The Observational Study Financial Fraud Offense Themes and Financial Fraud Risk of Money Laundering to Increase Financial Global Sustainability Compliance

Sina Patel
Jonestown Bank & Trust Company

Karina Kasztelnik
Tennessee State University

Maja Zelihic
University of Arizona Global Campus

American society could benefit from the results of the study. The banking and financial industries ought to be prepared for the future and continue to adapt to new emerging threats, varying consumer classification, and changing environment. Banking and financial services institutions play a substantial role in the community. By changing and developing new policies and procedures, these organizations can work towards effective money laundering and financing fraud prevention compliance plans. Additionally, banks and financial services institutions may clarify and strengthen customer due diligence requirements to protect their organizations and reduce financial fraud risks. The implications for positive social change may include the possibilities to develop new compliance strategies and strengthen existing regulatory mechanisms to help compliance managers, reduce the risk of bank failures, increase employment opportunities, and promote public awareness by educating consumer about financial fraud risks.

Keywords: financial fraud risk, money laundering, modern financing, business sustainability, financial fraud stability

INTRODUCTION

Others have explored how technological innovations affect the evolution of money laundering and modern anti-money laundering and counter terrorist financing methods (e.g., Carayannis et al., 2021; Han et al., 2020; Kurum, 2020; Li, 2019). Although these studies have addressed a wide range of issues, there is a lack of research on comprehensive financial fraud offense themes in money laundering (Al-Suwaidi & Nobanee, 2020). A financial fraud offense is a crime that is an element of a larger crime that generates monetary proceeds (Rusanov & Pudovochkin, 2021). For example, generating illegal proceeds is the primary offense, and money laundering is the financial fraud offense. Financial fraud offenses underlie money laundering or terrorist financing activity and serve as powerful indicators of financial crimes. The current state of academic research reveals that there is a gap in literature. Much remains to be done at both

the empirical and the theoretical level, especially in relation to the identification of compliance themes and indicators of financial fraud offenses to decrease the risks of financial crime.

PROBLEM STATEMENT

The issue that prompted this study is the severity of financial crime risks during the Covid-19 pandemic crisis and a need for financial institutions to revise their financial crime risk management strategies with new emerging threats (Crisanto & Preno, 2020). Banking and financial services institutions have undertaken specialized investigations due to increased money laundering and terrorist financing activities. However, the institutions are unable to feasibly detect and track the increased money laundering and terrorist financing activities due to the scale of the offenses, the lack of appropriate tools to counter the offenses, and continual changes to anti-money laundering policies and procedures during the global pandemic (Naheem, 2019). Money laundering and terrorist financing activities expose banking and financial institutions to increased reputational, operational, legal, and concentration risks, which can result in compliance costs, financial penalties, and banking failures (Lawlor-Forsyth & Gallant, 2018; Pol, 2020).

RESEARCH QUESTIONS

Q1: How do anti-money laundering investigators identify financial fraud offense themes to reduce the financial fraud financial fraud risk of money laundering and increase financial sustainability in the United States banking system?

BACKGROUND OF THE STUDY

In the post-9/11 world, the banking industry and financial services sector has faced heightened financial crime risks. Globally, trillions of U.S. dollars are money laundered each year (Yeoh, 2020). Lawmakers and regulators have taken steps to hold banks and financial services companies responsible for such crimes. To fight against financial crimes, the United States government became stringent and amended The USA PATRIOT Act of 2001. The USA PATRIOT Act of 2001 was an extension of the Bank Secrecy Act. The Bank Secrecy Act, legislated in 1970, requires businesses to keep records and file reports indicative of acts related to criminal, tax, and regulatory matters (Mackenna, 2017). In addition, the Bank Secrecy Act requirements rely heavily on law enforcement agencies to identify, detect, and prevent criminal businesses, terrorism, tax evasion, and other unlawful activity. Lawmakers amended the act in the USA PATRIOT Act of 2001. The USA PATRIOT Act of 2001 included requirements that force bank leaders to establish a customer identification program as part of the Bank Secrecy Act compliance program (Mackenna, 2017). Banks and financial institutions were fined for the lack of compliance with regulations conducted on financial transactions.

Banks and financial institutions are responsible for creating an anti-money laundering division within their compliance departments. The purpose of anti-money laundering and counter financing of terrorism requirements is to regulate transactions; record and file reports of cash purchases more than $10,000 (daily aggregate amount); identify suspicious behavior or patterns related to financial crimes such as money laundering, terrorist financing, tax evasion, and other criminal activities; and conduct customer due diligence to maintain regulatory compliance (Khan et al., 2021; Mugarura, 2014). Based on certain financial crime risk categories such as amount of transactions, number of transactions, and rule types, an alert triggers in the banking system to indicate the compliance department of unusual activity. Compliance managers of banking and financial institutions are required to mitigate financial crime risks according to the risk-based approach. The risk-based approach groups customers into high-, standard-, or low-risk categories based on financial fraud offense themes, customer profile, type of activity, and pattern of activity (Mugarura, 2014). If the transactional activity cannot be mitigated, a customer is obligated to report the activity and file proper documents. Banking and financial institutions attempt to manage financial crime risks by implementing compliance strategies.

Researchers have conducted recent studies on financial crime risk management from different perspectives. They have empirically assessed the success rate of money laundering controls and inherent flaws and weaknesses in effective compliance regulations (e.g., Cash, 2020; Pol, 2020; Yeoh, 2020). Others have explored how technological innovations affect the evolution of money laundering and modern anti-money laundering and counter terrorist financing methods (e.g., Carayannis et al., 2021; Han et al., 2020; Kurum, 2020; Li, 2019). Although these studies have addressed a wide range of issues, there is a lack of research on comprehensive financial fraud offense themes in money laundering (Al-Suwaidi & Nobanee, 2020). A financial fraud offense is an element of a larger crime that generates monetary proceeds (Rusanov & Pudovochkin, 2021). For example, generating illegal proceeds is the primary offense, and money laundering is the financial fraud offense. Financial fraud offenses are crimes underlying money laundering or terrorist financing activity and serve as powerful indicators of such financial crimes. The current state of academic research reveals that there is a gap in the literature and absence of information about financial fraud offense themes in money laundering and terrorist financing.

STRUCTURING

Structuring has become a global phenomenon in the context of financial crimes. Compliance managers with an awareness of structuring techniques may be able to revise the financial crime risk management framework to effectively detect money laundering activities within their financial institutions. Structuring is a financial fraud offense typology that may indicate underlying illegal activity. An effective anti-money laundering program of banks and financial services institutions involves the identification and prevention of structuring activities. Some best practices that compliance managers can implement are adopting know your customer guidelines, using anti-money laundering tools, and implementing an effective money laundering program:

- Adopt know your customer guidelines: It is necessary for compliance managers to ensure their anti-money laundering programs adopt stringent know your customer guidelines. Know your customer is an effective tool to build a customer's profile and collect crucial background information. This tool will authenticate the identity, suitability and risks involved with the customers prior to the onboarding process and further development of a professional relationship.
- Use anti-money laundering tools: Another best practice is to use anti-money laundering tools and detection algorithms to help compliance managers and anti-money laundering investigators to combat structuring activities. An anti-money laundering internal alert system mitigates the risk of human errors associated with manual investigations (Clarke, 2021). Financial fraud offense typology-specific alerts trigger within the internal alert system which helps compliance managers and anti-money laundering investigators perform precise risk assessments.
- Implement an effective anti-money laundering program: Anti-money laundering programs are designed to detect and report money laundering and terrorist financing activities. The most effective anti-money laundering program is tailored to specific financial fraud offense themes. An effort to ensure the institution is compliant with the suspicious activity reporting requirements of the Bank Secrecy Act is a best practice. Moreover, compliance managers need to set explicit parameters when monitoring accounts and transactional behavior to identify suspicious activity.

Anti-money laundering programs should be adequate with the compliance framework of the institution. As banks and financial services institutions face new emerging threats, compliance managers must ensure that their suspicious activity monitoring and reporting systems are reflecting the current socioeconomic environment.

FRAUD

A key component of compliance with the banking and financial systems is fraud. An increased fluctuation in fraud cases has more institutions combating fraud-related activities. Compliance managers and anti-money laundering investigators, under the anti-money laundering functions, are attempting to identify patterns indicative of fraud. The investigating system-generated alerts are triggering according to specific criminal behavior. Along with the red flag indicators mentioned in the results of this study, compliance managers should adopt best practices to identify fraud to reduce the risks of money laundering and terrorist financing activities.

