

Applications of Forensic Accounting in Detecting and Preventing Financial Crimes

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Abstract

Financial crimes, including fraud, misuse, and money laundering, present considerable risks to Bangladesh's economic stability and public confidence in financial institutions. This paper examines the application of forensic accounting in identifying and mitigating such crimes, evaluating its efficacy, identifying obstacles, and exploring possible legislative measures. A quantitative poll involving 400 respondents from industries such as banking, accounting, auditing, and regulatory organizations indicated that 82% perceived financial crimes as prevalent, whereas 89% asserted that forensic accounting could substantially improve fraud detection. The study revealed multiple obstacles to adoption, including insufficient forensic knowledge (68%), technological constraints (56%), and inadequate regulatory enforcement (63%). Participants endorsed the incorporation of global best practices, including as AI-driven fraud detection and real-time transaction monitoring, while underscoring the necessity for policy reforms, training initiatives, and technical investments to enhance the accessibility and efficacy of forensic accounting. The results suggest that by overcoming these obstacles, Bangladesh can improve its financial crime prevention framework, promote organizational transparency, and establish a more robust financial system.

Keywords: Forensic Accounting, Financial Crime Prevention, Fraud Detection, Regulatory Reform, Corporate Governance, Bangladesh Financial System.

1. Introduction

In a country like Bangladesh, where the economy is evolving despite increasing financial complexities, the rise of white-collar crimes poses a significant threat to economic stability. Financial offences such as fraud, embezzlement, money laundering, and corruption undermine public trust and commercial ecosystems, hindering sustainable development (Joseph et al., 2024). This positions forensic accounting as a vital and necessary solution for upholding financial

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integrity in the prevention and detection of atypical offences ([Joshi & Chouhan, 2025](#)). Forensic accounting combines accounting, auditing, and investigative skills to scrutinize financial records for evidence of irregularities that indicate criminal activity ([Ogwiji, 2023](#)). In Bangladesh, where financial crimes are rampant in different sectors including banking, public organizations, and corporate sector plays a vital role for forensic accounting. Such system vulnerabilities unleashed by high-profile scandals including bank loan scams and capital market manipulations have brought the need for rigorous financial scrutiny and response to the front burner ([Siddique, 2024](#)). Although forensic accounting has been fleshed out in many sectors, even considering the increasing awareness, the practice of forensic accounting is not yet widespread in Bangladesh with few professions possessing the required knowledge ([Kaur, 2024](#)). With the new urgency of investigations from regulatory institutions such as the Bangladesh Financial Intelligence Unit (BFIU), and the Anti-Corruption Commission (ACC), forensic accounting is better positioned to help identify fraudulent activities, improve internal controls, and strengthen the country's financial regime ([Eghe-Ikhurhe et al., 2024](#)).

This article outlines the various aspects of forensic accounting in Bangladesh, highlighting the necessity of forensic accounting in identifying and understanding financial crimes. It draws on relevant examples, critiques current regulatory frameworks, and underscores the role for forensic accountants as agents of transparency and ethical governance globally. With a sound understanding and expansive approaches towards spreading awareness of forensic accounting, Bangladesh can make significant progress in developing a secure and resilient financial mechanism.

2. Literature Review

2.1 Forensic accounting: The evolution of a CSI profession

Forensic accounting has developed into a unique field combining accounting, auditing, and investigative techniques. Forensic accountancy is the use of specialized knowledge and investigative skills to analyze financial information and provide that information in legal proceedings ([Anghel & Poenaru, 2023a](#)). The discipline started to have momentum worldwide after some larger scandals (e.g., Enron and WorldCom) that demonstrated the weaknesses in conventional auditing approaches to detect elaborate fraud schemes ([Anghel & Poenaru, 2023a](#)).

Forensic accounting goes beyond the study of crimes in financial institutions and the novel means of cheating and it has often been thought of as an effective way to prevent financial misconduct through the identification of vulnerabilities in financial systems ([Lamba & Jain, 2020](#)). The forensic accountant is the financial "detective," tracing illicit transactions, reconstructing the financial trail, and providing expert testimony in court ([Lamba & Jain, 2020](#)).

