Initiation of Forensic Accounting Investigation of Public Sector Corruption (PSC) in Nigeria

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The aim of this paper was to gain an understanding of the processes of the initiation of forensic accounting investigation from the perspective of experts in the Nigerian leading anti-corruption body, the Economic and Financial Crimes Commission (EFCC). This qualitative case study mode of enquiry finds four means as precursors to the forensic accounting investigation of PSC in EFCC. The use of media report, intelligent report, whistle blowing and petitions were identified as triggering the commission of forensic accounting investigation of PSC in EFCC. However, a cursory look at these processes revealed that EFCC is more reactive type of investigation organization rather than the proactive one. Hence, EFCC is recommended to strongly imbibe the proactive type of forensic accounting investigation of PSC.

Keywords: forensic accounting, investigation, public sector corruption, qualitative research, Nigeria

INTRODUCTION

Nigeria like other developing nations is seriously hit by corruption especially in the public-sector. The public-sector service in Nigeria is to a large extent characterized by a lot of corruption and corrupt practices (Agbibo, 2012). The problem has been going for years and often times, governments in the country were changed due to the single reason of being corrupt (Osoba, 1996; Shehu, 2005). Over the years, successive governments in Nigeria have been making efforts to stamp out the tide of corruption that has bedeviled the country for so long. In spite of all these strides, corruption persists so much so that it is beginning to appear like a social norm among the public office holders (Obuah, 2010). In the early part of this millennium, two powerful anti-corruption bodies were set up in the country to effectively address the upsurge of corruption and corrupt practices. The Independent Corrupt Practices Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC) were established in 2000 and 2002 respectively to fight corruption. Still with the establishment of the anti-corruption agencies, corruption continues to be unabated particularly in the public sector. Even though, some level of progress has been experienced, but the problem is far from being solved. As noted by Popoola, Che-Ahmad, and Samsudin (2015), it is glaring that fraud and corruption have shaped the Nigerian public-sector. This persistence of public sector corruption in Nigeria is partly attributable to inefficient investigation and the subsequent prosecution of corrupt practices. Corruption and corrupt practices in Nigeria often go unpunished or in many instances the punishment being meted is grossly inadequate compared to the magnitude of the offence. As explained by Ijewereme (2015), this has made the benefit of corruption to outweigh its cost. Hence, the low cost, high benefit cause of Public sector corruption in Nigeria. More to that, new means of committing financial crimes are evolving, particularly through technology (Hendi, 2013) and this requires modern means of investigation that is technologically based. Similarly, many corruption cases could not be established due to improper investigation on one hand and on the other, consequent of the absence of the combined technical expertise of accounting and litigation procedures in the investigation (Adegbie & Fakile, 2012; Carnes & Gierlasinski, 2001; Gbegi & Okoye, 2013; Lokanan, 2014).

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Forensic accounting is a development within the accounting and auditing profession to address the limitation posed by the professional auditing services in uncovering fraud. Premised with the professional skepticism, forensic accounting main concern is to search for the occurrence of fraud and other financial improprieties even within the best operating condition. Rightly observed by Curtis (2008), one of the thrust of forensic accounting investigation is to proceed to the prosecution of perpetrators of fraud after the investigation. In its efforts to get rid the country of corruption and other fraudulent practices especially in the public sector, EFCC in 2013 has introduced forensic accounting into its existing forensic unit (EFCC, 2013). Earlier the commission operated on the four plus forensics, comprising of digital forensics, forensic photography, finger print forensics and document examination forensics. All these aspects of the forensic compliment the functions of the forensic accounting technique. Therefore this paper using qualitative research methodology based on the interpretivist paradigm seeks to understand from the participants’ perspectives the procedure for initiating the investigation. Through face to face in depth interview encounter with the staff of the commission and document review, this study seeks to understand this process of initiating the investigation of public sector corruption in Nigeria using the forensic accounting techniques. Accordingly this part foregrounds the paper as the introductory section. Other sections to follow cover the literature section, the methodology, findings, discussion and then conclusion of the study.