A best practice to mitigate the risk of fraud is to perform a comprehensive identity verification check. This process reduces the risk of incompliant regulations and the placement and layering of dirty money. Another best practice is conducting scenario-based tailored training. Compliance managers should conduct training sessions with audit and fraud employees about the new trends and patterns and financial fraud offense typology will help them identify fraud-related activities during their investigations. Last, a third best practice is performing internal, independent testing of anti-money laundering compliance. The testing should focus on a specific scope and frequency pointing to fraudulent transactions.

Fraudsters are deploying innovative means to launder money and fund terrorism. Money launderers and terrorists are capable of discovering weak elements in anti-money laundering and know your customer processes of banks and financial services institutions. Weak compliance frameworks help them to conceal illicit source of funds. To safeguard the financial systems, compliance managers should ensure counter and preventative measures by making their compliance framework more robust and secure.

CYBERCRIME

The rise of cybercrime threats has compliance managers reevaluating their compliance framework and risk assessments. As money launders and terrorist discover new means of cybercrime-related activities, compliance managers need to deploy applicable anti-money laundering and counter terrorist financing measures. In the context of cybercrime, the financial intelligence units of banks and financial services institutions must emphasize their efforts to identify their customers. Additionally, it is crucial for firms to routinely monitor their customers' account activity and financial behavior enhancing the following anti-money laundering and counter terrorist financing processes:

- Customer due diligence: Criminals exploit the ambiguity aspect of online transactions. Thus, compliance managers should reinforce certain levels of customer due diligence by verifying and authenticating customer identities and the nature of businesses for online-conducted transactions (Clarke, 2021).
- Transaction monitoring: The key element of cybercrime is quick funds transfers to several accounts located in different parts of the world. With this possibility of money movement, compliance managers should use cybercrime-specific red flag indicators to monitor their customers' transactions for traces of money laundering and terrorist financing activities.
- Sanctions screening: Compliance managers must screen new and established customer accounts against current international sanctions lists provided by the Office of Foreign Assets and Control (OFAC). The Office of Foreign Assets and Control is a regulatory body who is responsible for overseeing and imposing the economic sanctions programs and regulations of the United States.
- PEP screening: Similar to sanctions screening, compliance managers must screen any customer to determine their politically exposed persons (PEP) status. Politically exposed persons are classified as high-risk and tend to be involved in cybercrime-related money laundering and terrorist financing activities. Compliance managers must modify their compliance counter measures for politically exposed persons.

As people become more reliant on modern technology, banks and financial services institutions become vulnerable to perpetrators looking for any online opportunity to illegally generate income and money launder the proceeds. Compliance managers are gatekeepers who try to safeguard and secure online financial transactions. They perform a critical role in achieving cybersecurity objectives by ensuring high-level customer due diligence efforts, monitoring online transactions, working with law enforcement agencies to conduct high-impact anti-money laundering investigations, and ensuring best practices and anti-money laundering tools.

HUMAN TRAFFICKING AND HUMAN SMUGGLING

Banks and financial services institutions are capable of preventing human trafficking and human smuggling by identifying financial transactions conducted by traffickers to launder their illicit monetary proceeds through financial systems. In the fight against this financial fraud offense typology, these institutions must enhance their anti-money laundering programs by reassessing their compliance strategies. The current anti-money laundering best practices help compliance managers to detect and avert human traffickers striving to launder money. The current anti-money laundering best practices include:

- Contextual information: Human trafficking activities are difficult to identify because criminals conduct different types of financial fraud offenses at the same time (Clarke, 2021). The red flags of human trafficking interconnect with many other aspects of money laundering and legal financial activities. With this particular financial fraud offense typology, compliance managers should consider other financial fraud offense red flag indicators along with available contextual information to accurately identify the financial fraud offense typology(s).
- Information sharing: If a bank or financial services institution receives an alert or information indicative of possible human trafficking activity, compliance managers should share the information amongst their compliance department. Information sharing will allow compliance managers to build a holistic case and gather any unknown information to possibly uncover suspicious trafficking operations. Several legislative frameworks allow banks and financial services institutions to share information with law enforcement, regulators, and amongst themselves.
- Suspicious activity reports: The Financial Crimes Enforcement Network requires banks and financial services institutions to file a suspicious activity report (SAR) on questionable account activity. A suspicious activity report allows law enforcement agencies to conduct further investigations. At the time a firm files a suspicious activity report for human trafficking, compliance managers should highlight keywords to help law enforcement authorities in their investigation of locating traffickers.

Human traffickers and smugglers transform monetary proceeds into legal funds. The diversity in the financial streams from human trafficking and human smuggling are a challenge for banks and financial services institutions. It is a challenge for compliance managers to detect money laundering transactions from human trafficking and human smuggling. Although best practices and red flags specific to this financial fraud offense typology help institutions during their anti-money laundering investigations to detect any human trafficking or human smuggling activity.

ILLICIT ARMS TRAFFICKING

The multidimensional aspect of arms trafficking is the real issue. The complexity lies in the manufacture and trade of firearms. Firearms are manufactured and traded both lawfully and unlawfully. Consequently, it becomes complicated and challenging for compliance managers to identify illicit arms trafficking activities. Though, compliance managers can implement preventive measures to address the international nature of this financial fraud offense typology. The following best practices aim to detect, prevent, combat and eliminate illicit arms trafficking:

- Documentation: Compliance managers must request information from customers regarding any international firearms transactions. It is necessary to keep a record of all the documents and licenses related to the international transactions to determine the legalization of the transaction(s).
- Information sharing: In the event a compliance manager discovers traces of illicit arms trafficking, they should share the information or anti-money laundering investigation findings with appropriate law enforcement agencies. Knowledge sharing can help law enforcement catch organized terrorist groups involved in illicit arms trafficking.

Changes in criminal behavior lead to changes in compliance frameworks which require change to reporting regulations. The reassessment of counter measures is a strategy to enhance compliance controls. To counter measure illicit arms trafficking, it is necessary for banks and financial services institutions to improve data collection efforts and support law enforcement by systematically sharing information. Compliance strategies including the best practices may help U.S. banking and financial service company compliance managers identify illicit arms trafficking to reduce the risks of money laundering and terrorist financing activities.

ILLICIT DRUG TRAFFICKING

Illicit drug trafficking is one of the most dominant financial fraud offense themes worldwide. It produces more revenue compared to any other form of trafficking. Illicit drug trafficking is has become an international menace especially post the Covid-19 pandemic. It jeopardizes the solidity of several high-risk jurisdictions in which criminals conduct their operations to compromise the financial integrity. Financial institutions should be mindful of changes in customers' transaction patterns involving foreign-based transactions. Drug traffickers are using traditional money laundering methods. Theses traditional approaches include shell companies, couriers, and currency exchangers. The traditional methods combined with other financial fraud offenses create complicated and intricate money laundering schemes.

To counter measure drug trafficking activities, compliance managers should implement anti-money laundering and counter terrorist financing best practices. A best practice that financial institutions can deploy is monitoring sudden changes in customers' transaction patterns specifically high-risk jurisdiction transactions. Regulators scrutinize banks and financial institutions regarding their enhanced due diligence processes for high-risk customers. Another best practice is to reevaluate the enhanced due diligence processes to ensure they reflect the current risk profile of this financial fraud offense typology. A high-risk customer would include a business with a complex ownership structures indicative of shell companies executing possible drug trafficking activities. Drug traffickers maintain growing money laundering operations by infiltrating financial systems. Banks and financial services institutions should continue to monitor financial transactions perhaps revelatory of drug trafficking-related activities.

REAL ESTATE MONEY LAUNDERING

The presence of a single risk factor, or even multiple factors, does not necessarily mean the purchaser or seller is engaging in money laundering activities. The role of compliance managers is to be knowledgeable about the risk factors, and exercise sound judgment based on their expertise of the real estate market. The best practices to combat real estate money laundering include:
- Know your customer/customer due diligence: The most crucial elements in helping compliance managers identify and reduce the risks of money laundering are know your customer and customer due diligence. Having a holistic understanding of a customer's profile and true intentions behind the purchase or sale of a property, will help compliance managers detect and reduce the risks of money laundering activities.
- Reporting suspicious activity: When anti-money laundering investigators come across suspicious activity, compliance managers are obligated to report the information to law

enforcement (Clarke, 2021). Based on the red flag indicators, compliance managers are obligated to file a suspicious activity report. Certain red flags are indicative of reasonable suspicious real estate transactions that may be a means for real estate money laundering activity.

