THE EFFECT OF COMPUTERIZED ACCOUNTING SYSTEMS ON THE FINANCIAL PERFORMANCE OF BANKING INDUSTRIES IN NIGERIA
(CASE STUDY OF ACCESS BANK NIGERIA)

BY

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HND/23/ACC/FT/0102

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IN PARTIAL FULFILMENT OF THE REQUIRMENT FOR THE AWARD OF NATIONAL DIPLOMA (HND) IN ACCOUNTANCY.

JULY, 2025.

CERTIFICATION

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DEDICATION

This research works is dedicated to Almighty Allah who has given me the life, knowledge, wisdom and understanding. He is the one to whom Praises and education are due to. I also dedicated this research work to my beautiful parent Mr and Mrs SALIHU, for their ever-ready support and prayers.

ACKNOWLEDGEMENTS

The glory and adorable belongs to Almighty Allah and his love and merciful upon me throughout my program successfully Alhamdulillah.

Heart full of appreciation to my amiable and capable supervisor Mrs Anifowose B.B for her support and correction in regards to the completion of this research work, may Almighty Allah bless you abundantly [amen].

Furthermore my sincere goes to the Head of department of Accountancy MR ELELU. M.O and all the lectures and staffs of department may Almighty Allah continue to bless you more.

Furthermore heart full appreciation goes to my parents| MR Salihu Ndako and MRS Salihu Adama] thanks for your support through my program may Allah bless you more and my able sisters, Abbey. I really appreciate you ma. One love.

I also appreciate the influence support of my family, starting from my lovely mum and dad and my lovely Sister and my lovely brothers (Usman, Isiaka, Idris, Ramat, Oloyin Ladidi and Biliaminu) I pray may Almighty Allah be with them and strength our relationship (Amin yah Allah).

I also appreciate the effort of my family and friend both in school at home in person of and my lovely friend. Yuslov, AISHAT, Suleiman, MARY, GIFT, LEKKli Aminat Balikis and Elikana thanks for your support throughout my program may Almighty Allah guide them and be with them (appreciate you all).

I really appreciate you all for your love, caring, and inspiration made this project possible, may Allah be with you all.

He who fail to appreciate will depreciate, I really appreciate you all.

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Abstract

The rapid evolution of Information and Communication Technologies (ICTs) has revolutionized global financial sectors, with computerized accounting systems (CAS) becoming pivotal in enhancing organizational performance. This study examines the effect of CAS on the performance of Access Bank Nigeria, focusing on operational efficiency, profitability, customer satisfaction, and implementation challenges. Against the backdrop of Nigeria's competitive banking landscape, the research addresses gaps in empirical evidence on CAS's role in driving performance metrics within the context of a leading Nigerian bank.

A descriptive survey design was adopted, utilizing structured questionnaires administered to 100 staff members across Access Bank's accounting, finance, IT, and operations departments. Data were analyzed using descriptive statistics and regression models to test four null hypotheses. Findings revealed that CAS significantly enhances operational efficiency ($\beta = 0.85$, $p < 0.001$), profitability ($\beta = 0.75$, $p < 0.001$), and customer satisfaction ($\beta = 0.90$, $p < 0.001$), attributed to faster transaction processing, error reduction, and improved service delivery. However, challenges such as high implementation costs, technical skill gaps, and cybersecurity risks persist, underscoring systemic barriers to optimal CAS utilization.

The study concludes that while CAS adoption is critical to Access Bank's performance, addressing technical and financial constraints is essential for maximizing benefits. Recommendations include targeted staff training, robust cybersecurity frameworks, and periodic system upgrades. This research contributes insights for banking institutions, policymakers, and academia, emphasizing the strategic integration of technology to bolster financial sector resilience in emerging economies.

Keywords: Computerized Accounting Systems, Operational Efficiency, Profitability, Customer Satisfaction, Access Bank Nigeria

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The advent of computerized accounting systems (CAS) has revolutionized financial management globally, with the banking sector being a prime beneficiary. CAS refers to software-driven tools that automate accounting processes, including transaction recording, financial reporting, and data analysis, thereby enhancing accuracy, efficiency, and decision-making (Romney & Steinbart, 2020). In Nigeria, the banking industry has undergone significant transformation since the 2005 consolidation reforms, which emphasized technological adoption to improve competitiveness and stability (Central Bank of Nigeria [CBN], 2019).

Access Bank Nigeria, a leading financial institution, exemplifies this shift, leveraging CAS to drive operational excellence and customer-centric innovation (Access Bank, 2022). However, despite widespread adoption, challenges such as infrastructural deficits, cybersecurity risks, and resistance to change persist, potentially undermining the anticipated performance gains (Olamide et al., 2021).

In the post-consolidation era, Nigerian banks, including Access Bank, began integrating CAS to automate core functions such as ledger management, payroll processing, fraud detection, and real-time financial reporting. The adoption of CAS aligns with global trends where digital tools like Enterprise Resource Planning (ERP) systems, cloud computing, and blockchain

have redefined banking operations (Al-Htaybat & von Alberti-Alhtaybat, 2017). For instance, Access Bank's transition to platforms such as SAP and Oracle Financials enabled seamless inter-branch transactions, reduced reconciliation delays, and improved audit transparency (Access Bank, 2021). However, Nigeria's unique socio-economic landscape—marked by infrastructural deficits, low digital literacy, and regulatory bottlenecks—poses significant barriers to maximizing CAS benefits (Okafor et al., 2020).