**Forensic accounting**

The literature has documented a number of researches on forensic accounting and the majority of these studies tend to focus on education or practice or both (Arifaba, 2013; Bressler, 2012; Carnes & Gierlasinski, 2001; Heitger & Heitger, 2008; Mitric, Stankovic, & Lakicvic, 2012a; Quirin & O’Bryan, 2014; Rezaee & Burton, 1997; Rezaee et al., 1992; Van Akkeren et al., 2013;Young, 2008). Van Akkeren, Buckby, and MacKenzie, (2013) observed for more than 25 years accounting sections of the universities around the world have been updating their accounting curricular to include forensic accounting, fraud accounting and investigative accounting-based courses.

Within the practice, Bressler (2011) studied the role of Accounting Information System (AIS) in forensic accounting investigation. Using qualitative method of inquiry, the study elaborated on the AIS procedures of investigation which are to be followed for successful forensic accounting financial crimes investigation. Forensic accountants testify in courts as expert witnesses and in the process AIS tools are needed for the transformation of financial investigation into forensic accounting investigation. However, this study did not elaborate on how the process of forensic accounting investigation leading to expert witness in court.

From the legal perspective Dong(2011) studied the functions of legal procedures in forensic accounting in order to provide a basis for a joint development in the areas of accounting and law within the Chinese characteristics. The study revealed that forensic accounting is premised within the socio-professional activities comprising mostly of accounting and law with special values and functions. Curtis (2008) demonstrated the requirement for the inclusion of criminology aspects and the law, the regulatory and legal framework as well as ethics in the forensic accounting curriculum. The study further described how through illustrated guide the implementation of such topics in the curriculum.

Bierstaker, Brody, and Pacini (2006) in their study examining the accountants’ perception on the fraud detection and prevention methods used found forensic accounting among the methods not commonly used. In a survey administered on 86 accountants and fraud examiners, found that even though less frequently used, forensic accounting has the highest mean effectiveness in fraud prevention and detection as compared to other methods. Similarly, Efiong(2013) explored the literature using survey instrument how forensic accounting education and practice can contribute to prevention and detection of fraud in Nigeria. The study found that forensic accounting is the most perceived effective mechanism for fraud control and also the least used technique in fighting fraudulent practices. Therefore, this study is an attempt to fill in the gap by studying initiation of forensic accounting investigation of public sector corruption.

Bhasin (2013) concluded that forensic accounting can impact positively on the corporate governance practices in the organizations. Hence, forensic accountants are identified as making significant and positive contributions in the areas of corporate governance and fraud prevention, detection and prevention. Muthusamy (2011) investigated the determinants of the behavioural intention for using forensic accounting services in fraud prevention and detection by large companies in Malaysia. Using multi-phased mixed method, the research administered 305 questionnaires on some selected chief financial officers and conducted structured interview in obtaining the requisite data. The study uncovered significantly, the positive impact of attitude, ethical organizational climate, perceived severity of fraud, stakeholder pressure as well as the negative impact on financial cost on the behavioural intention of using forensic accounting techniques by Malaysian firms. Enofe et al (2013) examined the role of forensic accounting in fraud detection on the Nigerian firms employing quantitative survey design with the use of questionnaire administered on 15 firms in Edo state of Nigeria. The study revealed that the application of forensic accounting techniques on firms positively affect fraudulent practices. The commonality of all these studies is their concentration on studying private organizations and the impact of forensic accounting on the prevention and detection of frauds. Therefore, this study fills the void in the
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literate to extend to the public sector and study the initiation of the forensic accounting investigation by the anti-corruption bodies and specifically the EFCC.