2.2 Forensic Accounting and Financial Crime Detection

Several works highlight that forensic accounting is effective in detecting financial crime including asset misappropriation, fraudulent financial reporting, and corruption. Forensic accounting practices had significantly reduced incidences of fraud in the banking ([Alhumoudi & Alhumoudi, 2023](#)). According to similar studies, forensic methods like data mining and ratio analysis enable the identification of questionable activity that would typically go undetected by the normal audit process ([Alhumoudi & Alhumoudi, 2023](#)). Forensic accounting plays an essential role in money

laundering investigations. According to [Nursansiwati \(2024\)](#), the forensic accountants are crucial in identifying and tracing suspicious transactions, analyzing complex financial networks and helping law enforcement agencies in building criminal cases. This has become particularly pertinent given the growing importance of developing economies and the extent to which weak regulatory environments allow financial crimes to thrive.

2.3 Financial Crimes Status in Bangladesh

Bangladesh has a dual problem of financial crimes where incidents of bank fraud, public sector corruption and capital market manipulation are not new. Corruption has now become a normalcy for us and not just ordinary corruption, but a lethal one, the accumulated loss from where we are losing billions of revenues from our economy every year, TIB added. Cases such as BASIC Bank loan scam, Hall-Mark Group case reveal the scale of financial crime and systemic deficiencies that sustain financial crime ([Harjuni, 2024](#)). [Dewayanto, \(2023\)](#) have claimed that those that exist in Bangladesh are not designed to detect most sophisticated fraud schemes. Hence, there are calls for adopting forensic accounting techniques to strengthen corporate governance and improve regulatory oversight. Forensic accounting as a tool has a significant role to play in enhancing the investigative capacity of institutions such as Bangladesh Financial Intelligence Unit (BFIU) and Anti-Corruption Commission (ACC). A study of [Rizwan et al. \(2024\)](#) find that financial crime constitutes one of the most destructive threats to the financial system.

2.4 A Sphinx with a Good Eye: Forensic Accounting as a Crime Prevention Tool

There is evidence that forensic accounting is a crime prevention tool, as well. [Oraby, \(2025\)](#) indicate that organizations with robust forensic accounting practices are more likely to implement fraud risk management initiatives and develop a culture of financial transparency. Bangladesh has a weak system of public and private institutions where risk management framework is often unrealistic, and

forensic accountants can step in to design internal controls and conduct proactive fraud assessment. Furthermore, according to [Alhumoudi & Alhumoudi, \(2023\)](#) it is essential to create forensic accounting education and training programs to develop local skills in that area. Bangladesh lacks a robust number of qualified forensic accountants, which hampers the widespread adoption of forensic practices, but with sound capacity building initiatives it could narrow the deficit of these skill sets and strengthen its financial defenses.

2.5 Support from Regulators and Institutions

Bangladesh is witnessing a change in the regulatory landscape to include forensic accounting practices. The implementation of the Money Laundering Prevention Act and formation of the BFIU is testimony to the government's agenda to reduce financial crimes. Yet, researchers contend that these endeavors need to be supported with greater institutional commitment to forensic investigations ([Dewayanto, 2023](#)). Bank forensic accounting units and state agencies could coordinate investigations and expedite prosecution of financial criminals.

2.6 Gaps and Future Directions

Forensic accounting is widely used across many jurisdictions, but so far, we have not accustomed ourselves with the process in Bangladesh. [Uddin et al. \(2025\)](#) conducted studies that highlighted

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that corporate leaders and policymakers are unaware of the benefits of forensic accounting. Moreover, a lack of standardized forensic methodologies and restricted access to advanced technological infrastructure fails investigations. The development of customized forensic accounting models, that consider the regulatory frameworks, industry-specific risks, and domestic practices could be potential areas for future research in Bangladesh. Further collaboration among academia, regulators, and private sector stakeholders will also promote the maturation of forensic accounting as a mainstream practice. This section presents the extremely vast and rich literature that demonstrates the importance of forensic accounting as a tool to detect and prevent financial crimes as well as to fill the gap in the literature with case studies from around the world. For Bangladesh, adopting forensic accounting might be a turning point enabling enhanced financial transparency, rebuilding public confidence, and boosting economic robustness of the country. As the nation finds its way back to financial stability, forensic expertise and institutionalizing forensic practices will be pivotal to developing a more accountable financial ecosystem.