- Form 8300: Trading companies or businesses, which includes the real estate sector, must file a Form 8300 in the event the company receives more than $10,000 in cash during a single transaction or two or more related transactions. This form collects information from trading companies or businesses to report specific information about a trade or real estate transaction.

Real estate money launders continue to use real estate in money laundering schemes which has become a huge area of concern. These best practices and compliance strategies will help compliance managers effectively detect and address real estate money laundering activities and partner with law enforcement agencies.

TRADE-BASED MONEY LAUNDERING

Money launders have taken advantages of the Covid-19 pandemic to profit from trade-based money laundering activities. To combat their efforts, firms are intensifying their anti-money laundering controls in trade finance and correspondent banking. The complexity of this financial fraud offense typology makes it challenging for financial institutions to augment their anti-money laundering programs. The challenge lies in detecting trade-based money laundering since the activities are spread across different jurisdictions and organizations (Chukwu, A. & Kasztelnik, K. 2021). A best practice that may help compliance managers identify trade-based money laundering and reduce the risks of money laundering and terrorist financing activities include:

- Creating awareness: Trade-based money laundering is a specific financial fraud offense typology. To mitigate this risk, it is important to build expertise by tailoring anti-money laundering programs according to the financial fraud offense typology to ensure effective implementation of compliance policies and procedures.
- Red flags: A best practice in anti-money laundering and counter terrorist financing efforts is developing a list of red flags specific to the financial fraud offense typology. Trade-specific red flag indicators will help financial institutions easily detect new and emerging trends and patterns and collect information related to trade-based money laundering.
- Data protection: Technology is a valuable tool with great exposure to the risk of disclosing sensitive trade information. A best practice to combat trade-based money laundering is utilizing data capture instruments. Data capture systems set measures in place to systematize the structure of electronic information exchange between institutions and law enforcement agencies that is subject to applicable data protection safeguards.

Compliance managers can refer to the best practices highlighted above to identify trade-based money laundering activities. The red flags help compliance managers understand consumer behavior and recognize transactional patterns that indicate this financial fraud offense themes. As a result, banks and financial services institutions can detect criminal financial activities (Kasztelnik. & Delany, N. 2020).

A never-ending battle is the fight against money laundering and terrorist financing. All financial institutions, from large banks to small credit unions, need to be on the constant lookout for money launderers and terrorist. By implementing best practices mentioned above, compliance managers can detect, monitor, prevent, and suppress the eight financial fraud offense themes. Compliance managers of U.S. banks and financial services institutions need to highlight red flag indicators that will help them identify financial fraud offense themes. Overall, to efficiently combat progressively, innovative money launders and terrorists, compliance managers need to implement real-time due diligence technology, train and inform compliance personnel about the current trends and patterns, and partner with law enforcement agencies to share information in a timely manner. A robust compliance framework prevent and reduce the risks of money laundering and terrorist financing activities in the United States and globally.

LIMITATIONS OF THE STUDY

To overcome this limitation, I provided a detailed analysis of the participant selection, recruitment of participants, data collection, and the methods used to verify the information and ensure accuracy of the data collected. Also, I used data triangulation to support the results of this research study. The research could be replicated in other contexts, situations, times, and populations. In this qualitative research study, a sample of 15 research participants conducted semi structured interviews to reach the data saturation level. Therefore, a third limitation is researcher bias. To overcome this limitation, I used an interview guide during the data collection process and transcribed the data verbatim during the data analysis process (Yin, 2018). Additionally, I used member checking to mitigate any researcher bias. Last, compliance managers and anti-money laundering investigators are limited to express their opinions and experiences openly due to the nature of their workplace. Thus, to overcome this limitation, I received the consent of each participant prior to scheduling and conducting any interview to ensure that each research participant is willingly participating in this research study.

RECOMMENDATIONS

Additionally, this study focused on U.S. banks and financial institutions which was limited to a specific region. Money launders and terrorist infiltrate banks and financial institutions across the globe. Each region may identify financial fraud offense themes specific to the money laundering and terrorist financing activities occurring in that particular geographic footprint. Researchers can use the research design selected to complete this study to replicate and or conduct future studies. Another future research recommendation would be to conduct a similar study in other jurisdictions in the world or a group of countries based on a specific risk factor in a different part of the globe. For example, the compliance and legal framework is different in Cuba because the country faces economic, commercial, and financial sanctions. Thus, Cuba is classified as a riskier country than the United States. The findings may identify different financial fraud offense themes based on the types of money laundering and terrorist financing activities occurring throughout the banks and financial institutions in those countries.

Those study outcomes could further extend the works of Al-Suwaidi and Nobanee (2020) and Cash (2020) to better understand the evolving criminal behavior and activities and gain a deeper understanding of the current financial fraud offense themes. Based on the views of the interviewed compliance managers and anti-money laundering investigators, identifying financial fraud offense themes is crucial risk management strategy in the efforts to reduce the risks of money laundering and terrorist financing activities and requires further research that should be conducted.

Finally, a qualitative descriptive case design was used to gain insight from the research participants related to how identifying financial fraud offense themes help compliance managers to reduce the risks of money laundering and terrorist financing activities. A future research recommendation would be to conduct a phenomenological study to explore current indicators and red flags which help anti-money laundering investigators identify the financial fraud offense themes during anti-money laundering investigations. Criminal behavior is constantly evolving according to the changes in environments and situations. It may be of interest to gain a deeper insight into the differences in identification processes of indicators and red flags as new environmental circumstances impact anti-money laundering investigations. The findings may detect gaps in the compliance frameworks.

IMPLICATIONS

The findings of this study have significance for compliance leaders at large U.S. banking and financial services organizations. Large U.S. banking and financial services institution compliance leaders could augment their compliance programs to build a new set of indicators or red flags to look out for when conducting their compliance obligations. As the capabilities of criminals and money laundering and terrorist financing activities evolve, compliance officers may look to update their list of themes and learn about new

evolving themes by focusing on risk factors relevant to their products or services. Rocha-Salazar et al. (2021) indicated that anti-money laundering and counter terrorist financing themes are risk indicators and useful control to trigger enhanced due diligence and further monitoring. Thus, compliance managers may use the findings of this study to conduct enhanced due diligence training sessions with their anti-money laundering investigators to increase monitoring measures at their respective banks or financial services institutions. Effective mitigation approaches could diminish the societal risks related to financial crime. There is a lack of research on modern compliance strategies (Al-Suwaidi & Nobanee, 2020). In recent times, it is perilously important for banking and financial services institutions to fully comprehend the financial crime threats and take the opportunity to undergo a latest, comprehensive health-check (Crisanto & Preno, 2020). The findings of this study may encourage compliance managers to conduct periodic, comprehensive compliance health-checks to reduce money laundering and terrorist financing risks. Banks and financial services institutions are encountering several critical anti-money laundering compliance challenges that impute flawed mitigation approaches (Cash, 2020). Organizations that neglect to preclude money laundering and terrorist financing activities tend to face decreasing profits, consumer discontent, huge monetary fines, loss of reputation, and decline in stock prices (Balani, 2019). The findings of this study may continue to emphasize anti-money laundering and counter terrorist financing activities for banking and financial services organizations, although practices can change to be more pragmatic to current situations.

IMPLICATIONS FOR PRACTICE

The results of the study may indicate the benefits of modifying money laundering and terrorist financing risk mitigation approaches and develop new mitigating controls. By this means, the results of the study may transform and implement sound risk-based anti-money laundering and counter terrorist financing compliance programs and standards to minimize and regulate U.S. banking and financial services institutions' money laundering and terrorist financing exposure through practical approaches that deter money launderers and terrorists from endeavoring to infiltrate their corporations. In addition, the findings of the study may encourage compliance managers to perform periodic updates on know your customer profiles to gather current information on their high-risk customers (Pai, 2021). By updating their know your customer profiles, compliance managers may evaluate and revise their current know your customer model. The results of the study may suggest enhancements in increasing transparency and closing gaps in the anti-money laundering and counter terrorist financing compliance framework (Zagaris, 2020). Corporate benefits such as improving operational efficiency and effectiveness of anti-money laundering and counter terrorist financing regulations may lower compliance costs and increase revenue for financial institutions can ensue from the study (Cash, 2020). Additionally, the study findings may increase insight for compliance managers to implement strategic changes that will stimulate long-term sustainable growth and economic value. New processes of technological advancements could sustain digital due diligence solutions to meet present and future operational risk management needs (Ekberg, 2020; Han et al., 2020). Compliance managers may understand new risks and modify operational measures to mitigate financial crime risks.

