EFFECT OF BANK VERIFICATION NUMBER (BVN) IN THE PERFORMANCE OF BANKING SYSTEM

(A CASE STUDY OF CENTRAL BANK OF NIGERIA)

BY

ABDULFATAI IDRIS OLAMILEKAN

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BEING A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF BANKING AND FINANCE, INSTITUTE OF FINANCE AND MANAGEMENT STUDIES (IFMS) KWARA STATE POLYTECHNIC, ILORIN.

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CERTIFICATION

This is to certify that this project report was carried out by **ABDULFATAI IDRIS OLAMILEKAN** with Matric Number **HND/23/BFN/FT/0064** under the supervision of **DR. ADEWOYE A. O.** in partial fulfillment for the award of Higher National Diploma (HND) in Banking and Finance and this work has been read and approved as meeting the requirement of the Institute of Finance and Management Studies.

_____   _____

DR. ADEWOYE A. O.   **DATE**

(Project Supervisor)

_____   _____

MRS. OTAYOKHE E.Y.   **DATE**

(Project Coordinator)

_____   _____

MR. AJIBOYE W.T.   **DATE**

(Head of Department)

_____   _____

EXTERNAL   **DATE**

DEDICATION

I specially dedicate this project to the Almighty God for bestowing on me the knowledge and strength to do this project work. He is the one who has made everything possible for me up till this moment.

ACKNOWLEDGMENT

All thanks and adoration are due to Almighty God the creator of the universe and the beginner and the finisher of my faith and the constitute, the giver and takers of life, for being on my side throughout my Higher National Diploma program and his wisdom in putting everything together for this work special appreciation goes to my lovely and caring parents **MR. & MRS. ABDULFATAI** without you I'm nothing, thanks for your support, care and work of encouragement I pray may u live long to eat the fruit of your labours. Amen

My special appreciation goes to my supervisor **Dr. ADEWOYE A.O** for the encouragement cordially and understanding. May the Lord bless you and your family Sir (Amen) I appreciate your support, care and word of encouragement.

PROPOSAL

The aim and objectives of this study project is to identify the Effect of Bank Verification Number (BVN) in the Performance of Nigeria Bank System.

Chapter one contains the introduction of the study, statement research problem, research question, objectives of the study, research hypothesis, significance of the study, scope of the study, definition of terms and organization of the study.

Chapter two deals with literature review, Assessment of the bank verification number in Nigeria deposit money banks, the importance of Bank verification number, how to enroll for your bank verification number, fraud prevention theory, fraud management lifecycle.

Chapter three discusses the research methodology, research design, population of the study, method of data collection and analysis, source of data, sample size and limitation methodology.

Chapter four also deals with presentation of data and analysis of data and data interpretation.

Chapter five contain summary of finding, conclusion and recommendation of findings and references.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

The Bank Verification Number (BVN) is a great step taken by the Central Bank of Nigeria, to strengthen the financial security and order in the banking sector of Nigeria. The Central Bank of Nigeria on February, 2014 made it compulsory that account holders should have a Bank Verification Number (BVN) so as to enable the account holder to have single identity in all banks in Nigeria; all he or she need to do is to link it with his or her account.

The essence of this system is to help the bank in protection of their customers from theft and other financial/economic crimes growing in the banking industry (Ori. 2014).

One of the importance's of the BVN is that transaction will be safer once all protocols is duly observed. Transaction are safer and fraudulent transaction are minimized, if not totally eliminated. The Central Bank of Nigeria have put a lot of effort to see the success of this exercise, but the general public do not know the importance of the Bank Verification Number, but they started seeing the importance of the Bank Verification Number when the central bank made it clear that the exercise will stop by October. 2015.

The Bank Verification Number system was biometric technology to register customers in the Banking Sectors. It records those physical features which are unique to individual's fingerprints and the face, these techniques were made effective because every individual has his or her own unique fingerprints. The record would be used to identify the person afterwards.

Once a person's biometric have been recorded, and BVN issued the account would be accused through BVN. The major objectives of the initiative are to protect bank customers, reduce fraud and strengthen the Nigerian Banking System. Biometric enrollment is helpful to people who cannot read and write. Their prints and pictures would serve as the same purpose as signature.

