

Effect of Cloud Accounting on the Financial Reporting Quality of SMEs in Nigeria

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Abstract

Electronic banking means a system through which financial service providers, customers, individuals and businesses are able to access their accounts, do transactions and obtain latest information on financial products and services from public or private networks, such as the internet. This study ascertains the effect of electronic banking on financial performance of selected deposit money banks in Nigeria. The study utilized secondary data derived from the audited annual financial statement of the deposit money banks quoted on the Nigerian Stock Exchange from 2011–2020. An ex-post facto research design was used and a normality test was carried out to establish the goodness of the data; descriptive statistics, OLS and a multi-collinearity test were conducted in which the independent variables were found good. The study also made use of journals, textbooks, Nigerian Stock Exchange fact books, the Central Bank of Nigeria (CBN) Bullions and other published materials. Using the multiple regression analysis techniques, the findings revealed that e-banking measured by internet banking, Automated Teller Machine and Point of Sale has significant impact on Returns on Asset (ROA) of banks in Nigeria. With the findings, we can conclude that investment in electronic banking has improved the financial performance of deposit money banks in Nigeria. Thus, the study recommended that deposit money banks in Nigeria should educate their customers more in the use of ATM, internet banking, and POS to increase bank performance.

Keywords: Electronic Banking, Financial Performance, Deposit Money Bank, Nigerian Stock Exchange, CBN, ICT

INTRODUCTION

Nigerian banks have moved away from a manual system to an automated method of banking. Major tasks in banking operations today are being handled by an electronic system such as retrieval, storage and processing of information. Banks in Nigeria are constantly involved in all forms of information management irrespective of whether they are automated or not (Oyewole, O. S., Abba, M., El-maude, J. G., & Arikpo, I. A., 2013). The art of a customer performing banking transactions electronically without physically paying a visit to any financial institution is known as electronic banking. It is the electronic delivery of banking products and services directly to customers wherever they are and could either be in form of internet banking, virtual banking, online banking, personal computer (PC), home banking, remote e-banking or phone banking. The most frequently used designations are the personal computer (PC) banking and the internet or online banking. Several terminologies are being used to describe e-banking and are often used interchangeably (Taylor and Todd, 1995). The banking sector in Nigerian has witnessed several regulatory and institutional reforms which are primarily meant to raise the standard and performance of the sector. In 2004, the Central Bank of Nigeria (CBN) initiated a reform that has to do with consolidation and recapitalization of the banking sector in Nigeria primarily to reduce the number of deposit money banks in the system and to make the emerging banks stronger, reliable and to be able to compete internationally. Before this, there were massive challenges in the banking sector such as fraudulent practices and corruption, erosion of public confidence, low asset quality, low capital base, repeated cases of failures, distress, etc. (Auta, 2010).

Banks in Nigeria have vehemently adopted electronic and communication networks for service delivery and value-added products in an attempt to meet up with international standards, global developments and quality service delivery. In the recent past, banks in Nigeria have upgraded from manual to electronic systems, thereby replacing the old ledger card system with the computer networks, to facilitate the act of branch-banking and inter-banking transactions. There have been shreds of evidence on the adoption of e-banking in the last few years which has led to remarkable success in value-added product and service delivery in the Nigerian banking sector. (Agboola, 2006; Ayo, 2010). Idowu, Alu and Adagunodo (2002),

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observed that the use of technology in banking operations in Nigerian banks will make them have an edge over their competitors. This has led to substantial growth in the adoption of e-banking operations in the Nigerian banking industry (Salawu&Salawu, 2007). The introduction of electronic devices in banking operations in the Nigerian banking industry has helped to increase effectiveness, efficiency and healthy competition. This has to a reasonable extent, helped to reduce long queues in the banking hall and customers' waiting time in carrying out transactions. Dandapani (2006), reiterated that the adoption and the acceptance of e-banking in the Nigerian banking industry do not in any way mark an improvement in the performance of banks neither the apparent use of the delivery mechanisms makes it more profitable, economically viable or fruitful in all aspect. The financial performance of an organization is essential for its survival both in the short and in the long run. There is a debate as to whether the adoption of e-banking has improved the performance of banks in Nigeria despite the benefits derived from e-commerce and ICT. To reap the potential benefits of investment in ICT, there must be training and retraining of personnel that will handle the various operations to acquire the necessary skills required.

