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Electronic Accounting System and Financial Performance of Selected Listed Deposit Money Banks in Nigeria

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Abstract

This study investigated the effect of electronic accounting system on performance of deposit money banks in Nigeria, with its specific objectives being to determine how automated teller machine (ATM) transactions and point of sale (POS) transactions affect return on equity and return on capital employed of deposit money banks listed on the Nigerian Exchange Group. In carrying out this study, the research design adopted was the ex-post facto research design while the ordinary least square (OLS) method with the aid of special package for social science (SPSS) was used to test the research hypotheses formulated. Data were extracted from audited annual reports of eighteen selected deposit money banks (out of the nineteen deposit money banks with both international and national authorization) listed on the Nigerian Exchange Group for five years, 2020-2024. Findings of this study indicated that the independent variable (measured by POS and ATM transactions) both have a statistically significant and positive effect on the dependent variables (proxy by ROE and ROCE), thereby enabling the researcher to draw a conclusion that there is a positive effect of electronic accounting system on performance of deposit money banks in Nigeria. on the strength of the conclusion, it was recommended that, among others, deposit money banks should be encouraged to improve and expand their transaction processing application areas (which include ATM and POS) so as to further increase their performance.

Keywords: E-accounting, Financial performance, Automated teller machine, Point of sale, Computerized accounting.

INTRODUCTION

The advent of information has brought about massive changes in every field of endeavour, including businesses, and now businesses can be initiated and concluded without the stress and hassle of physical contact and more importantly and without unnecessary paper works. In the wake of this technological advancement, the banking industry seems to have been the most positively affected. Needless to say that the banking world has witnessed tremendous paradigm shift from the old laborious traditional system of accounting to a more dynamic and efficient system. According to Akesinro and Adetoso (2016), due to technological innovation, today's business environment has undergone rapid changes, which has brought about increased awareness and demand from customers. The banking industry most especially and by a distance has been the greatest beneficiary of these technological innovations because it is operating in a complex and competitive environment characterized by these changing conditions and highly unpredictable economic climate, of which Information and Communication Technology (ICT) is at the centre. Uzomah and Ihie (2022) contend that every organisation, which knows its onions, cannot afford to ignore the crucial role that information system plays in contemporary business world. The application of information and communication technology concepts, techniques, policies and implementation strategies to banking services has become a subject of fundamental importance and concerns to all banks and indeed a prerequisite for local and global competitiveness. Without a doubt, ICT plays a critical role of directly affecting how managers decide,

how they plan and what products and services are offered in the banking industry. It has continued to change the way banks and their corporate relationships are organised worldwide and the variety of innovative devices available to enhance the speed and quality of service delivery (Madugba, Egbide, Jossy, Agburuga, & Chibunna, 2021).

Uzomah and Ihie (2022) assert that electronic accounting system, which is a product of technological advancement, is of great importance in all business organisations, hence it assists in decision making. Its overall development has given rise to advanced quality of customer service delivery and reduced transaction costs. It is expedient to emphasize that deposit money banks (DMBs) have devised various measures to improve efficiency in accounting practices. Among the measures taken by the DMBs is to improve efficiency of their services with the introduction of electronic accounting transaction systems such as the Automated Teller Machines (ATM), Point of Sale (POS), mobile banking and other transaction processing methods (Daru, 2015). All these are associated with a number of benefits like speed of carrying out routine transactions, accuracy of reporting, timeliness, quick analysis and so on. The aim of maintaining accounting transactions through electronic accounting systems in deposit money banks is to hold better records, efficient book management, to avoid errors and ultimately improve the management in their decision making. In their own opinion, Njoroge and Mugambi (2018) maintain that electronic accounting system is a method of keeping records, usually computer based, which combines accounting principles and concepts with the benefits of an information system which is used to analyze and record business transactions for the purpose of preparing financial statements and providing accounting data to its users. Similarly, it possesses certain primary qualities necessary to satisfy customers' needs such as relevance and reliability, according to Kiragu (2017). Therefore, to say that electronic accounting system has indeed been a breath of fresh air from the monotonous traditional accounting system is to state the obvious. It is in relation to this that this study intends to examine how electronic accounting system has shaped the banking industry in recent times.