2.7. Problems of the study

In recent years, the increasing need for forensic accounting in preventing financial crimes has been a threat to the financial system worldwide, whereas Bangladesh continues to face barriers towards implementation of forensic accounting. Business leaders and lawmakers are just not aware of forensic accounting practices, which are significant barriers to its adoption ([Adejumo & Ogburie, 2025](#)). Few educational and skill development options exist for forensic accounting, with most of those who attempt the field lacking formal training ([Ali et al., 2024](#)). Also, the low levels of automation, archaic manner of financial reporting systems, weak internal controls, and the poor-level usage of advanced technological tools hindered the timely realization of complex financial frauds ([Naz & Khan, 2025](#)). Depending on the nature of the alleged financial crimes, various enforcement agencies are called into action such as the Anti-Corruption Commission (ACC) and Bangladesh Financial Intelligence Unit (BFIU) who are thoroughly stretched with resource constraints and procedural inefficiencies often hampered investigations and weakened enforcement efforts ([Al-Raggad et al., 2025](#)). The problem is further compounded by the lack of standardized forensic methodologies and the fragmented coordination between the regulating authorities and financial institutions ([Basak et al., 2020](#)). All these reasons together hinder the effective application of forensic accounting as a strong instrument for identifying financial crimes in Bangladesh and prove that the country needs serious reforms and appraisal of its forensic accounting system.

2.8. Research Objectives

Here are the research objectives of the study on Applications of Forensic Accounting in Detecting and Preventing Financial Crimes:

1. To study the present scenario of financial fraud in Bangladesh and find out the loopholes in the current fraud detection framework.
2. To evaluate the role and effectiveness of forensic accounting techniques in detecting, investigating, and preventing financial crimes in different industries.
3. To examine the constraints and challenges of forensic accounting professionals and regulatory bodies in Bangladesh.

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4. To identify global best practices in forensic accounting and analyze their applicability in Bangladesh's financial and law enforcement domain.

To provide policy measures and strategic interventions to fortify forensic accounting adoption to amplify financial transparency and reduce economic crime in Bangladesh.

3. Research Method

The research was quantitative and attempted uses of forensic accounting in financial crime detection & prevention in Bangladesh. A questionnaire survey was designed to gain primary data from critical stakeholders such as accountants, auditors, forensic experts, bankers, regulators, and corporate executives. The sample size was calculated using Cochran's formula for a finite population:

$$n = \frac{Z^2 \cdot p \cdot (1 - p)}{E^2}$$

Based on this formula, a 95% confidence level ($Z = 1.96$), 5% margin of error ($e = 0.05$), and 50% response distribution ($p = 0.5$) was the expected value of the required sample size calculated as follows: 384 respondents, which was upward adjusted to 400 participants for reliability. Data were collected through surveys employing stratified random sampling, ensuring representation from various sectors, and were analyzed using descriptive statistics and inferential techniques (e.g., regression analysis, correlation tests) to examine the association between forensic accounting practices and prevention of financial crime. A stratified random sampling methodology was employed to ensure proportional representation from various sectors relevant to the detection of financial crimes and forensic accounting practices, including banking institutions, corporate entities, auditing firms, regulatory organizations, and law enforcement agencies. The strata were delineated based on the professional roles and sectoral affiliations of the respondents to encapsulate a wide array of perspectives. The questionnaire encompassed metrics designed to assess the degree of utilization of forensic accounting techniques (e.g., data analytical methods, fraud detection instruments, investigative protocols), the efficacy in identifying financial discrepancies, the role of forensic accounting in curbing fraud and financial malfeasance, the obstacles encountered in the implementation of forensic accounting practices, and the perceived necessity for regulatory and institutional assistance. These variables were evaluated employing a scale of agreement alongside binary yes/no inquiries to ascertain the correlation between forensic accounting practices and the prevention of financial crimes. The methodology also facilitated a comprehensive, evidence-based evaluation of the current state of forensic accounting in Bangladesh, its strengths, and its weaknesses.

4. Results and Discussion

The study aimed to examine the role of forensic accounting in detecting and preventing financial crimes in Bangladesh, focusing on key aspects such as awareness, effectiveness, challenges, and prospects. Data were gathered using a structured questionnaire from 400 participants, comprising accountants, auditors, bankers, regulatory officials, and corporate executives. The results provide a significant understanding of the current state of forensic accounting and its impact on reducing financial crime.

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4.1 Demographic Profile of the Respondents

Grasping the demographic profile of respondents is crucial for framing the study's findings and evaluating the variety of viewpoints on forensic accounting in Bangladesh. The survey encompassed 400 participants from diverse sectors, including accounting, banking, auditing, and government, thereby ensuring comprehensive representation of stakeholders engaged in the detection and prevention of financial crime. The participants exhibited diversity in age, gender, educational qualifications, professions, and work experience, resulting in a comprehensive dataset that accurately represents the financial landscape of Bangladesh. The variety of perspectives gathered provided a comprehensive understanding, spanning from novice practitioners to experienced specialists, thereby enhancing the examination of the significance and possibilities of forensic accounting in tackling financial crimes. Table 1 represents the information regarding demographic profile of the respondents.