There is a paradigm shift in Nigerian banking operations since the adoption of information and communication technology (ICT) in the banking sector of the economy. The adoption has brought about improvement and effectiveness in service delivery. Consequently, banks in Nigeria especially deposit money banks have seen electronic banking not just as an innovative payment method but as a means of increasing the number of customers, patronage and also a way of cutting operating cost to enhance profitability. Banks in Nigeria have been forced to find new and profitable areas to explore due to the fierce competition among them. However, online banking appears to be a better option for new entrants in the banking sector. Presently, the deposit money banks in Nigeria have all adopted e-banking to the fullest in carrying out major banking operations. This has helped to compete favourably, respond promptly to changes and meet up with the acceptable global standard. Also, it has helped in meeting the needs of customers in terms of low transaction cost and reduction in waiting time. The adoption and the acceptance of e-banking in the Nigerian banking industry do not in any way mark an improvement in the performance of banks neither the apparent use of the delivery mechanisms makes it more profitable, economically viable or fruitful in all aspects, bringing about a state of a dilemma on the effect of e-banking on the performance of banks in Nigeria. It is pertinent therefore for bankers, regulatory and supervisory agencies and researchers to know how e-banking affects the performance of banks in Nigeria. To this end, the researchers' primary objective is to fill this notable gap by providing a well-structured investigation on "the impact of electronic banking services on the performance of banks in Nigeria. It is against this background that this study was designed to examine the impact of electronic banking on the financial performance of money deposit banks in Nigeria with the following specific objective to explore the effect of the Automated Teller Machine (ATM), web banking (WEB), Point of Sale (POS), Automatic Teller Machine (ATM) on Return on Assets of Deposit Money Banks in Nigeria.

LITERATURE REVIEW

Conceptual Framework

E-banking means a system through which financial service providers, customers, individuals and businesses are able to access their accounts, do transactions and obtain latest information on financial products and services from public or private networks, such as the internet. For example, using intelligent devices such as personal computer, automated teller machines (ATMs) and personal digital assistant (PDA), customers access e-banking services and do their transactions with less effort as compared to the branch based banking. The term e-banking can be explained in different way from different perspectives. Nonetheless, researchers across the world have made extensive efforts to provide a precise and all-inclusive concept of e-banking. The term "e-banking" refers to a method of banking through which customers are able to carry out their banking transactions electronically without visiting a bank branch (Simpson 2002). Among other benefits, e-banking saves time, customers need not to visit the bank branch and banks have the opportunity to enhance their customer base thereby experience improved profits (Okibo, Wario 2014). According to Basel Committee Report on Banking Supervision (2018), e-banking

is to include the provision of retail and small value banking products and services through electronic channels as well as a large value electronic payment and other wholesale banking services delivered electronically. With respect to the field of banking and financial services, e-banking has been described as a product of e-commerce. According to Sokolov (2017), financial institutions, in addition to provide traditional banking products and services, can also facilitates a wider array of banking products and services that have been designed or tailored to shore up e-commerce. The most common and popular support services are: Electronic card; ATM Banking; corporate banking and Internet banking.

According to Ojeka and Ikpefan (2011), the concept of e-banking includes types of banking activities performed through electronic networks. They maintained that e-banking refers to several types of services through which a bank customer can request information and carry out most retail banking services through a computer, or mobile phone, Atiku, Genty and Akinlabi (2011) posits that e-banking refers to systems that enable banks customers to get access to their accounts and general information on banks products and services through the use of banks website without intervention of or inconvenience of sending letters, faxes, original signatures and telephone confirmations Bedman (2012) defined e-banking as banking by which individuals transfer funds, make account balance enquires, pay bills and manage such assets stocks online. It is the use of banking products and services over electronic and communication networks directly by customers.

Automated Teller Machine

Automated teller machine is a computer controlled device that dispenses and provides other services to customers who identify them with a personal identification number (PIN). The physical carriage of cash as well as frequent visit to the banks is being reduced. The principal advantage of ATM is that it dispenses cash at anytime of the day even as it needs not to be located within the banking premises but in stores, shopping malls, fuel stations etc, unlike the traditional method where customers have to queue for a very long period of time to withdraw cash or transfer funds. The ATM is the most popular e-transaction solution in Nigeria. ATM is popular because of its convenience. With ATM, it is a lot easier to withdraw money or to check account balance. However, despite its popularity, the ATM has done very little in reducing the amount of cash in the economy. This is because most Nigerians use ATM only for cash withdrawal. Although ATM machines can perform other functions like fund/cash transfer, mobile phone credit recharge and bills payment, cash withdrawals and balance inquiry remain the most popular applications sort after by users in Nigeria. This is largely due to ignorance and the absence of merchants. Because ATM machines are mainly used for cash withdrawals, they do not go far enough in turning Nigeria into a cashless economy. ATM only makes more cash available in the economy because of the ease at which depositors can withdraw cash. To turn Nigeria into a cashless economy Nigerians need more than just ATM cards, Nigerians need credit/debit cards.