1.2 STATEMENT OF THE RESEARCH PROBLEM

Without doubt, Nigeria Banking System has contributed to the growth and development of Nigeria. The Nigeria Banking Sector has maintained the inflow of money in the country so as to stabilize the country's economy. According to Undenze, 2014; stated that the growth in this sector has been reduced due to high cases of economy and financial crimes; fraud and money laundry have significant effect on the financial security in the Nigeria Banking Industry. They have caused damage to the reputation of the image of the country, loss of Foreign Direct Investment (FDI), poor infrastructural development, dwindling confidence and distortions in our political systems, among other things.

In view of those crises, crimes perpetrated by cyber thieves, the mandatory Bank Verification Number exercises embarked by various banks nationwide has also caused congestion in Banking Hall. Although the exercise commenced since February, 2014. The first brigade approach of most Nigerian has warranted most bank halls to be filled to its maximum capacity. Queues in some bank even extended outside the banking hall as other transaction are placed on hold due to inadequate staff to attend to clients or delayed indefinitely.

1.3 RESEARCH QUESTION

1. What are effects of the BVN on the level of financial crimes in Nigeria?
2. What is the impact of BVN system on the level of financial safety in the Nigeria Bank?
3. What are the threats and weakness of the implementation of Bank Verification Number?
4. What are roles of the Central Bank of Nigeria in the implementation of BVN?

1.4 OBJECTIVES OF THE STUDY

The main objectives of the research work is to illicit information from the impact of BVN on financial security in Nigeria banks specific objectives of study are:

1. To examine the effect of the Bank Verification Number on the level of financial crimes in Nigeria.

2. To evaluate the impact of BVN system on the level of financial safety in the Nigeria Deposit Money Banks.
3. To examine the threats and weakness of the implementation of Bank Verification Number.
4. To examine the role of the Central Bank of Nigeria in the implementation of the Bank Verification Number System.

1.5 RESEARCH HYPOTHESIS

HYPOTHESIS ONE

HO: There is no significant effect of bank verification number (BVN) investigation on fraud prevention in Nigeria banking industry.

HI: There is significant effect of bank verification number (BVN) registration number on fraud prevention in Nigeria banking industry

HYPOTHESIS TWO

Ho: There is no significant role of bank verification number (BVN) initiation in Nigeria bank industry.

H2: There is significant role of bank verification number (BVN) initiative in Nigeria banking industry

HYPOTHESIS THREE

H0: There are no possible threats and weakness to the implication of Bank Verification Number (BVN)

H3: There are possible threats and weakness to implication of Bank Verification Number (BVN)

HYPOTHESIS FOUR

H0: There are no roles of Central Bank of Nigeria in the implementation of BVN

H4: There are roles of Central Bank of Nigeria in the implementation of BVN

1.6 SIGNIFICANCE OF THE STUDY

The research work is a very important one as it will investigate the role of the central bank of Nigerian in the implementation of the BVN system, the study will discuss the importance of bank verification number, how the bank verification number initiatives will help limit everyone to single account so as to monitor the level of financial crimes in Nigeria.

The study will also aim at treating how a well-designed carefully installed and a resolutely implemented bank verification number system will aid in checking the incidence of fraud. As it strongly believed that it will be of great importance not only to the regulator and supervisory authorities (CBN) and the commercial bank management but the banking industry as a whole their various lack of putting in place sound banking system for the country

The study will at its end to be of importance to the general public whose confidence and trust have been vehemently shaken as result of the alarming magnitude of fraudulent activities, failure and distress syndrome in our banking system.

Finally, it will be of great significance to schools and students, it will serve as a reference point for future researchers who will want be research more on the topics.

1.7 SCOPE AND LIMITATION OF THE STUDY

The basis of this research work is to study the impact of BVN on financial securities in Nigerian banks and will be limited to central banks of Nigeria Ilorin branch

The research work will be limited to the a mentioned scope and case study due to some certain constraints such as:

- Time
- Financial constraints
- Lack of adequate response from the respondents

1.8 DEFINITION OF KEY TERMS

Bank Verification Number: Is a new policy created by control bank of Nigeria to control and protect bank Account holder from unauthorized access.

Critical Assessment: This implies the evaluation of theory, situation, statement or other targets with the aim of upholding its dominant paradigms or disproving them and suggestion a better alternative view. **Money Laundering:** This is the procedure by which the procedure of illegal acts is converted into apparently legal activities, thus, concealing their criminal origin.

