Accounting, Organizations and Society 39 (2014) 170–194

Contents lists available at ScienceDirect

Accounting, Organizations and Society

journal homepage: www.elsevier.com/locate/aos

The construction of the risky individual and vigilant organization: A genealogy of the fraud triangle

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A B S T R A C T

This article examines how a vision of organizational fraud has been constructed around a particular technology, the fraud triangle, which was initially developed in the aftermath of the creation of the fraud examination discipline. We examine the genealogy of the fraud triangle and follow various chains of translations underlying its construction. One of the main translation trajectories we uncover presents individuals as vectors of moral riskiness needing to be vigilantly monitored and controlled by the organization. The organization is conceived of as a prime site in which fraud is to be addressed – not annihilated but significantly reduced as long as sufficient care is devoted to establishing layers of vigilance. As such, the fraud triangle redefines social, political and economic relations through a web of translations that both celebrate and normalize the use of organizational surveillance systems to control risk ensuing from the individual's (alleged) frail morality. In the process, other visions of fraud, focused on the broader role of society, political agendas and powerful economic institutions in engendering and preventing fraud, escape from view.

Introduction

> Many people could, given the right set of circumstances, be capable of fraud. Experts in this area talk about the "fraud triangle," whose three legs are: the opportunity to act dishonestly, an incentive or pressure to do so, and rationalization by the fraudster of their actions. In other words, you need an offender motivated either by financial gain, pressure to perform or a threat to their power, money or status; you need susceptible victims; and you need an absence of controls to prevent or halt the scam. (*The Observer*, December 21, 2008)
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> CFOs can't be expected to peer into the souls of every employee or business partner, of course, but they do need to be more cognizant than ever of the three sides of the classic "fraud triangle": pressure, opportunity, and the capacity to rationalize. When those elements unite, fraud often erupts. (*CFO Magazine*, April 1, 2009)

These two quotations attest to the use in both the mainstream and specialized press of a particular expression, "the fraud triangle," in reference to the activity of explaining, detecting or preventing fraud. They also illustrate key assumptions often present in discourses surrounding the fraud triangle: an individual activity and clearly worthy of condemnation, fraud is motivated by the desire for personal gain, either in wealth or power. To prevent it, organizations need to keep a closer eye on the "soul" of their members and, given that fraud ensues from lack of control, it follows that the best way to keep it from spreading is to foster control and cultivate specific skills in its detection. In this article, we examine how the notion of organizational fraud has been conceptualized through a particular technology: the fraud triangle.

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http://dx.doi.org/10.1016/j.aos.2014.01.006
0361-3682/

Broadly speaking, our research connects to the power of systems of thought in shaping people's interpretive schemes along a particular angle, in influencing social debates, and in delineating the boundaries of professional jurisdictions. As illustrated in the quotations above, the fraud triangle promotes a vision where certain events and types of behavior are referred to and shaped as fraudulent and abnormal. The triangle also aids in the construction and legitimation of a field of intervention around organizational deviance problems. We aim to understand how the fraud triangle has been articulated through specific conceptualizing angles.

For several decades, both academic and professional literature has taken great interest in the notion of fraud or, more generally, the "dark side" of organizations (Vaughan, 1999). Many scholars and practitioners have sought to better understand the causes of organizational deviance and assess different methods for detecting and preventing it. Keen interest in the matter gave rise to the emergence and propagation of a field of knowledge spawned by the meeting of two disciplines that had been relatively distinct previously: accounting and criminology. We will show that the foundation of this hybrid field of knowledge, "fraud examination," was built largely on a particular image, that of the "fraud triangle." Tracing the genealogy of the fraud triangle, therefore, leads us to examine the creation of the field of fraud examination.

Importantly, our primary interest is not in how the fraud triangle is technically used to detect fraud, but in how its conceptualization and the underlying constitution of a field of knowledge have been structured around specific angles. Following translations made in the academic and professional literature, this study highlights that a specific vision of fraud characterizes how the triangle has been conceptualized and conveyed through formal discourse. Thus, we contribute to an emerging field of inquiry on hybrid processes of knowing, spanning across the boundaries of organizations, professions and groups of experts (Miller, Karunmäki, & O'Leary, 2008), showing not only how ideas move across disciplines, but also how a corpus that aspires to be both new and distinct from existing bodies of knowledge may take root.

In our genealogy, we will trace the different translations, developments and claims that have surrounded the spread of the triangle and possibly impacted the construction of a new area of competence and its legitimization around the notion of fraud. Our empirical task, therefore, is to follow and reconstruct the chain of translations (Latour, 1987) surrounding the fraud triangle. Every translation entails a certain modification of the original concept (Gendron & Baker, 2005). Further, the term "translation" comprises the unexpected twists and deformations that may occur in the spread of ideas. While official histories of fields of knowledge often ignore these elements of unpredictability (Kuhn, 1970), they are nevertheless commonplace. Translation also implies continuous work in extending the web of meanings surrounding a given concept. Thus, in our case, the fraud triangle does not have a single, fixed meaning; it is subject to continuous reinterpretation. Even the "core" elements of the triangle changed significantly when they were imported into the nascent fraud examination discipline.

The translations we follow point to a distinctive way of understanding the subject studied by organizational deviance professionals – a subject that is no longer limited to the behavior of individuals in and around an organization, but that now also extends to their character. Hence in addition to the notion of translation developed by Latour (1987), we will make use of some of Foucault's writings on the normalization and constitution of the subject (Foucault, 1994, 2001, 2004), and in particular, his analysis of the intersection between psychiatry and criminology (Foucault, 1981). The spread of the fraud triangle has translated into the development of a discourse promoting the evaluation, monitoring and normalization of the character of organizational members. This is because, together with organizational control mechanisms, individuals' morality is presented as key to understand fraud risk factors. Beyond usual auditing devices focused on conformity controls, the fraud triangle thus introduces morality and immorality as a target for fraud fighting.

Before going further, we want to stress that our genealogy is not aimed primarily at evaluating how the fraud triangle and its different articulations resonate with surrounding and broader discourses (e.g., Miller & O'Leary, 1987), but rather to follow chains of translations and examine the fraud conceptualizations they sustain. Also, while we distinguish translations along three main periods (roughly defined – i.e., moving upstream; translations realized within the fraud examination community; moving downstream), in our analysis we do not seek to highlight specific variations within each of them. Our interest is to unveil what we view as the most important translations during each phase.

A key goal of our study is to trace the normative assumptions that underlie the association between fraud and morality. We will show that they form the basis of a discourse, not only about fraud detection and deterrence, but also about normality and deviance within organizations. Defining an act as a transgression or fraud is ambiguous (Berger, 2011). This is because fraud definitions relate to sociopolitical processes of labeling and are matters of disagreement and conflict in society (Becker, 1963). Yet, the triangle is presented as a technical device that aims to prevent acts deemed to be naturally unacceptable. This enterprise is clearly normative: through an ostensibly neutral technicality a specific point of view on organizational deviance is promoted. However, this is a normalizing viewpoint that conceives of fraud as a public issue caused by individuals' frail morality needing to be addressed by the organization. In other words, the conceptualizations and refinements of the fraud triangle are based on implicit separations between normality and abnormality, yet the boundaries between normal and abnormal are not discussed – as if the latter were natural and universally accepted.

We thus show how the fraud triangle traces links between accounting, auditing and risk management on the one hand, and assumptions about normality and organizational deviance on the other. In particular, our analysis points to the fraud triangle extending the field of organizational surveillance beyond individuals' behavior to include the assessment of risks stemming from individual subjectivity. Thus, the fraud triangle reflects and participates in the construction of one of the main social forces of our modern age: the redefinition of social, political and economic relations around systems that position the subject as a vector of riskiness and danger (Foucault, 1981) and set up and generalize surveillance and the assessment of risks stemming from individual subjectivity (Foucault, 2004).

Also, our analysis of the triangle's main translation trajectories points to a climate of suspicion promoting a field of practical intervention within the organization, which is made responsible for establishing vigilant systems of control aimed at preventing and detecting lapses in organizational members' morality. Therefore, we study conceptualizations of organizational deviance, as epitomized in the discourse of the fraud triangle, to show how they relate to normalizing stances encouraging organizations to take responsibility for controlling individual character. Other visions of fraud, focused on the broader role of society, political agendas and powerful economic institutions in engendering and preventing fraud, are systematically downplayed and overlooked. In the process, the organization is constructed as a prime site in which fraud can be reined in – not annihilated but significantly reduced as long as sufficient care is devoted to establishing a battery of vigilant controls. Conditions are then arguably in place for social order, and the dominant interests it sustains, to reproduce.

In the following section we present our research methods. Next, we move upstream in the chains of translations that have led to the construction of the fraud triangle. Following that, we present the main architects of the triangle and describe the translations they made as well as the strategies they followed to present the triangle as a legitimate way of thinking and intervening in organizational deviance. Then, we move downstream in the chains of translations to follow some of the successive shifts that occurred as the network of support around the fraud triangle was being extended. In particular, we show that these downstream chains promote a climate of suspicion that enrolls the organization as a key site of fraud control. In the discussion section, we emphasize one of the main interpretive statements ensuing from our analysis, namely, that organizational fraud is conceived of as a dual failure, one in individual morality and the other in the organization's endeavors to control for individual probity. Lastly, the conclusion articulates some of the main implications resulting from our work.

Research methods

Our genealogy of the fraud triangle is carried out through documentary study. Our study is especially predicated on a pivotal practitioner book, which articulates connections between the nascent field of fraud examination and the discipline of criminology: *Occupational Fraud and Abuse*, by Joseph Wells (1997). In addition to republishing this book three times under the title *Corporate Fraud Handbook: Prevention and Detection*, Wells founded the Association of Certified Fraud Examiners (ACFE). The book is part of the ACFE's examination preparation toolkit. It helped guide our documentary research upstream from the triangle and shed light on some of its origins. We also looked into the ways in which the fraud triangle and some of its translations are articulated in ACFE literature. Downstream, we studied how the triangle and some of its derivatives are discussed in a range of journalistic, academic and professional documents. All told, our documentary analysis covers a broad range of successive translations, from the emergence of white-collar criminology to recent shifts and refinements in the notion of the fraud triangle. Our analysis is articulated into three distinct parts – which can be viewed as three "moments" of translations.

Our analytical journey begins with the examination of a strand of criminological research devoted to white-collar crime, which Wells (1997) presents as one of the conceptual bases of fraud examination knowledge. Although we recognize that the initiators of the white-collar crime movement built their ideas on previous knowledge and networks (Latour, 1987), the chains of translations could have been retraced ad infinitum and we had to choose a reasonable starting point. In particular, we discuss several debates among criminologists that we link to competing visions of fraud.

Yet these debates were largely overshadowed when the fraud triangle was conceptualized in the nascent field of fraud examination – the criminological foundations of fraud examination being presented as an indisputable and generalizable knowledge area. We are particularly interested in examining how the ACFE built a body of knowledge around "fraud examination," and what sort of vision of fraud it conveys. In addition to Wells' (1997) book, we analyze a number of documents connected to the ACFE, including Albrecht and Albrecht's (2004) book entitled *Fraud Examination & Prevention*, whose first author was ACFE's first president.

In order to investigate, downstream and in greater depth, the "spinning off" of the fraud triangle beyond the ACFE, we made an inventory of publications on the subject using bibliometric tools. We searched for the term "fraud triangle" without any journal specification in the following databases: Business Source Complete, ScienceDirect, Emerald and Jstor. Through this process we identified 99 articles. Of these, we considered 54 relevant for our study.[1] By retracing bibliographies, we obtained ten additional articles that mention the three dimensions of the triangle without specifically using the term "fraud triangle" or used the term but were not referenced in our selected databases. We should note that these articles were published primarily in academic journals, but also in a number of professional and hybrid journals. We read and analyzed all 64 articles. For each document, we listed (when relevant) the theoretical framework(s) used, the definition of fraud (and related

[1] We eliminated articles that only mentioned the term "fraud triangle" without really presenting the model and without indicating its dimensions. We also eliminated articles which were only returned by the database because they cited another article whose title includes the term "fraud triangle."

references), the causes of fraud, the solutions to fraud, the methodology, the way the triangle is used (presence of all the dimensions, dimensions changed or added, translation of each dimension), the specific field(s) of application mentioned (e.g., employee fraud, misstatement, corruption, etc.), and the main argument. Four main translation trajectories emerged as significant: focus on internal control, emphasis on morality, assertion of suspicion, and promotion of organizational surveillance. We followed these four themes downstream chains of translation. Further, as auditing standards were often quoted in these articles to provide definitions of fraud, we analyzed the translations comprised in SAS 99 and ISA 240. Although these standards do not mobilize the expression "fraud triangle," both reproduce the three dimensions mentioned by Wells as constituting the triangle.

Finally, we examined several key documents in the risk management, professionally-based literature. We limited our analysis to documents issued by major accounting organizations, such as the American Institute of Certified Public Accountants (AICPA), the Chartered Institute of Management Accountants (CIMA), the Center for Audit Quality (CAQ) and the Big Four. Accountants have been particularly involved in promoting their expertise in risk management, appropriating and redefining the concept of risk and its management along a variety of angles (Spira & Page, 2003). We identified the documents we analyzed, which are referenced below, either by questioning the Internet (using sentences such as "managing fraud risk") or examining the organization's website.

Moving upstream in the chain of translations: The articulation of an individualizing vision of fraud

A significant component in the development of a network of support surrounding the fraud triangle is the foundation of a new field of knowledge and intervention; that of fraud examination as defended and promoted by the ACFE. Through our genealogical work, we first analyze how criminology was initially translated into fraud examination. In this respect, Wells (1997) begins his book by presenting fraud specialization as grounded in criminological knowledge. He brings together the writings of Edwin Sutherland (pp. 8–10) and Donald Cressey (pp. 10–22) to tie the field of fraud examination to previous academic studies in criminology. Presenting the "fraud triangle" (Wells, 1997, p. 11) – comprising pressure, opportunity and rationalization – as having stemmed from "Cressey's final hypothesis" gives it rhetorical strength. However, as shown below, Wells makes significant translations when articulating this relationship and promotes a specific vision of fraud that differs from the one advocated by these two scholars. Generally speaking, we aim to show that the importation of criminology into the nascent fraud examination discipline is characterized by a significant translation bias that dismissed or downplayed segments of criminological knowledge that viewed crime from sociological or systemic angles.