IMPLICATIONS FOR THEORY

The results of this study may identify effective compliance practices that address a knowledge gap towards managing financial crime risks and contribute fundamental qualitative data to the study's conceptual framework. Notwithstanding the growing literature on the significance of money laundering and terrorist financing (Tiwari et al., 2020), there has been a failure to identify financial fraud offense themes that improve and develop effective compliance regulations and requirements thus reducing financial crime risks and risky criminal behavior (Sisira Dharmasri Jayasekara, 2021). Although economic theory of criminal behavior discusses the relationship between financial crimes and benefit-cost analysis, a descriptive case study approach meets the purpose of the study and offers distinct contributions to the theory. The descriptive case study approach provides findings from a consensual process that uses semi

structured interviews to collect subject matter expert opinions to enlighten theoretical change and extend the results of prior studies. Applying economic theory of criminal behavior to U.S. banking and financial services institutions may provide a theoretical understanding of the problem relevant to the recent increase in financial crime risks and a lack of adequate compliance strategies and regulations (Gowhor, 2021). This may be a significant addition to the seminal works of Gary Becker (1968) neoclassical approach in playing a role in the motivation behind financial crimes.

IMPLICATIONS FOR SOCIAL CHANGE

Banking and financial services institutions play a substantial role in the community. Based on the findings of this study, these organizations can work towards effective money laundering and terrorist financing prevention plans by changing and developing new compliance policies and procedures. Moreover, banks and financial services institutions can increase general knowledge and spread public awareness about financial fraud offense themes by educating their customers about financial crimes and steps to combat money laundering and terrorist financing activities (Azman Aziz & Md Daud, 2021). It is essential for compliance leaders to implement public education initiatives and help their customers recognize their role in combating money laundering and terrorist financing activities. Additionally, banks and financial services institutions may clarify and strengthen customer due diligence requirements by implementing enhanced due diligence measures to protect their organizations and reduce financial crime risks. The implications for positive social change may include the possibilities to develop new compliance strategies and strengthen existing regulatory mechanisms to help compliance managers, reduce the risk of bank failures, increase employment opportunities, and promote public awareness by educating consumer about financial crimes.

CONCLUSION

The Covid-19 pandemic presented new opportunities for criminals to conduct money laundering and terrorist financing activities. To gain a deeper understanding of the phenomenon under study, I attempted to present a holistic overview of the unprecedented impact of the Covid-19 pandemic on criminal behavior and the rise of Covid-19 related financial crimes. The purpose of this qualitative descriptive case study was to identify financial fraud offense themes that U.S. banking and financial services company compliance managers use to reduce the risks of money laundering and terrorist financing activities. To understand rationale behind financial crimes and evolving criminal behavior, the economic theory of criminal behavior, developed by Gary Becker in 1968, provided a conceptual framework which grounded this study. The target population consisted of 15 research participants. The data were collected using semi structured interviews, semi structured observations, and document reviews from business and finance academic journals. The data were analyzed using a coding approach, thematic analysis, and content analysis. The quintessence of this study was influenced by the participants' lived experiences and expertise. The findings of the study uncovered financial fraud offense themes related to financial crimes that are increasing the risks of money laundering and terrorist financing activities.

The results of the study emphasized eight emerging main themes: (a) structuring, (b) fraud, (c) cybercrime, (d) human trafficking and smuggling, (e) illicit arms trafficking, (f) illicit drug trafficking, (g) real estate money laundering, and (h) trade-based money laundering, and four subthemes: (a) red flags, (b) key indicators, (c) typology-specific common signs, and (d) 95% or above. Compliance managers have an underlying responsibility to identify financial fraud offense themes to reduce the risks of money laundering and terrorist financing activities. The study has revealed to be useful to compliance managers, anti-money laundering investigators, and banking and financial services institutions. As a result, the study will have a positive social impact on society. Throughout the study, I have used the optimal method and employed best practices in conducting a systematic process to accomplish the goal of the research study. I further explained the transferability of this study in other contexts and economic environments for the betterment of financial

systems. Last, the objective of this study was predominantly achieved and I suggest further research on this concept for the betterment of banking and financial institutions and safety of the general public.

REFERENCES

Albanese, J.S. (2021). Organized crime as financial crime: The nature of organized crime as reflected in prosecutions and research. *Victims and Offenders*, *16*(3), 431–443. https://doi.org/10.1080/15564886.2020.1823543

Ali, S. (2021). Criminal minds: Profiling architects of financial crimes. *Journal of Financial Crime*, *28*(2), 324–344. https://doi.org/10.1108/JFC-11-2020-0221

Al-Suwaidi, N.A., & Nobanee, H. (2020). Anti-money laundering and anti-terrorism financing: A survey of the existing literature and a future research agenda. *Journal of Money Laundering Control*, *24*(2), 396–426. https://doi.org/10.1108/JMLC-03-2020-0029

Amjad, R.M., Rafay, A., Arshed, N., Munir, M., & Amjad, M.M. (2021). Non-linear impact of globalization on financial crimes: A case of developing economies. *Journal of Money Laundering Control*, *25*(2), 358–375. https://doi.org/10.1108/JMLC-03-2021-0023

Arends, I., Bültmann, U., Shaw, W., Van Rhenen, W., Roelen, C., Nielsen, K., & Van Der Klink, J.J.L. (2014). How to engage occupational physicians in recruitment of research participants: A mixed-methods study of challenges and opportunities. *Journal of Occupational Rehabilitation*, *24*(1), 68–78. https://doi.org/10.1007/s10926-013-9452-y

Arnold, B.B., & Bonython, W. (2016). *Villains, victims and bystanders in financial crime*. Springer.

Azinge, N.V. (2019). A regulatory misfit? A closer look at the counter-terrorist financing strategies in African states. *Journal of Banking Regulation*, *20*, 245–259. https://doi.org/10.1057/s41261-018-0087-y

Azman Aziz, Z.Z., & Md Daud, S.A.M. (2021). Customer's awareness, trust, discomfort and acceptance of anti-money laundering practices in Malaysian Banks. *Journal of Money Laundering Control*, *25*(4), 864–881. https://doi.org/10.1108/JMLC-08-2021-0087

Bahoo, S. (2020). Corruption in banks: A bibliometric review and agenda. *Finance Research Letter*, *35*, Article 101499. https://doi.org/10.1016/j.frl.2020.101499

Balani, H. (2019). Assessing the introduction of anti-money laundering regulations on bank stock valuation: An empirical analysis. *Journal of Money Laundering Control*, *22*(1), 76–88. https://doi.org/10.1108/JMLC-03-2018-0021

Basit, A. (2020). COVID-19: A challenge or opportunity for terrorist groups? *Journal of Policing, Intelligence, and Counter Terrorism*, *15*(3), 263–275. https://doi.org/10.1080/18335330.2020.1828603

Beaunoyer, E., Dupéré, S., & Guitton, M.J. (2020). Covid-19 and digital inequalities: Reciprocal impacts and mitigation strategies. *Computers in Human Behavior*, *111*, Article 106424. https://doi.org/10.1016/j.chb.2020.106424

Becker, G.S. (1968). Crime and punishment: An economic approach. *Journal of Political Economy*, *76*(2), 169–217. https://doi.org/10.1086/259394

Bell, R.E. (2002). Abolishing the concept of "financial fraud offence." *Journal of Money Laundering Control*, *6*(2), 137–140. https://doi.org/10.1108/13685200310809482

Bhogal, T., & Trivedi, A. (2019). *Money laundering and sanctions*. Springer. https://doi.org/10.1007/978-3-030-24540-5_25

Bieler, S.A. (2022). Peeking into the house of cards: Money laundering, luxury real estate, and the necessity of data verification for the corporate transparency act's beneficial ownership registry. *Fordham Journal of Corporate & Financial Law*, *27*(1), Article 4.