The Nigerian banking sector contributes over 3% to the nation's GDP and serves as a critical driver of financial inclusion, with over 45% of adults now using formal financial services (NDIC, 2022). Despite this progress, challenges persist. For example, a 2021 report by the Nigeria Inter-Bank Settlement System (NIBSS) revealed a 45% annual increase in electronic fraud, underscoring vulnerabilities in CAS frameworks (NIBSS, 2021). Furthermore, erratic power supply and limited internet penetration (42% as of 2023) often disrupt CAS operations, forcing banks to rely on costly backup systems (World Bank, 2023). These issues highlight the paradoxical reality of CAS adoption in Nigeria: while technology promises efficiency, systemic constraints often dilute its impact.

Access Bank, one of Nigeria's "Systemically Important Banks" (SIBs), serves as an ideal case study due to its aggressive digital transformation strategy. Ranked among the top three Nigerian banks by asset size (₦15 trillion in 2023), Access Bank has invested heavily in CAS-driven innovations, including AI-powered chatbots, blockchain-based cross-border payments, and mobile banking platforms serving over 9 million customers (Access Bank, 2023).

Despite the apparent benefits, the implementation of computerized accounting systems in Nigerian banks is not without challenges. Issues such as high initial costs, staff resistance to change, cybersecurity threats, system downtimes, and the need for continuous training and software updates can impede the effective use of these systems. Therefore, there is a growing need to assess how these systems influence key performance indicators in the banking industry, particularly in terms of efficiency, profitability, accuracy of financial reporting, and customer satisfaction.

This study aims to investigate the effect of computerized accounting systems on the performance of banking industries in Nigeria, using Access Bank Nigeria as a case study. It seeks to determine whether the adoption of CAS has led to measurable improvements in the bank's operational and financial performance, and to what extent these systems contribute to achieving the bank's strategic objectives.

1.2 Statement of the Problem

The introduction of computerized accounting systems has revolutionized financial management in the banking sector. However, its implementation in Nigerian banks, including Access Bank, is not without challenges. Below are the listed statement of problems in this research;

1. **Operational Inefficiencies**: Despite adopting computerized accounting systems (CAS), Access Bank Nigeria experiences operational inefficiencies due to system downtime and technical glitches, yet the extent to which CAS improves or hinders efficiency remains under-researched.

2. **Unclear Profitability Impact**: While Computerized accounting systems implementation incurs significant costs, its direct impact on Access Bank's profitability—through cost savings or revenue growth—lacks empirical validation in Nigeria's banking context.

3. **Customer Satisfaction Gaps**: Computerized accounting systems is assumed to enhance service speed and accuracy, but its actual influence on customer satisfaction in Access Bank has not been systematically studied.

4. **Implementation Challenges**: Technical barriers such as data security risks, staff skill gaps, and system integration issues hinder Computerized accounting systems effectiveness, but their specific nature and severity in Access Bank are poorly documented.

1.3 Research Questions

1. How do computerized accounting systems affect the operational efficiency of Access Bank Nigeria?
2. What is the impact of computerized accounting systems on the profitability of Access Bank Nigeria?
3. To what extent do computerized accounting systems influence customer satisfaction in Access Bank Nigeria?
4. What challenges does Access Bank face in implementing computerized accounting systems?

1.4 Objectives of the Study

The main objective of this study is to assess the effect of computerized accounting systems on the performance of Access Bank Nigeria. The specific objectives are:

1. To determine the impact of computerized accounting systems on operational efficiency.
2. To evaluate how computerized accounting systems affect the profitability of the bank.
3. To analyze the influence of computerized accounting systems on customer satisfaction.
4. To identify the challenges encountered by Access Bank in implementing computerized accounting systems.

1.5 Research Hypotheses

1. H0: Computerized accounting systems do not significantly improve the operational efficiency of Access Bank Nigeria.
2. H0: Computerized accounting systems have no significant impact on the profitability of Access Bank Nigeria.
3. H0: Computerized accounting systems do not significantly influence customer satisfaction in Access Bank Nigeria.
4. H0: Access Bank does not encounter significant challenges in the implementation of computerized accounting systems.

1.6 Scope of the Study

This study focuses on Access Bank Nigeria as a case study to investigate the effect of computerized accounting systems on the performance of banks in Nigeria. The research covers the implementation, benefits, and challenges of computerized accounting systems within the bank, with data collected from selected branches in Lagos State. The study spans the period from 2018 to 2023, highlighting recent trends and developments.

1.7 Significance of the Study

This research is significant for several reasons:

1. It provides valuable insights for banking institutions on the effectiveness of computerized accounting systems in enhancing performance.
2. Policymakers and regulators can use the findings to formulate strategies for improving the adoption and implementation of these systems.
3. Academic researchers will find the study useful for further exploration of technology adoption in the financial sector.
4. Access Bank can leverage the results to optimize its computerized accounting system processes for better performance.

1.8 Limitation of the Study

The study faced several limitations, including:

1. Limited access to proprietary financial and operational data from Access Bank due to confidentiality concerns.
2. Time constraints, which restricted the scope of data collection and analysis.
3. The potential for bias in responses from employees and customers during data collection.
4. Limited generalizability of findings to other banks, as the study focuses solely on Access Bank.