Central Bank of Nigeria (CBN): This is the apex bank in Nigeria. Their duty is to regulate financial institution in the Nigeria

Fraud: This can be defined as one type of irregularly. It is usually infected to irregularities involving the use of criminal deception to obtain unjust or illegal advantages

Control: This is the forces that guide activities towards some predetermined goals. It is concerned with the guidance of internal operation of the business to produce the most satisfactory projects at the lowest cost

Errors and Irregularities: Errors are unintentional action. Example errors of judgment etc while irregularities are intentional errors; and irregularities that a result in an immediate loss asset is referred to as deflation.

Punishing: This is simply the theft of an identifying it involves stealing personal information from unsuspecting users. It is also as an act of fraud against the authentic, authorized. Business and financial institutions that are recognized.

Account Opening Fraud: This involves the deposit and subsequent cashing of fraudulent cheques. It usually starts when a person not known to the bank ask to open a transmission account with false identification but known to the bank.

Commercial Bank: An institution charged with the primary function accepting deposit, granting business loans and advances, and offering. Other related services like issuance of letter of credit, bank drafted and forex trading among others.

Deposit/Savings: A deposit hold with a bank in which the deposit is held for a fixed term or which requires notice for withdrawal, and where interest is paid.

1.9 ORGANIZATION OF THE STUDY

This study will be divided into five chapter and presented as enlisted below

Chapter one introduction, Background of the study, statement of the problem objective of the study, research question, research hypothesis, Significance of the study, scope of the study, limitation of the study, definition of terms, organization of the study

Chapter two literature review and theoretical frame work with respect to the study consideration of previous research, comparisons and contrast among several studies

Chapter three research methodology and model specification

Chapter four data presentation, analysis and interpretation Chapter five summary, conclusion and recommendation.

CHAPTER TWO

LITERATURE REVIEW

2.0 INTRODUCTION

A vibrant banking industry in any country is pivotal to achieving economic growth development through efficient financial services as they provide a mechanical system to group savings and convert them into investment Thus, a bank serves as an intermediary between savers or depositors and borrowers (Olanipokun, etal; 2013). This is why the government establishes bank regulating bodies like Central Bank of Nigeria (CBN). These regulating bodies from time to time inform the sector to meet the current economic standard.

Financial reforms and attendant policy prescriptions are age long phenomena. They represent the various transformation and policy adjustments and overhaul that are directed at the art, practice, and activities of financial institutions and markets overtime in response to the nominal need for operation improvement and growth of both the institutions and the general economic (Iganiga, B.O, 2010).

According to Obadeyi (2014) financial reforms is a possible change made. To household, system, firm, government, economics etc in order to perform and operates in a more effective way within the context of stipulated regulatory policies.

The reform of financial markets and banks remain a persistent force in the growth and development of financial sector in developed economics and emerging markets (Nigeria inclusive). The reform of the financial sector could easily be traced to banks, competitive actions, assisted with continuous rise in government regulation over then soundness of banks strong financial position. Those reforms in banking sector have creature room for advancement in technology which gives birth to E-banking sector.

The banking industry no doubt has witnessed advancement in technology just like any other sector; the adoption of E-banking is one of those as it affects banking operations entirely with the

adoption of self-service technology by the banks, E-banking systems has continued to service the populace, E-banking is one of term (Adewale J. 2013)

E-banking was adopted by banks so as to improve their service delivery, decongest queues in the banking hall, enable customers withdrawn cash 24/7, aid international payment and omittance, even transfer deposit to a third-party account (Ogun, et al; 2014) According to Okoro (2014) quoted Omotayo (2007) which defines electronic banking as a system in which funds are moved between accounts using Computerized online or real time system without the use of written cheque. Okoro (2014) Define E-banking to include the provision of retail and small value

banking product and perceives through electronic channels as well as large value electronic payments and other whole sale banking service delivered electronically To prove this E-banking payment system the need for biometric tool was created to verification bodies and password of individuals. Adewale etal (2014) biometrics as encouraged can be from physical body regions, medico-chemical body features or behavioral traits, defining high (for individuals) to low (for group) levels of distinction. Example of biometrics from body regions include the occur hand (fingerprint, palm print, finger knuckle, hand geometry, hand veins) and facial (face, ear shape, teeth) medico-chemical body feature include body odour, DNA and heart sound; while behavioral trait include voice, gait, signature.

A biometric recognition system is pattern recognition system that acquire biometric data from and individual, extracts a feature set form the acquired data, and compares this feature set with the template set in the database to secede whether to accept (genuine) or reject (impostor) the individual

However, the e-banking and biometric has erected a room for more problems. It is one of the reasons why many people now have many account numbers which they use to carry out different handle this issues the central bank of Nigerian created a policy called Bank Verification Number (BVN)

2.1 CONCEPTUAL FRAMEWORK

Bank Verification Number (BVN) exercise, the Central Bank of Nigerian (CBN) has said once fully implemented, the BVN will be used to fish out and blacklist fraudsters in the Nigerian financial system.