Public sector corruption in Nigeria

The concern for public sector corruption in Nigeria is growing and it is locally and internationally being justified (Fafawora, 2015). According to a report by Price Water Cooper, the sum of $174 billion was lost to corruption in 2015 in Nigeria (Akinmutimi, 2016) and corruption has continued to remain a pressing issue affecting public finances in Nigeria. The most notable public sector organizations in Nigeria are the hub of highest level of public corruption (Fafawora, 2015; The Sun, 2016). For example the Nigerian National Petroleum Company (NNPC) as the publicly owned corporation which is the highest echelon for the source of government revenue accounts for the main public sector corruption in Nigeria (Fafawora, 2015). The recent arrest of the former Nigerian petroleum minister in London for alleged money laundry of over ₦4 trillion or US$20 billion portray the intensity of public sector corruption in Nigeria (Fafawora, 2015).

More recently, the Nigeria’s information minister while campaigning against public sector corruption revealed that just 55 Nigerians stashed away the sum of ₦1.34 trillion ($9 billion) from the public coffers between the years 2006 and 2013 (The Sun, 2016; Winsor, 2016). If the period indicated in the report were to be extended to 2015, the amount looted would have risen to ₦3.2 trillion which equals almost the half of the 2016 Nigeria’s budget. Out of the stolen money, 15 former governors were deemed to have siphoned ₦146 billion, 4 ministers stashed away ₦111 billion, 12 former public servants carted away with ₦14 billion, 8 people stole ₦524 billion from the banking sector and 11 people from the business cycle got ₦653 billion all from the public funds (The Sun, 2016). Therefore, the continued prevalence and intensity of corruption in Nigeria requires a proactive method of investigation that will uncover the many incidences of corruption occurring. Notably, the widespread of public sector corruption specifically and corruption in general have made traditional auditing and investigation inefficient and in effective (Chi-chi & Ebimobowei, 2012) as corruption and corrupt practices seem not to be properly investigated which constantly affects the integrity of the profession.

Studies have been carried out searching for the remedy of corruption problem and ultimately identified forensic accounting for the reduction of financial crime in Nigeria (see Aribaba, 2013; Enofe et al., 2013; Gbegi & Okoye, 2013; Hendi, 2013; Olajide, 2014; Ritter, 2008 for example). However, many of these studies lack focus on exploring forensic accounting techniques for investigating public sector corruption using qualitative methodology. Thus, this study fill this gap (understand the initiation process of using forensic accounting to investigating public sector corruption) to justify using qualitative methodology.

METHODOLOGY

This study employs case study from the qualitative research methodology paradigm. The essence is to understand the particularity of the phenomenon (Initiation of forensic accounting investigation of public sector corruption) within its context bound (EFCC). Corruption is such a complex and clandestine phenomenon such that every environment has its specific peculiarities regarding the menace (Agbiboa, 2015; Agbiboa, 2012; Asongu, 2013; Atelhe & Agada, 2014). This complex and secretive nature of the phenomenon requires the interpretations of the experiences and understandings of the research participants. Essentially, this adequately foregrounds this study towards the qualitative methodology.

This study believes that rather than finding out the number of corruption investigations conducted by EFCC using forensic accounting, the study is interested in understanding the process of initiating the investigation of corruption. Instead of focusing on the participants’ perception on the effectiveness of forensic accounting investigation in fighting public sector corruption in Nigeria. This study explains the understanding and experiences of the participants, how they construct their world view, interpret their experiences and the meaning they attribute to their experience. It also explores the participants understanding of the initiation of the investigation of public sector corruption in Nigeria by EFCC using forensic accounting. By so doing, the study expected the entire process to be inductively postured, focusing on understanding of the end product of research producing rich and thick description (Merriam, 2009). A total number of 24 participants cutting across different fields of expertise and professionalism were purposefully selected based on the snowballing technique. The idea was to starts with the heads of the units having link with the investigation of public sector corruption as best informants to share their experiences. Through referral by these sectional heads, other participants were identified and up to the point of saturation in accordance with the position of Miles and Huberman (1994) and Creswell (2014).

