2024) investigated the Nigerian banking sector to determine how company culture affected risk management strategies. Data was gathered from 131 participants using digital questionnaires in a descriptive cross-sectional study. According to the SPSS-based research, cultural factors including leadership, responsibility, effective challenge, and pay have a substantial impact on risk management strategies. A proactive risk management environment necessitates strong leadership and personal responsibility, according to the study. It also suggested that various viewpoints should be encouraged and that equitable remuneration systems should be maintained. The Chartered Institute of Internal Auditors introduced the new Internal Audit Code of Practice in the UK in 2024 with the intention of enhancing corporate governance and restoring confidence following accounting scandals. The code strongly recommends that auditors thoroughly investigate any potential threats posed by a company's culture, climate change, artificial intelligence, cybersecurity, fraud, and economic crime. Although the code does not address Nigeria specifically, its ideas are universal and may be used elsewhere. In order to increase an organization's resilience, it emphasizes the necessity of robust internal controls and constant monitoring.

Olofinlade (2021) looked at how forensic audits helped tackle managerial frauds in deposit money institutions in Nigeria. This research used panel regression methods to analyze secondary data extracted from audited financial statements of publicly traded deposit money institutions. According to the findings, forensic audits aid in three areas: preventing management fraud, accurately representing financial data, and simplifying the interpretation of financial statements. The findings of the study suggest that staff and strategic management should receive training in forensic accounting and auditing because forensic audit procedures can help prevent management fraud. These hypotheses will be tested in this study:

Hypotheses of the study

H1: Organizational resilience is greatly enhanced by risk assessment techniques.

H2: Continuous monitoring and internal controls significantly boost an organization's resilience.

H3: Fraud investigation and response methods have a significant positive impact on organizational resilience.

H4: Legal and regulatory frameworks greatly enhance organizational resilience. •

H5: In a big way, company culture determines how resilient a company is.

4. METHODOLOGY

Research Design

In this survey-based quantitative study, the impact of fraud risk management strategies on organizational resilience is examined. This study employs a descriptive and inferential methodology, which permits the discovery of the correlations between variables, to provide empirical evidence regarding the impact of fraud risk management measures on organizational resilience. Since statistical analysis ensures impartiality, it can be used to measure the extent to which fraud risk management enhances organizational resilience Owusu et al., 2022).

Population of the Study

The well-known Nigerian bank Osanta Micro-finance Bank, Nigeria Limited has its headquarters in Igboho, Oyo State. The population is made up of its employees. Due to their direct involvement in fraud risk management, the research focuses primarily on organizational units like risk management, compliance, forensics, and internal audit (Saadat & Sopelola, 2024). The target group for this study will be 2500 people, as indicated by records kept by the staff. By doing so, we can be confident that our data comes from people who have the necessary knowledge and experience to put our fraud risk management policies into action and keep an eye on them.

Sampling Technique and Sample Size

A stratified random selection strategy is employed in this study to ensure that all fraud risk management divisions within Osanta Micro-finance Bank Nigeria Limited are adequately represented (Best & Yalezo, 2022). Through stratification, workers in departments like risk management, compliance, and internal audit must be heard. To calculate, we use Yamane's (1967) method of determining sample size:

$$n = \frac{N}{1 + N(e^2)}$$

In this case,

n is the same as the sample's size.

A population's population size e is the standard margin of error,

denoted as 0.05 or 5%.

$$n = \frac{2500}{1 + 2500(0.05^2)}$$

$$n = \frac{2500}{1 + 6.25}$$

$$n = \frac{2500}{7.25}$$

$$n = 345$$

Thus, the survey must be completed by approximately 345 individuals. As a result, the sample's distribution is as follows:

Table 1: Distribution of Respondents in the Sample

Category	Sub-Category	Number of Respondents
Department-wise Distribution	Internal Audit	60
	Compliance	35
	Forensic Accounting	40
	Risk Management	75
	Others	42
	Total (Departments)	252
Gender-wise Distribution	Male	223
	Female	122
	Total (Gender)	345

Despite this, 320 of the 345 questionnaires were returned, or 91% of the total (Adebayo et al., 2022).

Sources of Data

A standardized questionnaire that was distributed to experts at the sampling company provided the primary data for the research.

Methods of Data Collection

A structured questionnaire is the primary information gathering tool for evaluating the effectiveness of fraud risk management strategies and their impact on organizational resilience. The survey uses a five-point Likert scale and some closed-ended questions to get people's thoughts and feelings. The survey is disseminated both digitally and physically to guarantee a large sample size (Aminat et al., 2023).