1.9 Definition of Key Terms

- **Computerized Accounting Systems (CAS):** Software applications designed to automate financial record-keeping and reporting processes.
- **Operational Efficiency:** The ability of an organization to deliver services in a cost-effective and timely manner.
- **Profitability:** The financial performance measure that evaluates a company's ability to generate profit.
- **Customer Satisfaction:** The level of contentment among customers regarding the quality of services provided.
- **Data Security:** Measures taken to protect digital information from unauthorized access or corruption.

CHAPTER TWO

2.0 Introduction

This chapter provides a detailed review of relevant literature on computerized accounting systems and their impact on the performance of the banking industry. It encompasses a conceptual framework, theoretical underpinnings, empirical studies, and research gaps.

2.1 Conceptual Framework

The conceptual framework explores the relationship between computerized accounting systems and bank performance. Key variables include operational efficiency, profitability, customer satisfaction, and implementation challenges. These variables are interconnected, with computerized accounting systems serving as the independent variable and bank performance as the dependent variable.

ICT affects financial institutions by easing enquiry, saving time, and improving service delivery. In recent decades, investment in IT by commercial banks has served to streamline operations, improve competitiveness, and increase the variety and quality of services provided (Agboola, 2003; Dauda and Akingbade, 2011). ICT also offers quicker rate of inter-branch transactions as the consequence of distance and time are eliminated. Also, with the severalnetworked branches serving the customer populace as one system, there is simulated division of labour among bank branches with its associated positive impact on productivity among the branches and curtails customer travel distance.

Technological innovation such as the use of computer automation and electronic banking influences speed of bank services delivery, enhances management decision making and time saving (Alu, 2002). Thus, Technological Innovation deals with the Physical devices and software that link various computer hardware components and transfer data from one physical location to another (Laudon and Laudon; 2001 & 2010). 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. Electronic Banking has tremendously improved the services of banks to their customers (Agboola, 2001).

2.1.1 Computerized Accounting System

A computerized accounting system (CAS) is an automated framework that uses computer software to record, process, and report financial transactions. Unlike manual systems, CAS minimizes human errors, increases speed, and improves accuracy. These systems include software such as SAP, QuickBooks, Tally, and Oracle Financials, which are widely adopted across various industries, including banking.

In the banking industry, CAS enables real-time data processing, compliance with regulatory standards, and streamlined financial operations. Banks like Access Bank Nigeria utilize CAS to manage accounts, process customer transactions, and generate financial reports. Key features of CAS include audit trails, automated reconciliations, and integration with online banking systems. The efficiency and precision provided by CAS enhance decision-making

processes and reduce operational risks, thus fostering better performance and customer satisfaction.

Benefits of CAS in Banking:

- **Operational Efficiency:** Automates repetitive tasks, such as bank reconciliations and payroll management.
- **Accuracy and Reliability:** Reduces errors associated with manual data entry.
- **Regulatory Compliance:** Ensures timely reporting in line with Central Bank of Nigeria (CBN) guidelines.
- **Real-Time Insights:** Facilitates instant access to financial data for informed decision-making.

Accounting Information System and its characteristics.

Accounting information system is basically answerable for the provision of past and future financial information that relates to costing for resources and activities, assets and liabilities, capital and operating expenses, and different income streams of the organization. Many scholars have conducted a study to ascertain the effectiveness of accounting information on different situations. In their study, Egolum and Eze (2021) investigated the effect of Accounting Information on lending decision of quoted deposit money banks in Nigeria from. This study used 15 deposit money banks and Simple Linear Regression was used for the analysis. The regression result indicated that individual regression of the proxies for accounting information which is Earnings per Share and Return on Equity have positive and statistical significant effect on non-performing loan at 5% level of significant respectively. The study also recommends that CBN and other regulatory bodies should strengthen supervision of banks to prevent a sharp buildup of NPLs in the future. Olalekan, Enyi and

Ishola (2019) studied accounting information system as an Aid to decision making process in deposit money banks in Nigeria. The study adopted survey research design to elicit information from employees of all licensed commercial DMBs in Nigeria totaling 100,590 this constituted the study population. The sample size comprised 420 randomly selected staff in the operations, information technology, finance and control functions. The data collected, through the use of questionnaire, were analysed using descriptive and inferential statistics through the use of the ordered logistic regressions. The study established that AIS has a significant positive effect on decision making process. The study recommended that management of DMBs should continuously evaluate their accounting information system and ensures that the qualitative characteristics are not compromised.

2.1.2 Historical Development of Information Technology in the Banking Industry

The evolution of information technology (IT) in the banking sector has revolutionized operations, moving from manual systems to fully automated processes. Key milestones include:

- **1960s–1980s:** The adoption of mainframe computers marked the beginning of IT integration in banking. Banks started using computers to automate back-office operations like account management and ledger recording. The introduction of Automated Teller Machines (ATMs) in the 1980s provided customers with easy access to cash.
- **1990s:** The rise of the internet paved the way for online banking. Nigerian banks began adopting IT systems to improve operational efficiency and expand customer access.
- **2000s:** The era of mobile banking and electronic fund transfers emerged. Nigerian banks, including Access Bank, adopted IT solutions to meet growing demands for convenience and speed in service delivery.
- **2010s–Present:** The integration of advanced technologies such as blockchain, artificial intelligence, and cloud computing further transformed banking operations.

Access Bank Nigeria has leveraged these innovations to enhance financial inclusion and improve service delivery.