Data analysis and Interpretation

Interview encounter with the experts and the review of available documents reveal that EFCC carries out both proactive and reactive investigations. The proactive investigation implies the commencement and initiation of the investigation at the instances of the anti-corruption bodies. While the reactive type of investigation implies the commencement of the investigation at the instances of third parties. In both types, investigations are initiated in some ways. Considering both forms of investigations in EFCC, four means in which investigations are initiated have emerged from the narrations of the experts and document reviewed. The media report, intelligent gathering, whistle blowing and petitions are considered to trigger the investigation of PSC. These four categories are visualized in figure 1 as indicated by the participants on the prevalence of each.
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Figure 1: Initiation of investigation

a. The media

Report from both the print and electronic media on corrupt practices can trigger the institution of investigation on the suspected organizations or individual. Operating in certain situations as a proactive organization, EFCC may not have to wait for a complaint to be brought before it can swing into investigation. As narrated by participant 18, sometimes issues have to be picked from the media and then investigation is initiated. This is explained below in the language of Participant 18.

“And the second thing is that there is what is called intelligent, intelligent report. Some intelligent report, intelligent report, that is another area for getting issues that provide direction for the investigation and then, of course, sometime you can also pick up issue from the media” (Participant 18).

He further clarified on how it is being done.

“You go to newspaper and then somebody, somewhere is writing that the principal of so, so school. Permanent secretary for so, so agency, you understand have done this and that. There you take a lead and then you start your investigation” (Participant 18).

Even though not so popular with the commission, recently there are heightened activities of the media in reporting suspected corrupt practices in the country.

b. Intelligent report

“And the second thing is that there is what is called intelligent, intelligent report. Some intelligent report, intelligent report, that is another area for getting issues that provide direction for the investigation and then, of course, sometime you can also pick up issue from the media” (Participant 18).

“Yes, it begins, forensic accounting investigation starts with a complaint. When there is a problem either intelligent report or somebody reports that you understand, then from there you go down you start from the complaint, if there is any complaint you pick up the complaint and start from it” (Participant 13).

“Well, you know for us in the EFCC usually, am petitions are sent in or we invoke section 7 of the EFCC establishment Act which says that if it appears to the executive secretary, he can cause investigation, so am but most times you know, petitions come in” (Participant 15).

Impliedly, the above statements by some the participants provided insight on the role of intelligence in initiating an investigation. Echoed in the voices of participants 18 and 13 above for example, not all the times, investigation is caused by complaints or petition. In triangulating the findings from the interviews, the annual reports of EFCC were reviewed. Functioning as a financial intelligent organization, the EFCC is hosting the Nigerian Financial Intelligent Unit (NFIU). Despite that the NFIU is independent of EFCC, it is strategically domiciled within the EFCC for easier performances of its operations. The NFIU disseminate both proactive and reactive intelligence reports to Law enforcement and regulatory agencies in
Nigeria. Available annual reports obtained from EFCC for six-year period from 2009 to 2014 indicate the dissemination of both proactive and reactive intelligence to EFCC by NFIU. Table 1 shows the breakdown of intelligence reports disseminated to EFCC.

Table 1: Breakdown of yearly intelligence reports disseminated to EFCC by NFIU

<table>
<thead>
<tr>
<th>Year</th>
<th>Proactive</th>
<th>Reactive</th>
<th>Total for the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>20</td>
<td>80</td>
<td>28</td>
</tr>
<tr>
<td>2010</td>
<td>35</td>
<td>37</td>
<td>72</td>
</tr>
<tr>
<td>2011</td>
<td>57</td>
<td>23</td>
<td>80</td>
</tr>
<tr>
<td>2012</td>
<td>32</td>
<td>74</td>
<td>106</td>
</tr>
<tr>
<td>2013</td>
<td>44</td>
<td>76</td>
<td>120</td>
</tr>
<tr>
<td>2014</td>
<td>47</td>
<td>80</td>
<td>127</td>
</tr>
</tbody>
</table>

Source: EFCC annual reports 2011-2014

The report revealed an upward trend in the yearly total disseminated to EFCC. This implies the increasingly assuming of importance of the intelligence report in the investigation. However, the number presented does not include the intelligent report internally generated by EFCC as stated by experts above.

c. Whistle blowing

"...initiation of investigation usually, here in Nigeria what we have, we do have various cases. There are cases in which the initiation is as a result of a complaint by a whistle blower or an aggrieved party. There is the time when it is becoming ugly or the company that is a victim of the financial crime that reports. So, basically these are like, so at that point as soon as the complaint is received, am, am investigation is initiated" (Participant 22).