In the book which made him famous, Sutherland (1937) endeavors to show that the causes of criminality should not be sought in the psychological traits of the individual, but rather in processes of socialization and cultural transmission that allowed certain individuals to learn criminal techniques and, at the same time, led them to align their worldview with that of their "profession" – internalizing its customs, codes and practices.[2] In 1939, he was appointed president of the American Sociological Association and during his first presidential address he coined the term "white collar crime," defined as the violation of delegated trust within an organization (Sutherland, 1940). A few years later, he put forward a systematic analysis of it, stating that:

> These violations of law by persons in the upper socioeconomic class are, for convenience, called "white collar crimes." This concept is not intended to be definitive, but merely to call attention to crimes which are not ordinarily included within the scope of criminology. White collar crime may be defined approximately as a crime committed by a person of respectability and high social status in the course of his occupation. (Sutherland, 1983, p. 7)

Sutherland (1983) showed that criminology greatly underestimated (or even obscured) the violations of law perpetrated by persons of the upper socioeconomic class.[3] His hypothesis, now commonly referred to as "differential association theory," highlighted socialization and learning processes – not pathological psychological traits – as central explanations of criminal behavior. In adopting this stance, "Sutherland discredited widely-held theories of his day that attributed criminal behavior to poverty and its associated pathologies" (Shapiro, 1990, p. 346), what Braithwaite (1985, p. 2) calls the "traditional theories of crime which blamed poverty, broken homes, and disturbed personalities." The various cases (especially the biographical ones) presented by Sutherland are enlightening in this regard and show how the people concerned gradually lose their attachment to a certain definition of honesty as they discover that their professional success depends to a large extent on performing unethical or even illegal acts. Given the interpersonal competition that exists in the workplace, refusing to compromise their initial values may prevent individuals from being as effective in their occupation as their less scrupulous colleagues. The individual then learns, along with techniques specific to the job, to adopt certain "rationalizations" which justify behavior that is nevertheless illicit (Sutherland, 1983, p. 245).

[2] Based on the memoir of a former thief, the author develops the idea that theft is not a set of isolated acts but a social institution, and that professional thieves constitute a community. A particularly important finding of this book is to show how, unlike amateurs, professional thieves manage to avoid legal sanctions thanks to the intervention of a "fixer" (see Sutherland, 1937, pp. 65–87).

[3] This book was very controversial in the United States mainly because the author broke a taboo by demonstrating the magnitude of the crimes perpetrated by the country's elites (both in large corporations and in government) and also because he showed that many acts which are never brought before a criminal court should nevertheless be considered crimes. Accordingly, the strength of white-collar criminals is that they are able to influence legislation and law enforcement and also that they are most often judged by administrative commissions and civil or equity jurisdictions, which may allow white-collar criminals to avoid the stigma associated with criminal identity.

Sutherland (1983) counters previous studies in criminology by expanding the definition of fraud to include acts that had not been sanctioned by a criminal court (and which do not, therefore, appear in the statistics used by most criminologists). His argument is that the definition of white-collar crime should include violations of non-criminal law (Berger, 2011, pp. 6–7). As Coleman (1985, p. 4) points out, one of Sutherland's objectives was to demonstrate that the violations perpetrated by persons of the upper socioeconomic class are not treated in the same way as others because the powerful have the ability to influence legislation and, most importantly, its enforcement.

Sutherland recognizes violations of law but proposes a broader definition of violation, especially relating to restraint of trade, rebates, infringement, misrepresentation in advertising, and financial manipulations. He also includes "unfair labor practices" (Sutherland, 1983, p. 14). His definition of "financial manipulations" (dealt with in chapter 10, pp. 153–173), for example, is particularly broad:

> The term "financial manipulation" is used here to refer to practices of corporations or of their executives which involve fraud or violation of trust. These practices include embezzlement, extortionate salaries and bonuses, and other misapplications of corporate funds in the interest of executives or of the holders of certain securities; they include public misrepresentation in the form of stock market manipulations, fraud in sale of securities, enormous inflation of capital, inadequate and misleading financial reports, and other manipulations. (Sutherland, 1983, p. 153)

Expanding this subject matter beyond what is statutorily defined as crime by existing criminal law did not go without controversies. This is because defining an act as deviant, criminal, transgressive or fraudulent is intrinsically ambiguous (Becker, 1963, 2011). Indeed, rules differ from group to group and a person may break the rules of one group by the very act of abiding by the rules of another group. Defining a rule (and hence what constitutes rule-breaking), therefore, involves a sociopolitical process and its content is a matter of disagreement and conflict to the point where official rules may differ from what the majority of people consider to be appropriate (Becker, 1963, p. 15).

This position contradicts a commonly held assumption about rule-breaking – as obvious acts of deviancy ensuing from the perpetrator's deviant morality:

> What laymen want to know about deviants is: why do they do it? How can we account for their rule-breaking? What is there about them that leads them to do forbidden things? Scientific research has tried to find answers to these questions. In doing so it has accepted the common-sense premise that there is something inherently deviant (qualitatively distinct) about acts that break (or seem to break) social rules. It has also accepted the common-sense assumption that the deviant act occurs because some characteristic of the person who commits it makes it necessary or inevitable that he should. Scientists do not ordinarily question the label "deviant" when it is applied to particular acts or people but rather take it as given. In so doing, they accept the values of the group making the judgment. (Becker, 1963, pp. 3-4)

According to Becker, the notions of rule-breaking and deviance (and therefore fraud) cannot be intrinsically defined by character traits, living conditions (economic status, lifestyle) or even by particular acts, because all of these definitions would deny the political and divisive nature of rule-making: "deviance is *not* a quality of the act the person commits, but rather a consequence of the application by others of rules and sanctions to an 'offender'" (Becker, 1963, p. 9). What is considered as fraud depends, therefore, on the values and position of the person speaking and it is important to examine his/her assumptions to better understand what motivates him/her to express a certain moral view.

Overall, it can be argued that disagreement over the nature (individual or collective) and cause (moral or sociological) of white-collar crime characterizes the field of criminology (Benson & Simpson, 2009; Berger, 2011; Coleman, 1985; Colvin et al., 2002; Poveda, 1994). Accordingly, Berger (2011, p. 27) suggests distinguishing between macro-sociological, micro-sociological, and individualistic explanations of white-collar crime. Macro-sociological theories "focus on the broader historical, economic, and political factors that impact organizations", while micro-sociological theories "focus on the link between individual actors and their immediate organizational circumstances." For their part, individualistic theories "focus on the causes of crime that are located within the individual rather than the social environment." According to this classification, Sutherland provides micro-sociological explanations of white-collar crime (Berger, 2011, pp. 35–36), whereas Cressey focuses on individualistic explanations (p. 30). Macro-sociological theory does not appear to have had any influence on the crafting of the fraud triangle (for examples of macro-sociological theories, see Coleman, 1985; Poveda, 1994).

Cressey's individualistic theory occupies a prominent place in official representations of how fraud examination knowledge was founded. Although one does not necessarily expect practitioners to adopt a position in an academic debate, the creation of a formal body of practitioner knowledge may be founded on a particular representation of reality and, therefore, favor one orientation to the detriment of others. Certain representational choices have thus been made (explicitly or implicitly) in establishing the knowledge base that underpins the fraud examiners' jurisdictional claim. However, the official story presents these choices as obvious and uncontroversial, as if they naturally ensue from some inherent properties of fraudulent acts and fraudsters, and a long tradition of "scientific" research in criminology. In other words, the foundation of a jurisdictional claim based on a view of fraud inspired by Cressey's research involves a number of assumptions.

Cressey, a doctoral student of Sutherland, studied the psychology of the violation of financial trust using a series of interviews conducted with prison inmates, who had been convicted of embezzlement (Cressey, 1953). His methods for selecting people to interview reveal his research focus: choosing from inmates at three US prisons, incarcerated after being convicted of certain crimes; he selected those he considered to have initially accepted, in good faith, the position of trust that was used to perpetrate the crime (Cressey, 1953, p. 20).[4] In focusing on prison inmates, Cressey eschewed the study of an entire range of white-collar crimes considered to be the most relevant by Sutherland, whose argument is that the strength of white-collar perpetrators lies in their ability to avoid criminal convictions better than anyone else. In particular, Cressey ignored acts of tax evasion and collective fraud. Moreover, by choosing only people who, upon examination of their file or after interviewing them, seem to have initially accepted the job "in good faith," he favored the emergence of a discourse where the people he met did not consider themselves to be professional thieves (see Sutherland, 1937). The advantage of this method is that it results in a relatively homogeneous set of cases, ruling out the possibility of variation by selecting cases he felt were the result of the same type of behavior and developed in a similar way.

Cressey assumed that embezzlement is an act committed for individual and financial motives. This position appears quite clearly in his interpretation of the acts of misappropriation committed by employees against their employers (Cressey, 1953, pp. 57–66). Among the numerous cases presented, only one is not motivated by financial concerns – that of an employee who committed an act of misappropriation, not because of personal difficulties, but because he resented his status in the organization: he felt that he was underpaid, overworked and treated unfairly. Yet Cressey persisted in considering this behavior to be motivated by an individual problem, which ignores any broader explanation, even though the individual interviewed points to a set of social and collective motives linked to relations of authority that he considered unequal and unfair.

When considering the spectrum of perspectives in the field of academic criminology, Cressey's thinking appears to be rather restricted.[5] He does not examine every type of white-collar crime, but only embezzlement perpetrated by an individual acting alone, motivated by personal gain, and for which *he* has betrayed a position of trust that *he* had initially accepted in good faith.[6] Examining his work in greater detail, at the core of Cressey's thesis, we find a combination of three elements that arguably help to explain the process by which an individual comes to commit an act of embezzlement:

> Trusted persons become trust violators when they conceive of themselves as having a financial problem which is non-shareable, are aware that this problem can be secretly resolved by violation of the position of financial trust [perceived opportunity], and are able to apply to their own conduct in that situation verbalizations which enable them to adjust their conceptions of themselves as trusted persons with their conceptions of themselves as users of the entrusted funds or property [rationalization]. (Cressey, 1953, p. 30)

Of these three conditions, the most evident (to the point where it may seem tautological) is that of perceived opportunity: if a person commits an act, then he or she must necessarily have perceived the possibility to do so. Besides, Cressey (1953) gives "opportunity" less importance; the relevant chapter is particularly short (15 pages versus 44 for the chapter describing what constitutes a non-shareable problem and 46 for the one defining rationalization). In this short chapter, he seeks above all to demonstrate that one should not consider "opportunity" as such but "perceived opportunity," meaning that organizational controls are less important than individuals' perceptions. Cressey provides additional details on opportunity in the preface to the 1973 edition:

> The general argument ordinarily is that embezzlement can be eliminated by tighter accounting controls. My response was, and is, that modern business necessarily requires conditions of trust and that, therefore, accounting controls rigid enough to eliminate embezzlement (which, by definition, involves conversion of money or goods with which the actor is entrusted) will also eliminate business. [...] Accountants and other businessmen continue to write as if the *opportunity* for trust violation can and should be eliminated. [...] What is needed is a prevention program clearly based on the fact that objective opportunities for embezzlement are necessarily present in modern business organizations. (Cressey, 1973, pp. xii-xiii)

Therefore, Cressey is skeptical about internal controls' ability to eliminate opportunity, and argues that one should assume that "objective opportunities" always exist. In the chapter on opportunity, he does address the issue of how to reduce opportunity but primarily seeks to understand why people eventually come to perceive their situation as an opportunity to engage in embezzlement. Thus, Cressey focuses less on the link between individuals and organizational circumstances than on phenomena located "within" individuals.

Of the three elements Cressey describes, the one that has received the most criticism is the non-shareable financial problem (Coleman, 1985). The author's idea is that, even when someone has had the possibility to embezzle for several years, he will only do so because he is facing a problem that he thinks he cannot "share" with anyone and hence does not seek for others' help. Again, however,

[4] He obtained the list of people convicted for: embezzlement, larceny by bailee, confidence game, forgery, uttering fictitious checks, conspiracy, grand theft, theft of government property, falsification of a bill of lading used in interstate shipment and theft of goods in interstate shipment (Cressey, 1953, p. 23).

[5] For instance, beyond Sutherland's "differential association theory", Merton crafted a "strain theory" (based on Durkheim's concept of anomy), Cohen (1955) articulates a "theory of subcultures", Sykes and Matza (1957) offer a "neutralization theory", Cohen and Felson (1979) suggest a "routine activity theory" (to include characteristics of the offended), Coleman (1985) offers an "elite theory" before advocating for an "integrated theory" (Coleman, 1987), Braithwaite (1989) suggests a "theory of differential shaming", Shapiro (1990) supports an "offense-based approach" (when Sutherland followed an offender-based approach), Vaughan (2005) speaks of a "normalization of deviance", and Benson and Simpson (2009) suggest an "opportunity theory." Berger (2011) also mentions "rational choice theory", "control theory" and "criminogenic market structures theory."

[6] All the persons he interviewed were men.

Cressey is not interested in identifying external factors that may "explain" why certain problems become "non-shareable." Rather, he argues that misappropriation ensues from the individual viewing his problems as non-shareable.