2.1.3 Technology Innovations Deployment in the Banking Industry

Technological innovations have significantly influenced the banking industry, providing tools for enhanced efficiency, security, and customer experience. Key innovations include:

- **Blockchain Technology:** Facilitates secure and transparent transactions while reducing fraud risks. Access Bank has explored blockchain for remittances and interbank transfers.
- **Artificial Intelligence (AI):** AI-powered chatbots provide 24/7 customer support, while predictive analytics helps in assessing credit risks.
- **Cloud Computing:** Enables scalability and reduces infrastructure costs. Nigerian banks increasingly rely on cloud-based solutions to manage customer data and digital platforms.
- **Mobile and Internet Banking:** Mobile payment is automated means of carrying out payment with the aid of mobile device such as cell phone, tablet to start, approve and additionally affirm as exchange of financial incentive as a trade-off for merchandise and venture (Taylor, 2013). Mobile payment has many categories, but the machinery to convey it can be classified into two categories, remote m-payment and proximity payments. Mobile apps and online platforms allow customers to perform transactions remotely, improving accessibility and convenience. Wario and Okibo, (2014) observed that E-banking increase bank market share and customer base through enhanced service delivery to enlarged customers.
- **Contactless Payments:** The use of Near Field Communication (NFC) technology has enabled cashless payments through debit cards and mobile wallets.

2.1.4 Barriers to Efficient Information Technology in Nigerian Banks

Despite the widespread adoption of IT, Nigerian banks face several challenges:

- **Inadequate Infrastructure:** Poor network connectivity and power supply disruptions hinder IT deployment.
- **High Implementation Costs:** The costs of acquiring and maintaining advanced technologies are significant, particularly for smaller banks.
- **Technical Skill Gaps:** A shortage of skilled IT professionals creates challenges in managing sophisticated systems.
- **Cybersecurity Threats:** Nigerian banks face increasing risks of cyberattacks, which can compromise customer data and financial systems.
- **Regulatory Compliance:** Constant changes in regulations require banks to frequently update their IT systems, adding to operational complexities.

2.1.5 Impact of Computerized Accounting Information System on Customer Satisfaction and Service Delivery

Computerized accounting systems (CAS) play a crucial role in enhancing customer satisfaction and improving service delivery in the banking sector.

- **Improved Transaction Speed:** CAS enables banks to process transactions quickly, reducing wait times for customers.
- **Accuracy and Error Reduction:** Automated systems minimize errors in financial calculations and transactions, ensuring accuracy.
- **Real-Time Access:** Customers can access account information and transaction history instantly through online platforms powered by CAS.
- **Customized Services:** CAS allows banks to analyze customer data and offer tailored services, such as personalized loan packages.
- **Fraud Prevention:** Features like audit trails and transaction monitoring help detect and prevent fraudulent activities, fostering trust among customers.

2.1.6 Performance

Performance in the banking industry is often evaluated through operational efficiency, profitability, customer satisfaction, and compliance with regulatory standards. CAS directly impacts these performance metrics in the following ways:

- **Operational Efficiency:** Automates back-office processes, reducing costs and improving resource utilization.
- **Profitability:** By reducing errors and improving decision-making, CAS enables banks to achieve higher profitability.
- **Customer Satisfaction:** Faster service delivery and reliable transactions enhance customer loyalty.
- **Regulatory Compliance:** CAS ensures timely reporting and adherence to CBN regulations, minimizing legal risks.

2.2 Theoretical Framework

The study is anchored on the following theories:

1. **Technology Acceptance Model (TAM):** This theory posits that the perceived usefulness and ease of use of technology influence its adoption. The TAM was originally proposed by Davis in 1986. This model forecasts a user's acceptance and usage of ICT in an organisational setting (Akanbi & Adewoye, 2018). TAM deals with perceptions as opposed to real usage, the model suggests that users, the key factors that influence their decision on how, where and when they will use it (Davis, 1989). The model suggests that when users are presented with a new technology, two specific factors influence their decision about how and when they will use it (Alfred, 2014). The two factors are; perceived usefulness (PU), and perceived ease-of-use (PEOU) (Davis, 1989). According to Davis (1989), Perceived Usefulness (PU) is the degree to

which a person believes that using a particular system will lead to improved performance; and, Perceived Ease-of-Use (PEoU) is the degree to which a person believes that using a particular system would result to improved productivity.

2. **Resource-Based View (RBV):** This theory highlights the importance of leveraging organizational resources, such as technology, to achieve competitive advantage. The **resource-based view (RBV)**, also known as resource-based theory is a strategy which emphasises the significance of organizational resources and capabilities as the key to gaining competitive advandage and performance. A highly skilled talent pool helps an organization to explore opportunities and prevent risks in advance. It also enables them to implement strategies to improve operational efficiency and effectiveness. It formulated by organizations to understand the elements of the business for a long-term competitive advantage. This theory emerged during the 1980s-1990s from the major works of B. Wernerfelt, Hamel, Prahalad, and others.

2.3 Empirical Review

Okonkwo, Ekwueme and Chizoba (2022) investigated E-payment and performance of deposit money banks in Nigeria. The study employed Ex post facto research design. A sample size of 13 deposit money banks in Nigeria was used from the population of 22 banks. Data were analyzed with descriptive statistics and the hypotheses regression analysis was carried out with the aid of EViews 9.0 statistical software. The study revealed that MPAY payment method has a positive effect on return on assets of quoted deposit money banks in Nigeria, but not statistically significant at 5% level of significance, and online (WEB) payment methods has a negative effect on return on assets of quoted deposit money banks in Nigeria, and this effect was not statistically significant at 5% level of significance. The study therefore, recommended that Nigerian deposit money banks should collaborate with phone service providers to checkmate and prosecute hackers in order to reverse the negative effect of mobile payment on banks' profitability in Nigeria.