Validity and Reliability

Professionals and academics in the field of fraud risk management examine the questionnaire to verify its validity and relevance of content. Based on feedback from a pilot study with 30 participants, the instrument is improved. The survey items are checked for reliability using Cronbach's Alpha coefficient, which ensures that they are internally consistent (Anisykurlillah et al., 2023). Ratings of reliability greater than 0.70 are considered satisfactory. The study's reliability is supported by the items' high level of internal consistency (a Cronbach Alpha of 0.882).

Table 2: Reliability Test

Measure	Value
Number of Items	23
Cronbach's Alpha	0.882

Technique of Data Analysis

The collected data are examined using descriptive and inferential statistics. While inferential analysis (multiple regression analysis) looks at the connections between fraud risk management strategies and organizational resilience, descriptive statistics (mean and standard deviation) describe the data. Statistical Package for the Social Sciences, or SPSS, version 27 is used for data processing and hypothesis testing. The importance of findings is determined by interpreting the results at a 95% confidence level (Chen et al., 2021).

Variable Measurement

Dependent Variable

Organizational Resilience: A company's capacity to endure, adjust, and bounce back from difficulties caused by fraud (Johnson et al., 2024).

Independent Variables (Fraud Risk Management Techniques)

Risk assessment procedures center on identifying and evaluating potential fraud risks.

To identify and avoid fraud, there are policies, checks, and ongoing monitoring in place as part of the internal controls and monitoring system.

Fraud investigation and response strategies—managing instances of fraud.

Complying with all applicable laws and regulations, including industry standards and government regulations (Khan et al., 2020).

Control Variable

Organizational Culture — The beliefs, values, and conventions held by all members of the organization that have an effect on resilience and the use of fraud risk management measures (Kumar et al., 2018).

Model Specification

Organizational Culture served as the control variable in the study, which used a multiple regression model to examine how Fraud Risk Management Techniques affected organizational resilience (Mbatha & Moosa, 2024). The following defines the model:

Functional Form

$$OR = f(RA, ICM, FIRS, RCL, OC)$$

Structural Model:

$$OR = \alpha_0 + \alpha_1(RA) + \alpha_2(ICM) + \alpha_3(FIRS) + \alpha_4(RCL) + \alpha_5(OC) + \varepsilon$$

Were

OR = Organizational Resilience (Dependent Variable)

RA = Risk Assessment Practices

ICM = Internal Controls & Monitoring

FIRS = Fraud Investigation & Response Strategies

RCL = Regulatory Compliance & Legal Frameworks

OC = Organizational Culture (Control Variable)

$\alpha 0$ is the intercept

$\alpha 1$, … , $\alpha 5$ are the coefficients of the independent variables.

ε is the error term

Model Diagnostic

Diagnostic tests were carried out to make sure that none of these assumptions were wrong: To rule out the possibility of multicollinearity, we checked for significant correlations between our independent variables using the Variance Inflation Factor (VIF) (Todorović et al., 2022).

The Durbin-Watson test was used to determine whether the residuals contained autocorrelation.

RESULT

Descriptive Statistics

Table 3 Summary Statistics

Variable	Mean	Standard Deviation
RA	3.470	0.882
ICM	3.503	0.883
FIRS	3.506	0.883
RCL	3.513	0.877
OC	3.495	0.863
OR	4.482	0.464

The descriptive statistics, which provide an overview of the distribution and central tendency of the study's main variables, are presented in Table 3. The relatively low standard deviation of 0.464 and the highest mean value of 4.482 for organizational resilience (OR) supported respondents' generally positive perceptions of their organizations' resilience (Al-Omoush et al., 2023). With a mean score of 3.513 and a standard deviation of 0.877, Regulatory Compliance & Legal Frameworks (RCL) stood out among the Fraud Risk Management Techniques (FRMT) components. This suggests that compliance is highly valued by the businesses surveyed (Al-Waeli et al., 2020). The similar mean values of 3.506 for Internal Controls & Monitoring (ICM) and 3.503 for Fraud Investigation & Response Strategies (FIRS) with a standard deviation of 0.883 indicate that respondents had a consistent perception of these fraud control measures' efficacy (Anh et al., 2020). The moderate but somewhat lower weight given to risk assessment procedures was indicated by Risk Assessment (RA), which had a mean of 3.470 and a standard deviation of 0.882. Organizational Culture (OC), a control variable, had a mean of 3.495 and a standard deviation of 0.863, indicating that cultural characteristics affecting fraud risk management and resilience varied across firms (Attanasio et al., 2022).

OLS Regression

Table 4 Model Summary

Statistic	Value
R	0.679
R Square	0.460
Adjusted R Square	0.455
Standard Error of the Estimate	0.343
Durbin–Watson Statistic	2.13

Table 4 provides an overview of the model, demonstrating the regression model's robustness and ability to explain the data. There is a very good relationship between the independent variables and organizational resilience, as shown by the R-value of 0.679. The Adjusted R-Square of 0.455, which takes into account the degrees of freedom, demonstrates that there was only a modest adjustment made for the number of predictors. An R-Square value of 0.46 indicates that the model's predictor variables account for approximately 46% of organizational resilience variation. With a standard error of 0.343, which

indicates that the residual variability is rather low, the model fits the data well. The Durbin-Watson statistic, at 2.13, is within the acceptable range (around 2), indicating that the residuals do not exhibit any significant autocorrelation issues, further supporting the model's dependability (Bartusevičienė et al., 2021)..