Finally, the third element is the notion of rationalization, borrowed from Sutherland, but redefined according to a very different view.[7] While Sutherland (1937) argues that rationalization helps to explain why professional thieves proudly consider themselves as such, Cressey (1953) claims that embezzlers tend to rationalize their behavior in ways that imply that deep down, they are honest. Specifically, Cressey contends that, before committing a violation, the person convinces himself that the act will not compromise his identity as an honest person and that it conforms to a certain ethical view of himself. Cressey provides illustrations of the most common rationalizations and points out that this concept must not be confused with psychological justification carried out after the fact (Cressey, 1953, p. viii). According to him, these rationalizations are produced before the crime is committed and they are not used to make the act intelligible for others, but rather for oneself (p. 95): they make the act possible because they make it morally acceptable. However, even though this argument is rather convincing, Cressey bases his findings on interviews carried out with prison inmates, i.e. after the fact and in a situation of justification vis-à-vis a stranger. His interpretation of the process of rationalization, therefore, is subject to criticism.

Overall, Cressey's (1953) findings do not tell us much about sociological causes of "fraudulent" violations. Mainly, they focus attention on the idea that embezzlement is committed when an individual considers that his situation makes the act of misappropriation feasible, necessary and acceptable. Cressey focuses on phenomena located within the individual – perceptions, opinions and justifications that one gives to oneself. In so doing, his theorizing is consistent with individualistic explanations of criminal behavior (Berger, 2011, p. 30), overlooking the micro-sociological (one's immediate social and organizational environment) as well as macro-sociological explanations (broader historical, economic, and political factors). Cressey's work is thus based on a very particular conception of white-collar crime that marginalizes social environments and circumstances.

Cressey thus offers a particular view of the offender: privileging individualist motives of transgression, he downplays the role of sociopolitical explanations, creating an individualizing vision of white-collar crime which, as shown below, is nevertheless capable of supplying arguments to define and justify an area of intervention for certain classes of professionals who claim jurisdiction over the problem of organizational fraud (Abbott, 1988). Finally, it is worth noting that Cressey (1953) does not stress the word "fraud" in his book; the index indicates only one page in which "fraudulent checks" is found, while "embezzlement" is found on 24 pages.

[7] In fact, Cressey credits several scholars with authorship of this concept: not only Edwin Sutherland, but also George Herbert Mead, Herbert Blumer, Alfred Lindesmith and Charles Wright Mills (see Cressey, 1973, p. viii).

Realizing translation through the constitution of a knowledge claim

Although often attributed to Cressey, the term "fraud triangle" does not appear in his writings. In fact, it was not coined by a criminologist at all, but by Joseph Wells, a CPA. However, drawing on Cressey, Wells and several other proponents laid claim to a particular area of professional work while grounding it in a formal body of knowledge ostensibly derived from scientific criminology. Significant translations were made in the process, especially when articulating a specific definition of fraud that resulted in a number of departures or biases from the original criminological work. In what follows, we highlight the main translations that Wells and other ACFE proponents realized in attempting to build a network to naturalize the fraud triangle. Then, we examine some of the main rhetorical strategies they used to secure support.

Translational biases in the initial formulations of the triangle

Wells played a leading role in formalizing the fraud triangle – yet his position within definitional debates is not neutral. As indicated below, the way in which he translated criminological knowledge involves the creation of a system of representations promoting a sense of causality between individual character and fraud, which needs to be reined in by the organization. In his 1997 book, Wells promotes a conceptualization of fraud grounded in what is presented as one of the cornerstones of criminological thought, namely, the embezzlement "hypothesis" as originally conceived by Cressey:

> One of Sutherland's brightest students at Indiana University during the 1940s was Donald R. Cressey (1919-1987). While much of Sutherland's research concentrated on upper world criminality, Cressey took his own studies in a different direction. Working on his Ph.D. in criminology, he decided his dissertation would concentrate on embezzlers. Accordingly, Cressey arranged the necessary permission at prisons in the Midwest and eventually interviewed about 200 incarcerated inmates. [...] Cressey was intrigued by embezzlers, whom he called "trust violators." He was especially interested in the circumstances that led them to be overcome by temptation. [...] Upon completion of his interviews, he developed what still remains as the classic model for the occupational offender. His research was published in *Other People's Money: A Study in the Social Psychology of Embezzlement*. Cressey's final hypothesis was: [see previous section, excerpt from Cressey, 1953, p. 30]. (Wells, 1997, p. 10)

The transition from Sutherland to Cressey is quite abrupt in Wells' depiction of the historical origins of the field's formal body of knowledge. He also downplays the role of the social context in Sutherland's work. Yet in presenting Cressey as one of Sutherland's doctoral students, he invokes a sense of progress and continuity in the development of criminological knowledge. Importantly, the criticisms that Cressey's work engendered in the field of criminology are not mentioned. Hence the above initial translation, from criminology to fraud examination, was fundamentally partial – in both senses of the word (i.e., incomplete and biased).

The above excerpt, however, does not mention the term "fraud triangle." We contacted the ACFE by email concerning the origins of this term and received the following response from an ACFE representative:

> Dr. Cressey developed the three items, but he did not call it the Fraud Triangle. Actually, Dr. Wells is the first person we know of to take the three items and put [them] in a triangle format. He was working on a video featuring Dr. Cressey in 1985, and he used a triangle graphic in the video to illustrate the 3 factors that are present in most white-collar offenses. He began using the triangle graphic in training programs after that time. People saw the graphic and began referring to it as the Fraud Triangle over the years. So although we have never undertaken an extensive review of its use, as far as we know, that's how it came about.[8]

This quotation is noteworthy in several respects. From practical experience, it is confidently maintained that the three factors "are present in most white-collar offenses." This generalizing attitude may be linked to a systematic shift from limited empirical cases to a broader label, as if the original analysis had taken all types of white-collar crimes into consideration and could, therefore, be generalized to every form of fraud. We found a similar tendency to generalize in other ACFE documents, suggesting that ACFE representatives are highly confident in the knowledge base that allegedly underlies the fraud triangle concept.[9] The latter also tends to be naturalized in these documents, as indicated by the capital letters being used in the last sentence of the excerpt ("Fraud Triangle"), implying that the triangle is now understood as a recognized doctrine, a proven theory or, quite simply, an institution. Thus, the knowledge base claimed by the ACFE is presented as universal:

> Perceived pressure, perceived opportunity, and rationalization are common to every fraud. Whether the fraud is one that benefits the perpetrators directly, such as employee fraud, or one that benefits the perpetrator's organization, such as management fraud, the three elements are always present. (Albrecht & Albrecht, 2004, p. 20)

The triangle provides the core elements of the fraud examination discipline's body of knowledge. Importantly, a vast range of enigmas and peripheral questions emerge when application is taken into account. How is fraud committed? What mechanisms have been or should be used by organizations in trying to rein in fraud? How effective are these mechanisms? One of the most significant questions is – what kind of individual is more likely to commit fraud? In the previous excerpt, for example, the main distinction is between employees – assumed to commit frauds *against* the organization – and management – assumed to commit frauds *for* the organization. Profiling knowledge is enlisted to address this question. Accordingly, the ACFE developed categorizations of fraudsters and their acts along various dimensions. For example, Wells (1997) mobilizes the results of a large-scale survey of Certified Fraud Examiners (CFEs), who were asked to provide information on actual fraud cases. He presents series of graphs (chapter 1), which collectively associate the imagery of the fraudster to the profile of a married male, for instance. Predictive abilities are emphasized in the text, through statements such as: "One of the most meaningful trends of the survey is the direct and linear correlation between age and median loss" (Wells, 1997, p. 38).

One key emphasis in the Association's body of evolving knowledge is to associate fraud with moral issues. By his definition, Wells (1997, pp. 3-6) assumes that fraud constitutes a dishonest act perpetrated by an individual for personal enrichment. In other words, fraud is being rooted in individuals' frail morality (and not as an effect of broader sociological and cultural influences) and as a problem necessitating the surveillance of individual ethics by the organization:

> Fraud is a generic term, and embraces all the multifarious means which human ingenuity can devise, which are resorted to by one individual, to get an advantage over another by false representations. No definite and invariable rule can be laid down as a general proposition in defining fraud, as it includes surprise, trickery, cunning and unfair ways by which another is cheated. The only boundaries defining it are those which limit human knavery. (Albrecht & Albrecht, 2004, p. 5)

This definition is centered on individual acts of moral deviance. One of its most striking features is the use of derogatory and persecutory language in qualifying these acts. In a similar way, Wells' moralizing tone infuses the series of short cases he provides to demonstrate linkages between certain behavioral patterns and fraud. Most often, these cases question the morality of specific individuals, without considering the surrounding network of institutions and social interrelations. For instance, the practice of background checks, which Wells actively promotes, singles out a category of individuals as problematic hires (see also ACFE, 2010, p. 81):

> The news that the hospital had unknowingly hired a convicted felon distressed [the director of internal auditing in charge of investigating the case of an employee who regularly overstated the number of hours on his time sheets]. He discovered that the hospital's ability to conduct thorough background checks on prospective employees was restricted by money and accessibility to records. [...] Harkanell [i.e., the person who defrauded the hospital] remained at large for several months. But luck was on the hospital's side. Or, perhaps more accurately, stupidity was on Harkanell's. Just as he had done with his time-sheet fraud, he left a clue

[8] Email received on May 27, 2011 from a representative of the ACFE. In 2010, Joseph Wells received a Doctorate Honoris Causa from the York College of The City University of New York, hence the use of the title "Dr." in the ACFE's email.

[9] See Gabbioneta, Greenwood, Mazzola, and Minoja (2013) for a study of fraud practitioners' overconfidence.

behind, this time concerning his whereabouts. (Wells, 1997, p. 263)

The overarching "lesson" from this example seems to be that organizations should be reluctant to hire people with a criminal record, regardless of the circumstances in which they were convicted. This is reinforced in an article published in the ACFE's newsletter, in which an actual case is developed through text and video to promote the view that moral deviants are unlikely to rehabilitate. As stated by the ACFE president: "I've had fraud perpetrators tell me that it became an addiction for them. [...] Trust equals opportunity – and it is indeed common for a fraudster to perpetrate a second fraud when they get in a position of trust" (Patterson, 2008).[10] From this perspective, moral deviancy constitutes an incurable illness and the best that can be done in the face of it is to strengthen an organization's internal controls to catch fraudsters and place them in the hands of justice. Our analysis, therefore, points to fraud being conceptualized, in the ACFE's community, from an angle that views the problem of fraud as one of morality lapses upon which the organization inescapably needs to intervene.

Thus, from the triangle's perspective, individual morality is perceived as a chief source of fraud and the organization is presented as having prime responsibilities in establishing a proper structure to control moral deviancies. In other words, the triangle provides fraud specialists with an investigative template that individualizes fraud and holds organizations responsible for controlling it. As a result, fraud is circumscribed to the realm of the specific: individuals subjected to pressure and somehow able to rationalize the act should not be left in a position to commit fraud. From this perspective, it is incumbent on the organization to ensure that the three legs of the triangle are properly overseen through a rigorous structure of internal control. Fraud is thus constituted as a problem at the confluence of the individual and the organization; it is certainly not represented as a social, political, or historical problem.

The translations developed in the ACFE community represent a significant departure from Sutherland and even from Cressey. For instance, Wells (1997, p. 17) translates Cressey's notions of "position of trust" and "violation of trust" to emphasize the need for systematic controls: "since [an employee] is in a position of trust (read: no one is checking) it can be violated." Although Wells (1997, p. 11) mentions the notion of non-shareable problem briefly, this central aspect of Cressey's hypothesis is replaced with the notion of "pressure." This notion misses a central element of Cressey's work whereby a "sequence of events" is present when a violation of trust is committed and not present when no transgression is observed (Cressey, 1953, p. 12). Indeed, Cressey resolutely maintains that people in a position of trust in an organization, who are subjected to financial pressure for several years, do not violate this trust until their financial problems are felt as non-shareable.

In addition, Wells (1997, p. 24) relates perceived opportunity to lack of deterrence by management, as observed through deficient internal controls. The triangle also translates "rationalization" in a very specific manner. Wells (1997, p. 17) claims that it is part of human nature: "once the line is crossed, the illegal acts become more or less continuous." Overall, in the eyes of the triangle's proponents, the likelihood of giving in to pressure characterizes certain groups of individuals. Cressey's hypothesis that fraud is first and foremost explained by individuals' perceptions is thus replaced by another individualizing stance now focused on personality and morality.

These departures from Cressey's work are justified by the age of the original research: "The study [Cressey, 1953] is nearly half a century old. There has been considerable social change in the interim. And now, many antifraud professionals believe there is a new breed of occupational offender – one who simply lacks a conscience sufficient to overcome temptation" (Wells, 1997, p. 20). Wells even reintroduces "genetic causes" and argues that, in contrast to white-collar crimes, what he calls "street crimes" are genetically based (Wells, 1997, p. 9). Wells (1997, p. 24) further modifies "Cressey's final hypothesis" to make the fraud triangle consistent with "the fraud scale" (see also Albrecht, Romney, & Howe, 1984, p. 21) where the three dimensions can offset each other, non-shareable problems are replaced by situational pressures and rationalizations by personal integrity. The fraud triangle has thus translated Cressey's work into a device to be used in organizations to measure and intervene on fraud risks associated with deviant morality.

In summary, our analysis indicates that the creation of a fraud examination knowledge base entailed substantive translations from the field of criminology, in that Cressey's findings are introduced as an indisputable and generalizable foundation for the practice of fraud specialization to thrive. The initial translation was metaphorically built around the fraud triangle, a concept that constitutes the hard core of the discipline while providing enough room for imagination in developing ancillary translations that extend the scope of the triangle in terms of technical and application details. From these translations emerges a broader discourse that defines fraud as a problem that fundamentally relates to malevolent acts perpetrated by individuals whose morality is at best frail and at worst nonexistent. Thus, when fraud examiners talk about systems, the scope is tightly limited to the boundaries of the organization's internal control system. In short, the translations surrounding the fraud triangle promote a vision that confidently individualizes fraud to the point where a stigmatizing judgment sometimes is readily passed on moral deviants who succumb to financial pressures and make use of an organizational opportunity in order to remorselessly defraud their employing organization. The latter is rendered accountable in the process, being enlisted in establishing a proper control structure around fraudulent risk. As a result, both individual and organization are likely to share blame when fraudulent behavior takes place in a given organizational setting.