Uzomah and Ihie (2022) opine that as important as electronic accounting system is to the banking industry, it has come with its attendant problems such as the fact that banking operations are now more vulnerable to attacks by hackers and fraudsters as well as cases of ease of misappropriation of funds in banks. Although one cannot rule out the fact that several studies have been conducted in relation to the relationship between electronic accounting system and deposit money banks both within and outside Nigeria (Uzomah & Ihie, 2022; Akesinro & Adetoso, 2016; Ogutu, 2018; Oladejo & Yinus, 2020 and so on), the problems highlighted above still seem to be persistent. Moreover, to the best of the knowledge of this researcher, most of the study was focused on financial reporting and banks. In other words, apart from a few studies such as the one conducted by Uzomah and Ihie (2022), there has been little work done as electronic accounting system and performance of deposit money banks in Nigeria. It is in a bid to bridge this apparent knowledge gap in literature that this study investigated the effect that electronic accounting system (measured by automated teller machine and point of sale) has on financial performance (measured by return on equity and profit after tax) of selected listed deposit money banks in Nigeria.

LITERATURE REVIEW

Electronic Accounting System

According to Oladejo and Yinus (2020), the concept of electronic accounting system is evolving and broadening as new development brings change to accounting due to technology. Electronic accounting system advances from a narrow focus on computer-based accounting to a broader concept of applying online, mobile and internet technologies in performing accounting functions. A review of the literature on the practice of e-Accounting shows that computer-based accounting system and accounting information system are being used in describing electronic accounting (Masanja, 2019). However, there are differences in the use of these terms on the basis that advancements in technology will continually broaden the scope of e-Accounting. For instance, Ritesh (2022) describes electronic accounting as an accounting system that relies on computer technology for capturing and processing financial data in organizations. Conceptualizing e-Accounting to connote the application of computer technology in capturing an organization financial data might give it a narrow meaning. The reason is that it makes no recourse to other technologies. Afodigbueokwu and Ofurum (2019) define e-Accounting as a system that is significantly enabled by computer technology designed in accordance with techniques relevant to

achieve qualitative decision-making objectives of the business. Akanbi and Adewoye (2018) opine that e-Accounting is a system that handles both financial and non-financial transactions that directly affect the processing of financial transactions. Oladejo and Yinus (2020), in their own way assert that e-Accounting refers to any accounting system that utilizes ICT applications tools and devices in gathering, recording, analyzing, processing, interpreting, communicating accounting transactions and information concerning economic events to enable stakeholders to make informed decisions. To Kyeremeh, Prempeh and Afful-Forson (2019), Electronic Accounting Systems follow the same logic of journal, ledgers, reports, and statements in a manual system. E- Accounting systems simply consolidate posting functions and other basic tasks into a behind-the-scenes system. Companies can also generate reports and financial statements easier, allowing for better performance and management reviews. Electronic Accounting Systems is, therefore, a computer-based system which combines accounting principles and concepts as well as the concept of an information system to record, process, analyze and produce financial information to its users for making economic decisions (Peter, Kamau & Ombui, 2018).

However, in the context of this study, electronic accounting system can be described as a system that makes use of any electronics-enabled gadget to perform all accounting-related functions in order to enable users make informed decisions as promptly and effectively as possible. Having conceptualized the term e-Accounting, the study captured the presence of an e-Accounting system based on one or all of the following platforms: the use of spreadsheets, accounting software, and web-based accounting.

Electronic Accounting System and Banking

Akesinro and Adetoso (2016) contend that the adoption of electronic accounting systems has brought about information and communication technology reform in the banking sector. Information Technology (IT) is the automation of processes, controls and information production using computers, telecommunications, software and ancillary equipment such as automated teller machine and debit cards. It is a term that generally covers the harnessing of electronic technology for the information needs of a business at all levels. Emmanuel (2015) lists some banking services that have been revolutionized through the use of ICT as including account opening, customer account mandate, and transaction processing and recording. Information and Communication Technology has provided self-service facilities (automated customer service machines) from where prospective customers can complete their account opening documents direct online. It assists customers to validate their account numbers and receive instruction on when and how to receive their cheque-books, credit and debit cards. Communication Technology deals with the physical devices and software that link various computer hardware components and transfer data from one physical location to another (Onaolapo & Odetayo, 2015). ICT products in use in the banking industry include Automated Teller Machine, Smart Cards, Telephone Banking, MICR, Electronic Funds Transfer, Electronic Data Interchange, Electronic Home and Office Banking. The convergence of computer and telecommunication after about four decades of applying computers to routine data processing, mainly in information storage and retrieval, has created a new development where information has become the engine of growth around the world (Sekyere, Amoateng & Frimpong, 2017). This development has created catch-up opportunities for developing countries such as Nigeria to attain the desired levels of development without necessarily 'reinventing the wheels' of economic growth. This new technology has brought far-reaching revolution in societies, which has tremendously transformed most banking activities (Akesinro & Adetoso, 2016).