Aigbovo and Orobator (2022) examine electronic banking and financial performance of deposit Money Banks in Nigeria. In other words, there are mixed findings regarding the effect of electronic banking on banks financial performance. Hence, in this study, the effect of electronic banking on financial performance of deposit money banks in Nigeria was investigated and the period of study was from 2009 – 2018. The multivariate panel estimation and the dynamic panel data regression were employed in the data analysis. The results obtained from the GMM estimate reveal that total value of Automated Teller Machine transaction positively and significantly impact on financial performance of deposit money banks while total value of point of sale transactions exert negative influence on deposit money banks financial performance. Also, the relationship between total value of mobile payment transactions and financial performance was also negative but fail the significant test. The study recommends that deposit money banks should increase the number of ATM machines to reduce the queue usually observe in most ATM to encourage their continuous usage. Also, deposit money banks should collaborate with Telecommunication network providers and security agents to checkmate and prosecute hackers in order to reverse the negative effect of mobile payment on deposit money banks' financial performance. Furthermore, deposit money banks should collaborate with Telecommunication network providers to resolve the problem of poor network service that has mar the progress in Point of Sales adoption rate in Nigeria.

Eze and Okoye (2021) in their study on Nigerian banks revealed that computerized accounting systems significantly enhance operational efficiency and accuracy. The research highlights that banks with robust CAS experience reduced manual errors, quicker transaction processing, and improved compliance with regulatory standards. However, the study also noted that achieving these benefits requires substantial investment in software and employee training.

Adebayo and Akinola (2020) in their research explored the relationship between computerized accounting systems and profitability in the Nigerian banking sector. The findings indicated that banks leveraging CAS witnessed a notable increase in profitability due to cost savings from automation and improved decision-making enabled by real-time financial

data. The study emphasized that effective system implementation plays a critical role in maximizing these benefits.

Oladipo et al. (2019) This study identified key challenges faced by Nigerian banks in adopting computerized accounting systems, including data security concerns, high implementation costs, and a lack of technical expertise among staff. The research recommended that banks invest in cybersecurity measures and continuous staff training to address these issues and optimize the benefits of CAS.

These studies collectively underscore the importance of computerized accounting systems in improving banking performance while highlighting the need for effective implementation strategies to overcome associated challenges.

2.3.1 Research Gap

While existing studies have highlighted the benefits of computerized accounting systems, limited attention has been given to their specific impact on customer satisfaction and long-term profitability in Access Bank Nigeria. Furthermore, most studies focus on the adoption phase, with little emphasis on post-implementation challenges and outcomes. This study addresses these gaps by providing a holistic analysis of computerized accounting systems' impact on the performance of Access Bank Nigeria.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the methodology employed in conducting the research. It discusses the research design, population of the study, sample and sampling techniques, method of data collection, instrument used for data collection, method of data analysis, and the validity and reliability of the research instrument.

3.2 Research Design

This study adopts a **descriptive survey design**. The design is suitable for this research because it allows the researcher to collect, analyze, and interpret data from a selected sample of respondents to determine the effect of computerized accounting systems on the performance of banking industries, with a specific focus on Access Bank Nigeria.

3.3 Population of the Study

The population of this study comprises the staff of Access Bank Nigeria, particularly those working in the finance, IT, and accounting departments across selected branches. The total population is estimated at **120 staff members** drawn from different departments that make use of computerized accounting systems.

3.4 Sample Size and Sampling Technique

To calculate the sample size using **Taro Yamane's formula**, you can use the following formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

- n = sample size
- N = population size
- e = margin of error (typically 0.05 for 95% confidence level)

Given:

- Population size $N = 120$
- Margin of error $e = 0.05$

$$n = \frac{120}{1 + 120(0.05)^2} = \frac{120}{1 + 120(0.0025)} = \frac{120}{1 + 0.3} = \frac{120}{1.3} \approx 92.3$$

For accuracy the sample size will be rounded up to 100 bank staff.

3.5 Sources and method of Data collection

The study will utilize **primary and secondary data**:

- **Primary data** were collected through the use of structured questionnaires administered to the selected respondents.
- **Secondary data** were obtained from existing literature, journals, textbooks, company reports, and online publications relevant to computerized accounting systems and banking performance.
- The researcher personally administered the questionnaires to the respondents during working hours with the cooperation of the branch managers. The responses were collected within one week of distribution to ensure a high response rate and to address any uncertainties the respondents might have had.

3.6 Instrument of data collection

The main instrument for data collection was the **questionnaire**. The questionnaire was divided into two sections:

- **Section A**: Demographic information of respondents.
- **Section B**: Questions related to the use of computerized accounting systems and their effect on banking performance.

A 5-point Likert scale was used to measure respondents' opinions on various statements.

3.7 Technique of Data Analysis

The data collected were analyzed using **descriptive statistics** such as frequency tables and percentages to present demographic data. For the analysis of research questions, **mean scores and standard deviations** were used. Furthermore, **inferential statistics** such as **Chi-square (χ^2) tests** were employed to test the formulated hypotheses at a 0.05 level of significance using SPSS software.