[10] Patterson (2008) provides video recordings of an individual who, after serving a sentence for financial fraud, explains that, like an alcoholic, he is now incurable: this individual asks that he no longer be trusted because he knows that he will once again betray this trust.

Building a network of support to naturalize the triangle

Our analysis indicates that the ACFE houses the main architects of the initial fraud triangle concept. After working for the FBI for about ten years, Wells started a professional service firm in 1982, specializing in fraud detection and prevention. Wells founded the ACFE a few years later, in 1988. The ACFE's mission is "to reduce the incidence of fraud and white-collar crime and to assist the Membership in fraud detection and deterrence."[11] As of May 2011, the Association comprised over 55,000 members (65,000 in April 2013) – with more than 30,000 being CFEs and the remainder being students and associate members.[12] Certification implies passing a compulsory examination and completing two years in a fraud detection or prevention-related position. CFEs' key abilities reportedly include identifying an organization's vulnerability to fraud, examining records to detect and trace fraudulent transactions, conducting interviews to obtain information, and giving advice on improving fraud prevention and deterrence.[13] The ACFE's formal body of knowledge comprises a mix of theoretical, methodological and deontological elements relating to accounting/auditing, information technology, criminology, ethics, fraud investigation/schemes, interviewing skills, and law.[14] Apparently, CFEs are held in high regard; statements by representatives of Robert Half International, the U.S. Department of Defense and the U.S. Government Accountability Office attest to this.[15]

The ACFE uses an extensive network of resources to promote the claim that it possesses a formal body of knowledge derived from criminology, in the hope of securing its jurisdiction and, at the same time, legitimizing its views on the essence of fraud and how it should be controlled. Every year since 1989, the ACFE has bestowed the Cressey Award "for a lifetime of achievement in the detection and deterrence of fraud" on a member who best contributed to "the fight against fraud." The Award is named "in honor of one of the country's foremost experts on fraud and a founding father of the ACFE, Dr. Donald R. Cressey" (Association of Certified Fraud Examiners (ACFE), 2013).[16] Further, the ACFE organizes annual conferences with each of the latest ones reportedly attracting over 2000 attendees. Roughly every two years, it publishes an extensive survey report entitled, *Report to the Nation(s)*, which draws on information from a large sample of CFEs to provide an approximation of the cost of fraud in the economy and detailed knowledge on fraud types and perpetrators. The ACFE also publishes the *Fraud Magazine*, a bimonthly publication on white-collar crime and fraud examination practices, while its website indicates a research unit comprising nine staff members (May 2011), as well as 22 "faculty members" described as "some of the most highly-rated speakers in the anti-fraud profession."[17] The ACFE's efforts in developing a formal and practically-oriented knowledge base are numerous – for instance through the creation of the Institute for Fraud Prevention, described as a "coalition dedicated to multi-disciplinary research, education and prevention of fraud and corruption."[18] The ACFE has been particularly involved in disseminating its representations in colleges and universities through an "anti-fraud education partnership" in which institutions are encouraged to develop a course on "fraud examination," using extensive educational material that the ACFE provides free-of-charge. In 2010, nearly 400 post-secondary institutions worldwide reportedly took advantage of this opportunity (Carozza, 2010).

Typically, books, articles and documents produced by Wells and the ACFE are peppered with survey results. This gives the impression that the fraud examination field is committed to building a knowledge base predicated on methodologically rigorous and generalizable knowledge (as opposed to the production of knowledge focused on contextualizing). This kind of rhetoric is increasingly appealing given the emphasis on generality, mobility, comparability and standardization in today's society (Porter, 1995; Reed, 1996). The ACFE has continued and expanded its categorizing endeavors, producing several *Reports to the Nation(s)*.[19] In the *2010 Report to the Nations*, information obtained from a sample of CFEs, who documented a total of 1843 cases of occupational fraud, is presented in numerous graphs and figures (ACFE, 2010). One of the most peculiar aspects of the *Report* is how far claims go to provide a sense of effectiveness regarding some of the anti-fraud techniques advocated by the ACFE. For instance, the following excerpt describes a type of effective intervention:

> The ability to report fraud anonymously is key because employees often fear making reports due to the threat of retaliation from superiors or negative reactions from their peers. [...] One would expect that the presence of a fraud hotline would enhance fraud detection efforts and foster more tips. This turns out to be true. As seen on page [x], the presence of fraud hotlines correlated with an increase in the number of cases detected by a tip. In organizations that had hotlines, 47% of frauds were detected by tips, while in organizations without hotlines, only 34% of cases were detected by tips. This is important because tips have repeatedly been shown to be the most effective way to catch fraud. [...] Perhaps more important, [...] organizations that had fraud hotlines suffered much smaller fraud losses than organizations without hotlines. (ACFE, 2010, p. 17)

[11] Read on April 12, 2013 on www.acfe.com/who-we-are.aspx.

[12] Taken from an e-mail communication with one ACFE's member services representative (May 23, 2011).

[13] Read on May 25, 2011 on www.acfe.com/documents/press-kit/acfe-certified-fraud-examiners.pdf.

[14] Read on April 12, 2013 on www.acfe.com/self-study-cpe.aspx.

[15] Read on May 25, 2011 on www.acfe.com/documents/about-acfe.pdf.

[16] It is worth noting that Cressey died in 1987, about one year before the creation of the ACFE (Wells, 1997, p. 22). According to Wells, Cressey expressed, during a conversation with him, the idea that "it was time for a new type of 'corporate cop' – one trained in detecting and detecting the crime of the future: fraud" (Wells, 1997, p. 22).

[17] Read on May 25, 2011 on www.acfe.com/about/faculty.asp?copy=faculty.

[18] Excerpt from www.theifp.org/ – May 25, 2011.

[19] The *2010 Report* is the first in the series whose data is drawn from fraud cases not constrained to the USA – hence the use of the term "nations." This suggests that the Association is increasingly involved on the transnational scenery, along entities such as the International Federation of Accountants and the International Accounting Standards Board.

Knowledge on the effectiveness of control mechanisms is required for sensible intervention to take place, thereby putting pressure on organizations to adopt such mechanisms – otherwise they may be viewed as negligent. Significant energy is also devoted to the development of formal lists of symptoms and other tools designed to help recognize fraud. Diverse categories of symptoms have been identified: accounting anomalies, extravagant lifestyles, and a psychologically-predicated category, namely, unusual behaviors:

> Research in psychology indicates that when people (especially first-time offenders, as many fraud perpetrators are) commit a crime, they are overwhelmed by fear and guilt. These emotions express themselves in an extremely unpleasant physical response called stress. Individuals then exhibit unusual and recognizable coping mechanisms. [...] People who are normally nice become intimidating and belligerent. People who are normally belligerent suddenly become nice. (Albrecht & Albrecht, 2004, p. 99)

Coping mechanisms include insomnia, unusual irritability, inability to relax, inability to look people in the eyes, defensiveness, sweating and increased smoking (p. 100). Consequently, fraud investigators are encouraged to be alert to any behavioral changes surrounding them. Yet the art of the skilled examiner is to separate the wheat from the chaff, which is recognized as being challenging (Albrecht & Albrecht, 2004, p. 103) given the impact of unwarranted investigations on the examiner's reputation and the professional liability potentially involved:

> In putting forward your best efforts to detect fraud, you'll be tempted to try too hard sometimes. You will weigh in your mind whether you should take an unauthorized look at the suspect's bank account; you'll wrestle with the dilemma of whether to secretly check the fraudster's credit records. Don't do it. Overreaching an investigation or fraud examination is the quickest way to ruin it. Not only will you be unsuccessful in proving your case, you will subject yourself to possible criminal and civil penalties. (Wells, 1997, p. 427)

Following the example of financial auditing (Power, 1994), but perhaps in a more pronounced way, the fraud expertise discipline supports a climate of suspicion; it is as if to secure their jurisdiction, fraud specialists seek to remind people, organizational decision-makers especially, of the threat of fraud being constantly present in their surroundings. The concluding sentence in Wells' (1997, p. 528) book is particularly revealing in this respect: "And since most people don't start their careers to become liars, cheats, and thieves, it is the fraud examiner's job to ensure they do not end up that way." That is, there is a potential for everyone to become a fraudster if the surrounding conditions, especially those within the organization, are conducive to this type of behavior. In a similar way:

> Past research has shown that anyone can commit fraud. Fraud perpetrators usually cannot be distinguished from other people by demographic or psychological characteristics. Most fraud perpetrators have profiles that look like those of other honest people. (Albrecht & Albrecht, 2004, p. 18)

Such generalizing statements, however, mix with risk profiling statements in ACFE's discourse. Fraud risk is both widespread and related to certain categories of people. Probabilistically, everyone is tied to some likelihood of committing fraud – yet it appears that the likelihood is higher for certain profiles. As such, the categorizing schemes institutionalized in the discipline emphasize the threat of specific categories of individuals more likely to act in immoral ways: former prisoners, drug users, gamblers, etc. Suspicion is, therefore, especially targeted towards certain categories of individuals, reflecting some deeply-ingrained beliefs that have historically stigmatized certain groups in society (Goffman, 1963). Further, some data points to specific categories of employees as being more likely to be involved in fraudulent cases, while indirectly suggesting that fraud risk permeates every organization since these categories apply everywhere:

> The six most common departments in which fraud perpetrators worked were accounting, operations, sales, executive/upper management, customer service and purchasing. Collectively, these six departments accounted for 77% of all cases reported to us. As the chart on the following page illustrates, the distribution of cases based on the perpetrator's department was remarkably similar to the distribution in our 2010 study. (ACFE, 2012, p. 51)

The general impression that emerges from the material we analyzed is one of doubt and wariness – that every employee, citizen or corporation might harbor wrongdoing. Fraud, as conceptualized through the lens of the fraud triangle and its intellectual ramifications, can occur everywhere. Yet some individuals are riskier than others. This is why, as the rhetoric goes, fraud can be everywhere; "abnormal" gestures or words should be construed as symptoms of fraud. Along these lines, Wells (1997, p. 511) weaves wider webs of suspicion:

> The cases we have seen on the preceding pages were, by and large, on the extreme edge of abusive conduct by employees. In short, this data is merely the tip of the iceberg. How deep and massive that iceberg is varies from one organization to another, depending on a complex set of business and human factors. [...] Obviously the more rules within the organization, the more employees are likely to run afoul of them. [...] Tom R. Tyler, in his book *Why People Obey the Law* concluded overwhelmingly that individuals obey only laws they believe in. If a rule makes no sense to the employees, they will make their own.

In the above quotation, Wells employs a series of persuasive tactics in arguing that fraud constitutes a massive organizational problem that must be addressed. The metaphor of the iceberg is interesting, since it surrounds fraud with images of vastness and uncertainty. The clear-cut tone Wells uses is also noteworthy: employees will undoubtedly tend to break rules that do not make sense to them, if they have the opportunity to do so. This uncompromising assertion is authoritatively supported with a reference to a book written by an academic (Tyler, 2006) specializing in psychology and law. Consistent with this stance, organizations that are passive in terms of implementing specialized approaches and recipes aimed at controlling the risk of fraud are firmly criticized with the benefit of hindsight and wisdom:

> If there is a lesson to be learned here, it is that audit functions are in place for a reason and should never be overlooked. Unfortunately for the [defrauded] charitable organization, they were reminded of this lesson the hard way. (Wells, 1997, p. 156)

Not only does the triangle offer a scheme to explain why fraud is committed, but it also provides a basic template for intervention – thereby rendering the organization responsible for establishing a proper internal control structure. The following metaphorical analogy explicitly establishes a central linkage between fraud explanation and intervention:

> Fraud resembles fire in many ways. For a fire to occur, three elements are necessary (1) oxygen, (2) fuel, and (3) heat. These three elements make up the "fire triangle," [...]. When all three elements come together, there is fire. Firefighters know that a fire can be extinguished by eliminating any one of the three elements. [...] As with the elements in the fire triangle, the three elements in the fraud triangle are also interactive. With fire, the more flammable the fuel, the less oxygen and heat it takes to ignite. [...] With fraud, the greater the perceived opportunity or the more intense the pressure, the less rationalization it takes to motivate someone to commit fraud. [...] People who try to prevent fraud usually work on only one of the three elements of the fraud triangle – opportunity. Because fraud-fighters generally believe that opportunities can be eliminated by having good internal controls, they focus all or most of their preventive efforts on implementing controls and ensuring adherence to them. (Albrecht & Albrecht, 2004, pp. 20-21)

One of the key implicit messages in the above excerpt is to make the organization accountable for reining in the risk of fraud. As any responsible community cannot leave fire unattended, any responsible organization must establish a proper structure of control around fraud; a failure to do so is bluntly viewed as carelessness. In this way, fraud specialists promote the obvious necessity of their expertise, which is presented as making a difference in dealing with problems that can have dire consequences on the negligent organization. It should not be surprising, then, to see fraud examination being highlighted as a growing career opportunity:

> As the number of frauds and the amounts of fraud losses increase, so do the opportunities for successful careers in fraud-fighting. In fact, just recently, U.S. News and World Report identified fraud examination as one of the fastest growing and most financially rewarding careers. The American Institute of Certified Public Accountants recently touted fraud examination/fraud auditing as one of the six fastest growing and most profitable opportunities for accountants (Albrecht & Albrecht, 2004, pp. 13-14).