Financial Performance

The concept of financial performance has been an interesting one among scholars and researchers alike in various areas of business and strategic management. Despite the importance of this discourse, performance is still an uneasy concept to define and measure. The opinion of Agu and Amedu (2018) on this is that financial performance refers to a financial benefit that a business derives from investing in a business venture. It is the bottom line that indicates how efficient an organisation is in relation to managing the wealth of its shareholders. Ihimekpen (2021) views it as indication of the overall financial health of an organisation over a period of time, while at the same time helping to compare its performance across the industry at the same time. It can also be described as a general measure of how well an organisation generates revenues from its capital, and as well uses its resources

to create more wealth for itself and its owner(s) (Ibrahim, Mohammed, Agbi, Kaoje & Abdulkarim, 2021). In their own contribution to the concept of financial performance, Syder, Ogbonna and Akani (2020) added that in order to assess financial performance, there are variety of indicators which could be considered, some of which include Return on Asset (ROA), Return on Equity (ROE), Return on Capital Employed (ROCE), Earnings per Share (EPS), Profit after Tax (PAT) and so on.

Theoretical Review

Unified Technology Acceptance User Theory (UTAUT)

This study is anchored on the unified technology acceptance user theory proposed by Venkatesh et al. (2003). This theory was developed through a review and consolidation of eight information technology adaptations theories: Transaction Acceptance Theory (TAT), the motivational model, theory of reasoned action, theory of planned behaviour/technology acceptance model of PC utilization, innovation diffusion theory, and social cognitive theory. The UTAUT was created mainly to help researchers in the field of IT/IS in the process of adoption and diffusion. In the theory, it is argued that there are 4 major: "Effort expectancy, performance expectancy, facilitating conditions and social influence." The four constructs have positive effect on IS/IT behaviour intents and ultimately behaviour (Venkatesh *et al.,* 2003). The UTAUT model focuses on examining the intention of the users to adopt ICT and the preceding behaviour of users. The theory gives the manager tools that can be adopted to determine the success of the introduction of new technology, prediction and explanation of the behaviour of user who accepts information technology. There are four main variables that moderate the relationship including: Age, experience, gender and voluntariness of use (Venkatesh *et al.*, 2003). Researchers have identified that UTAUT makes it possible for the manager to examine the probability of getting success out of new technology introduced in the organization and the ability of the manager to comprehend the factors that drive the process of acceptance of new technology in a bid order to design probable interventions for instance training or marketing. UTAUT focuses on technology users who may not be willing to use new systems. A number of researchers have commented on the model citing its weaknesses while proponents of the model have embraced its propositions (Venkatesh *et al.*, 2003). Study by Bagozzi (2007) criticized the UTAUT together with its extensions, stating that it puts across a model with forty-one explanatory variables for estimating the intentions of users' technology and about eight explanatory variables for explaining behaviour of users of new technology, and that it contributed to the study of technology adoption "reaching a stage of chaos. On the contrary, Bagozzi (2007) came up with a theory that combines the various segments of information to discuss process of coming up with decisions. On the contrary, Van Raaij (2008) critiqued the UTAUT of having high explanatory power over previous Technology Acceptance Model and TAM2 due to the high coefficient of determination of level of technology adoption that is only achieved with the key moderating variables that regulates the relationships with up to four variables. The scholars also referred to the grouping and labelling of items in the constructs to be problematic due to varieties of disparate items that were joined together to establish a single psychometric construct.