Boister, N. (2012). International tribunals for transnational crimes: Towards a transnational criminal court? *Criminal Law Forum*, *23*, 295–318. https://doi.org/10.1007/s10609-012-9182-4

Brabenec, T., & Montag, J. (2018). Criminals and the price system: Evidence from Czech metal thieves. *Journal of Quantitative Criminology*, *34*(2), 397–430. https://doi.org/10.1007/s10940-017-9339-8

Brandariz, J.A., & González-Sánchez, I. (2018). Economic crises, common crime, and penalty. *Oxford Research Encyclopedia of Criminology*. https://doi.org/10.1093/acrefore/9780190264079.013.351

Burkholder, G.J., Cox, K.A., & Crawford, L.M. (2016). *The scholar-practitioners guide to research design*. Laureate.

Campedelli, G.M., Aziani, A., & Favarin, S. (2020). Exploring the immediate effects of Covid-19 containment policies on crime: An empirical analysis of the short-term aftermath in Los Angeles. *American Journal of Criminal Justice*, *46*(5), 704–727. https://doi.org/10.1007/s12103-020-09578-6

Carayannis, E.G., Christodoulou, K., Christodoulou, P., Chatzichrisofis, S.A., & Zinonos, Z. (2021). Known unknowns in an era of technological and viral disruptions-implications for theory, policy, and practice. *Journal of the Knowledge Economy*, *13*, 587–610. https://doi.org/10.1007/s13132-020-00719-0

Cash, D. (2020). Sigma ratings: Adapting the credit rating agency model for the anti-money laundering world. *Journal of Money Laundering Control*, *23*(1), 1–10. https://doi.org/10.1108/JMLC-06-2019-0046

Chen, T.-H. (2020). Do you know your customer? Bank risk assessment based on machine learning. *Applied Soft Computing Journal*, *86*, 586–610. https://doi.org/10.1016/j.asoc.2019.105779

Chukwu, A. & Kasztelnik, K. (2021). Innovative Strategies for Social-Economic Development Financial Strategies in the Development Country. *Socioeconomic Challenges Journal*, *5*(1), 44–65. https://doi.org/10.21272/sec.5(1).44-65.2021

Clarke, A.E. (2021). Is there a commendable regime for combatting money laundering in international business transactions. *Journal of Money Laundering Control*, *24*(1), 163–176. https://doi.org/10.1108/JMLC-05-2020-0057

Converse, M. (2012). Philosophy of phenomenology: How understanding aids research. *International Journal of Research Methodology in Nursing and Health Care*, *20*, 28–32. Retrieved from http://ovidsp.ovid.com/ovidweb.cgi?T=JS&PAGE=fulltext&D=ovft&CSC=Y&NEWS=N&SEARCH=00021768-201209000-00005.an

Creswell, J.W. (2013). *Qualitative inquiry and research design: Choosing among five approaches* (3rd Ed.). Sage Publications.

Crisanto, J., & Preno, J. (2020). *Financial crime in times of Covid-19 - AML and cyber resilience measures*. BIS. Retrieved from https://www.bis.org/fsi/fsibriefs7.htm

Cui, K. (2015). The insider–outsider role of a Chinese researcher doing fieldwork in China: The implications of cultural context. *Qualitative Social Work*, *14*(3), 356–369. https://doi.org/10.1177/1473325014545412

Ehrlich, I. (1973). Participation in illegitimate activities: A theoretical and empirical investigation. *Journal of Political Economy*, *81*(3), 521–565. https://doi.org/10.1086/260058

Ehrlich, I. (1974). Participation in illegitimate activities: An economic analysis. *Essays in the Economics of Crime and Punishment*, pp. 68–134. Columbia University Press.

Eide, E. (1994). *Economics of crime: Deterrence and the rational offender*. Elsevier.

Ekberg, M.L. (2020). Financial crime risk management and the Covid-19 Pandemic: Issues for closer international cooperation and coordination. *Institute of International Finance*. Retrieved from https://www.iif.com/Portals/0/Files/content/32370132_iif_covid_amlcft_staff_paper_april_2020_final.pdf

Federal Financial Institutions Examination Council. (2021). *Assessing compliance with BSA regulatory requirements*. Retrieved from https://bsaaml.ffiec.gov/manual/AssessingComplianceWithBSARegulatoryRequirements/02

Financial Action Task Force. (2016). *Anti-money laundering and counter-terrorist financing measures*. Retrieved from https://www.fatf-gafi.org/media/fatf/documents/reports/mer4/mer-united-states-2016.pdf

Financial Action Task Force. (2017). *Anti-money laundering and terrorist financing measures and financial inclusion*. Retrieved from https://www.fatf-gafi.org/media/fatf/Updated-2017-FATF-2013-Guidance.pdf

Financial Action Task Force. (2018). *Financial flows from human trafficking.* Retrieved from https://www.fatf-gafi.org/media/fatf/content/images/Human-Trafficking-2018.pdf

Financial Action Task Force. (2020a). *Covid-19 related money laundering and terrorist financing.* Retrieved from https://www.fatf-gafi.org/media/fatf/documents/COVID-19-AML-CFT.pdf

Financial Action Task Force. (2020b). *Trade-based money laundering: Trends and developments*. Retrieved from https://www.fatf-gafi.org/media/fatf/content/Trade-Based-Money-Laundering-Trends-and-Developments.pdf

Financial Action Task Force. (2020c). *Update: Covid-19 related money laundering and terrorist financing.* Retrieved from https://www.fatf-gafi.org/media/fatf/documents/Update-COVID-19-Related-Money-Laundering-and-Terrorist-Financing-Risks.pdf

Financial Action Task Force. (2020d). *Virtual assets red flag indicators of money laundering and terrorist financing.* Retrieved from https://www.fatf-gafi.org/publications/methodsandtrends/documents/virtual-assets-red-flag-indicators.html

Financial Crimes Enforcement Network. (2020). *Supplemental advisory on identifying and reporting human trafficking and related activity.* Retrieved from https://www.fincen.gov/sites/default/files/advisory/2020-10-15/Advisory%20Human%20Trafficking%20508%20FINAL_0.pdf

Financial Crimes Enforcement Network. (2021). *Anti-money laundering and countering the financing of terrorism national priorities*. Retrieved from https://www.fincen.gov/sites/default/files/shared/AML_CFT%20Priorities%20(June%2030%2C%202021).pdf

Fletcher, E., Larkin, C., & Corbet, S. (2021). Countering money laundering and terrorist financing: A case for bitcoin regulations. *Research in International Business and Finance*, *56*. https://doi.org/10.1016/j.ribaf.2021.101387

Frankfort-Nachmias, C., Nachmias, D., & DeWaard, J. (2015). *Research methods in the social sciences* (8th Ed.). Worth.

Friedrich-Baasner, G., Fischer, M., & Winkelmann, A. (2018). Cloud computing in SMEs: A qualitative approach to identify and evaluate influential factors. *International Conference on System Sciences*, pp. 4681–4690. https://doi.org/10.24251/HICSS.2018.590

Fusch, P.I., & Ness, L.R. (2015). Are we there yet? Data saturation in qualitative research. *Qualitative Report*, *20*(9), 1408–1416. https://doi.org/10.46743/2160-3715/2015.2281

Galeazzi, M.-A., Mendelson, B., & Levitin, M. (2021). The anti-money laundering act of 2020. *Journal of Investment Compliance*, *22*(3), 253–259. https://doi.org/10.1108/JOIC-05-2021-0023

Garg, R. (2016). Methodology for research I. *Indian Journal of Anaesthesia*, *60*(9), 640–645. https://doi.org/10.4103/0019-5049.190619

Gilmour, N. (2021). Crime scripting the criminal activities of money laundering – holistically. *Journal of Money Laundering Control*. https://doi.org/10.1108/JMLC-09-2020-0109

Golafshani, N. (2003). Understanding reliability and validity in qualitative research. *The Qualitative Report*, *8*(4), 597–606. https://doi.org/10.46743/2160-3715/2003.1870

Goldbarsht, D., & de Koker, L. (2022). *Financial technology and the law.* Springer. https://doi.org/10.1007/978-3-030-88036-1