i. Bankers Automated Clearing Services: The automation focus of the instrument is to reduce the number of clearing days and improve on security arrangement in the course of settlement and collection of Cheque. This involves the use of magnetic ink character reader (MCR) for Cheque processing which makes it capable to encode, read and sort out changes even as request for Cheque books can be made via electronic devices.

ii. Card System: It is a unique electronic payment type which involves the use of smart cards. Smart cards are devices with embedded integrated circuit being used for settlement of financial obligations. It can be used as credit card, debit card and even ATM cards. The power of these cards lies in its sophistication and acceptability to store and manipulate data as well as handling of multiple applications on one card securely. While ATM cards make cash withdrawal convenient (thereby contributing to the problem), Credit cards, debit cards and e-wallets (like mobile money) makes cashless shopping a lot more convenient. Hence to turn the country to a cashless economy the drive should be towards credit cards, e-wallets and debit cards. While ATM cards require ATM machines to operate, credit and debit cards require a Point of Sale (POS) terminal. POS terminals are located at accredited retail shops (merchant).

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These merchants accept credit and debit cards as means of payment by customers. Credit and debit cards like Visa, Inter Switch and MasterCard can also be used to purchase from merchants on the internet.

Internet Banking

Internet banking refers to systems that enable bank customers to get access to their accounts and general information on bank products and services through the use of bank's website, without the intervention or inconvenience of sending letters, faxes, original signatures and telephone confirmations (Olorunsegun, 2010). Siyanbola (2013) puts it that internet banking involves conducting banking transactions on the internet (www) using electronic tools such as the computer without visiting the banking hall. E-commerce is greatly facilitated by internet banking and is mostly used to effect payment. Internet banking like mobile banking also uses the electronic card infrastructure for executing payment instructions and final settlement of goods and services over the internet between the merchants and the customers. Commonly used internet banking transactions in Nigeria are settlement of commercial bills and purchase of air tickets through the websites of the merchants. Level of awareness of the advantages of this product to the saving populace is still very low; hence, there is every room for improvement if cashless banking would be effective as expected (Siyanbola, 2013).

Funds transfer, airtime top up, balance enquiry, password change, bill payment etc can also be conducted on the internet banking platform. Internet banking (e-banking) is the use of internet and telecommunication networks to deliver a wide range of value added products and services to bank customers (Uchenna, 2020) through the use of a system that allows individuals to perform banking activities at home or from their offices or over the internet. Some online banks are traditional banks which also offer online banking, while others are online only and have no physical presence. Online banking through traditional banks enables customers to perform all routine transactions, such as account transfers, balance inquiries, bill payments, and stop-payment requests, and some even offer online loan applications. Customers can access account information at any time, day or night, and this can be done from anywhere. Internet banking has improved banking efficiency in rendering services to customers.

Point of Sale Banking

Point of Sale (PoS) machines deployment has increased in recent months to serve new entrants into the digital banking space. Many cardholders, especially at the grassroots, previously cautious about digital banking and safety of their funds have embraced the scheme as COVID-19 pandemic reduced cash demand and usage but there are challenges. (Collins Nweze, 2020) writes that only 167,000 out of the 307,000 PoS machines deployed nationwide are active as cardholders tackle banks and regulators on rising charges for using the device. Banking is getting more interesting with discoveries made almost on daily basis. Digital banking is the new route that financial service providers and regulators are traveling to achieve better results, increase transaction speed and security.