Empirical Review

The study of Madugba et al. (2021) was conducted to examine the impact of electronic banking on the financial performance of Nigerian deposit money banks. The data for the study was obtained from the Central Bank of Nigeria's Statistical Bulletin and the National Bureau of Statistics' Statistical Bulletin for various years, as well as from published financial statements of the banks under study. Ex-post facto research design was used and a normality test was carried out to establish the goodness of the data; descriptive statistics and a multicollinearity test were conducted in which the independent variables were found good. Regression was adopted to test two hypotheses. It was found that ATM has a positive and significant association with Earning EPS and ROA; POS and NEFT significantly affect ROA only, while WEB has an insignificant impact on both EPS and ROA. It was concluded that electronic banking significantly affects 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

NEFT, WEB, and POS, and that the amount of ATM withdrawals should be increased to improve bank performance.

The study of Chude and Chude (2022) went as far as examining the effect of a computerized accounting system (CAS) on the organisational performance of oil and gas firms in Port-Harcourt, Nigeria. The study adopted the survey research design, which enabled the researcher to obtain information from respondents about practices, situations or views via questionnaires. The population comprised of hundred staff of five randomly selected Oil and Gas firms in Port Harcourt, Rivers State with a capital base of above 500 million. The unit of focus was personnel in the Accounting/Finance and the IT/ICT Department of the respective companies. The study was based on primary data obtained from a structured questionnaire administered to respondents. The reliability of the instrument was measured using Cronbach's alpha. The data were analysed using descriptive and inferential statistics. The hypotheses were tested using simple linear regression. The results showed a positive significant effect of accounting software usage on accountability, productivity, and cost control in oil and gas firms. Based on this, the study recommended the use of electronic mediums and other alternative channels (such as cloud computing frameworks) for storing financial information to ensure the safeguarding of such information and prevent data loss.

In the study conducted by Uzomah and Ihie (2022), which investigated the impact of computerised accounting system (CAS) and performance on Deposit Money Banks (DMBs) in Nigeria. Specifically, the study examined the effect of automatic teller machine (ATM) and point of sale (POS) on ROA, ROE and PAT. Secondary data of the variables were collected from the FIRS annual reports and CBN statistical Bulletin for the period of 2008-2018. The multiple regression technique of estimation was employed and the stated hypotheses were tested at 5% level of significance. The result revealed that the point of sale (POS) and automated teller machine has a negative but insignificant relationship with the return on asset of deposit money banks in Nigeria. This is indicative that, any transaction carried out with POS or ATM will have a negative effect on the return on asset of the bank but positive and negative effect against return on equity. Thus imply that POS transactions enhance the return on equity while ATM transactions reduce the value of return on equity of deposit money banks, and also, POS transaction has a positive but insignificant effect on the profit after tax of deposit money banks in Nigeria while ATM transaction has a negative effect. This means that while POS transactions increases the profit after tax of banks ATM transactions reduces the value of the profit after tax. The study therefore concluded that there is inconclusive (mixed) effect of computerized accounting system on the performance of deposit money banks in Nigeria, hence one of the recommendations made as a result of the findings of the study was that banks should endeavour to create more awareness on the advantages of their computerized accounting systems, pay more attention to their ATM services as it reduces their performance.

RESEARCH METHOD

The research design that this study adopted is the ex-post facto research design because historical data relating to both the independent variables and dependent variables were used in this study; historical in the sense that relevant data was obtained from already prepared and published sources. This research design is also suitable for this research because it is not possible to directly manipulate or control any of the independent variables because the data used are already existing. In addition to the research design employed, the population of this study is the entire deposit money banks (with both national and international authorization) listed in the Nigerian Exchange Group (NXG). As at the time of this study, the number of deposit money banks with such authorization listed in the NXG is nineteen (19), as obtained from the Nigerian Exchange Group website. However, 18 of these were selected as the sample size due to the fact as at the time of this report, one bank did not have all the relevant data published in its annual report for the year 2024. The method of data analysis employed was multiple regression with the aid of SPSS Version 21.