Gottschalk, P. (2010). Categories of financial crime. *Journal of Financial Crime*, *17*(4), 441–458. https://doi.org/10.1108/13590791011082797

Gowhor, H.S. (2021). The existing financial intelligence tools and their limitations in early detection of terrorist financing activities. *Journal of Money Laundering Control*, *25*(4), 843–863. https://doi.org/10.1108/JMLC-07-2021-0075

Gray, L.M., Wong-Wylie, G., Rempel, G.R., & Cook, K. (2020). Expanding qualitative research interviewing strategies: Zoom video communications. *The Qualitative Report*, *25*(5), 1292–1301. https://doi.org/10.46743/2160-3715/2020.4212

Greszler, R. (2021). Excessive pandemic unemployment benefits are a warning against unemployment program expansion. *The Backgrounder*. Retrieved from https://www.heritage.org/jobs-and-labor/report/excessive-pandemic-unemployment-benefits-are-warning-against-unemployment

Gyamfi, N.K., & Abdulai, J.-D. (2018). Bank fraud detection using support vector machine. *2018 IEEE 9th Annual Information Technology, Electronics and Mobile Communication Conference (IEMCON)*, pp. 37–41. https://doi.org/10.1109/IEMCON.2018.8614994

Halkias, D., & Neubert, M. (2020). Extension of theory in leadership and management studies using the multiple-case study design. *International Leadership Journal*, *12*(2), 48–73. https://doi.org/10.2139/ssrn.3586256

Halloran, T. (2020). The role of intent in the rise of individual accountability in AML-BSA enforcement actions. *Fordham Journal of Corporate & Financial Law*, *25*(1), 239–246. Retrieved from https://ir.lawnet.fordham.edu/jcfl/vol25/iss1/5

Han, J., Huang, Y., Liu, S., & Towey, K. (2020). Artificial intelligence for anti-money laundering: A review and extension. *Digit Finance*, *2*, 211–239. https://doi.org/10.1007/s42521-020-00023-1

Haq, M.Z., Farzana, K.F., & Md, M. (2021). Could banning virtual assets be a breach of the doctrine of legitimate expectation? *Journal of Money Laundering Control*, *25*(4), 719–729. https://doi.org/10.1108/JMLC-07-2021-0077

Hasham, S., Joshi, S., & Mikkelsen, D. (2019). Financial crime and fraud in the age of cybersecurity. *McKinsey Insights*. Retrieved from https://search.ebscohost.com/login.aspx?direct=true&AuthType=shib&db=bth&AN=138935627&site=eds-live&scope=site.

Hashim, H.A., Salleh, Z., Shuhaimi, I., & Ismail, N.A.N. (2020). The risk of financial fraud: A management perspective. *Journal of Financial Crime*, *27*(4), 1143–1159. https://doi.org/10.1108/JFC-04-2020-0062

Helmy, T.H., Zaki, M., Salah, T., & Badran, K. (2016). Design of a monitor for detecting money laundering and terrorist financing. *Journal of Theoretical and Applied Information Technology*, *85*(3), 425–436. Retrieved from http://www.jatit.org/

Hirschhorn, F. (2019). Reflections on the application of the Delphi method: Lessons from a case in public transport research. *International Journal of Social Research Methodology*, *22*(3), 309–322. https://doi.org/10.1080/13645579.2018.1543841

Hodgkinson, T., & Andresen, M.A. (2020). Show me a man or a woman alone and I'll show you a saint: Changes in the frequency of criminal incidents during the Covid-19 pandemic. *Journal of Criminal Justice*, *69*. https://doi.org/10.1016/j.jcrimjus.2020.101706

Hubbard, D.W. (2020). *The Failure of Risk Management*. John Wiley & Sons.

Ibrahim, S.A. (2019). Regulating cryptocurrencies to combat terrorism-financing and money laundering. *Journal of the Centre for Strategic and Contemporary Research*, *2*(1), 1–17. Retrieved from https://journal.cscr.pk/stratagem/index.php/stratagem/article/view/38

Ilahi, A.H.A., & Widowaty, Y. (2021). The optimization of corruption deterrence during the Covid-19 pandemic. *Padjadjaran Journal of Law*, *8*(1), 71–86. https://doi.org/10.22304/pjih.v8n1.a4

Jamil, A.H., Mohd Sanusi, Z., Yaacob, N.M., Mat Isa, Y., & Tarjo, T. (2021). The Covid-19 impact on financial crime and regulatory compliance in Malaysia. *Journal of Financial Crime*, *29*(2), 491–505. https://doi.org/10.1108/JFC-05-2021-0107

Jamshed, S. (2014). Qualitative research method-interviewing and observation. *Journal of Basic and Clinical Pharmacy*, *5*(4), 87–88. https://doi.org/10.4103/0976-0105.141942

Janesick, V.J. (2015). Peer debriefing. *The Blackwell Encyclopedia of Sociology*. https://doi.org/10.1002/9781405165518.wbeosp014.pub2

Juntunen, J., & Teittinen, H. (2022). Accountability in anti-money laundering – findings from the banking sector in Finland. *Journal of Money Laundering Control*. https://doi.org/10.1108/JMLC-12-2021-0140

Kasztelnik, K., & Delany, N. (2020). Data Analytics and Social Media as the Innovative Business Decision Model with Natural Language Processing. *Journal of Business and Accounting*, *13*(1), 136–153. Retrieved from http://asbbs.org/files/2020/JBA_Vol_13.1_Fall_2020.pdf#page=136

Kawulich, B.B. (2004). Data analysis techniques in qualitative research. *Journal of Research in Education*, *14*(1), 96–113. Retrieved from https://www.researchgate.net/publication/258110388_Qualitative_Data_Analysis_Techniques

Keesoony, S. (2016). International anti-money laundering laws: The problems with enforcement. *Journal of Money Laundering Control*, *19*(2), 130–147. https://doi.org/10.1108/JMLC-06-2015-0025

Kemsley, D., Kemsley, S.A., & Morgan, F.T. (2021). Tax evasion and money laundering: A complete framework. *Journal of Financial Crime*, *29*(2), 589–602. https://doi.org/10.1108/JFC-09-2020-0175

Kerusauskaite, I. (2022). Editorial: Frameworks to address other issues could help us better tackle financial crime. *Journal of Financial Crime*, *29*(4), 1133–1136. https://doi.org/10.1108/JFC-10-2022-278

Kesler, B. (2021). *Seven expected changes in AML after Covid-19*. Retrieved from https://www.acamstoday.org/seven-expected-changes-in-aml-after-covid-19/

Khan, N.I., Jani, M.A.A., & Zulkifli, A.A. (2021). The effectiveness of anti-money laundering/counter financing of terrorism requirements in fund management companies. *International Journal of Service Management and Sustainability*, *6*(2), 53–76. https://doi.org/10.24191/ijsms.v6i2.15572

Klimczak, K.M., Sison, A.J.G., Prats, M., & Torres, M.B. (2021). How to deter financial misconduct if crime pays? *Journal of Business Ethics*, *179*, 205–222. https://doi.org/10.1007/s10551-021-04817-0

Kolachala, K., Simsek, E., Ababneh, M., & Vishwanathan, R. (2021). SoK: Money laundering in cryptocurrencies. *ARES 2021: The 16th International Conference on Availability, Reliability, and Security*, *5*, 1–10. https://doi.org/10.1145/3465481.3465774

Kolb, S.M. (2012). Grounded theory and the constant comparative method: Valid research strategies for educators. *Journal of Emerging Trends in Educational Research and Policy Studies*, *3*(11), 83–86. Retrieved from https://www.researchgate.net/publication/307632469_Grounded_theory_and_the_constant_comparative_method_Valid_research_strategies_for_educators

Korstjens, I., & Moser, A. (n.d.). Series: practical guidance to qualitative research. Part 4: Trustworthiness and publishing. *European Journal of General Practice*, *24*(1), 120–124. https://doi.org/10.1080/13814788.2017.1375092

Korystin, O.Y., Mihus, I.P., Svyrydiuk, N.P., Likhovitskyy, Y.O., & Mitina, O.M. (2020). Money laundering: Macroeconomic assessment methods and current trend in Ukraine. *Financial and Credit Activity: Problems of Theory and Practice*, *1*(32), 341–350. https://doi.org/10.18371/fcaptp.v1i32.200865

Kruth, J.G. (2015). Five qualitative research approaches and their applications in parapsychology. *Journal of Parapsychology*, *79*(2), 219–233. Retrieved from https://www.proquest.com/scholarly-journals/five-qualitative-research-approaches-their/docview/1776152718/se-2

Kurum, E. (2020). RegTech solutions and AML compliance: What future for financial crime? *Journal of Financial Crime*. https://doi.org/10.1108/JFC-04-2020-0051

Larrinaga, O.V. (2017). Is it desirable, necessary and possible to perform research using case studies? *Cuadernos De Gestión*, *17*(1), 147–171. https://doi.org/10.5295/cdg.140516ov

Laureate Education. (Producer). (2016). *Theoretical lens and frameworks for qualitative researchers* [Video file]. Baltimore, MD: Author.