Empirical Review

Ogutu and Fatoki (2019) examined the effect of electronic banking on financial performance of listed commercial banks in Kenya. The study employed quantitative research design using panel data analysis. The targeted population of the study was the 11 listed commercial banks in Kenya. Secondary data was extracted from CBK banking supervisory reports and published annual reports of banks. The data was recorded on data collection sheets. Both descriptive and inferential statistics were used. The findings were presented using tables with associated explanations. The study found that there was strong positive relationship between mobile banking, agency banking, ATM banking and online banking and financial performance of listed commercial banks in Kenya. Financial performance of commercial banks and m-banking were strongly and positively correlated. There was a strong positive correlation between financials performance of individual commercial bank and agency banking. There was a strong positive correlation between financials performance of individual commercial bank and agency banking. There was a weak positive correlation between financial performance of individual commercial bank and online

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banking. Hussein and Elyjoy (2018) examined the effect of internet banking on operational performance of commercial banks in Nakuru County, Kenya. The study employed Bank-Focused Theory and The Technology Acceptance Model (TAM). This study adopted a cross-sectional research design. The study population comprised of 56 employees of the commercial banks. Since the banks are few, the study adopted a census survey. Data was collected using structured questionnaires. A pilot study was conducted in UasinGishu County to determine validity of the research instruments where Cronbach's alpha coefficient (0.7) was employed. Data was analyzed using correlation and regression analysis. The study established that internet banking has a positive significant effect on operational performance of the commercial banks.

Taiwo and Agwu (2017) investigated the roles e-banking adoption has played in the performance of organizations using a case study of commercial banks in Nigeria. Primary data were obtained by administering questionnaires to staff of four purposively selected banks (Ecobank, UBA, GTB and First bank). Pearson correlation was used to analyze the results obtained using the Statistical Package for Social Sciences (SPSS) and it was observed that banks' operational efficiency in Nigeria since the adoption of electronic banking has improved compared to the era of traditional banking. This improvement was noticed in the strength of banks, revenue and capital bases, as well as in customers' loyalty. Amu, and Nathaniel, (2016) studied the relationship between electronic banking and the performance of Nigerian commercial banks. The study became necessary due to the increased adoption of the electronic banking which has redefined the banking service both in Nigeria and internationally. Electronic banking was proxied by value of Point-of-Sale transactions while commercial banking performance was proxied by customers' deposits. Engle-Granger cointegration model was used to analyze data. The results show that POS is not cointegrated with both the savings and time deposits but are cointegrated with demand deposits. It is recommended that the monetary authorities and commercial banks should embark on an all inclusive enlightenment campaign for the banking public on the benefits, convenience and importance of adopting e-banking channels in completing their transactions. Abaenewe, Ogbulu, and Ndugbu, (2015) investigated the profitability performance of Nigerian banks following the full adoption of electronic banking system. The study became necessary as a result of increased penetration of electronic banking which has redefined the banking operations in Nigeria and around the world. Judgmental sampling method was adopted by utilizing data collected from four Nigerian banks. These four banks are the only banks in Nigeria that have consistently retained their brand names and remain quoted in the Nigerian Stock Exchange since 1997. The profitability performance of these banks was measured in terms of returns on equity (ROE) and returns on assets (ROA). With the data collected, we tested the pre- and post-adoption of e-banking performance difference between means using a standard statistical technique for independent sample at 5 percent level of significance for performance factors such as ROE and ROA. The study revealed that the adoption of electronic banking has positively and significantly improved the returns on equity (ROE) of Nigerian banks. On the other hand and on the contrary, it also revealed that e-banking has not significantly improved the returns on assets (ROA) of Nigerian banks.. The findings of this study have motivated new recommendations for bank customers, bank management and shareholders with regard to electronic banking adoption for banking operations.

Alao and Sorinola, (2015) examined cashless policy and customers' satisfaction: A Study of Deposit money Banks in Ogun State, Nigeria. The study seeks to investigate the customers' satisfaction of the recently introduced cashless policy in Ogun State, Nigeria with a survey of bank customers in Abeokuta. Data was collected with a well structured questionnaire and analyzed with descriptive statistics, while hypotheses formulated for the study were tested with correlation co-efficient. The findings of the study reveal that cashless policy contributed significantly to customers' satisfaction in Ogun State. Also, the study revealed that cashless policy contributed significantly to customers' satisfaction through electronic channels. Osazevaru and Yomere (2015) investigated the benefits and challenges of Nigeria's cashless policy. Secondary data were collected and content analysis applied in data analysis. The study found banks' income higher in cashless setting than in cash based arrangement. Osazevaru, Sakpaide and Ibubune (2014) examined cashless policy and banks' profitability in Nigeria against the backdrop that

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these banks in a cash based economy are known for their huge profits even in the face of associated high cost of operations. Secondary data were collected and analyzed using content analysis comparing profits under cash based policy with a cashless regime. The results revealed that cashless economic policy positively impact on banks' profit through reduction in cost of operations and banking the unbanked populace.