Model Specification

The functional relationship between the dependent and independent variable, the disturbance, co-efficient and intercepts for electronic accounting system (proxied by ATM and POS) and financial performance (measured by ROE and PAT) for the purpose of the research is as stated below:

Model 1

$ROE = \beta_0 + \beta_1 ATM + \beta_2 POS + \mu$

Where:

ROE = Return on Equity

β_0 = intercept β_1 = parameter

ATM = Automated Teller Machine

POS = Point of Sale

μ = error term

Model 2

$PAT = \beta_0 + \beta_1 ATM + \beta_2 POS + \mu$

Where:

PAT = Profit after Tax

β_0 = intercept β_1 = parameter

ATM = Automated Teller Machine

POS = Point of Sale

μ = error term

RESULT AND DISCUSSION

Table 4.1: Descriptive Statistics

Variables	ATM	POS	PAT	ROE
Mean	1.740667	1.500667	3.420000	1.690000
Median	1.750000	1.520000	3.310000	1.710000
Maximum	1.990000	2.000000	4.140000	1.990000
Minimum	1.540000	0.900000	3.120000	1.180000
Std Dev.	0.148443	0.402163	0.299595	0.232318
Skewness	0.152348	–0.143174	1.200328	–0.691858
Kurtosis	1.726658	1.399516	3.349529	2.800937
Jarque-Bera	1.071400	1.652215	3.678325	1.221434
Probability	0.585259	0.437750	0.158950	0.542961
Sum	26.11000	22.51000	51.30000	25.35000
Sum Sq. Dev.	0.308493	2.264293	1.256600	0.755600
observation	90	90	90	90

Table 4.1 shows that the average value of profit after tax (PAT) and return on equity (ROE) are 3.420000 and 1.690000, respectively. This is supported by the standard deviation value of 0.299595 and 0.232318. Likewise, mean values of 1.74066 and 1.500667 were indicated for ATM and POS respectively, all shown as positive. The standard deviation values are 0.148443 for ATM and 0.402163 for POS.

4.2 Test of Hypothesis

H_o 1: Automated Teller Machine (ATM) transactions have no impact on return on equity of listed deposit money banks in Nigeria.

Table 4.2: Regression Result for ROE Model

ANOVAa

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.008	1	.008	.016	.213b
	Residual	3.976	8	.497		
	Total	3.984	9			

Dependent Variable: ROE
Predictors: (Constant), ATM

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.261	1.886		.669	.523
	ATM	**1.145**	.846	.432	1.355	.213

a. Dependent Variable: ROE
Source: SPSS Version 21

Table 4.2 above reveals the regression result for model one stated in chapter three. The Unstandardized coefficient (B) of the regression model is .1.145, indicating a positive relationship between automated teller machine (ATM) transactions and return on equity of deposit money banks in Nigeria. However, the significance result reveals whether the result is significant or not is reported thus:

In testing this first hypothesis, the ANOVA (F-statistics) significant result on Table 4.2 was used. The result shows a value of 0.213 which is greater than the level of significance of 0.05. This means that ATM transactions have positive effect on return on equity of deposit money banks in Nigeria. Therefore, the null hypothesis which states that ATM transaction in Nigerian deposit money banks has no effect on their return on equity is rejected; and the alternative hypothesis which states otherwise, is accepted.

H_o 2: There is no impact of Point of Sale (POS) transactions on return on equity of listed deposit money banks in Nigeria.

Table 4.3: Regression Result for ROE Model

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.017	1	.017	.034	.137[b]
	Residual	3.967	8	.496		
	Total	3.984	9			

Dependent Variable: ROE
Predictors: (Constant), POS

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.613	.959		.639	.540
	POS	.675	.408	.505	1.653	.137

a. Dependent Variable: ROE

Table 4.3 above reveals the regression result for model one stated in chapter three. The Unstandardized coefficient (B) of the regression model is .675, indicating a positive relationship between point of sale (POS) transactions and return on equity of deposit money banks in Nigeria. However, the significance result reveals whether the result is significant or not; this is reported as follows:

In testing this second hypothesis, the ANOVA (F-statistics) significant result on Table 4.3 was used. The result shows a value of 0.137 which is greater than the level of significance of 0.05. This means that there is positive effect of POS transactions on return on equity. We therefore reject the null hypothesis which states that POS transaction in Nigerian deposit money banks has no significant effect on their return on equity, and accept the associated alternative hypothesis which states otherwise.

H_o 3: Automated Teller Machine (ATM) transactions do not have any influence on profit after tax of listed deposit money banks in Nigeria.