Table 1: Information Regarding Demographic Profile of the Respondents

Category	Subcategory	Number of Respondents	Percentage (%)
Age Distribution	18–25 years	50	12.5%
	26–35 years	120	30%
	36–45 years	110	27.5%
	46–55 years	80	20%
	56+ years	40	10%
Gender	Male	280	70%
	Female	110	27.5%
	Other/Prefer not to say	10	2.5%
Education Level	Bachelor's Degree	140	35%
	Master's Degree	180	45%
	Professional Certification (CPA, CFE)	60	15%
	PhD	20	5%
Occupation	Accountant	80	20%
	Auditor	70	17.5%
	Forensic Accountant	30	7.5%
	Banking/Finance Professional	90	22.5%
	Government/Regulatory Official	60	15%
	Corporate Executive	50	12.5%
	Academic/Researcher	20	5%
Work Experience	Less than 2 years	50	12.5%
	2–5 years	100	25%
	6–10 years	120	30%
	11–15 years	80	20%
	More than 15 years	50	12.5%

4.2 The Present Condition of Financial Crimes in Bangladesh and Evaluate Deficiencies in Current Detection Mechanisms

Financial crimes, such as fraud, money laundering, and corruption, are substantial dangers to Bangladesh's economic development and public confidence in financial institutions. Notwithstanding the initiatives of regulatory entities such as the Bangladesh Financial Intelligence Unit (BFIU) and the Anti-Corruption Commission (ACC), financial impropriety persists due to antiquated detection mechanisms, insufficient technological integration, and a deficit of forensic accounting proficiency. Comprehending the extent of financial crimes and recognizing deficiencies in existing detection systems is crucial for formulating effective preventive measures. To investigate this, survey data were gathered from professionals in the banking, accounting, regulatory, and corporate sectors. This study highlights participants' views on the frequency of financial crime, the efficacy of existing detection tools, and the perceived necessity for forensic accounting measures.

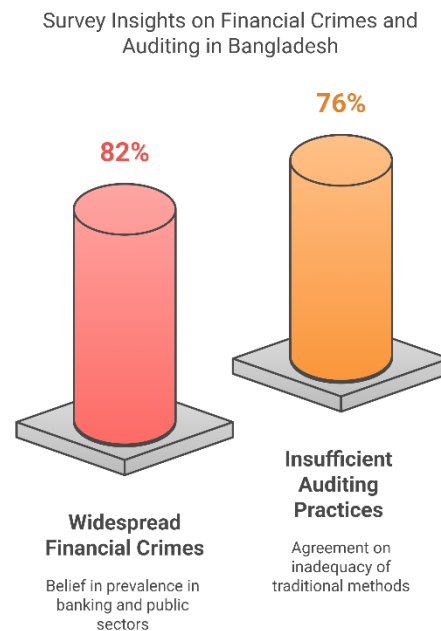


Figure 1: Survey Insights on Financial Crimes and Auditing in Bangladesh

Figure 1 indicates the survey finding on financial crimes and auditing. Survey findings indicated that 82% of respondents perceived financial crimes, such as fraud, embezzlement, and corruption, to be prevalent in Bangladesh, especially within the banking and public sectors. Seventy-six percent of respondents concurred that conventional auditing methods are inadequate for identifying complex financial wrongdoing. These findings corroborate previous research ([Siddique, 2024](#)), which emphasized the inadequacies of traditional audit techniques in detecting intricate financial anomalies. The prevalence of financial crimes highlights the want for enhanced investigation methodologies, such as forensic accounting, to bolster fraud detection.

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4.3 Function and Efficacy of Forensic Accounting in Detecting and Mitigating Financial Crimes

Forensic accounting is increasingly acknowledged as an essential instrument in the fight against financial crimes, since it integrates investigative methodologies with accounting proficiency to detect fraud, embezzlement, and money laundering. In Bangladesh, where financial malfeasance is a continual concern, forensic accounting could improve fraud detection, fortify internal controls, and assist legal procedures. Understanding the perceived efficacy of forensic accounting in comparison to conventional auditing procedures is essential for promoting its broader acceptance.