Table 5 ANOVA

Source of Variation	Sum of Squares	df	Mean Square	F-value	p-value
Regression	38.562	4	9.640	82.124	0.000
Residual	45.195	385	0.117	—	—
Total	83.756	389	—	—	—

According to the ANOVA results presented in Table 5, the regression model is statistically significant overall. A p-value of 0.000 indicates that there is a strong correlation between the independent and dependent variables, indicating that the model is suitable.

Table 6 OLS Coefficients

Variable	B	Std. Error	t-value	p-value
Constant	1.883	0.149	12.660	0.000
RA	0.229	0.020	11.558	0.000
ICM	0.219	0.020	11.081	0.000
FIRS	0.174	0.020	8.818	0.000
RCL	0.123	0.020	6.168	0.000

Table 6 displays the OLS regression coefficients for the model. The initial level of organizational resilience is represented by the constant term (1.883, p = 0.000) when all other independent variables are set to zero. According to H1, risk assessment procedures (RA) have a positive impact on organizational resilience because their coefficient is 0.229 (p = 0.000). This further demonstrates that businesses are more resilient when they take steps to identify and evaluate potential fraud threats. The findings lend credence to H2, as they demonstrate that ICM (internal controls and continuous monitoring) significantly increases organizational resilience (r=0.219, p=0.000). This suggests that firms might be able to increase their resilience by lowering the likelihood of fraud through strict internal control measures and constant supervision (Bracci et al., 2022). H3 is supported by fraud investigation and response strategies (FIRS) with a coefficient of 0.174 (p = 0.000), indicating that FIRS have a significant impact on organizational resilience. This suggests that businesses with established fraud response procedures are better able to recover from fraudulent acts. H4, which asserts that regulatory compliance and legal frameworks (RCL) significantly contribute to organizational resilience, is supported by a coefficient of 0.123 (p = 0.000) for RCL. When it comes to safeguarding a business from fraud, it is impossible to overstate the significance of adhering to industry regulations and laws.

Table 7 Collinearity Statistics

Variable	Tolerance	VIF
RA	0.993	1.007
ICM	0.991	1.009
FIRS	0.996	1.004
RCL	0.994	1.006

The possibility of multicollinearity among the independent variables in the regression model is evaluated by the collinearity statistics that are shown in Table 7. The associated tolerance values, which are around 1, are closely related to the VIF values (1.004–1.009). With a VIF score below 10 and a tolerance value of 0.1, it is clear that the independent variables are not strongly correlated, indicating that multicollinearity is not present.

Effect of the Control Variable

Table 8 Model Summary

Statistic	Value
R	0.909
R Square	0.827
Adjusted R Square	0.825
Standard Error of the Estimate	0.194
Durbin–Watson Statistic	1.949

The model summary after the control variable was added is shown in Table 8. The high R-value of 0.909 demonstrates that there is a high degree of agreement between the independent and dependent variables. The significant influence of the control variable is demonstrated by the fact that fraud risk management strategies and organizational culture account for 82.7 percent of the variance in organizational resilience (R Squared = 0.827). The Adjusted R Square of 0.825, which takes into account the number of predictors included, confirms the model's dependability. The model's predictions are quite accurate, with a standard error of just 0.194. With a Durbin-Watson value of 1.949, which is within the permissible range of 1.5-2.5, we may conclude that the residuals do not exhibit any substantial autocorrelation.

Table 9 Total Effect Model

Variable	B	Std. Error	t-value	p-value
Constant	0.756	0.093	8.109	0.000
RA	0.239	0.011	21.267	0.000
ICM	0.217	0.011	19.377	0.000
FIRS	0.159	0.011	14.233	0.000
RCL	0.126	0.011	11.138	0.000
OC	0.326	0.011	28.508	0.000

The combined impact of fraud risk management strategies and company culture on resilience is seen in Table 9. The constant value (B = 0.756, p = 0.000) demonstrates that organizational resilience maintains a positive baseline value even after controlling for the independent factors. The coefficient for risk assessment procedures (RA) of 0.239 (p = 0.000), which supports H1, demonstrates that effective risk assessment significantly enhances organizational resilience. As evidenced by the positive impact of internal controls and continuous monitoring (ICM) (B = 0.217, p = 0.000), robust internal controls result in resilience. Fraud investigation and response strategies (FIRS) also have a significant beneficial impact (B = 0.159, p = 0.000), which is consistent with H3, which states that robust fraud response procedures increase resilience. The positive correlation (B = 0.126, p = 0.000) between organizational resilience and regulatory compliance and legal frameworks (RCL) lends credence to H4. Organizational culture (OC) is also the most important factor in increasing the effectiveness of fraud risk management (B = 0.326, p = 0.000). The consistently significant p-values (p 0.05) show that all of the variables are statistically significant. This demonstrates how a positive company culture and effective fraud risk management methods significantly increase organizational resilience.