Table 4.4: Regression Result for PAT Model

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.110	1	.110	1.495	.256[b]
	Residual	.588	8	.074		
Total		.698	9			

Dependent Variable: PAT
Predictors: (Constant), ATM

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.071	.725		1.477	.178
	ATM	-.261	.213	-.397	-1.223	.256

a. Dependent Variable: PAT
Source: SPSS Version 21

Table 4.4 above reveals the regression result for model two stated in chapter three. The Unstandardized coefficient (B) of the regression model is -.261 indicating a negative relationship between automated teller machine (ATM) transactions and profit after tax of deposit money banks in Nigeria. However, the significance result reveals whether the result is significant or not; this is reported under the test of hypothesis 3.

In testing this hypothesis, the ANOVA (F-statistics) significant result on Table 4.5 was used. The result shows a value of 0.256 which is greater than the level of significance of 0.05. This means that an effect of ATM transaction on PAT. Therefore, we reject the null hypothesis which states that ATM

transactions do not have any influence on profit after tax of deposit money banks in Nigeria, and accept the associated alternative hypothesis which states otherwise.

H_o 4: Point of Sale (POS) does not have any effect on influence on profit after tax of listed deposit money banks in Nigeria.

Table 4.5: Regression Result for PAT Model

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.116	1	.116	1.592	.243[b]
	Residual	.582	8	.073		
	Total	.698	9			

Dependent Variable: PAT
Predictors: (Constant), POS

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.489	.251		1.944	.088
	POS	-.135	.107	-.407	-1.262	.243

a. Dependent Variable: PAT

Source: SPSS Version 21

Table 4.5 above reveals the regression result for model two stated in chapter three. The Unstandardized coefficient (B) of the regression model is -.135 indicating a negative relationship between point of sale (POS) transactions and profit after tax of deposit money banks in Nigeria. However, the significance result reveals whether the result is significant or not; this is reported thus:

In testing this hypothesis, the ANOVA (F-statistics) significant result on Table 4.6 was used. The result shows a value of 0.243 which is greater than the level of significance of 0.05. This means that POS transactions do have an influence on profit after tax in Nigerian deposit money banks. On this note, the null hypothesis which states that POS transactions in Nigerian deposit money banks do not have any influence on their profit after tax is rejected, and the alternative hypothesis which states otherwise, is accepted.

Discussion of Findings

This study was conducted to investigate the effect of electronic accounting system on profitability of quoted deposit money banks in Nigeria. In the light of this objective, the following findings are made:

With respect to hypothesis one, which establishes a link between automated teller machine (ATM) transactions and return on equity of quoted deposit money banks in Nigeria, the study indicated that there is a positive and significant effect of ATM transactions on return on equity of quoted deposit money banks in Nigeria. In relation to hypothesis two, findings indicated that point of sale (POS)

transactions have a significantly positive effect on return on equity of quoted deposit money banks in Nigeria. In the same manner, there is a positive influence of automated teller machine (ATM) transactions on profit after tax of quoted deposit money banks in Nigeria, in relation to hypothesis three. Hypothesis four established a relationship between point of sale (POS) transactions and return on capital employed, and findings showed that POS transactions indeed have an influence on profit after tax.

Thus, from all the findings of this study, it can be inferred that electronic accounting system has a significant effect on profitability of quoted deposit money banks in Nigeria. This finding is consistent with the findings of Uzomah and Ihie (2022) who conducted a similar study and used similar parameters.

CONCLUSION

One cannot deny the crucial role that the advent of information and communication technology is playing in the corporate world today. Similarly, this has brought about an upgrade in the accounting system of organisations from the once traditional laborious manual accounting system to a more efficient electronic accounting system. Judging by the findings of this study, it is evident that in spite of the challenges associated with electronic accounting system, the benefits of using it greatly outweigh its limitations. Thus, it is imperative of deposit money banks in Nigeria not to treat their electronic accounting system with kids' gloves.

RECOMMENDATIONS

Based on the findings of this study, the following suggestions are made in order to improve the overall operations of deposit money banks in Nigeria:

i. Deposit money banks should be encouraged to improve and expand their transaction processing application areas (which include ATM and POS) so as to further increase their performance.
ii. Deposit money banks are encouraged to put all adequate machinery in place to forestall and curb the occurrence of any act that can hamper the operations and efficiency of these transaction processing application areas. These obstacles include, but not limited to, poor network service especially during working hours, perpetration of fraudulent practices through these application areas. In other words, the internal control system of banks should be improved upon so as to curb the menace of fraudulent acts among banks in Nigeria.

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