The bank verification number was introduced majority to solve identity management challenges in the banking sector. The central bank of Nigerian CBN introduced the bank verification number in collaboration with all other commercial bank operating in Nigeria due to the increase in compromise in the security system in the banking sector.

There is great demand for better security in access to sensitive and personal information. The bank verification number gives every bank customer a unique identity across the banking industry, since it has a centralized biometric identification system which can be used for every identification system which can be used for every identification verification at point of banking operation.

The purpose of adopting a biometric system into banking sector through BVN scheme is to use biometric information of bank clients as a means of identifying and verifying all individual that have accounts in any of the Nigerian commercial banks, and subsequently authenticate customers identify at various banking transaction.

Through BVN is not 100% perfect, but it is currently more effective than using only password and pin (Ehi, 2015). However, Nigerian banking industry does not fully migrate from traditional approach to pure biometric approach, but the combination of the two approaches.

2.1.1 ASSESSMENT OF THE BANK VERIFICATION NUMBER IN NIGERIAN BANKS

The assessment of bank verification number (BVN) is a great step taken the central bank of Nigerian, to strengthen the financial security and order in the banking sector if Nigeria. One of the importance of the importance of the BVN is that transaction will be safer once all protocol is duly observed. The essence of this BVN exercise is to ensure that bank transaction is safer and fraudulent transactions are minimized, if not totally eliminated. The central bank of Nigeria has put in a lot of effort to see the success of this exercise, but the general public do not know the

importance of the bank verification number; but they started seeing bank made it clear that the exercise will stop by October 2015.

The assessment of the bank verification number system uses biometric technology to register customer in the bank sector. It records these physical features which are unique to individual fingerprints ad the face; this technique was made effective because every individual has his or her own unique fingerprints the record would be used to identify the person afterwards.

The BVN is another important step the control bank of Nigerian, CBN, is using to strengthen the security of banking transaction and to ensure that fraudulent transactions are minimized, if not totally eliminated yet as the public embraces the initiative with enthusiasm, it should be aware that some fraudsters are trying to undermine the exercise by providing seemingly easier registration options for bank account holders. They request these details online and threaten that the account would be closed if the owner does not provide them the details, their target is the account holder's money. The best way of enrolling remains direct communication with one's bank.

2.1.2 THE IMPORTANCE OF BANK VERIFICATION NUMBER

1. BVN will help the banking system reduce situations where loan defaulters, for instance, move from one bank to the other and banks extend new credits to them, without knowing their history. Banks would be able to track transaction across all banks in Nigeria with more ease.

2. As CBN implements the BVN initiative, it has to ensure the security if the data, from rogue bankers and also importantly from damages, has been the enrolments. It should also create measures to punish banks that right exploit the information they have to blackmail customers with whom they have disagreements.

3. BVN is a great initiative that would reduce illegal banking transactions and improve national financial intelligence gathering. The interests of account holders should be accorded importance.

so that their increased confidence in the banking system would improve the financial standing of banks. Customer will use banks more when they know that their transactions are safe. BVN offers vast opportunities to protect customers banks and the entire financial system.

4. The CBN should enhance the security of BVN protect the entire financial system. It should be on the watch for technologies to keep improving BVN capacities

2.1.3 HOW TO ENROLL FOR YOUR BANK VERIFICATION NUMBER?

According to naira make home (October 29, 2004), how to enroll for your bank verification number are:

1. Go to any of your bank branch
2. Ask for the BVN enrollment form, fill and submit the form
3. Present yourself for data capture such as fingerprint, photograph etc.
4. An acknowledgement slip with ticket in will be given to you after the enrollment. After enrollment, within 24hours the system confirms your application, your BVN is generated and you receive an SMS for pickup, with this, then you are sure your account is protected from fraudulent activities.

2.2 THEORETICAL FRAMEWORK

The following theories were found to be useful and relevant to the study, however of the theories discussed this paper is hanging on the fraud preventive theory because it is believed it is proposed to curb the behavioral intention of individual.