"But there are instances, even petitions are not received, intelligence can be gathered or people that we call this whistle blowers can bring in information that will lead to investigation of certain cases" (Participant 23).

Participants 22 and 23 are both investigators and have had vast experiences and the expertise in the field of investigation. They identified whistle blowing in the initiation of investigation in EFCC. Recently whistle blowing is gaining momentum in Nigeria due to new policy introduced by EFCC. Under the new police, whistle blowers will be rewarded with a certain percentage of the recovered loot from corrupt practices. For the first one billion naira (Nigerian currency) recovered through whistle blowing, there is an incentive of 5% to the whistle blower. 4% is awarded for any amount more than the first one billion naira up to the first five billion naira. As at the time of writing this report, during the first and the second quarters of the year 2017, there was an unprecedented rise in whistle blowing in Nigeria. The discoveries made were huge and very alarming. For example, on February 3, 2017 officials of EFCC raided a building belonging to one Yakubu Andrew, the former Group Managing Director of the Nigerian National Petroleum Corporation (NNPC) and discovered the sum of $9.8m and £74,000. One officer of EFCC present at the scene narrated:

When the safe was opened, it was discovered that it contained the sum of $9,772,800 (Nine Million, Seven Hundred and Seventy-Two Thousand, Eight Hundred United States Dollars) and another sum of £74,000 (Seventy-Four Thousand Pound Sterling)

Similarly, on April 12, 2017 another whistle blower led to the discovery of the sum of $43.4million, £27,800 and ₦23.2 million left in a residence in Lagos state. Barely two days before, EFCC had discovered from an operator Bureau De Change market in a Market in same Lagos state. On April 10, 2017, another whistle blowing activity took EFCC’s investigators to an operation that succeeded in uncovering approximately the sum of ₦250 million which comprises of ₦547,730, €21,090 and ₦35,648,500. A week prior to that discovery, there was another sum of ₦449,000,860 found lying hidden in an abandoned shop in Lagos of which the owner (s) are yet to be discovered as at the time of reporting this finding.

d. Petition

Figure 1 shows that much of the participants (at least 20 out of 24) have unanimously stated that investigations are initiated at the instances of petitions. Further to this, and to triangulate the findings from the interviews, documents were considered. Equally revealed in the documents reviewed, is the place of petitions in the initiations of investigations. Petitions as observed by the experts are sent in to the commission either by known or anonymous individuals or bodies. The individuals or bodies sending the petitions may be the victims of the corrupt practices or just aggrieved members of the public. Another aspect of the petition identified from the experts’ accounts is the fact that the petition can be either written or oral. However, much of the petitions are forwarded in writing as explained by some participants. "As a forensic accountant you look at the evidence from the petitioner, authenticity of the document test of time and the certification of the documents which requires stamp, name, signature, position and date. You also look at other evidence such as the statement of witnesses and other recommendation" (Participant 8).

In one of the public documents made available to the public, EFCC stipulates a good (written petition) to contain the address of the executive chairman and the name, telephone number and address of the petitioner for contact purposes. Furthermore, the title of the petition is to be
clearly stated. Then the petition must have an introduction, the body of the complaints having facts and document as well as the sources of the information. The conclusion should be stated thereafter and lastly the petition ends with the name and the signature of the petitioner.

Apparently, the above elements provided by EFCC relate to a written petition from a known person. Ever though the commission has accented to the anonymous type of petition, the documents have not given a hint on how it should be written.