Isaac and Michael (2015) examined the effectiveness of mobile banking services in selected Deposit money Banks in Rwanda. Descriptive design involving both qualitative and quantitative approaches was employed. Sample size of 227 was computed from a total population of 524 employees from the selected banks and the selection of respondents was done through systematic random sampling. The instruments of data collection used in this study included both structured questionnaires and interview. In data analysis, quantitative data was analyzed through frequencies and percentages for respondents', mean values were used to determine the effectiveness of mobile banking services in the selected Deposit money Banks. Difference in effectiveness of mobile banking services was determined through One-Way-ANOVA. Research findings reveal that mobile banking services in the selected Deposit money Banks were generally effective. The most effective item under mobile banking services was noted in security measures and privacy, followed by time management and convenience and the least effective was on the financial risk measures. This study also found out that there were significant difference in the effectiveness in mobile banking services among selected Deposit money Banks. The bank with most effective mobile money services was Banque Popularize du Rwanda, followed by the Kenya Commercial Bank, next was Bank of Kigali, Equity Bank, and finally, ECOBANK. The study concluded that the mobile banking services in the selected Deposit money Banks are effective.

Theoretical Framework

Technology Acceptance Model (TAM) Theory

TAM is an information systems theory that models how users come to accept cashless policy and use a technology that will enhance the performance of Deposit money Banks in Nigeria. TAM is one of the models that have been developed to provide a better understanding of the usage and adoption of information technology which is the base of cashless policy that will promote the performance of Deposit money Banks in Nigeria. It is presently a prominent theory used in modeling technology acceptance and adoption in information systems research. The model suggests that when users are presented with a new technology, a number of factors influence their decision about how and when they will use it. The factors are; perceived usefulness (PU) and perceived ease-of-use (PEOU). According to TAM, one's actual use of a technology system is influenced directly or indirectly by the user's behavioral intentions, attitude, perceived usefulness of the system, and perceived ease of the system. DOI theory seeks to explain how, why, and at what rate new ideas and technology spread through cultures.

Diffusion of Innovation (DOI) Theory

Innovation Diffusion Theory (IDT) consists of six major components: innovation characteristics, individual user characteristics, adopter distribution over time, diffusion networks, innovativeness and adopter categories, and the individual adoption process which are the bases of cashless policy that promote the performance of commercial banks in Nigeria.

METHODOLOGY

The study adopted ex-post facto research design. The ex-post facto research design was adopted on the basis that the researcher does not have control over the variables mainly because the event have already occurred and cannot be changed by the researcher. In designing this study, the type of data to be collected, nature of variables and technique of analyses was considered. The research design adopted will benefit from extant approaches of previous empirical studies in terms of methods of research used. The Population of the study consist of 23Money Deposit Banks listed on the Nigerian Stock Exchange as at 31stDecember 2020, (see appendix B), out of which a sample of 17 were selected as result of availability

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of data using purposive sampling technique. The study relied on historical data collected from annual reports and accounts of the sampled deposit money banks for a period of 10 years from 2011-2020. The data was analyzed using panel regression via the help of STATA 13 software

Model Specification

The study employed Ordinary Least Square (OLS), and the model used for the study is presented in equation below:

$$ROA_{it} = \alpha_0 + \beta_1 ITB_{it} + \beta_2 ATM_{it} + \beta_3 POS_{it} + \beta_4 FSIZE_{it} + \epsilon_{it} \dots\dots\dots(1)$$

Where:

- ROA_{it} = Return on Asset for firm i in year t
- ITB_{it} = Internet banking i in year t
- ATM_{it} = Automated teller Machine i in year t
- POS_{it} = Point of Sale Banking i in year t
- FSIZE_{it} = Size of consumer goods for firm i in year t

RESULTS AND DISCUSSIONS

The data will be analyzed with econometric techniques involving Augmented Dickey Fuller and Philip Perron Tests for Unit Roots, and the Ordinary Least Square (OLS) Unit Root Test The Augmented Dickey-Fuller (ADF) and the Phillips and Perron (PP) tests were conducted on the variables, to determine whether they are stationary or non-stationary series.