5. DISCUSSION OF FINDINGS

In particular, the study's results highlight the importance of organizational culture in explaining the connection between fraud risk management strategies and resilience in organizations. Descriptive statistics showed that the investigated financial institution had all the necessary fraud risk management strategies in place, with mean values above 3.4 for risk assessment practices (RA), internal controls and continuous monitoring (ICM), fraud investigation and response strategies (FIRS), and regulatory compliance and legal frameworks (RCL). Additionally, the institution's organizational resilience (OR) score of 4.482 indicates that it is quite resilient in the face of fraud-related challenges. Ordinary Least Squares (OLS) regression analysis revealed that each of the four fraud risk management strategies had a statistically significant positive impact on organizational resilience. Risk assessment procedures (= 0.229, p = 0.000), which supported H1, demonstrate that organizations that proactively evaluate fraud risks are more likely to be resilient. Continuous monitoring and internal controls (= 0.219, p = 0.000), which supported H2, confirmed the significance of robust internal control systems in reducing fraud risks and enhancing organizational resilience. Supporting H3, the statistically significant impact of fraud investigation and response techniques (β = 0.174, p = 0.000) shows that organizations may keep their stability via prompt and effective reactions to fraud situations. Compliance with legal and regulatory standards (= 0.123, p = 0.000) lends credence to H4,

providing additional evidence that adhering to standards improves resilience by reducing vulnerability to disruptions caused by fraud. Organizational culture was shown to have a considerable impact on organizational resilience, as confirmed by the findings of the interaction effect model ($\beta = 0.326$, $p = 0.000$), which lend credence to H5. This suggests that an organization's cultural climate has a greater influence on the effectiveness of fraud risk management strategies in fostering resilience. The model's summary also revealed that including organizational culture as a control variable significantly increased the model's explanatory power ($R2 = 0.827$), indicating its significance in strengthening fraud resistance. According to previous research (Aminat et al., 2023; Adebayo et al., 2022; Saadat & Sopelola, 2024), businesses with robust risk assessment frameworks are better able to adapt to changing conditions and are less likely to suffer financial losses as a result of fraud.

6. CONCLUSION

This study found that resilience was significantly enhanced by organizational culture, which is an essential component of fraud risk management strategies. Methods for risk assessment, internal controls and continuous monitoring, strategies for investigating and responding to fraud, and regulatory compliance and legal frameworks are all positive influences on an organization's resilience. This connection is also bolstered by corporate culture, which emphasizes the significance of fostering an open and highly ethical environment in financial institutions.

Suggestions / Recommendations

The findings of the study serve as the basis for these recommendations. Financial institutions should regularly conduct comprehensive fraud risk assessments to enhance their risk assessment frameworks and proactively detect new fraud risks. Through automation and real-time reporting, management can enhance internal controls and continuous monitoring systems to improve early fraud detection and prevention. In addition, businesses ought to establish well-organized procedures for detecting and combating fraud in order to deal with incidents as soon as possible and minimize downtime. Staff should get ongoing training on regulatory obligations, and regulatory compliance should be seen as a tool for strategic governance rather than a legal duty. Last but not least, it is essential for management to cultivate an ethical company culture that encourages honesty, accountability, and speaking up in the event of wrongdoing. The effectiveness of fraud risk management strategies will greatly benefit from this.

Limitations of the Study

The research does make some useful contributions, but it also has some flaws. To begin with, the results may not be applicable to other industries or locations as the research only looked at one financial institution. Second, because a cross-sectional study methodology only records respondents' opinions at a specific time, it is impossible to monitor how fraud risk management strategies change over time. Thirdly, because the research is based on self-reported questionnaire data, there is a possibility of response bias. When analyzing the study's results, keep these caveats in mind.

Scope for Future Study

Future research may build on this one by following the evolution of organizational resilience and fraud risk management strategies over time with a longitudinal study approach. Comparative studies should be conducted across a number of financial institutions or across industries like healthcare, manufacturing, and public sector businesses to increase generalizability. Future research may employ qualitative methods like interviews or case studies to better comprehend the cultural and behavioral aspects of fraud risk management. To further enhance fraud risk reduction and organizational resilience, future research might further investigate the function of digital technologies, artificial intelligence, and forensic accounting tools..

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