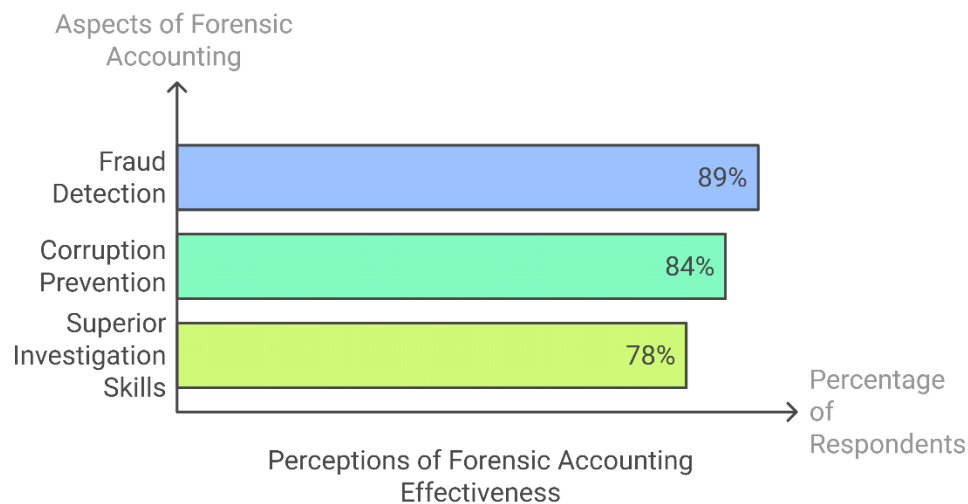


Figure 2: Perceptions of Forensic Accounting Effectiveness

Figure 2 represents the perceptions of forensic accounting effectiveness. In response to enquiries regarding the efficacy of forensic accounting, 89% of participants concurred that it improves fraud detection, while 84% asserted that it aids in preventing corruption by strengthening internal controls. Moreover, 78% of respondents stated that forensic accountants possess superior capabilities compared to conventional auditors in investigating complex financial crimes, largely due to specialized methodologies such as data mining, ratio analysis, and financial statement reconstruction. Forensic accounting is broadly regarded as an effective instrument for identifying and mitigating financial crimes, corroborating international research. ([Joseph et al., 2024](#)). Nonetheless, its execution is constrained in Bangladesh owing to structural and institutional obstacles.

4.4 Assess the Challenges and Constraints of Forensic Accounting in Bangladesh

Although forensic accounting has the potential to revolutionize financial crime prevention in Bangladesh, several obstacles stand in the way of its widespread adoption. The nation confronts a deficiency of skilled forensic accountants, obsolete technology infrastructure, inadequate regulatory enforcement, and elevated service costs. These constraints hinder organizations from fully utilizing forensic methodologies to identify and avert intricate financial crimes. To gain a

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clearer understanding of these obstacles, data were gathered from 400 participants across essential industries, including banking, auditing, and governmental institutions.

Figure 3 represents the obstacles of forensic accounting implementation. Participants recognized multiple obstacles to the implementation of forensic accounting practices: Insufficient number of trained forensic accountants (68%), Inadequate technological infrastructure (56%), Inadequate regulatory enforcement (63%) and Elevated expenses associated with forensic services (47%). These findings indicate the systemic deficiencies in Bangladesh's financial regulatory framework. ([Anghel & Poenaru, 2023b](#)) propose that overcoming these obstacles via capacity building and technical expenditures could substantially augment the efficacy of forensic accounting. Forensic accounting, despite its potential, encounters adoption hurdles in Bangladesh, chiefly attributable to a deficiency of competence and insufficient regulatory support.