The following statements of the participants support the submissions made above on the role of petitions in the initiations of investigations in EFCC:

“Yes, it begins, forensic accounting investigation starts with a complaint. When there is a problem either intelligent report or somebody reports that you understand, then from there you go down you start from the complaint, if there is any complaint you pick up the complaint and start from it”. (Participant 13)

“Various methods introduced in the…. all are used for investigating corruption cases, so you can see the letter anyone suspected of corruption is investigated…………. so we have to beware even anonymous letter can trigger investigation of PSC”. (Participant 14)

“Well, you know for us in the EFCC usually, am petitions are sent in or we invoke section 7 of the EFCC establishment Act which says that if it appears to the executive secretary, he can cause investigation, so am but most times you know, petitions come in” (Participant 15)

“Sections of the Act provide that petitions can be made orally or they can be put in writing and then we receive petitions and of course, I have to tell you it can also be anonymous”. (Participant 18)

“Initiation of investigation usually, here in Nigeria what we have, we do have various cases. There are cases in which the initiation is as a result of a complaint by a whistle blower or an aggrieved party. There is the time when it is becoming ugly or the company that is a victim of the financial crime that reports. So, basically these are like, so at that point as soon as the complaint is received, am, am investigation is initiated”. (Participant 22)

“….normally, we start our investigation when a case is reported to the commission. The source of the case can be from a known individual or anonymous person”. (Participant 2)

“First petition is received from known or anonymous individuals as well as corporate bodies”. (Participant 4)

“Investigation is normally triggered by petition looking at the function be it public or private”. (Participant 9)

Documents were further explored to triangulate the statements of the participants obtained from the interview sessions. One of such documents is the EFCC’s annual reports which on yearly basis provide insight on the commission’s dealings with petitions. It states the number of petitions received, rejected or returned, treated, forwarded to other organizations, number of petitions prosecuted and the conviction secured. Table 5.5 shows the petitions handling by EFCC for a five-year period from 2010-2014

Table 2: Petitions analysis by EFCC between 2010 and 2014

<table>
<thead>
<tr>
<th>Petition handling</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petitions received</td>
<td>6782</td>
<td>7737</td>
<td>4914</td>
<td>6089</td>
<td>4941</td>
</tr>
<tr>
<td>Petitions transferred to other agencies</td>
<td>2477</td>
<td>2385</td>
<td>707</td>
<td>1027</td>
<td>1082</td>
</tr>
<tr>
<td>Petitions rejected</td>
<td>1767</td>
<td>2746</td>
<td>245</td>
<td>609</td>
<td>631</td>
</tr>
<tr>
<td>Petitions considered for investigation</td>
<td>2538</td>
<td>2606</td>
<td>3962</td>
<td>4453</td>
<td>3228</td>
</tr>
<tr>
<td>Petitions investigated</td>
<td>2399</td>
<td>2606</td>
<td>2062</td>
<td>2883</td>
<td>2512</td>
</tr>
<tr>
<td>Number of arrests made</td>
<td>2546</td>
<td>2829</td>
<td>2151</td>
<td>2904</td>
<td>2756</td>
</tr>
<tr>
<td>Number of cases prosecuted in courts</td>
<td>206</td>
<td>417</td>
<td>502</td>
<td>485</td>
<td>388</td>
</tr>
<tr>
<td>Number of convictions secured</td>
<td>68</td>
<td>67</td>
<td>87</td>
<td>117</td>
<td>126</td>
</tr>
</tbody>
</table>

Source: Compiled by the researcher from EFCC annual reports 2011-2014

Table 2 is further depicted in figure 2 for a clearer picture of the analysis
Both table 2 and figure 2 imply high number of petitions is received by EFCC on yearly basis. The large number of petitions recorded in 2010 and 2011 was in part due to wrong sending of petitions. This is evidenced in both the number of petition transferred to other agencies and those rejected. Presumably through increased public awareness, people are more informed on the types of petitions to send to EFCC. Therefore, looking at the side of petitions considered for investigated and those that were actually investigated, more number is recorded in the subsequent years, especially in 2013. In summary, a total number of 30,463 were received from the year 2010 to 2014. 26% and 22% of this number were received in 2010 and 2011 respectively. In 2013, 20% of the number was received while years 2012 and 2014 has recorded 16% each. Figure 5.13 shows the percentage of the total number of petitions received year by year for the five years’ period.