Lawlor-Forsyth, E., & Gallant, M.M. (2018). Financial institutions and money laundering: A threatening relationship? *Journal of Banking Regulation*, *19*(2), 131–148. https://doi.org/10.1057/s41261-017-0041-4

Leedy, P.D., & Ormrod, J.E. (2015). *Practical research: Planning and design*. Pearson Education.

Levi, M., & Soudijn, M. (2020). Understanding the laundering of organized crime money. *Crime & Justice*, *49*(1), 579–631. https://doi.org/10.1086/708047

Li, Y. (2019). Design a management information system for financial risk control. *Cluster Computing*, *22*, 8783–8791. https://doi.org/10.1007/s10586-018-1969-6

Li, Y. (2021). Research on crime prevention based on the economics of crime. *Advances in Economics, Business and Management Research, volume 166 Proceedings of the 6th International Conference on Financial Innovation and Economic Development (ICFIED 2021)*, pp. 167–170. https://doi.org/10.2991/aebmr.k.210319.031

Li, Y., Wei, F., Ren, S., & Di, Y. (2015). Locus of control, psychological empowerment and intrinsic motivation relation to performance. *Journal of Managerial Psychology*, *30*(4), 422–438. https://doi.org/10.1108/JMP-10-2012-0318

Lincoln, Y.S., & Guba, E.G. (1985). *Naturalistic inquiry*. Sage Publications.

Lindgren, B.-M., Lundman, B., & Graneheim, U.H. (2020). Abstraction and interpretation during the qualitative content analysis process. *International Journal of Nursing Studies*, *108*. https://doi.org/10.1016/j.ijnurstu.2020.103632

Lochmiller, C.R. (2021). Conducting thematic analysis with qualitative data. *Qualitative Report*, *26*(6), 2029–2044. https://doi.org/10.46743/2160-3715/2021.5008

Lopez, J.A., & Spiegel, M.M. (2021). Small business lending under the PPP and PPPLF programs. *Federal Reserve Bank of San Francisco Working Paper*, pp. 2–22. https://doi.org/10.24148/wp2021-10

Mackenna, P. (2017). Financial institutions fraud. *American Criminal Law Review*, *54*(4), 1333. Retrieved from https://link.gale.com/apps/doc/A503310703/EAIM?u=minn4020&sid=ebsco&xid=bfd6aeef

Malagon-Maldonado, G. (2014). Qualitative research in health design. *Health Environment Research & Design Journal*, *7*(4), 120–134. https://doi.org/10.1177/193758671400700411

Manen, M.V. (2016). *Phenomenology of practice: Meaning-giving methods in phenomenological research and writing*. Routledge.

Marshall, C., & Rossman, G.B. (2015). *Designing qualitative research* (6th Ed.). Sage Publications.

Maxwell, J.A. (2013). *Qualitative research design: An interactive approach*. Sage.

McCarthy, B. (2002). New economics of sociological criminology. *Annual Review of Sociology*, *28*, 417–442. https://doi.org/10.1146/annurev.soc.28.110601.140752

Meinert, M.C. (2019). Countering corruption. American Bankers Association. *ABA Banking Journal*, *111*(3), 32–34. Retrieved from https://bankingjournal.aba.com/2019/04/countering-corruption/

Mekpor, E.S. (2019). Anti-money laundering and combating the financing of terrorism compliance: Are FATF member states just scratching the surface? *Journal of Money Laundering Control*, *22*(3), 451–471. https://doi.org/10.1108/JMLC-09-2018-0057

Merriam, S.B., & Tisdell, E.J. (2016). *Qualitative research: A guide to design and implementation*. John Wiley & Sons.

Miceli, T.J. (2017). The economic model of crime. *The Economic Approach to Law*, *3*, 244–260. https://doi.org/10.1515/9781503604575-051

Mugarura, N. (2014). Customer due diligence (CDD) mandate and the propensity of its application as a global AML paradigm. *Journal of Money Laundering Control*, *17*(1), 76–95. https://doi.org/10.1108/JMLC-07-2013-0024

Naheem, M.A. (2019). Local intelligence – the missing link in CTF regulation in the banking sector. *Journal of Money Laundering Control*, *22*(1), 132–144. https://doi.org/10.1108/JMLC-10-2015-0047

Namli, U. (2021). Behavioral changes amongst street level drug trafficking organizations and fluctuation in drug prices before and during the Covid-19 pandemic. *American Journal of Qualitative Research*, *5*(1), 1–22. https://doi.org/10.29333/ajqr/9691

Nizovtsev, Y.Y., Parfylo, O.A., Barabash, O.O., Kyrenko, S.G., & Smetanina, N.V. (2022). Mechanisms of money laundering obtained from cybercrime: The legal aspect. *Journal of Money Laundering Control*, *25*(2), 297–305. https://doi.org/10.1108/JMLC-02-2021-0015

Nobanee, H., & Ellili, N. (2018). Anti-money laundering disclosures and banks' performance. *Journal of Financial Crime*, *25*(1), 95–108. https://doi.org/10.1108/JFC-10-2016-0063

Nowell, L.S., Norris, J.M., White, D.E., & Moules, N.J. (2017). Thematic analysis: Striving to meet the trustworthiness criteria. *International Journal of Qualitative Methods*, *16*, 1–13. https://doi.org/10.1177/1609406917733847

O'Boyle, E., Pollack, J., & Rutherford, M. (2012). Exploring the relation between family involvement and firms' financial performance: A meta-analysis of main and moderator effects. *Journal of Business Venturing*, *27*(1), 1–18. https://doi.org/10.1016/j.jbusvent.2011.09.002

Olofinbiyi, S.A. (2022). Cyber insecurity in the wake of Covid-19: A reappraisal of impacts and global experience within the context of routine activity theory. *ScienceRise: Juridical Science*, *19*(1), 37–45. https://doi.org/10.15587/2523-4153.2022.253820

Onufer, M. (2022). The roles and responsibilities of US financial institutions in combatting human trafficking. In *Human Trafficking*. Routledge.

Pai, S. (2021). Anti-money laundering: Current state of play. *Governance Directions*, *73*(2), 56–60. https://search.informit.org/doi/10.3316/informit.692438496523680

Peticca-Harris, A., deGama, N., & Elias, S.R.S.T.A. (2016). A dynamic process model for finding informants and gaining access in qualitative research. *Organizational Research Methods*, *19*(3), 376–401. https://doi.org/10.1177/1094428116629218

Plaksiy, K., Nikiforov, A., & Miloslavskaya, N. (2018). Applying big data technologies to detect cases of money laundering and counter financing of terrorism. *2018 6th International Conference on Future Internet of Things and Cloud Workshops (FiCloudW), Future Internet of Things and Cloud Workshops (FiCloudW), 2018 6th International Conference on, FICLOUDW*, pp. 70–77. https://doi.org/10.1109/W-FiCloud.2018.00017

Pol, R.F. (2020). Anti-money laundering: The world's least effective policy experiment? Together, we can fix it. *Policy Design & Practice*, *3*(1), 73–94. https://doi.org/10.1080/25741292.2020.1725366

Posner, R.A. (1985). An economic theory of the criminal law. *Columbia Law Review*, *85*(6), 1193. Retrieved from https://advance.lexis.com/api/document?collection=analytical-materials&id=urn:contentItem:3S0M-9V10-00CW-72Y0-00000-00&context=1516831

Rajah, J. (2019). Law, politics, and populism in the U.S.A P.A.T.R.I.O.T. Act. *Indiana Journal of Global Legal Studies*, *26*(1), 61–85. https://doi.org/10.2979/indjglolegstu.26.1.0061

Rashid, M. A., Al-Mamun, A., Roudaki, H., & Yasser, Q.R. (2022). An overview of corporate fraud and its prevention approach. *Australasian Accounting Business & Finance Journal*, *16*(1), 101–118. https://doi.org/10.14453/aabfj.v16i1.7

Ravitch, S.M., & Carl, N.M. (2016). *Qualitative research: Bridging the conceptual, theoretical, and methodological.* Sage Publications.