2.2.1 FRAUD PREVENTION THEORY

Intentions are the best predictor of any planned behavior and understanding the antecedents of intentions provides practical insights into the behavior (Ajzen & Fishbein 1980). Therefore, fraud preventative theory was proposed to curb the behavioural intention of any individual to fraud. According to Gossen, Pampallies, Van der Merwo & Mdul, (1991). A bank owes a duty to its customers to keep accurate records of all the transaction affected against the

account question. Thus, a bank statement serves a vital role in meeting the banks accountability to its clients, and is a fundamental aspect of modern banking. Goosen et al, (1999) state the role of a bank account statement, which is of the utmost importance to a bank, is that it serves as an audit trail showing in detail the various transaction effected law enforcement, financial expertise is used in order to gather, check, refine process and analyze financial information. According to Toffey (2002), financial investigation is the investigation of an individual or corporation through their financial affairs. Whelms (2004) is of the view that financial investigation is the identification and documentation of the movement of money during the curse of and after a crime. It establishes the link between where the money comes from, who gets it, when received, and where it was stored, deposit, this can provide proof of unlawful activity such a money laundering, rectify, and trace assets for asset for future purpose, in effect addressing the proceeds of unlawful activity.

Fraud Management Lifecycle

The fraud management lifecycle is network lifecycle where each stage in the lifecycle, is composite of interrelated, interdependent, and independent actions, functions and operations. These activities can, but do not necessary occur, occur in a sequential or linear flow (Wilhelm, 2004). The fraud management lifecycle is made up of eight stages deterrence, prevention, detection, mitigation, analysis, policy, investigation and prosecution these stages need to be successfully integrated and balanced so that the benefits of advancements in fraud detection technologies are realized (MC Rac. 2001, Ernst and Young, 2000). Effective management of fraud management lifecycles start with common understanding or definition of the stage in the lifecycle, without this awareness and understanding, fraud management professional is unlikely to communicate effectively with each other, with their peers in other industries and within their respective business. The terms "lifecycle stage" and "stage" throughout this study are used as reference to a set of activities unlike a traditional linear sequentially, where activities in one stage are completed and then functioning is passed on to the next stage in the chair, to the contrary, a network lifecycle facilitates simultaneous and sequential actions within each of the lifecycle stages or network nodes. The fraud management lifecycle is therefore a network lifecycle is an aggregated entity that is made up of interrelated, interdependent and indecent actions, functions and operations. These activities can but do not necessarily occur in a sequential linear flow.

Fraud triangle theory the most widely accepted fraud theory is that offered by Donald Cressey (1993), a criminologist who carried out research on 200 embezzlers (trust violators) who has been incarcerated and held in various prison in the VS Midwest Cressey's final research statement was summed up as follows.

"Trusted person become trust violators when they conceive of themselves as having a financial problem which is non-shareable, are aware that his problem can be secretly resolved by violation of the position of financial trust, and are able to apply to their own conduct in that solution verbalization which enable them to adjust their conceptions of themselves as trusted person with their conceptions of themselves as users of the entrusted person funds or property.

"(Cressey, 1953)".He stated further that fraud is crime that is most costly than most people realized, when business and organization understand the fraud triangle.

they can more effectively combat behavior that natively impact than operations. There are three factors that make up fraud triangle.
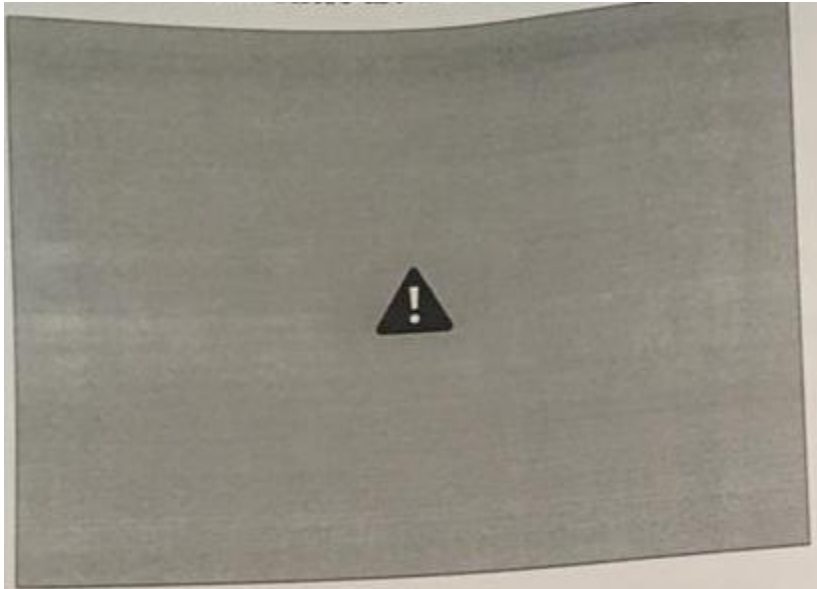
The Fraud Triangle (1953) Source: Wells, Joseph (1997) occupational fraud abuse in Albrecht W. Steve (ed), Fraud Examination Thomson: Southern Western Publishing, 2003