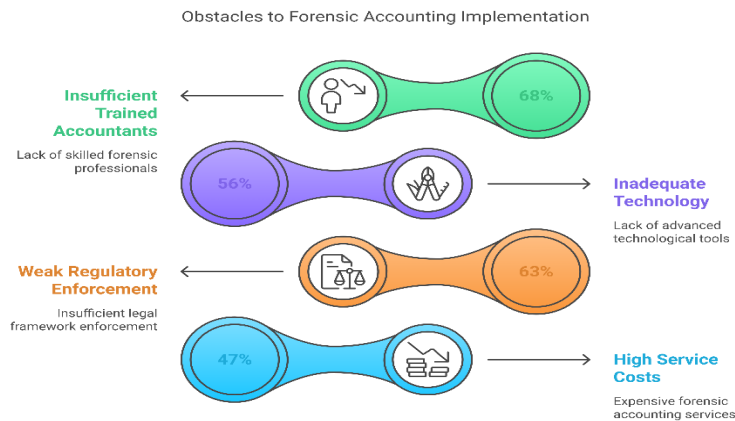


Figure 3: Obstacles to Forensic Accounting Implementation

4.5 Global Best Practices and Evaluate Their Relevance in Bangladesh

Forensic accounting has emerged as an effective instrument in the global fight against financial crimes, with nations implementing sophisticated methods such as real-time transaction monitoring, AI-enhanced fraud detection, and comprehensive internal control systems. Bangladesh might enhance its financial crime prevention system by adopting some worldwide best practices. Successful implementation, however, hinges on the adaptation of these approaches to local legislative, technological, and institutional settings. Data were collected from diverse sectors to comprehend stakeholder opinions of global best practices and their relevance in Bangladesh focusing on their usefulness, practicality, and potential effect.

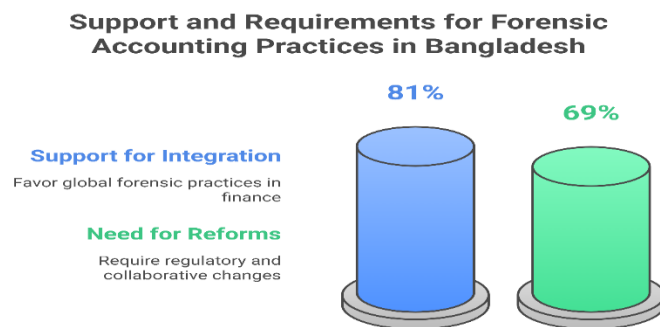


Figure 4: Support and Requirements for Forensic Accounting Practices in Bangladesh

Figure 4 illustrates the support and requirements for forensic accounting practices in Bangladesh. 81% of participants endorsed the incorporation of global forensic accounting methodologies, including continuous transaction monitoring and AI-enhanced fraud detection, into Bangladesh's financial framework. Nonetheless, 69% believed that these activities necessitate legislative reforms and enhanced collaboration between forensic specialists and law enforcement organizations. Incorporating foreign best practices may enhance Bangladesh's financial crime prevention initiatives; nevertheless, effective execution necessitates policy modifications and institutional coherence.

4.6 Policy Measures for Enhancing Forensic Accounting Implementation

Enhancing the implementation of forensic accounting in Bangladesh requires specific policy interventions to address current deficiencies and promote sustained financial crime deterrence. Effective policies may encompass specialized training initiatives, investment in forensic technology, robust legislative frameworks, and improved communication between regulators and forensic specialists. Comprehending stakeholder priorities is essential for formulating effective policies; thus, data were gathered to ascertain participants' perspectives on the most vital policy interventions required to enhance forensic accounting procedures in Bangladesh.

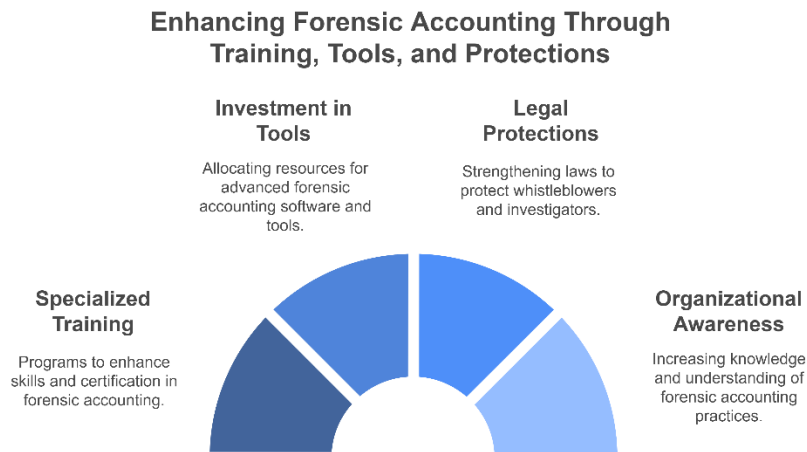


Figure 5: Enhancing Forensic Accounting through Training, Tools, and protections

Figure 5 represents the opinions of the participants regarding the enhancing forensic accounting through training, tools, and protections. Upon inquiry regarding possible solutions, respondents emphasized three critical interventions: Specialized training and certification programs constitute 74%, Increased investment in forensic accounting techniques and software (65%), Enhancing legal safeguards for whistleblowers and investigators (59%) and enhancing organizational awareness regarding forensic accounting (68%). These findings underscore the necessity for a comprehensive strategy in the implementation of forensic accounting. By investing in human capital, modernizing technology, and establishing a more conducive legislative framework, Bangladesh could augment its ability to identify and mitigate financial crimes. The integration of training, technology advancement, and regulatory reform may expedite the implementation of forensic accounting, thereby enhancing Bangladesh's financial stability.