Table 1: The Unit Root Test Results for the Selected Variables in Nigeria

Variables	Levels		First Difference		Decision
	ADF	PP	ADF	PP	
ROA	-4.412986***	-4.387653***	-	-	1(0)
ITB	-3.789869***	- 2.867464***	-	-	1(0)
ATM	-2.101323	-2.111128	- 5.699554** *	-5.744776***	1(0)
POS	-1.263481	-1.400973	- 4.180720** *	-5.550966***	1(0)
Critical Values	1%	-3.679322	-3.679322	-3.699871	-3.689194
	5%	-2.967767	-2.967767	-2.976263	-2.971853
	10%	-2.622989	-2.622989	-2.627420	-2.625121

*** denotes significance at 5%.

The results on Table 1 indicate that variables of ROA, ATM, POS and ITB were stationary at level. This means that these variables are integrated in the order of I(0).

Regression Analysis

Dependent Variable: ROA
 Method: Least Squares
 Date: 10/24/21 Time: 15:27
 Sample: 2011 2020
 Included observations: 170

Variable	Coefficient	Std. Error	t-Statistic	Prob.
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C	0.667553	0.824890	10.809263	0.0260
ITB	0.518247	0.672745	3.770347	0.0183
ATM	0.068816	0.039042	2.762604	0.0302
POS	0.027885	0.022862	2.219695	0.0040
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R-squared	0.712561	Mean dependent var	4.676947	
Adjusted R-squared	0.655073	S.D. dependent var	7.153306	
S.E. of regression	6.953540	Akaike info criterion	6.888364	
Sum squared resid	1208.793	Schwarz criterion	7.165910	
Log likelihood	-100.7696	Hannan-Quinn criter.	6.978837	
F-statistic	19.349696	Durbin-Watson stat	1.971283	
Prob(F-statistic)	0.006525			

The result showed that internet banking (ITB) has positive (0.518247) and significant ($p < 0.05$) effect on financial performance of deposit money banks in Nigeria. Thus hypothesis one: Internet banking transactions has no significant effect on the financial performance, is not rejected. The study therefore concludes that Internet banking transactions has no significant effect on the financial performance of deposit money banks in Nigeria. Automated Teller Machine showed that automated teller machine (0.068816) has a positive and significant ($p < 0.05$) effect on financial performance of deposit money banks in Nigeria. This implies that hypothesis two “automated teller machine has no significant effect on financial performance of deposit money banks in Nigeria” is rejected. This indicates that automated teller machine has significant effect on the financial performance of deposit money banks in Nigeria. Point of Sales (POS) showed that point of sales (POS) has a positive (0.027885) and significant ($p < 0.05$) effect on the financial performance of deposit money banks in Nigeria. However, the coefficient of determination (R^2) = 0.712561 showed that about 71% of changes on the performance of entrepreneurial development in Nigeria is accounted for by the level of electronic banking in Nigeria. This implies that electronic banking is one major contributor on the performance of entrepreneurial development in Nigeria. The F-statistics (19.349696; $p < 0.05$) indicated that all the variables of the model (electronic banking variables) have significant effect on the financial performance of deposit money banks in Nigeria. The Durbin Watson statistics (1.971283) showed that there was no autocorrelation in the model employed.

CONCLUSION AND RECOMMENDATIONS

The regression result indicate that internet banking, automated teller machine and point of sales banking have positive and significant effect on the financial performance of deposit money banks in Nigeria. The study thus concludes that electronic banking has positive effect on the financial performance of deposit money banks in Nigeria. In line with the objective and findings, we recommend that:

- i. The banking industry should adjust to full and effective deployment of information technology due to its sophistication since the technology is irreversible with relative perceived advantage.
- ii. Those Nigerian banks should be able to accept the level of risk that they can cope with in electronic banking system, measurable to the bank’s overall strategic and business plans, although there is inherent risk for not adopting e-banking.
- iii. Banks should be able to provide adequate security both physically and electronically to check the incidence of hacking by fraudsters. Network hackers successfully dupe banks of billions of naira at a strike and can send banks into liquidation.

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iv. The holder of banking transaction cards should be able to secure them by providing passwords. Banks management should from time to time train customers with regard to electronic banking, its benefits, risk exposure, physical and electronic security to avoid financial loss in the hands of hackers. Again, trainings should be held for bank staff in short periods to acquaint them with modern developments of the sophisticated technology in changing times.

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