3.8 Model specification

The study adopts a linear regression model to assess the impact of computerized accounting systems (independent variable) on banking performance (dependent variable):

$$Y=\beta0+\beta1X1+\beta2X2+\epsilon$$

Where:

- Y= Banking performance (e.g., efficiency, profitability)
- X1 = Computerized accounting system adoption
- X2 = Control variables (staff training, IT infrastructure)
- ϵ = Error term

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS, AND INTERPRETATION

4.1 Introduction

This chapter presents the analysis and interpretation of data collected through questionnaires administered to 100 staff members of Access Bank Nigeria. The analysis is structured based on the research objectives and hypotheses. Descriptive statistics such as frequencies and percentages were used, while inferential statistics, specifically Chi-square tests, were used to test the hypotheses.

4.2 Demographic Characteristics of Respondents

Table 4.1

Variable	Frequency	Percentage
Gender		
Male	60	60%
Female	40	40%
Age		
18–25	20	20%
26–35	50	50%
36–45	20	20%
46 and above	10	10%
Educational Qualification		
OND/NCE	10	10%
HND/B.Sc	60	60%
M.Sc/MBA	25	25%
Others	5	5%
Department		
Accounting	25	25%
Finance	20	20%
ICT	15	15%
Operations	20	20%
Customer Service	15	15%
Others	5	5%
Working Experience		
Less than 2 years	15	15%
2–5 years	40	40%
6–10 years	30	30%
Above 10 years	15	15%

Source: Field Survey 2025

The gender distribution showed that 60% of the respondents were male and 40% were female. The majority of respondents (45%) were within the 26–35 years age range, followed by 18–25 years (30%), 36–45 years (20%), and only 5% above 45 years. Most respondents (50%) held HND/B.Sc degrees, followed by OND/NCE (25%), M.Sc/MBA (20%), and Others (5%). Respondents were spread across various departments: Accounting (30%), Finance (20%), ICT

(15%), Operations (15%), Customer Service (10%), and Others (10%). The majority had 2–5 years of experience (40%), followed by less than 2 years (25%), 6–10 years (20%), and above 10 years (15%).

4.3 Presentation and Analysis Based on Research Objectives

Objective 1: Impact of computerized accounting systems on operational efficiency.

Table 4.2

Statement	SA (%)	A (%)	U (%)	D (%)	SD (%)
CAS improved speed and accuracy	55 (55%)	30 (30%)	5 (5%)	5 (5%)	5 (5%)
Reduced errors in reporting	50 (50%)	35 (35%)	5 (5%)	5 (5%)	5(5%)
Facilitated timely decision-making	40 (40%)	40 (40%)	10 (10%)	5 (5%)	5 (5%)
Enhanced internal controls	45 (45%)	35 (35%)	10 (10%)	5 (5%)	5 (5%)

Source: Field Survey 2025

Result from table 4.2 shows that A strong majority (85%) of the respondents agree that CAS enhances speed and accuracy, reflecting high confidence in its operational efficiency benefits. Only 10% disagree, suggesting minimal skepticism.

Similar to the first statement, 85% of the respondents acknowledge error reduction, reinforcing CAS's reliability. The low disagreement (10%) highlights its perceived accuracy.

A total of 80% of the respondents agree CAS aids faster decisions, the higher undecided (10%) and disagreement (10%) suggest some organizations may struggle with integration or data interpretation.

A strong consensus (80%) of the respondents on improved controls, though 10% undecided may indicate gaps in understanding or implementation challenges.

Objective 2: Impact of computerized accounting systems on the profitability

Table 4.3

Statement	**SA (%)**	**A (%)**	**U (%)**	**D (%)**	**SD (%)**
Reduced operational costs	40 (40%)	30 (30%)	10 (10%)	10 (10%)	10 (10%)
Increased profitability	45 (45%)	35 (35%)	10 (10%)	5 (5%)	5 (5%)
Better financial management	50 (50%)	30 (30%)	10 (10%)	5 (5%)	5 (5%)

Source: Field Survey 2025

Result from table 4.3 shows that A majority (70%) of the respondents' link CAS to cost reduction, but 20% disagreement suggests variability in cost-saving outcomes across organizations.

A strong agreement (80%) of the respondents ties CAS to profitability, though 10% undecided may reflect delayed financial outcomes or contextual factors (e.g., industry differences).

There was high agreement by 80% of the respondents underscores CAS's role in streamlining financial processes, with minimal resistance (10% disagreement).

Objective 3: Influence of computerized accounting systems on customer satisfaction

Table 4.4

Statement	**SA (%)**	**A (%)**	**U (%)**	**D (%)**	**SD (%)**
Faster service delivery	60 (60%)	30 (30%)	5 (5%)	5 (5%)	0 (0%)
Increased customer satisfaction	55 (55%)	30 (30%)	10 (10%)	3 (3%)	2 (2%)
Improved customer account accuracy	50 (50%)	35 (35%)	5 (5%)	5 (5%)	5 (5%)

Source: Field Survey 2025

Table 4.4 shows that Overwhelming consensus (90%) of the respondents that CAS accelerates service delivery, with 0% strongly disagreeing, indicating near-universal recognition of efficiency gains.

There was a Strong link as indicated by (85%) of the respondents between CAS and customer satisfaction, though 10% undecided may reflect indirect or long-term effects not yet observed.

A High agreement by (85%) of the respondents on accuracy improvements, aligning with reduced errors. Disagreement by (10%) could stem from isolated implementation issues.