4.7. Findings

The findings of this study are given in the following:

1. A significant 82% of participants indicated a belief that financial crimes, such as fraud, corruption, and money laundering, are prevalent in Bangladesh, especially within the banking and public sectors. A significant 76% of participants expressed the view that conventional auditing practices fall short in identifying intricate fraud schemes, underscoring the necessity for enhanced investigative techniques. The prevalent gaps observed were: Insufficient forensic expertise (68%), Insufficient internal controls (56%), and Prolonged legal and investigative procedures (63%). The financial environment in Bangladesh is susceptible to criminal activities as a result of antiquated detection techniques and insufficient institutional capabilities.
2. The Impact of Forensic Accounting on Crime Detection and Prevention A significant 89% of respondents concurred that forensic accounting is exceptionally effective in uncovering financial crimes. A significant 84% expressed the belief that it could mitigate corruption through the enhancement of internal controls and the

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improvement of compliance measures. A significant 78% of participants indicated that forensic accountants outperform traditional auditors in managing complex cases, attributing this effectiveness to advanced methodologies such as data mining, ratio analysis, and financial statement reconstruction. Forensic accounting is recognized as a transformative approach in the fight against financial crimes in Bangladesh.

3. The primary obstacles recognized were: Insufficient availability of skilled forensic accountants (68%), Insufficient technological infrastructure (56%), Insufficient regulatory enforcement (63%). The expense associated with forensic services is significant, accounting for 47%. A significant 69% of respondents indicated that the regulatory framework in Bangladesh requires reform to enhance support for forensic accounting investigations. The effectiveness of forensic accounting is constrained by a lack of skilled professionals, technological challenges, and insufficient regulatory backing.
4. A significant 81% of respondents expressed their support for the integration of global forensic practices within Bangladesh's financial system. The practices that received the highest recommendations included: Fraud detection powered by AI (32%), Monitoring transactions in real-time (25%), Data sharing across borders for financial investigations (20%). Nonetheless, 69% of participants expressed the view that effective implementation would necessitate considerable policy reform and enhanced collaboration among forensic experts, regulators, and law enforcement agencies. Incorporating global best practices has the potential to enhance Bangladesh's strategies for preventing financial crime; however, it is essential to tailor these approaches to the local context.
5. The primary policy recommendations included: Programs for specialized training in forensic accounting (74%), Funding allocated for cutting-edge forensic technologies and software (65%), Enhanced legal safeguards for those conducting investigations and reporting misconduct (59%), Compulsory forensic audits for sectors identified as high-risk (62%). A significant 68% of those surveyed expressed the view that public awareness campaigns could effectively stimulate organizational demand for forensic accounting services. An integration of educational initiatives, technological advancements, and regulatory changes has the potential to enhance the adoption of forensic accounting and markedly decrease instances of financial crimes.
5. The investigation underscored the critical necessity for forensic accounting in Bangladesh's battle against financial crimes. Although stakeholders acknowledge its effectiveness, the broad implementation is obstructed by resource limitations, regulatory deficiencies, and a lack of expertise. Through the adoption of global best practices and the execution of focused policy reforms, Bangladesh has the potential to establish a more robust financial system, with forensic accounting serving as both an investigative instrument and a proactive defense against corruption and fraud.

4.8 Recommendations

The findings of this study suggest that various strategic measures can be implemented to enhance the adoption and effectiveness of forensic accounting in Bangladesh. By tackling the primary challenges and utilizing global best practices, it is possible to foster a more robust financial system.

1. Implement targeted forensic accounting programs at academic institutions and professional

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development centers. Promote the attainment of professional certifications, such as the Certified Fraud Examiner (CFE) and Forensic CPA, by offering subsidies or incentives to finance professionals. Facilitate consistent workshops and seminars aimed at enhancing awareness and developing practical investigative abilities. Broadening the talent pool will effectively tackle the deficit of forensic accountants and foster sustainable capacity development.

2. Revise current financial regulations to require forensic audits in high-risk sectors such as banking, insurance, and public finance. Enhance the autonomy, resources, and forensic expertise of regulators such as BFIU and ACC. Create a specialized forensic accounting division within regulatory organizations to expedite investigations and improve collaboration among agencies. Enhancing enforcement and oversight will lead to better crime detection and discourage fraudulent activities.