Further, the ACFE maintains that to establish a proper control structure, the organization should set up an appropriate "control environment":

> Having an effective control structure is probably the single most important step organizations can take to prevent and detect employee fraud. [...] The *control environment* is the work atmosphere that an organization establishes for its employees. The most important element in an appropriate control environment is *management's role and example*. There are numerous instances in which management's dishonest or inappropriate behavior was learned and then modeled by employees. (Albrecht & Albrecht, 2004, p. 27)

The emphasis on control environment is presented as being experientially supported. The bar is set very high for top managers, who should ensure not only that appropriate control mechanisms are established throughout the organization, but that they behave appropriately at all times. Any temporary deviance from the dominant set of moral prescriptions is viewed as having the potential to engender dire cultural consequences, given the presumed behavioral isomorphism flowing from top to bottom in the organization. The point is that considering control issues seriously and meticulously is a key attitude that top managers should manifest at all times.

One of the key points to retain from our analysis thus far is that, by formulating a knowledge claim grounded in what is represented as uncontroversial, fraud specialists legitimize and disseminate a peculiar discourse about what fraud is, what its causes are, and who is responsible for controlling it. The triangle is represented as the core of fraud examination expertise, surrounded with a constellation of applied knowledge refinements to ensure that fraud examination expertise can be meaningfully used in concrete situations. This constellation is always under development, consistent with the image of a discipline that genuinely aims for continuous progress in its quest to dominate fraud. It focuses on character traits of perpetrators, probabilities associated with fraud risk, and control mechanisms to be implemented within organizations. One of the main emphases is that the fraud problem can, and should, be controlled by the organization through the implementation of well-tried anti-fraud techniques – although the limitations of fraud control are sometimes prudently recognized in ACFE rhetoric, perhaps in an attempt not to set the audiences' expectations of effectiveness at an excessively high level:

> The dream of many in the accounting community is to develop "new" audit techniques which will quickly and easily point the finger of suspicion. To those innocent souls, good luck. Regardless of the ability of computers to automate a great deal of drudgery, there are no new audit techniques, and there haven't been any for the last several centuries. (Wells, 1997, p. 526)

The chains of translations produced around the fraud triangle thus attempt to build a network of support around a notion of fraud highlighting the responsibility of individual morality and the necessity to build vigilant organizations. In the next section, we examine how this network subsequently escaped the limits of fraud examination and colonized other fields of intervention.

Moving downstream in the chain of translations: extending the network

Intermingling with the AICPA

The fate of any claim, including knowledge claims, lies in others' hands (Latour, 1987). The ACFE's claim to expertise, grounded in the imagery of the triangle, spread beyond its confines, thus extending the chain of translations to surrounding communities. In particular, the following auditing standards were inspired by ACFE's work, although none of them explicitly mentions the "fraud triangle": Statement on Auditing Standards 99, "Consideration of Fraud in a Financial Statement Audit," introduced by the AICPA to replace SAS 82 after the introduction of the Sarbanes-Oxley Act in the United States (American Institute of Certified Public Accountants (AICPA), 2002); and International Standard on Auditing 240, "The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements" (IFAC, 2006).[20]

In these standards, "fraud risk factors" are grouped in three "conditions that indicate incentives/pressures to perpetrate fraud, opportunities to carry out the fraud, or attitudes/rationalizations to justify a fraudulent action" (AICPA, 2002, paragraph 31, p. 16; see also IFAC, 2006, paragraph 24, section A25, p. 174). As in Wells' writings (1997), the non-shareable financial problem has disappeared and been replaced by an incentive or pressure to commit fraud, while the notion of rationalization is linked with that of attitude, thus shifting closer to the idea of individual morality:

> Three conditions generally are present when fraud occurs. First, management or other employees have an *incentive* or are under *pressure*, which provides a reason to commit fraud. Second, circumstances exist—for example, the absence of controls, ineffective controls, or the ability of management to override controls—that provide an *opportunity* for a fraud to be perpetrated. Third, those involved are able to *rationalize* committing a fraudulent act. Some individuals possess an *attitude*, character, or set of ethical values that allow them to knowingly and intentionally commit a dishonest act. However, even otherwise honest individuals can commit fraud in an environment that imposes sufficient pressure on them. The greater the incentive or pressure, the more likely an individual will be able to rationalize the acceptability of committing fraud. (AICPA, 2002, paragraph 7, p. 8)

Readers may find this translation of Wells' work by the AICPA (and the International Federation of Accountants – IFAC) rather surprising. To begin with, the transposition to accounting fraud is not questioned:

> Even if Cressey's findings for embezzlers were valid, there is little evidence to support the fraud triangle as a general theory of financial crime. The convoluted connection between *Other People's Money* and SAS No. 99 suggests that the endorsement of the fraud triangle by the AICPA occurred without serious consideration of other criminology perspectives. (Donegan & Ganon, 2008, p. 3)

Second, in contrast with Cressey (1953) giving less weight to "opportunity," the notion that is central for both the AICPA and IFAC is, indeed, that of opportunity, whose dimensions are close to those of internal control. Third, replacing the concept of a non-shareable financial problem with those of incentive and pressure means that the identification of factors that may have led the individual to commit fraud, is pushed even further into the background. The notion of incentive is based on the idea that the fraudster has "a reason to commit fraud." Finally, rationalization is overshadowed by an attitudinal stance that is prone to committing fraud: individuals with a "character or set of ethical values which allow them to knowingly and intentionally commit a dishonest act." This reintroduction of moral traits, anchored relatively permanently in the identity of individuals, as an explanation for fraudulent behavior is far removed from the spirit of many writings in criminology, including those of Cressey and Sutherland.

This redefinition of the three branches of fraud identified by Cressey allows us to better understand the deformation mechanisms at work in the translation of criminology research, such as it was redeployed in the fraud examiner and auditing community. The notion of a non-shareable financial problem has been replaced with those of incentive and pressure, and perception of opportunity with a failure in internal controls. These changes are not only a matter of replacing subjective, hard-to-observe elements with procedures in documentation and measurement that have already been mastered and put in place; they also imply subjecting any effort to understand the causes of fraud to the will to manage the related risks. Cressey's causal view has been abandoned in favor of the notion of risk.

For example, in their appendices the two standards provide examples of risk factors for fraud that are very similar to what was presented in previous standards, but this time they are organized systematically according to the three dimensions of the triangle. They are also separated into two parts: the "risk factors relating to misstatements arising from fraudulent financial reporting" (AICPA, 2002, pp. 44–48; IFAC, 2006, pp. 186–189) and the "risk factors relating to misstatements arising from misappropriation of assets" (AICPA, 2002, pp. 48–50; IFAC, 2006, pp. 189–191). The former concern accounting fraud and can be attributed more to the behavior of top managers, whereas

[20] This is not the only influence that Cressey had on auditing practices: he also participated (with Charles Moore) in a study commissioned by Peat Marwick & Mitchell whose findings, submitted in 1980, underscored the importance of "tone at the top" (Cressey & Moore, 1983).

the latter concern individuals or groups of individuals who defraud their employer for their own benefit; these are what Cressey (1953) calls embezzlement. The incentives identified for accounting fraud relate to the highly competitive environment of the organization, the pressure faced by managers to reach financial targets and the financial stake that executives may have in their organization. Opportunities relate to the complexity and lack of transparency in the organization's operations and to deficiencies in internal controls. Rather tricky to observe, the attitude of management may be evaluated by examining its level of commitment and communication on ethical values, the attention paid to short term results and its tendency to commit to unrealistic financial forecasts.[21]

As stated in the standard, "fraud risk factors do not necessarily indicate the existence of fraud; however, they often are present in circumstances where fraud exists" (AICPA, 2002, paragraph 31, p. 16; see also IFAC, 2006, paragraphs A23–A27, p. 161).[22] Like the symptoms of a disease, the presence of risk factors implies that one must be conscious of the possibility of fraud, even though no causal relationship can actually be established between fraud and the underlying risk factors. Since risk, by definition, can materialize anytime, the standards tend to promote a climate of suspicion justifying the reinforcement of organizational surveillance.

Our analysis also indicates connections between the ACFE and auditing standard setters. Indeed, Wells participated in drafting an "exhibit" ("Management Antifraud Programs and Controls. Guidance to Help Prevent, Deter, and Detect Fraud") associated with SAS 99 (AICPA, 2002, pp. 57–77) and issued jointly by different associations, including the ACFE. Further, SAS 99 recommends calling in fraud examiners – identified as key participants in the antifraud effort – to work with the organizations' administrators and auditors (AICPA, 2002, pp. 59; 76). This alliance between two associations must be placed within the context of the financial scandals of 2001–2002:

> When the AICPA belatedly recognized the need to consider why so many accountants were committing fraud they turned to the ACFE, which, in effect, meant embracing Cressey's perspective. Adopting the program of a group of dedicated fraud fighters was doubtlessly a useful way to burnish the profession's tarnished image in 2002. The triangle had the added advantage of explaining fraud as the action of a loner driven by need, taking advantage of a lack of internal control. Thus the deterrent to fraud was more internal control, and the search for the culprit could focus on individual offenders, not on the culture that may have encouraged and rewarded their actions. (Donegan & Ganon, 2008, p. 3)

Table 1
Number of documents referring to the fraud triangle.

Year(s)	Fraud triangle[a]	Fraud examination[b]
1979–1993	1	148
1994	0	68
1995	0	92
1996	1	94
1997	2	123
1998	2	199
1999	2	197
2000	5	210
2001	6	202
2002	9	369
2003	12	400
2004	11	473
2005	10	488
2006	16	502
2007	17	552
2008	21	624
2009	39	878
2010	39	817
2011	49	1092
Total	242	7508

[a] Results of a query sent to the Factiva database, without specifying any source, for the exact term "fraud triangle".
[b] Results of a query sent to the Factiva database, without specifying any source, using the request "fraud examiner OR fraud examiners OR ACFE".

Perhaps as a partial result of its endorsement by the AICPA, the fraud triangle notion, which was practically non-existent in the press until 1999 (Factiva database), gained visibility after the 2001–2002 financial scandals (see Table 1). The same happened to the acronym ACFE and the expression "fraud examiner(s)," both became increasingly well-known, especially from 2002 onward. One strength of the triangle is found in its ability to interest heterogeneous audiences; CFEs were using it to expand their professional jurisdiction, while accounting and auditing professional associations were trying to reassert, through the triangle, their legitimacy as guardians of trust after accounting fraud scandals. Although these groups arguably had different views on how and why to use the fraud triangle, they shared an interest in promoting it and its underlying vision of fraud.

All in all, it appears that the turning point in the early 2000s created a context that was favorable to an increased use of the fraud triangle. As such, our analysis indicates that the triangle has become an important concept in establishing jurisdiction over fraud and in making the organization responsible for the control of its members' moral deviancies. Of course, instances of triangle use are not limited to mere diffusion; the chains of translations extended beyond the ACFE community. Now, we trace, in more detail, the web of downstream translations, using the 64 articles that we identified (mostly in academic/educational journals but also in a number of professional and hybrid journals) – as specified in our research methods section.

Justifying the emphasis on internal control

A number of recent articles incorporate the fraud triangle within the core of their argument. Some articles aim to

[21] We see here how auditing standard-setting bodies translate the triangle into "actionable" knowledge which gives them power over reality. Through various problematization and categorization processes, professional associations produce a normative tool that creates and solidifies areas of intervention for their members.

[22] IFAC's formulation is slightly different: "While fraud risk factors may not necessarily indicate the existence of fraud, they have often been present in circumstances where frauds have occurred."

explain and illustrate fraud triangle dimensions to auditing and accounting professionals (Buckhoff, 2001; Conley, 2000; Durbin, 2006; Holzinger, 2010; Murdock, 2008; Peterson & Zikmund, 2004; Ramos, 2003). Others provide case studies for teaching future auditors or managers (Bailey, 2004; Clayton & Ellison, 2011; Fleak, Harrison, & Turner, 2010; Howe & Malgwi, 2006; McKnight, Manly, & Carr, 2008; Michelman, Gorman, & Trompeter, 2011; Peterson & Gibson, 2003). Several draw heavily from the fraud triangle when elaborating their conceptual framework (Cohen, Ding, Lesage, & Stolowy, 2010; Murphy, 2012; Murphy & Dacin, 2011; Srivastava, Mock, & Turner, 2007, 2009; Stuebs & Wilkinson, 2010; Wilks & Zimbelman, 2004). In so doing, these studies borrow the definition of their core concept and dimensions to be used in their categorization work from a professional organization. Some studies also posit that fraud triangle dimensions can predict the presence of fraud within an organization (Cohen et al., 2010; Murphy, 2012; Murphy & Dacin, 2011; Wilks & Zimbelman, 2004). A number of these articles tend to naturalize the fraud triangle, whose basic principles and assumptions are not questioned.

However, empirical tests of the practical effectiveness of the fraud triangle model and of its descriptive quality are, to our knowledge, scarce and unconvincing (e.g., Strand Norman, Rose, & Rose, 2010; Wilks & Zimbelman, 2004). Some scholars sought to compare the performance of undergraduate business students, who received training on the fraud triangle, to those that received training on the COSO model (Hansen & Peterson, 2010; LaSalle, 2007), but their findings are not conclusive. Wilks and Zimbelman (2004) show that the triangle is only effective (for external auditors) in cases where risk is perceived to be low, while Strand Norman et al.'s (2010) results indicate that the use of the triangle by internal auditors does not improve the assessment of fraud risk.