However, the high percentage of the total number recorded in the years 2010 and 2011 was attributable to wrongly sent petitions as explained above. Whereas the rise in the petition in 2013 was attributable to the level of public confidence on the activities of EFCC on its fight against corruption. However, this public confidence was shattered in 2014 with the feeling from the section of the public that the investigation by EFCC was selective, thus leading to the drop in the petition received in the year.

**DISCUSSION**

Initiation is the first process in the entire investigation cycle and specifically at the pre-investigation phase. Such contention is portrayed in the literature as Filstad and Gottschalk (2012) state that investigation is triggered by initiation and the investigation document should provide clearly the initiation covering the mandate and the background of the investigation. Similarly, the meddle scenario of the article 85, paragraph 1, sub-paragraph 2(a) of the Treaty on the Function of the European Union, describes initiating investigation to mean putting in place, launching or to order the start of investigation through any national authority of the state members (Weyembergh, 2013). Thus, initiation marks the beginning of any process or relationship. Unlike the above scenario investigation in EFCC is mostly initiated by third parties’ information, even though few others are initiated by the commission. Further consideration of the findings shows that the initiation stage is composed of unique features. Certain processes are deemed to characterize any initiation process. Consistent with this submission, is the finding of Aarikka-Stenroos (2008) that states that the initiation phase of an undertaking is described by features such as the intentionality, activity and the speed of processes. The intentionality of initiation may be interpreted to mean deliberate action or by coincidence. However, as observed by Aarikka-Stenroos (2008), the literature has identified majority of the activities bordering on initiatives to be rationally intentional. In the context of this study and EFCC’s investigation of PSC, the initiation is both deliberately intentional and circumstantial. It is deliberate in the sense that investigations are sometimes pre-planned and are targeted to specific organizations and individuals. It is circumstantial, when it is prompted by certain incidences not earlier anticipated. The activities in the initiation can either constitute reactive or proactive investigations. Lastly, the speed process explains the progression of the initiation process. Depending on the prevailing condition and circumstances, the speed of the initiation or the investigation in general may be either predicted or unpredicted. From the operations of EFCC, the initiation of investigation either reactive or proactive comes in four folds. These aspects of the initiation of investigation are discussed in the subsequent paragraphs.