3. Allocate resources towards sophisticated forensic instruments (such as data analytics software, AI-driven fraud detection, and blockchain analysis) for financial institutions and regulatory bodies. Create centralized fraud databases to facilitate real-time data sharing among financial institutions, law enforcement, and regulatory bodies. Educate forensic accountants in the field of digital forensics to effectively investigate cybercrime and track digital financial transactions. Utilizing technology will enhance the precision and efficiency of financial crime investigations.

4. Develop a collaborative model that integrates public and private sectors to facilitate the sharing of resources, knowledge, and best practices. Promote the establishment of forensic accounting standards and guidelines by industry associations for businesses. Enhance cooperation across borders by engaging with global forensic specialists to address financial crimes that span multiple nations. Enhanced collaboration will facilitate knowledge-sharing and assist Bangladesh in aligning with global practices for preventing financial crime.

5. Initiate public awareness campaigns aimed at informing businesses and individuals regarding the dangers of financial crimes and the significance of forensic accounting. Promote the enhancement of internal controls within organizations and the implementation of policies that protect whistleblowers. Acknowledge and incentivize financial transparency via national awards for ethical business conduct. Fostering awareness and integrity will contribute to establishing a culture that deters fraud and corruption throughout society.

6. Through the adoption of these recommendations, Bangladesh has the potential to markedly improve its ability to identify and thwart financial crimes. Investing in human capital, technology, and regulatory reforms will enhance financial governance while simultaneously increasing investor confidence and promoting economic stability. When fully integrated into the financial system, forensic accounting can act as a fundamental element of transparency and accountability, establishing Bangladesh as a regional leader in the prevention of financial crime.

4.9. Limitations

This study offers valuable insights into the applications of forensic accounting for detecting and preventing financial crimes in Bangladesh; however, it is important to acknowledge several limitations present in the research. While the sample size of 400 respondents encompasses a range of sectors (e.g., banking, auditing, government), it may not adequately reflect the full spectrum of

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opinions across all industries, particularly those from smaller organizations or rural financial institutions. The study utilized self-reported survey responses, which may lead to response bias. Participants might have exaggerated or minimized their opinions, particularly regarding sensitive topics such as financial crime and the effectiveness of regulations. The study provides a momentary view rather than an extensive analysis of the progression of forensic accounting practices in Bangladesh. The patterns of financial crime and the corresponding regulatory responses can evolve, impacting the significance of specific findings. Due to the restricted awareness of forensic accounting in Bangladesh, certain participants might lack a comprehensive understanding of the field, potentially impacting the precision of their responses. The study overlooked the technological limitations present in Bangladeshi financial institutions, which could impact the practicality of adopting advanced forensic practices such as AI-driven fraud detection or blockchain analysis. Although the investigation examined the influence of regulations, it fell short of performing an in-depth legal analysis of current laws and their correspondence with international forensic accounting standards, which could yield more profound insights into policy deficiencies.

5. Conclusion

This study highlights the crucial role of forensic accounting in detecting and preventing financial crimes in Bangladesh. The findings indicated that financial crimes, such as fraud, corruption, and money laundering, are widespread in critical areas including banking, corporate finance, and public institutions, eroding economic growth and public trust. Traditional audit techniques often fail to identify complex fraud schemes adequately; however, forensic accounting has evolved into a formidable tool capable of revealing concealed financial discrepancies, enhancing internal controls, and supporting legal actions. Notwithstanding its potential, the implementation of forensic accounting in Bangladesh is constrained by various obstacles, such as a deficiency of qualified personnel, technology inadequacies, and insufficient regulatory enforcement. Participants predominantly endorsed the incorporation of global best practices, including AI-based fraud detection, real-time transaction oversight, and blockchain analysis; however, effective execution necessitates substantial policy reforms and enhanced collaboration among public and private sector entities. The research emphasized the necessity for capacity enhancement via specialized education and training initiatives, improved forensic infrastructure, and more robust regulatory frameworks. Mandatory forensic audits for high-risk sectors, whistleblower protections, and cross-border data-sharing systems might revolutionize Bangladesh's financial ecosystem by emphasizing openness and accountability. Forensic accounting serves not only as a mechanism for detecting financial malfeasance but also as a preventive measure that can dissuade fraudulent activities and foster a culture of ethical financial practices. Through investment in human capital, technology, and regulatory robustness, Bangladesh can establish a more resilient and reliable financial ecosystem, fostering sustained economic advancement and mitigating the enduring effects of financial crimes.

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