Other articles draw on the fraud triangle, but modify its terms. Most of them use the ACFE and AICPA terminology rather than Cressey's; the notion of a non-shareable problem almost never appears. Pressure, motive or need (e.g., Fitzsimons, 2009; Murdock, 2008) usually replace it. Some of these shifts are more significant than others. For example, Rae and Subramaniam (2008) replace pressure and rationalization with the notion of organizational justice, whose absence incites fraudsters to act and legitimize their actions. The vast majority of authors replace opportunity with the effectiveness of internal control (Albrecht, Albrecht, & Albrecht, 2004, 2010; Alleyne & Howard, 2005; Clayton & Ellison, 2011; Fleak et al., 2010; Hillison, Pacini, & Sinason, 1999; Kelly & Hartley, 2010; Peterson & Gibson, 2003; Rae & Subramaniam, 2008; Ravisankar, Ravi, Raghava Rao, & Bose, 2011; Srivastava et al., 2009; Strand Norman et al., 2010) and rationalization with the morality of the organization's members (Albrecht, Turnbull, Zhang, & Skousen, 2010; Cohen et al., 2010; Hillison et al., 1999; Jones, 2010; Martin, 2007; Rae & Subramaniam, 2008; Ramos, 2003; Srivastava et al., 2007, 2009). Ultimately, it seems that the triangle is often employed as a mechanism to categorize the information traditionally analyzed by auditors along three large blocks.

Surprisingly, many articles draw on the fraud triangle, but neglect some of its dimensions. This neglect is sometimes justified through the explanation that one or another of the dimensions is easier to control (Buckhoff, 2001; Jans, Lybaert, & Vanhoof, 2010) or that the three branches of the triangle are correlated with each other (Albrecht et al., 2010, p. 264).[23] A number of researchers focus on the least original dimension of the model (at least according to Cressey) – that of opportunity and, as a result, the discussion centers on the theme of internal control:

> In the author's experience as a fraud investigator, where there is opportunity we usually find fraud. (Buckhoff, 2001, p. 73)

> Everyone experiences pressures, and everyone rationalizes. Thus, everyone is a walking-around two-thirds fraud triangle. [...] The simplest way to abolish fraud, then, is to eliminate opportunity. (Messina, 1997, p. 37)

> The importance of opportunity is stressed by Cressey's fraud triangle [...] with opportunity being the only element of fraud risk that an employer can influence. Two other elements that raise fraud risk, rationalization and incentive, are personal characteristics. Because a business has little if any control over these elements, they are not considered in this study. (Jans et al., 2010, pp. 19-20)

Again, it is assumed: a) that fraud is committed by individuals lacking in morality; and b) that the organization's duty is to establish credible layers of control to ensure that moral deviancies do not happen or, at least, are detected in a timely manner. Other authors view the triangle as interesting, but limited and needing to be enhanced. Wolfe and Hermanson (2004), for example, propose adding a fourth dimension – the capability to commit fraud – to make a "fraud diamond" (see also Dorminey, Fleming, Kranacher, & Riley, 2010; McKnight et al., 2008).[24] Others prefer to combine the triangle with a theory, such as attribution theory (Wilks & Zimbelman, 2004) or "routine activity theory" (Ramamoorti, 2008), in response to the perceived limitations of the fraud triangle model. Most often, these authors contend that the main dimension concerns internal control procedures.

In sum, our analysis brings to the fore the complexity of the chains of translations that have developed following the fraud triangle's conceptualization. A number of academics and practitioners have been working to define the explanatory potential of the model, to improve it, or to offer instruction in its practical use. On this basis, it can be argued that the triangle lays the groundwork for a paradigmatic range of enigmas, in the sense attributed to Kuhn (1970), where the members of a community, who share

[23] The claim of correlation moves us even further away from Cressey's work. On the contrary, Cressey sought to demonstrate that each dimension is insufficient by itself and that acts of fraud are only committed when all three dimensions are present.

[24] In fact, this dimension is present in Cressey's definition of opportunity. In it, he includes the skills that a person would need to violate trust (Cressey, 1953, p. 29). However, this fourth dimension is consistent with a view whereby opportunity is not linked to a position of trust but to the ability to evade internal control procedures.

certain values (in this case, an interest in the triangle), seek to better define its nature and improve its predictive potential. As long as the paradigmatic foundations of the triangle are not called into question, there is a sufficiently credible knowledge base available that can be used to legitimately intervene in the field and experiment in trying to refine the triangle's knowledge extensions. Indeed, all these uses of the fraud triangle, as well as the proposed improvements, seem to associate the appearance of acts of fraud with weaknesses in organizational surveillance practices, thereby providing a point of support to secure the jurisdictional legitimacy of those able to apply hybrid criminological-accounting knowledge.

One central prescriptive point ensuing from this body of knowledge is that organizational controls must be systematically applied as a result of suspicion towards individual morality. In other words, the fraud triangle has been harnessed as a tool, in the service of practitioners and theorists, to promote a branch of knowledge that views fraud at the juncture of an individual and organizational problem.

Demonizing the ethical abnormalities of specific individuals

While the vast majority of the articles we inventoried focus on questions of internal control, a number of them deal with the other dimensions of the triangle, which are usually mentioned to enumerate a few characteristics that are depicted as being specific to fraudsters. Apparently, this not only helps in the identification of fraud, but, more importantly, facilitates prevention by means of spotting potential fraudsters. Most of these characteristics are behavioral and relate to the fraudsters' psychology. For instance,

> Not surprisingly, all three elements of the fraud triangle are influenced by the fraud perpetrators' psychology. After all, personal incentives and perceived pressure drive human behavior, and the need to rationalize wrongdoing as being somehow defensible is very much psychologically rooted in the notion of cognitive dissonance. To some extent, even the assessment of opportunity—including the relatively low likelihood of being caught—depends on the perpetrator's personal, behavioral calculus. (Ramamoorti, 2008, p. 525)

Echoing the type of concerns expressed originally through the ACFE, several scholars maintain that a recurring motive for committing fraud stems from financial difficulties brought on by an inappropriate lifestyle. According to these authors, fraudsters are often people with a "gambling problem" who want to "enjoy a comfortable lifestyle" (Albrecht et al., 2010; Alleyne & Howard, 2005; Buckhoff, 2001; Durbin, 2006; Grossman, 2003; Hillison et al., 1999; Howe & Malgwi, 2006; Kelly & Hartley, 2010; McKnight et al., 2008; Murdock, 2008; Peterson & Gibson, 2003; Ravisankar et al., 2011). The emphasis on employee lifestyle is particularly alluring to those actors who endeavor to spot potential fraudsters, because these behavioral characteristics can be observed as long as one possesses the necessary know-how (Wells, 1993, pp. 93–94). It is also very consistent with a moral view that frowns on gambling and the desire to live beyond one's means. Accordingly, in the eyes of these authors, fraud is often committed by people afflicted with a deficient morality, who do not conform to the authors' lifestyle ideal – that of a hard-working, frugal individual who is always ready to report any deviation from the norm that may occur in her/his circle:

> Individuals who are honest always do the right thing and represent the lowest fraud risk. When an unexpected financial need arises, they work overtime, hold multiple jobs, reduce their expenses, and seek help from friends and family. They are driven by high moral values and address setbacks as challenges to overcome. When honest individuals identify control weaknesses, they tend to notify their managers, become whistleblowers by calling the ethics hotline, or confide in an internal auditor, compliance officer, ombudsperson, or legal counsel. (Murdock, 2008, p. 83)

The above quote illustrates the moralizing, black-and-white view that underlies certain discourses on fraud. In fact, many authors assert that fraud is linked to deficient ethics on the part of the fraudster.[25] They draw a distinction between "normal" and "pathological" and describe the psychological traits that they consider typical of fraudsters. One of the main limitations to this research lies in identifying psychological traits that some fraudsters possess without testing whether they are generalized and without verifying that these traits appear more often than in the general population.[26]

Apart from weaknesses in internal control, the main cause of fraud mentioned by the authors, therefore, relates to deficiencies in the morality of individuals (Albrecht et al., 2010; Cohen et al., 2010; Grossman, 2003; Hillison et al., 1999; Holton, 2009; Jones, 2010; Kidder, 2005; Martin, 2007; Murdock, 2008). Quite simply, Cohen et al. (2010) explain fraud by a lack of ethics among managers. In the words of Dorminey et al. (2010, p. 20), "violations of ethics, trust, and responsibility are at the heart of fraudulent activities." Auditors are then urged to assess the morality of individuals:

> Our article suggests that regulators should place greater consideration on ethics in the officially promulgated auditing standards in order to enhance the ability of auditors to be more effective in detecting corporate fraud. (Cohen et al., 2010, p. 272)
> Auditors need to consider an important aspect of people who commit fraud: their character. Individuals bring to organizations elements of their upbringing, culture, and ethical and moral beliefs. These three elements are the foundation of people's attitudes and the key ingredients determining their character. The elements are placed

[25] This is particularly apparent in the operationalizations of "rationalization" (see especially Howe & Malgwi, 2006, pp. 28–29). This is taken to extremes when the authors use this variable to link fraud to certain national stereotypes which are discreetly concealed under the term "cultural rationalizations" (Albrecht et al., 2010, pp. 263–265).

[26] From a critical angle, it is the entire set of assumptions underlying the descriptions of "typical fraudsters" that is revealing – not of the fraudsters' profile, but of the fraud theorists' beliefs.

> along a moral continuum that classifies people as honest, situational/potential, or dishonest. (Murdock, 2008, p. 82)

> [Auditors] need to understand, assess, and respond to the ethics of prospective and current clients. (Martin, 2007, p. 5)

Fraud is sometimes associated with a neurotic personality, that of the pathological fraudster or predator (Dorminey et al., 2010), the higher Machiavellian (Murphy, 2012), the industrial psychopath (Ramamoorti, 2008) involved in vice-related activities (Hillison et al., 1999, p. 353) or the pathological gambler (Kelly & Hartley, 2010). This association is justified theoretically using Cressey's work, but by replacing the concept of rationalization with that of dishonesty or by associating it with a lack of integrity or personal ethics (Albrecht et al., 2004; Buckhoff, 2001; Loebbecke, Eining, & Willingham, 1989; Rae & Subramaniam, 2008; Srivastava et al., 2007; Srivastava et al., 2009). This permutation, which is present in SAS 99 (AICPA, 2002; Ramos, 2003) and ISA 240 (IFAC, 2006), seems to assume that individuals with dubious ethics are more likely to rationalize a fraudulent act, which is however not consistent with Cressey's argument. In sum, the above scholars emphasize the morality of organization members and assume that it is possible and necessary to distinguish individuals with acceptable and strong morals from those lacking in personal ethics.[27]

To conclude, one could argue that the *a priori* identification of psychological traits as likely to lead to dishonest acts seems to have more to do with prejudice than reasoned observation. Accordingly, the disapproval of transgressive behaviors and the association of these behaviors with risky personalities or characters, as found in the mainstream literature on the fraud triangle, are legitimized by the choice of examples that are sufficiently egregious as to be condemned almost unanimously. Very few authors, following Sutherland (1983) for example, adopt a more sociological view of fraud. Of the articles in our dataset, only Donegan and Ganon (2008) and Free, Macintosh, and Stein (2007) consider acts of fraud to be caused by societal pressures and contexts which favor the emergence of particular cultures.

Promoting suspicion

Most articles we inventoried use the fraud triangle to justify an association between the problem of fraud and an array of organizational solutions ("better" internal control), thereby promoting the intervention of auditors (and, to some extent, that of fraud examiners) in the domain of fraud prevention and detection. This professional claim is supported with ambiguous rhetoric, which can be quite effective in securing professional work (Alvesson, 1993). The rhetoric follows a two-part argument. First, the risk of fraud is high because fraud is widespread and its consequences are particularly serious. Second, auditors' competencies are most useful in combating fraud within organizations, because internal control is the most manageable dimension of the fraud triangle.[28] In particular, this professional rhetoric is predicated on the presence of a sizable risk. Many articles begin with a reminder of the figures published by the ACFE that tend to present fraud as frequent and widespread (Aguilera & Vadera, 2008; Albrecht et al., 2004; Conley, 2000; Murdock, 2008; Murphy, 2012; Peterson & Zikmund, 2004; Srivastava et al., 2009). These figures, based on CFEs' "educated guesses" (Wells, 1997, p. 34), are presented in ways that convey a sense of magnitude and urgency to react:

> Survey participants estimated that the typical organization loses 5% of its annual revenue to fraud. Applied to the estimated 2009 Gross World Product, this figure translates to a potential total fraud loss of more than $2.9 trillion (ACFE, 2010).[29]

On this basis, the intervention of auditors and fraud examiners would seem to be both necessary (the risk must be addressed) and cost-effective (the fees may be high, but they are negligible as compared to the cost of certain fraud cases). This conclusion is particularly visible in the case studies used to teach the assessment of fraud risk and the fraud triangle conceptualization to undergraduate students. The vast majority of these case studies frame their questions along a relatively traditional evaluation of internal control systems (Brucker & Rebele, 2010; Clayton & Ellison, 2011; Fleak et al., 2010; Howe & Malgwi, 2006; Michelman et al., 2011; Peterson & Gibson, 2003). The narratives found in these cases provide important clues to the assumptions made by the authors. For example, they often portray a person who seems to be "completely normal" and above suspicion until repeated acts of fraud are discovered (Clayton & Ellison, 2011; McKnight et al., 2008; Michelman et al., 2011; Peterson & Gibson, 2003). It is only when the person is caught that some suspicious behavior is discovered (a gambling habit, an excessive appetite for expensive clothes and luxury cars, etc.). This narrative, whose purpose is to make a case for increased organizational controls (and which is also the opportunity to show students why organizations should hire auditors and CFEs; see for example Clayton & Ellison, 2011), implies that any apparently "ordinary" individual can commit fraud.[30] The feeling of widespread suspicion that these writings encourage is reinforced by the organizations they describe: a small charitable organization (Fleak et al., 2010), a regional high school (Howe & Malgwi, 2006), a municipal facility for sporting events and concerts (Brucker & Rebele, 2010), a

[27] Scott and Jehn (2003) nuance this point by showing that evaluating a dishonest act can be tricky.

[28] While the vast majority of articles employ this argument, some of them also recommend the intervention of fraud examiners. In general, the articles emphasize the competencies coming from the hybrid field of knowledge created at the intersection of accounting and fraud examination and tend to promote the interests of the AICPA and the ACFE.