Reurink, A. (2016). "White-collar crime": The concept and its potential for the analysis of financial crime. *Archives Europeennes De Sociologies*, *57*(3), 385–415. https://doi.org/10.1017/S0003975616000163

Rocha-Salazar, J.-J., Segovia-Vargas, M.-J., & Camacho-Miñano, M.-M. (2021). Money laundering and terrorism financing detection using neural networks and an abnormality indicator. *Expert Systems with Applications*, *169*. https://doi.org/10.1016/j.eswa.2020.114470

Rottenberg, S. (1973). *The economics of crime and punishment*. American Enterprise Institute.

Rubin, H., & Rubin, I. (2012). *Qualitative interviewing: The art of hearing data*. Sage Publications.

Rusanov, G., & Pudovochkin, Y. (2018). Money laundering and financial fraud offenses: Models of criminological and legal relationships. *Journal of Money Laundering Control*, *21*(1), 22–32. https://doi.org/10.1108/JMLC-12-2016-0048

Rusanov, G., & Pudovochkin, Y. (2021). Money laundering in the modern crime system. *Journal of Money Laundering Control*, *24*(4), 860–868. https://doi.org/10.1108/JMLC-08-2020-0085

Saddiq, S.A., & Abu Bakar, A.S. (2019). Impact of economic and financial crimes on economic growth in emerging and developing countries: A systematic review. *Journal of Financial Crime*, *26*(3), 910–920. https://doi.org/10.1108/JFC-10-2018-0112

Saldãna, J. (2016). *The coding manual for qualitative researchers* (3rd Ed.). Sage Publications.

Salmon, P. (2013). Assessing the quality of qualitative research. *Patient Education and Counseling*, *90*, 1–3. https://doi.org/10.1016/j.pec.2012.11.018

Schmidt, P., & Witte, A.D. (1984). *An economic analysis of crime and justice: Theory, methods and applications.* MIT Press.

Schott, P.A. (2006). *Reference guide to anti-money laundering and combating the financing of terrorism.* [electronic resource] (2nd Ed. and supplement on Special Recommendation IX.). The World Bank.

Schwellenbach, N., & Summers, R. (2021). Red flags: The first year of Covid-19 loan fraud cases. *Project on Government Oversight.* Retrieved from https://www.pogo.org/investigation/2021/04/red-flags-the-first-year-of-covid-19-loan-fraud-cases

Seers, K. (2011). Qualitative data analysis. *Evidence Based Nursing*, *15*(1), 1–2. https://doi.org/10.1136/ebnurs.2011.100352

Shah, S.M.A. (2021). A qualitative study exploring challenges in money laundering investigations. *Journal of Money Laundering Control.* https://doi.org/10.1108/JMLC-09-2019-0070

Shaikh, A.K., & Nazir, A. (2020). A novel dynamic approach to identifying suspicious customers in money transactions. *International Journal of Business Intelligence and Data Mining*, *17*(2), 143–158. https://doi.org/10.1504/IJBIDM.2019.10010869

Sharafizad, J., & Coetzer, A. (2017). Women business owners' start-up motivations and network structure. *Journal of Management & Organization*, *23*(2), 206–223. https://doi.org/10.1017/jmo.2016.51

Shenton, A.K. (2004). Strategies for ensuring trustworthiness in qualitative research projects. *Education for Information*, *22*(2), 63–75. https://doi.org/10.3233/EFI-2004-22201

Shufutinsky, A. (2020). Employing use of self for transparency, rigor, trustworthiness, and credibility in qualitative organizational research methods. *Organization Development Review*, *52*(1), 50–58. Retrieved from https://search.ebscohost.com/login.aspx?direct=true&AuthType=shib&db=bth&AN=142655477&site=eds-live&scope=site

Singh, K., & Best, P. (2019). Anti-money laundering: Using data visualization to identify suspicious activity. *International Journal of Accounting Information Systems*, *34*. https://doi.org/10.1016/j.accinf.2019.06.001

Sisira Dharmasri Jayasekara, S.G. (2021). Risk-based AML/CFT regulations for effective supervision. In A. Rafay, *Money Laundering and Terrorism Financing in Global Financial Systems*. Business Science Reference. https://doi.org/10.4018/978-1-7998-8758-4

Spencer Pickett, K.H., & Pickett, J.M. (2002). *Financial crime investigation and control*. John Wiley & Sons.

Stewart, M.S., & Hitchcock, J.H. (2016). *The scholar-practitioner's guide to research design* (1st Ed.). Laureate Publishing.

Sykes, J.B. (2018). Trends in bank secrecy act/anti-money laundering enforcement. *Congressional Research Service: Report*, pp. 1–5.

Taylor, S.J., Bogdan, R., & DeVault, M. (2015). *Introduction to qualitative research methods: A guidebook and resource* (4th Ed.). John Wiley & Sons.

Teichmann, F.M.J. (2020). Current developments in money laundering and terrorism financing. *Journal of Money Laundering Control.* https://doi.org/10.1108/JMLC-05-2019-0043

Tiwari, M., Gepp, A., & Kumar, K. (2020). A review of money laundering literature: The state of research in key areas. *Pacific Accounting Review*, *32*(2), 271–303. https://doi.org/10.1108/PAR-06-2019-0065

Wahyuni, D. (2012). The research design maze: Understanding paradigms, cases, methods, and methodologies. *Journal of Applied Management Accounting Research*, *10*(1), 69–80.

Weigand, F. (2021). *The Routledge Handbook of Smuggling* (1st Ed.). Routledge. https://doi.org/10.4324/9781003043645

Weis, L., & Fine, M. (2012). Critical bifocality and circuits of privilege: Expanding critical ethnographic theory and design. *Harvard Educational Review*, *82*(2), 173–201. Retrieved from https://www.proquest.com/scholarly-journals/critical-bifocality-circuits-privilege-expanding/docview/1022988229/se-2

Whisker, J., & Lokanan, M.E. (2019). Anti-money laundering and counter-terrorist financing threats posed by mobile money. *Journal of Money Laundering Control*, *22*(1), 158–172. https://doi.org/10.1108/JMLC-10-2017-0061

Woodson, S.B. (2019). Money laundering and aspects. *International Journal of Tax Economics and Management*, *2*(11), 62–71. Retrieved from https://web.archive.org/web/20200321034239id_/https://journals.seagullpublications.com/ijtem/archive/f_IJ0920190356.pdf

World Health Organization. (2021). *Who coronavirus (COVID-19) dashboard. World Health Organization*. Retrieved from https://covid19.who.int/

Wronka, C. (2022). "Cyber-laundering": The change of money laundering in the digital age. *Journal of Money Laundering Control*, *25*(2), 330–344. https://doi.org/10.1108/JMLC-04-2021-0035

Yazan, B. (2015). Three approaches to case study methods in education: Yin, Merriam, and Stake. *The Qualitative Report*, *20*(2), 134–152. Retrieved from https://www.proquest.com/scholarly-journals/three-approaches-case-study-methods-education-yin/docview/2177067852/se-2

Yeandle, M., Mainelli, M., Berendt, A., & Healy, B. (2005). *Anti-money laundering requirements: Costs, benefits, & perceptions*. Z/Yen Group.

Yeoh, P. (2020). Banks' vulnerabilities to money laundering activities. *Journal of Money Laundering Control*, *23*(1), 122–135. https://doi.org/10.1108/JMLC-05-2019-0040

Yin, R.K. (2018). *Case study research and applications: Design and methods* (6th Ed.). Sage Publications.

Zagaris, B. (2020). Money laundering, bank secrecy, and asset recovery. International *Enforcement Law Reporter*, *36*(2), 44–46. Retrieved from https://heinonline.org/HOL/LandingPage?handle=hein.journals/ielr36&div=17&id=&page=