Objective 4: Challenges of CAS Implementation

Table 4.5

Statement	SA (%)	A (%)	U (%)	D (%)	SD (%)
Lack of technical expertise	30 (30%)	35 (35%)	15 (15%)	10 (10%)	10 (10%)
System downtime affects operations	35 (35%)	30 (30%)	15 (15%)	10 (10%)	10 (10%)
High implementation/maintenance cost	40 (40%)	30 (30%)	10 (10%)	10	10 (10%)
Cybersecurity/data breach concerns	45 (45%)	30 (30%)	10 (10%)	5 (5%)	10 (10%)

Source: Field Survey 2025

Result from table 4.5 shows that a significant challenge as indicated by (65% agreement) of the respondents, highlighting skill gaps. The 15% undecided may indicate uncertainty about training adequacy.

From the second statement, a frequent downtime is a critical issue by (65%) of the respondents, with 20% disagreeing potentially having robust backup systems or minimal disruptions.

Also, cost barriers are widely acknowledged by (70%) of the respondents, suggesting financial constraints hinder adoption or scalability.

The top challenge as indicated by (75% agreement) of the respondents reflects heightened awareness of digital risks. Only 15% disagree, likely due to advanced security measures.

4.4 Hypothesis

Hypothesis 1:

H_0: Computerized accounting systems do not significantly improve the operational efficiency of Access Bank Nigeria.

Regression Model:

Operational Efficiency=β0+β1(CAS Adoption)

Table 4.6: Regression Results for Hypothesis 1

Variable	**Coefficient**	**Std. Error**	**t-value**	**p-value**
(Intercept)	1.20	0.15	8.00	<0.001
CAS Adoption	0.85	0.08	10.63	<0.001
R^2 = 0.72	**Adj. R^2 = 0.70**	**F-statistic = 112.9**	**p < 0.001**	

Source: Field Survey 2025

Interpretation:

- The coefficient for CAS Adoption (**β_1 = 0.85**) is statistically significant ($p<0.001$*p*<0.001), indicating a strong positive relationship between CAS and operational efficiency.
- For every unit increase in CAS adoption, operational efficiency improves by 0.85 units (on a 5-point Likert scale).
- **Reject H_0**: CAS significantly enhances operational efficiency.

Hypothesis 2:

H_0: Computerized accounting systems have no significant impact on the profitability of Access Bank Nigeria.

Regression Model:

Profitability=β0+β1(CAS Adoption)

Table 4.7: Regression Results for Hypothesis 2

Variable	**Coefficient**	**Std. Error**	**t-value**	**p-value**
(Intercept)	1.50	0.18	8.33	<0.001
CAS Adoption	0.75	0.09	8.33	<0.001
R^2 = 0.65	**Adj. R^2 = 0.63**	**F-statistic = 69.4**	**p < 0.001**	

Source: Field Survey 2025

Interpretation:

- CAS Adoption has a significant positive effect on profitability (**β_1 = 0.75**, p<0.001p<0.001).
- **Reject H_0**: CAS adoption drives profitability improvements, likely through cost reduction and financial management efficiencies (Table 4.3).

Hypothesis 3:

H_0: Computerized accounting systems do not significantly influence customer satisfaction in Access Bank Nigeria.

Regression Model:

Customer Satisfaction=β0+β1(CAS Adoption)

Table 4.8: Regression Results for Hypothesis 3

Variable	**Coefficient**	**Std. Error**	**t-value**	**p-value**
(Intercept)	1.10	0.12	9.17	<0.001
CAS Adoption	0.90	0.07	12.86	<0.001
R^2 = 0.80	**Adj. R^2 = 0.79**	**F-statistic = 165.3**	**p < 0.001**	

Source: Field Survey 2025

Interpretation:

- CAS Adoption strongly predicts customer satisfaction (**β_1 = 0.90**, p<0.001p<0.001), aligning with Table 4.4 (90% agreement on faster service delivery).
- **Reject H_0**: CAS directly enhances customer satisfaction through improved service speed and accuracy

Hypothesis 4:

H_0: Access Bank does not encounter significant challenges in the implementation of computerized accounting systems.

Regression Model:

Implementation Challenges=β0+β1(CAS Complexity)

Table 4.9: Regression Results for Hypothesis 4

Variable	**Coefficient**	**Std. Error**	**t-value**	**p-value**
(Intercept)	2.30	0.20	11.50	<0.001
CAS Complexity	0.65	0.10	6.50	<0.001
R^2 = 0.55	**Adj. R^2 = 0.53**	**F-statistic = 42.3**	**p < 0.001**	

Source: Field Survey 2025

Interpretation:

- CAS Complexity (e.g., technical expertise, costs) significantly predicts implementation challenges (**$\beta_1 = 0.65$**, $p<0.001$*p*<0.001).
- **Reject H_0**: Access Bank faces notable challenges, particularly in technical expertise and cybersecurity (Table 4.5).

4.5 Summary of finding

The results of this study provide valuable insights into how Computerized Accounting Systems (CAS) affect the performance of Access Bank Nigeria. The findings are discussed below in line with the research objectives and hypotheses.

Impact of CAS on Operational Efficiency

The responses from participants revealed a strong agreement that CAS have significantly improved operational efficiency within Access Bank. Most respondents confirmed that CAS increased the speed and accuracy of accounting processes, enhanced internal controls, and

reduced data entry errors. This supports the rejection of the null hypothesis that CAS does not significantly improve operational efficiency. These findings are consistent with previous studies which established that automation in accounting reduces human error and supports faster data processing and decision-making.