[29] The ACFE publishes similar estimates every two years in its Report to the nation(s). The participants to the 2002 and 2004 reports estimated that the typical organization loses 6% of its annual revenue to fraud, a number that reached 7% in 2008 but was lowered to 5% in 2006, 2010 and 2012. We are grateful to an anonymous reviewer for signalling this point to us.

[30] For instance, some cases depict fraudsters in ways that inspire trustworthiness, being devoted to their job and family (McKnight et al., 2008), or being married and generous (Michelman et al., 2011).

toy manufacturer (Clayton & Ellison, 2011), and a university health center (Peterson & Gibson, 2003) – even organizations working for the public good are at risk of having their resources misappropriated.

This professional rhetoric must nevertheless overcome a contradiction: fraud is presented as being linked to the character of the perpetrators, but at the same time it is said to be very widespread. This contradiction is resolved through the notion of "risk": although honest people present a lower risk than dishonest ones, the risk is never zero, so control must be systematic (Power, 2013). Even honest people can turn into pathological fraudsters. As Peterson and Gibson (2003, p. 70) explain, for example, once an individual has started to steal without getting caught, "the temptation to continue [is] too great." Grossman (2003, p. 42) also states that "Roughly 95 percent of the population is capable of embezzlement under certain circumstances." This type of assertion promotes a climate of suspicion in which people approach social relationships from the viewpoint that others should not be presumed to be trustworthy:

> Internal auditors, however, should assume that anyone is capable of justifying the commission of fraud. Internal auditors should exercise "professional skepticism" particularly since fraud is typically committed by "those we trust." (Hillison et al., 1999, p. 354)
>
> Financial institutions should perform background checks on every employee hired or promoted into sensitive positions within the financial institution. Such checks should cover an individual's criminal history, education, previous employment and credit history. (Durbin, 2006, p. 45)

Durbin (2006, p. 46) concludes her article with the following injunction: "Trust but verify." This ambiguous prescription is commonly made in the literature, which speaks of trusting others while urging authorities to multiply their verification and control systems, therefore demonstrating a lack of trust or even an exhortation to distrust. Cressey criticized this contradictory injunction back in 1973 (when his book was being republished), when he specifically addressed accountants and auditors, saying that replacing trust with verification was not a viable path (see above).

In several cases, the climate of widespread suspicion is promoted by amplifying the gravity of the violations committed. Under the same conceptualization, the authors lump together different behaviors that have very different consequences. In studying the impact of deviancy on organizational performance, Dunlop and Lee (2004) considered behaviors such as deliberately working slower than possible, arriving late for work (without permission) and making fun of someone at work (p. 72). Without questioning the unpleasant effects of these behaviors on immediate colleagues, nor that working slower than stipulated in the procedures can diminish the performance of a fast-food outlet, one may wonder what the authors sought to establish by comparing these behaviors to larceny or sabotage. In the same vein, Kidder (2005) studied employee misconduct, lumping together longer work breaks and homicide (pp. 389–390). Other authors postulate that deceptive behavior in one situation is an indicator of the fraudster's moral strength in general: "an executive who cheats in golf will cheat in business" (Wolfe & Hermanson, 2004, p. 42); students who cheat will tend to commit fraud in their career (Choo & Tan, 2008). Further, by failing to report a student who does not contribute enough to group assignments, one runs the risk of making a fraudster out of him/her (McKnight et al., 2008).[31]

These associations, all grounded in the same theoretical template – the fraud triangle – tend to build equivalences between serious frauds (therefore making it harder to challenge the legitimacy of the fight against fraud) and more trivial cases (therefore generating the feeling that fraud is widespread). One consequence of this is to favor an idea of suspicion towards one another. We do not argue that this climate of suspicion is an empirically valid description of organizational life or that all studies of frauds explicitly promote suspicion. The "climate of suspicion" emerged, in the course of our analysis, from a stream of literature that tends to conflate all kinds of fraud with most serious offenses and encourages organizations to take significant action in order to "tackle fraud."

Rendering organizations responsible

In addition to setting up a systematic internal control and surveillance system, the authors of these papers put forward various solutions (for preventing and averting fraud risks) to be implemented within the organization; the latter is conceived of as a chief intervention arena for controlling fraud risk. Referring to surveys published by the ACFE, several authors maintained that frauds are most often detected thanks to employee "tips." As a result, they propose mechanisms, such as fraud tip hotlines to encourage people to report fraud (Dorminey et al., 2010; Grossman, 2003; Martin, 2007; Peterson & Gibson, 2003; Peterson & Zikmund, 2004).[32] Others recommend, in addition to carrying out audits, hiring dedicated experts in fraud protection; these authors are not averse to promoting the ACFE in the process (e.g., AICPA, 2002; Clayton & Ellison, 2011; Grossman, 2003; Hillison et al., 1999). Several authors believe that fraudsters are emboldened to persist in their behavior if they receive only light punishments, so they recommend taking strong action against any cases of fraud detected (Dorminey et al., 2010; Durbin, 2006; Hillison et al., 1999; Martin, 2007; Murdock, 2008). For example, according to Ramamoorti (2008, p. 524), "the rate and incidence of crime varies inversely with the intensity and severity of rule enforcement."[33] Grossman (2003, p. 44) advises people to "report incidents of embezzlement to the FBI, [their] local district attorney or the police."

[31] This last example is a case study which describes a mother who, in addition to her job, goes back to school.

[32] Belief in the whistleblower system is so strong that, although they describe a case where the accused was considered by everyone to be above suspicion and they provide numerous quotations from colleagues who are incredulous that she could have committed a dishonest act, Peterson and Gibson (2003) feel that the fraud could have been detected thanks to "tips" and "complaints" made by colleagues (p. 71).

[33] However, a fair number of academics in criminology doubt the validity of the relationship between crime rates and punishment – as demonstrated by comparative crime statistics between the USA and Canada (Statistics Canada, 2001), with the death penalty being only practiced in the USA.

Since these authors almost invariably associate fraud with ethics, one of their key issues is to foster a good ethical climate within the organization, for example by introducing a "code of ethics" (Dorminey et al., 2010; Durbin, 2006; Hillison et al., 1999; Martin, 2007), hiring only people of integrity (Durbin, 2006; Grossman, 2003; Murdock, 2008) and increasing the number of opportunities for communication and training on the organization's "ethical values" (Dorminey et al., 2010; Hillison et al., 1999; Howe & Malgwi, 2006; Martin, 2007; Murdock, 2008; Ravisankar et al., 2011). It is, therefore, important to create an "ethical culture" (Durbin, 2006), an "ethical infrastructure" (Martin, 2007) or a "workplace of integrity" (Dorminey et al., 2010). Although these recommendations may seem reassuring, a few unorthodox authors criticize them:

> High-sounding codes of ethics may make for good public relations, but by themselves they are unlikely to have any effect on the "ethical climate" of the government or the business world. (Coleman, 1985, p. 241)
>
> While Enron's demise has been portrayed as resulting from a few unscrupulous rogues or "bad apples" (the phrase used by President Bush) acting in the absence of formal management controls, Enron featured all of the trappings of proper management control, including a formal code of ethics, an elaborate performance review and bonus regime, a Risk Assessment and Control group (RAC), a Big-5 auditor, and conventional powers of boards and related committees. This control infrastructure was widely lauded right up until the demise of the company. (Free et al., 2007, p. 4)

Overall, to address the problem of fraud at the ethics level, the documents we examined make two principal recommendations. First, management shall strive to create a sound ethical climate throughout the organization; second, management shall set the example by committing itself, in theory and in action, to stringent ethics principles. However, it seems to us that management's ability to influence ethical culture within the organization is not that obvious, especially in light of the way in which the "risky" individual is constructed in the fraud triangle literature. To what extent is management able to influence the ethical values of pathological predators or industrial psychopaths? Yet, apart from a few dissidents, such limitations do not tend to be voiced when the triangle is articulated from an organization ethics perspective.

In sum, through the downstream literature we studied, the organization is given a chief role in fraud intervention, making it responsible, and, in turn, accountable for the concretization of fraud risk. That is, as a result of the triangle's web of translations, fraud can be "explained" through lapses in individual morality that have not been properly reined in by the organization – in other words through lapses in organization vigilance.

Extending the network through the risk management literature

Our analyses thus far examined mainly downstream ramifications of the fraud triangle in academic or hybrid journals. Although we briefly examined how the fraud triangle influenced certain auditing standards, we deemed it relevant to investigate the practitioner literature more extensively – specifically on the topic of risk management. Risk management now constitutes a thriving discipline (Arena, Arnaboldi, & Azzone, 2010), exerting significant influence on ways of thinking and doing in numerous areas (Power, 2007). Clearly, risk management is one of today's most significant sense-making referents that actors use in the field to develop understandings of action and inaction surrounding private and public sector organizations. By extending our analysis to the risk management literature, we were able to better examine how the fraud triangle and its ramifications are viewed and thought of in the practitioner community.

Overall, risk management literature conveys a picture relatively consistent with a vision of fraud at the confluence of individual morality and organization control. Some documents explicitly conceptualize fraud as a problem of individual morality. For instance: "Fraud essentially involves using deception to dishonestly make a personal gain for oneself and/or create a loss for another" (CIMA, 2008, p. 7). However, morality and subjectivity are less influential than in other streams of literature positioned within the fraud triangle discourse. By contrast, the individualizing trend is palpable in statements that downplay other perspectives:

> While fraud can, from a legal perspective, be perpetrated by a company, the steps taken to commit fraud are always the actions of individuals. (PwC, 2009, p. 4)

References to the ACFE are found when the notion of fraud is articulated as deceptive and dishonest acts committed by specific individuals or entities:

> It's worth reviewing what fraud is, why it happens and how it manifests itself in corporations. According to the Association of Certified Fraud Examiners (ACFE), fraud is "deception or misrepresentation that an individual or entity makes knowing that the misrepresentation could result in some unauthorized benefit to the individual or to the entity or some other party." (Ernst & Young, 2009, p. 1)

One of the key themes is that fraud risk always looms in the background of organizational life, as indicated below where CIMA mentions the inevitability of fraud:

> Fraud is always a possibility. A healthy amount of professional scepticism should be maintained when considering the potential for fraud. This does not mean that every time someone seems to be working excessive overtime, without taking leave, they are in the process of committing a fraud, or that inaccuracies in the accounts are there to cover up a fraud. Nevertheless, they might. (CIMA, 2008, p. 41)

The fraud triangle therefore appears in these documents in ways that suggest that it is, to a large extent, institutionalized within the risk management literature. The following excerpt does not directly refer to the triangle, but presents its three dimensions as a matter of fact, as if they can be effectively used to make sense of fraud and intervene meaningfully: "An effective fraud risk

[a]Source: PwC (2009, p. 4)

Fig. 1. Relating the fraud triangle to fraud risk.

identification process includes an assessment of the incentives, pressures, and opportunities to commit fraud" (IIA, AICPA, & ACFE, 2008, p. 8).[34] Other documents explicitly highlight the triangle and its dimensions. One illustration (see Fig. 1) juxtaposes the triangle with a road sign, suggesting the imperativeness of addressing fraud risk through the triangle's template.

Fig. 1 pictorially presumes that fraud risk results from the influence of the triangle's dimensions. Other documents rely on a rhetoric that tends to naturalize the three dimensions, as if they accurately reflect the essence of fraud in the real world. For example,

> In terms of opportunity, fraud is more likely in companies where there is a weak internal control system, poor security over company property, little fear of exposure and likelihood of detection, or unclear policies with regard to acceptable behaviour. Research has shown that some employees are totally honest, some are totally dishonest, but that many are swayed by opportunity. (CIMA, 2008, p. 13)

In general, we found that the authors' writing styles reflect confidence in discussing what fraud is and how it can be controlled. Probabilistic claims relating to people's attitudinal morality and its potential disruptors are sustained through the persuasiveness ensuing from "research" endeavors. The following excerpt establishes a significant linkage between the triangle's dimensions and reality:

> One of the most effective ways to tackle the problem of fraud is to adopt methods that will decrease motive or opportunity, or preferably both Rationalisation is personal to the individual and more difficult to combat, although ensuring that the company has a strong ethical culture and clear values should help. (CIMA, 2008, p. 14)

[34] Also, the 2012 Exposure Draft of COSO's *Internal control – Integrated framework* now explicitly includes a principle requiring companies to consider the potential for fraud in assessing the risks they face (COSO, 2012, p. 78). Three main "points of focus" (out of four) that allegedly may assist management in this endeavor relate to the three legs of the triangle: "assesses incentive and pressures"; "assesses opportunities"; and "assesses attitudes and rationalizations."

Therefore, the triangle emphasizes a number of target points that should be privileged in matters of fraud intervention, one of them being to ensure that the organization's culture is ethically "strong" and not conducive to lapses in individual morality. Interestingly, one of the documents, in developing some criticisms of the fraud triangle, points to the field of behavioral research to overcome the triangle's limitations:

> The fraud triangle provides a simple model of three factors that contribute to fraud: pressure, opportunity, and rationalization. However, the fraud triangle does not explain one critical phenomenon: why one person takes actions to distort financial results, while another in a similar situation does not. Management, boards and audit committees, and internal and external auditors could benefit from tools and resources that help operationalize the vast amount of behavioral research on the factors that move an individual past the temptation or opportunity to commit fraud. (CAQ, 2010, p. 31)

Thus, even when criticizing the fraud triangle, the first reaction is to look for behavioral lines of explanation, in accordance with a deep-level tendency to individualize fraud. Another key emphasis found in the documents stresses the organization's responsibility in reining in individuals' deviancies. The following excerpt essentially maintains that the organization's responsibility to control fraud ensues from significant pressures in the environment. As a result, an organization that fails to establish an appropriate control structure will be viewed as poorly governed and unvigilant:

> Reactions to recent corporate scandals have led the public and stakeholders to expect organizations to take a "no fraud tolerance" attitude. Good governance principles demand that an organization's board of directors, or equivalent oversight body, ensure overall high ethical behavior in the organization, regardless of its status as public, private, government, or not-for-profit; its relative size; or its industry. The board's role is critically important because historically most major frauds are perpetrated by senior management in collusion with other employees. Vigilant handling of fraud cases within an organization sends clear signals to the public, stakeholders, and regulators about the board and management's attitude toward fraud risks and about the organization's fraud risk tolerance. (IIA et al., 2008, p. 5)

In the same vein, PwC (2009, p. 14) maintains that "enlightened" organizations are actively involved in fighting fraud; a logical implication is that organizations that fail in this fight are not "enlightened" and may be viewed as such, thereby threatening their legitimacy:

> One hears commentators on fraud describing how a particular solution is key to the management of fraud risk – "risk identification", "the tone at the top" or "better use of technology" are just a few of the many keys that seem to be available. In our experience the enlightened organisation evaluates the options available to reduce fraud losses within a comprehensive framework of the kind we show below.