Firstly, investigations in EFCC are mostly initiated by petitions or complaints by victims of the corrupt practices, the colleagues of the disgruntle public servants and other third parties. Similarly, petitions or complaints can be received from both known and anonymous person. In the petition sent in by known person, the petitioner indicates his/her identity in the petition or complaint whereas in an anonymous petition such identity is not included. Petitions received by EFCC can also be oral, but an oral petition can only be made by a known person as he has to appear personally to lodge his complaints. In making sense of the findings from this study, the receipt of a petition in EFCC kick-starts investigation whereby such receipt will be documented at the office of the executive chairman before subsequent actions may be decided. This is consistent with Steffen (2017) who documented that in commencing an investigation defining its purpose and scope may be considered the first step. Further making sense of the findings of the data through documentary analysis reveals petition is ranked highest in the initiation of investigations.
by EFCC. High number of petitions being received by EFCC indicates that the commission is more into reactive investigation when compared to the proactive type. For a period of five years from 2010 to 2014, total number 30,463 petitions were received by EFCC. Out of this number 7,678 were transferred to other law enforcement agencies and 5,998 were rejected. Interestingly, 16,787 petitions were considered for investigation and 12,462 petitions were investigated in the said period. The implication of all these numbers highlighted is the growing recognition of the activities of EFCC in the fight against public sector corruption in Nigeria. People are beginning to have confidence in the commission such that even cases meant for other agencies were initially sent to EFCC. Although, the number of the petitions received and subsequently investigated is high, the number of cases prosecuted and then convicted is comparatively low. During the period in question (2010-2014), only 1,998 cases were prosecuted out of which 465 were convicted. This has caused the operation of the commission to be under severe attack for not doing enough despite the slight successes recorded. In relation to this incessant attack on the EFCC’s approach towards initiating the investigation, other means, such as the whistle blowing were introduced. Secondly, whistle blowing can also trigger off the investigation of PSC. Whistle blowing in this context refers to the report by third parties to EFCC on the whereabouts of the stolen funds and the identity of the public servants who have stashed away those public funds. That act is said to initiate an investigation, and hence a reactive form of investigation. The whistle blowing is gaining more prominence in recent time in Nigeria with the renewed efforts of the current government to fight corruption in all its ramifications. Consistent with this stance is the recommendation by Filstad and Gottschalk (2012) and Seetharaman, Senthivelmurugan, and Periyayanayagam (2004) that whistle-blowers should be given the required recognition and protection they deserved. Whistle blowers are now given an assurance of protection and an incentive of 5% of the recovered loot. Between November, 2016 and May, 2017, there was a growing surge in the whistle blowing activities in Nigeria which led the EFCC to swing into a full-blown investigation. Consequently, many recoveries were made as revealed in “c” above of the analysis of the findings. The implication to this, more reactive investigation is being conducted by EFCC. By this, EFCC relies on information by others in initiating an investigation which obviously may not be the ideal means to curbing corrupt practices. As indicated in some earlier sections, the bulk of the investigations conducted by EFCC cover the reactive type of investigation. One of such ways to conducting investigation of PSC by EFCC is to pick issues of interest from the media.

Thirdly, closely related with the petitions and whistle blowing practice, an investigation can be initiated through media reports. Reports from both electronic and print media can stimulate an investigation when the activities of some corrupt public servants are exposed. EFCC then can pick upon the issues raised in the media and thus an investigation is initiated. Relying on the third-party insight into the corrupt practices, this is also aligned to the reactive form of investigation. Notwithstanding, the dominance of the reactive forms of investigation in EFCC, other forms of proactive investigation such as the intelligence report do initiate the conduct of an investigation.

Lastly, further the findings reveal that intelligence report is among the factors triggering off investigation by the EFCC. The reports are generated either internally or externally from such bodies like the NFIU. In gathering intelligence internally, EFCC relies on the professionalism and expertise of its staff to monitor and track down the movement of some government officials suspected of corruption due to their lavish lifestyle for example. In this regard the investigation is initiated at the instance of EFCC and not dependent upon external parties. The initiation stages of the pre-investigation phase discussed above would ultimately move the investigation to the next level. Initiating an investigation through any of the four ways discussed pushes the investigation into the preparatory stage of the pre-investigation phase.

CONCLUSION

Corruption particularly within the public sector practice has been identified among the greatest problems affecting Nigeria. Over the years successive government have been making efforts to address the problem and to curtail its spread. This has led to the emergence of the anti-corruption bodies in the country and specifically, the Economic and Financial Crimes Commission (EFCC) of Nigeria. Yet with the advent of the anti-corruption bodies public sector corruption (PSC) continued unabated. What was discovered to be lacking was proper investigation that was premised alongside strong litigation services. Accordingly, forensic accounting investigation techniques were tipped as the way forward. Hence, EFCC has adopted the use of forensic accounting techniques in the investigation of PSC and therefore this paper has examined the initiations of the investigation from the perspective of the experts in EFCC. Four means were found to initiate the forensic accounting investigation, including the media report, intelligence gathering, whistle blowing and petitions/complaints. Of these four, petitions have the highest usage, thus putting the investigation to more of a reactive than a proactive one. Furthermore, of the remaining three means of initiating the petition only intelligence gathering is aligned to the proactive type of investigation. Even then, its usage in triggering the investigation is quite minimal as reported in the findings. Therefore, EFCC is strongly recommended to devise other proactive means of forensic accounting techniques of investigating PSC in Nigeria.
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