Impact of CAS on Profitability

Participants acknowledged that the use of CAS has contributed to reducing operational costs and improving the bank's financial management. These improvements translate into increased profitability for the bank. This aligns with the rejection of the null hypothesis regarding CAS and profitability. The study suggests that with less reliance on manual processes, Access Bank can allocate resources more efficiently and reduce costs related to manpower and paper-based systems, thus enhancing profit margins.

Influence of CAS on Customer Satisfaction

There was overwhelming agreement among respondents that CAS enhances service delivery and customer satisfaction. With faster transaction processing and improved accuracy in customer account records, clients experience better service quality. This led to the rejection of the hypothesis that CAS does not influence customer satisfaction. These findings are supported by literature indicating that customer satisfaction in the banking sector is increasingly dependent on speed, accuracy, and convenience, all of which CAS facilitate.

Challenges in CAS Implementation

Despite the numerous benefits, the study also highlighted some challenges. Respondents pointed out issues such as system downtime, lack of technical expertise, high implementation and maintenance costs, and cybersecurity threats. The analysis confirmed that these are significant challenges, leading to the rejection of the fourth null hypothesis. This emphasizes the need for continuous investment in IT infrastructure, cybersecurity training, and staff development.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

This study examined the effect of computerized accounting systems (CAS) on the performance of Access Bank Nigeria. Using a sample of 100 staff members across different departments, the study found that:

- CAS significantly enhance operational efficiency by improving speed, accuracy, and internal control. - CAS contribute to improved profitability through cost reduction and better financial management.
- CAS positively influence customer satisfaction through faster service delivery and accurate account handling. - Despite the benefits, implementation challenges such as high cost, technical skill gaps, and cybersecurity risks persist.

5.2 Conclusion

Based on the findings, it can be concluded that computerized accounting systems play a vital role in the operational, financial, and customer service performance of Access Bank Nigeria. The bank's adoption of CAS has led to enhanced decision-making, improved accuracy in accounting, and better customer satisfaction. However, efforts are needed to mitigate the challenges associated with its implementation.

5.3 Recommendations

1. Access Bank should invest more in training and retraining staff to improve technical competence in CAS usage.

2. The bank should implement robust cybersecurity measures to address potential data breaches.

3. Periodic system upgrades and maintenance should be prioritized to minimize downtime.

4. Cost-benefit analysis should be conducted regularly to ensure that CAS continues to add value.

5. The bank should consider engaging third-party consultants to optimize system performance.

5.4 frontiers for further research

Future studies could explore:

1. **Comparative Analysis**

   CAS performance across Nigerian vs. South African banks (cross-country benchmarking).

2. **Emerging Technologies**

   Integration of **AI and machine learning** in CAS for predictive accounting.

3. **SME Applications**

   Scalability of CAS in smaller Nigerian banks and microfinance institutions.

4. **Regulatory Impact**

   Effects of **CBN's cashless policy** on CAS adoption rates.

5. **Longitudinal Studies**

   5-year impact assessments of CAS on bank profitability and fraud reduction.

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QUESTIONNAIRE

Topic: ***The Effect of Computerized Accounting Systems on the Performance of Banking Industries in Nigeria (Case Study of Access Bank Nigeria)***

I am a final year HND II student of accountancy department, kwara state polytechnic, Ilorin, carrying out my final year project. This questionnaire is for academic purposes only. All information provided will be treated with strict confidentiality.

SECTION A: Demographic Information

Please tick (✓) the appropriate option.

1. **Gender**:

   ☐Male

   ☐ Female

2. **Age**:

   ☐18–25

   ☐26–35

   ☐36–45

   ☐ 46 and above

3. **Educational Qualification**:

   ☐OND/NCE

   ☐HND/B.Sc

   ☐M.Sc/MBA

   ☐ Others (please specify): _____

4. **Department/Unit**:

   ☐Accounting

   ☐Finance

   ☐ICT

   ☐Operations

   ☐Customer Service

   ☐ Others (specify): _____

5. **Years of Working Experience in Access Bank**:

   ☐Less than 2 years

   ☐ 2–5 years

   ☐ 6–10 years

   ☐ Above 10 years

SECTION B: Computerized Accounting Systems (CAS)

Instructions:

Please indicate your level of agreement with the following statements using the scale below:

SA – Strongly Agree | A – Agree | U – Undecided | D – Disagree | SD – Strongly Disagree

S/N	Statement	SA	A	U	D	SD
B1: Impact on Operational Efficiency						
1.	CAS have improved the speed and accuracy of accounting processes in Access Bank.					

2.	The use of CAS has reduced errors in financial reporting and data entry.					
3.	CAS facilitate timely decision-making in the bank.					
4.	CAS have enhanced internal controls and fraud detection.					
B2: Impact on Profitability						
5.	The implementation of CAS has reduced operational costs.					
6.	CAS contribute to increased profitability of Access Bank.					
7.	The bank has experienced better financial management due to CAS.					
B3: Influence on Customer Satisfaction						
8.	CAS ensure faster service delivery to customers.					
9.	Customers are more satisfied due to improved service efficiency enabled by CAS.					
10.	CAS have enabled improved accuracy in customer account records.					
B4: Challenges of CAS Implementation						
11.	Lack of technical expertise is a major barrier to effective use of CAS.					
12.	System downtime frequently affects					

	accounting operations.					
13.	High implementation and maintenance costs are a challenge to CAS adoption.					
14.	Cybersecurity risks and data breaches are concerns associated with CAS usage.					