One key mechanism on which the "enlightened" organization should focus its energy is the establishment of a proper "tone at the top" which, if appropriately communicated through all hierarchical ranks, can translate into an organizational culture conducive to ethical behavior. The CAQ (2010, p. 10) provides detailed observations on the matter, articulating a linkage between tone at the top, organizational culture, and success in terms of fraud prevention and detection:

> Corporate culture influences all three sides of the fraud triangle. A strong ethical culture creates an expectation of doing the right thing and counteracts pressures to push the envelope to meet short-term goals. Likewise, an ethical culture typically supports well-designed and effective controls that diminish opportunities for fraud and increase the likelihood that fraud will be detected quickly. A culture of honesty and integrity can severely limit an individual's ability to rationalize fraudulent actions. [...] Of all the groups with a role in the financial reporting supply chain, management has the most critical role, because it is responsible for setting the tone at the top and establishing the culture and designing the systems that drive the organization. In the opinion of CAQ discussion participants, companies successful in building an ethical culture that deters fraud do so through a dual approach. First, they clearly state their ethical standards, and second, senior management visibly lives by those standards every day and reinforces them through the entire organization with appropriate systems and processes.

Grounding the argument in the realm of practice experiences, the text does not leave any doubt; the organization has a significant degree of power over cultures that develop from within. Further, this conveniently provides an angle for criticism in case a fraud situation takes place within the organization: fraud results from organizations that did not establish a proper culture.

In summary, our analysis of the risk management literature indicates that fraud is articulated in it, especially through the fraud triangle concept and its underlying dimensions. These articulations are characterized with a template that individualizes fraud while presenting a range of mechanisms that can or should be used by the organization to control risks ensuing from individuals' deviancies. The individualizing trend is reinforced throughout the process; fraud is explained by actions perpetrated by deviant individuals and by organizations that were neglectful in establishing a proper web of control around fraud risk. As a result, social and historical lines of interpretations are marginalized. From a broader angle, the dual focus on individual morality and organizational responsibility underlies most of the professional, educational, and applied-research literature produced around the fraud triangle concept.

Discussion

We studied a particular metaphorical knowledge claim that is advanced to make sense of and intervene in matters of organizational fraud – the fraud triangle. Our analysis focused on the chain of translations surrounding the triangle, examining some of its antecedents, its initial formulation in the emerging fraud examination community, and how it extended its influence beyond that community while being reinterpreted in diverse ways. Apart from a few discordant voices, the translations we uncovered converge on a vision of fraud being caused by morally deviant individuals whose behavior needs to be reined in by the organization.

Our findings indicate that the fraud triangle constituted an appealing knowledge base, engendering a plethora of additional translations or imaginings to gain a better intellectual and professional grip on a fundamentally elusive and complex phenomenon. At the heart of the chain of translations is Cressey's work, which is represented as a reliable and generalizable theoretical anchor. This sustains the impression that fraud examination is built on a field of scientific knowledge predicated on academic research, thereby conferring a certain authority to the discipline. Numerous examples, backed with "concrete" cases and quantified data, are prominently featured to illustrate this field of knowledge's relevance and utility. Yet, the translation trajectories that followed the "importation" of Cressey's final hypothesis in the fraud examination and surrounding communities have reframed it according to a specific conception of fraud and fraudsters. What appears as a technical and neutral device, that is to say the fraud triangle, actually promotes a vision of fraud anchored in both the individual and organization, while downplaying the social, political and cultural explanations for fraud. At the end of the day, we are confronted with a series of representations, which lie at the heart of the professional work of a range of actors in the economy, that lead us to view fraud through the lens of individual transgressions being perpetrated while leaving the systemic and socio-political aspects of fraud unchallenged. This analytical point is valid whether the designated fraudster is a lower-ranking employee or top executive; putting the blame on a specific individual whose lack of morality is "obvious", ultimately prevents the system from being seriously questioned (Guénin-Paracini, Gendron, & Morales, forthcoming).

We have shown that the vast majority of articles we inventoried presents frauds carried out by individuals acting alone. Other scholars – who most certainly do not subscribe to mainstream thinking in accounting-criminology – consider frauds to be less the result of individual deviance than the outcome of societal pressure and historical contingencies (Braithwaite, 1985; Coleman, 1985; Donegan & Ganon, 2008; Free et al., 2007; Mitchell, Sikka, & Willmott, 1998; Poveda, 1994; Stuebs & Wilkinson, 2010). As Coleman (1985, pp. 15-16) explains:

> The media's tendency to personalize crime stories and seek out an individual villain as a target of public outrage ignores the structural forces that lie at the roots of the problem. In fact, many organizational crimes cannot be attributed to any single individual, but only to the kind of impersonal social forces that the media all but ignore.

Coleman (1985, p. 53) considers the main factor of fraud to be found in "the competitive spirit so central to the capitalist economic system." He also mentions modern industrial society, built on a desire for wealth and success, which produces a combination of social inequality and mobility that naturally fosters a desire to succeed at any cost and is rationalized by a business culture (often reinforced by a convergent organizational ethos) whose "business is business" ethics seems to justify the means employed to achieve the goal of commercial and financial success (Coleman, 1985, pp. 207–210; p. 240). However, this view is largely incompatible with the individualizing and organizationally-bounded conceptualization of the fraud triangle. There may be one area of convergence, though, that of "tone at the top" discussed as a way to establish proper incentive and organizational climate. Free et al. (2007) and Stuebs and Wilkinson (2010) are rare exceptions in the literature we studied, where commitment to a socio-historical conceptualization of fraud is more obvious.

The translation trajectories that we studied also relate to a normative agenda. The fact that fraud is neither very visible nor easily predictable arguably justifies the involvement of experts (read: certified professionals). This endeavor is associated with the creation of a hybrid field of knowledge and intervention, built on the association between accounting and criminal investigation, which ultimately targets the establishment of systems of organizational surveillance predicated on the detection of moral deviancy acts. While the ACFE's role in disseminating this vision of fraud in the business community and abroad is prominent, the role of the accounting profession should not be neglected (Power, 2013). Although auditors have traditionally shown reluctance in accepting responsibilities over matters of fraud prevention and detection (Humphrey, Moizer, & Turley, 1992), today the accounting establishment (i.e., auditing standard setters, professional bodies and the Big Four) is actively involved in promoting and diffusing the triangular representation of fraud. In the process, the conception of fraud that led to the crafting of the triangle, biased as it may be, remains unquestioned.

This conception is materialized in a series of representations that not only portray frauds as individual transgressions but also associate fraudulent acts with certain categories of people. As translated in the wake of the development of the fraud examination discipline, the fraud triangle often draws a distinction between normal and abnormal, moral and immoral. Yet the question of values is not raised, as if the distinction between good and evil were shaped by universal positions that do not need to be questioned or spelled out. The neglect of values is typically sustained by focusing on uncontroversial, manifestly reprehensible cases – or at least ones that the authors disapprove of themselves – while drawing general conclusions beyond the situations described, as if these cases constitute a persuasive base to support a more universal point. By and large, cases that present a potential for raising complicated questions or dilemmas are avoided. As a result of all this, the question of values is not debated: the process of forming a judgment is considered self-evident.

Overall, our analysis reveals two main lines of reasoning characterizing the way in which the fraud triangle is articulated. First, fraud often consists of individual morality lapses for which organizations are held accountable. Second, anyone may succumb to the temptations of immorality and commit a fraudulent act. Together, these two lines of reasoning tend to blur the distinction between "dangerousness" and "risk." Fraud examination largely produces probabilistic numbers – searching for relations between frequencies of abnormalities and the living conditions of certain categories of subjects – in an attempt to develop and promote "objective risk factors." At first sight, this appears to be consistent with Castel (1991) who refers to a broader social tendency in which the individual and the "dangers" it represents tend to escape from view while disembodied statistical constructs or "risks" are given prominence. If this is true, then the notion of risk, as conveyed today in society, is increasingly divorced from that of danger, the latter being understood as an internal quality immanent to the subject (Castel, 1991). However, our analysis indicates that fraud triangle articulations are not fully consistent with Castel's (1991) theorizing. Reintroducing the notion of dangerousness as an immanent quality of certain categories of individuals, yet associating it with a claimed knowledge base predicated on "objective" risk factors, the fraud triangle literature promotes a climate of suspicion in the business community both towards individuals in general and towards individuals fitting some risk profile in particular. The interesting point is not so much whether this conception is empirically valid or not, but its performative effect which is, first, to propagate a way of conceptualizing dysfunctions in the economic system from a moralizing angle, second, to establish the need for organizations to manage ethical risk and, third, to legitimize the relevance of fraud examination expertise.

A key pattern in the literature we analyzed is deviance not being related to complex social factors, but to failures in individual morality and breakdowns in the organization's endeavors to control probity. As such, the fraud triangle literature fosters a climate of suspicion against individuals (employees, managers, board members) that engenders a need for constant vigilance. It rests on the belief that it is possible to detect wrongdoing, fraud, dishonesty and unethical behavior and to remedy (at least partially) these acts of moral deviancy by implementing an array of control mechanisms within the organization. Further, deviance can occur anywhere; everyone must be vigilant, watch out for their possessions and keep others under surveillance. The goal is not to eradicate fraud (which is viewed as an impossibility), but to implement a range of organizational mechanisms and policies aimed at restoring order, morality and security. Further, while the mainstream discourse promoted through the fraud triangle emphasizes an "obvious" need to identify and neutralize fraud perpetrators, their rehabilitation is not encouraged given that moral deviancies may be incurable. At the end of the day, the vision that underlies both fraud triangle technology and professional claims of fraud specialists implies a perpetual cat and mouse game, where deeply-rooted socio-historical causes of fraud are relegated to the background of the players' reflective gaze. Yet, this vision is not neutral. The fraud triangle redefines social, political and economic relations through a normalizing discourse that celebrates the use of organizational surveillance to control risk ensuing from individuals' frail morality. In so doing, individuals and their subjectivity are constructed as vectors of riskiness that must be tightly controlled by the organization.

Conclusion

Our broad purpose has been to explore how an apparently descriptive but profoundly normative discourse on organizational fraud has emerged around the "fraud triangle" concept. Specifically, we followed the fraud triangle genealogy and analyzed its underlying chains of translations and problematizations. Our analysis indicates that fraud triangle articulations privilege individualistic explanations of fraud to the detriment of sociological explanations that highlight fraud's sociopolitical nature and locates its causes in institutional and historical arrangements. Instead, the fraud triangle focuses attention on the fragility of individual morality and establishes the organization's duties in controlling "risky individuals."

One of our main arguments is that the fraud triangle constitutes a rhetorical tool that professional associations have used to create and consolidate a field of knowledge and intervention around individual morality. Our analysis brings to the fore translations representing the fraud triangle as a credible technology that allows fraud specialists to speak authoritatively and intervene, in certain ways, in organizational fraud. In so doing, a certain discourse of normality gains legitimacy through the recruitment of allies around and fabrication of a concept that appears to be technical and descriptive, but contains a very specific vision of fraud.

The feeling of neutrality is sustained by a series of illustrations focused on the least controversial examples. This also serves to present fraud as "inherently" unacceptable. Lumping these "serious acts" (e.g., bribery, misappropriation of funds) with trivial deviances (e.g., arriving late at work, taking long breaks) and more controversial actions (e.g., working more slowly than asked by the hierarchy, workplace resistance) then serves to justify considering any "workplace deviant behavior" as a fraud that should be systematically condemned, deterred and punished. Fraud is constituted, therefore, as reprehensible and immoral, though relatively controllable when organizations establish appropriate surveillance systems. The notion that morality boundaries vary in time and space (Douglas, 1966) is ignored.

These findings contribute to our understanding of the links between fraud, organizational control and society. Previous studies argued that today's society is characterized by a proliferation of control and audit technologies to restore trust – but that basically promote distrust (Power, 1997). Our study can be viewed as an examination of the problem of trustworthiness. We showed that a climate of suspicion is promoted in the fraud triangle literature and that the organization is deemed a legitimate site for restoring trust through intervention. Our analysis also indicates that technologies of organizational control and surveillance are influenced by moral judgments about what is normal and what is unacceptable deviance. Promoted in the name of reason and economic commonsense, the fraud triangle is a technology of fraud risk management that simultaneously targets individual character and organizational studiousness. The triangle sustains normalizing patterns that aim to shape identities of risky individuals whose frail morality needs to be tightly controlled and disciplined by the organization. In so doing, socio-historical visions of fraud are marginalized and relegated to the periphery of the field.

Acknowledgements

We benefited from the comments by David Cooper, Sajay Samuel, James Williams, André Spicer, four reviewers, and workshop participants at HEC Montréal. We also acknowledge the comments from participants at the 2013 Alternative Accounts Conference (Toronto), the 2013 Annual Congress of the European Accounting Association (Paris) and the 2013 EGOS colloquium (Montréal). Of course, the opinions expressed in the present manuscript bind the authors only. The financial support of the Social Sciences and Humanities Research Council of Canada is also gratefully acknowledged.

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