Pressure: Most individual require some form of the pressure to commit a criminal act. This pressure does not need to necessarily make sense to outsides observers, but it does not need to be present. Pressure includes money problem, gambling debts, alcohol or drug addiction, overwhelming medical bills, greed can also become pressure but it usually needs to be associated with justice.

Rationalize: the mindset of a person about to commit an unethical act is one of rationalization. The individual manages to justify what he or she is about to do. Some may think they are just going to borrow the stolen goods or that they need money then the company they are stealing form.

Opportunity: this means that one's socio-economy environment serves to predetermine their likelihood of achieving unethical financial success through legitimate and illegitimate means. Creassey put forward the fact that all people have opportunity to commits fraud against third parties, employees, suppliers and customers of the employers.

2.3 EMPIRICAL REVIEW

The empirical is based on Farhan and Suraiya (2015) studied bank signature verification performance of some selected banks in India. He examined a sample of 45 banks, which was aimed at explaining the techniques and variations used to implement a full proof signature verification system. Hrifin (2014) also examined the impact of Bank or performance of Bank in Japan and stated that many banks nationwide are already using Bank verification to authenticate employees and customers Bhavana (2013) opened in his study on significance of bank verification and authentication in Australia and issues of success factor surrounding bank especially in the context of user authentication and verification control in the banking sector. Mark (2010) carried out an empirical study about the benefits of introducing bank verification in South Africa.

Much analysis was done on authentication and verification of customer's bio-data in other to guide against identity theft, blacklisted customers, and to enhance financial inclusion.

The empirical which is based on Mr. Ade Shonubi, the head of the BVN project management team. In Nigeria, reputed stated that 1,000 banks in Nigeria have received biometric data capture machines and 16,000 BVN have been created.

Mr. Shonubi explained to provide identification and confirm their account information in person. After registration approach the system can link the BVN to all accounts held by the users across all participating bank (Saron Luo 2015). Hossemi and Muhammad (2012) reviewed biometric applications in banking industry in the world to determine the level of frauds and security breaches in traditional security system. Such as identification cards and password, PIN. The researchers employed secondary data obtained from 121 banks across the globe, which identified to be using biometric techniques in various operation as at 2012, the findings of the study show that biometric technology is perfect solution to defeat financial and identity fraud in the banking industry; and further recommends that biometric model could help banks to provide convenient and more secured banking services to customers.

From the above reviewed studies, it's obvious that none of the authors who evaluated the effectiveness of biometric techniques on banking operations within and outside the countries in different banking industries was motivate to study the effect of BVN, as a biometric authentication cheme, on fraud management of some selected banks in Nigerian Banking industry.

2.4 RESEARCH GAPS

BVN is a recent initiative introduced by the Central Bank of Nigeria to strengthen security in the Nigerian banking system. Thus, there are very few studies conducted in the research area, and these studies focused on the mode of design of BVN and how BVN prevents fraudulent activities in Nigeria. Studies were not conducted on the effects of BVNs on customers' protection in Nigeria. Thus, this study contributed to the existing literature by investigating the critical assessment of the role of Bank Verification Number (BVN) in Nigeria Deposit money Banks.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION TO METHODOLOGY

This chapter is concerned with the methodology used in achieving of the study. It covers research design, population of the study, sample, size and sampling techniques, method of data collection, method of data analysis and limitation to methodology.

3.2 RESEARCH DESIGN

This study employed the use of survey research design, the choice of this research design was considered appropriate because of its advantages of identifying attribute of a large population from a group of individuals, the design was suitable for the study as the study sought to examine land reforms using Central Bank of Nigeria, Ilorin Branch as a case study.

3.3 POPULATION OF THE STUDY

This study was conducted in Central Bank of Nigeria, Ilorin Branch, the population of this study consisted of thirty (30) staff of Central Bank of Nigeria, Ilorin Branch.

3.4 SAMPLE SIZE AND SAMPLING TECHNIQUES

As a result of the inability of the researcher to effectively study the whole staff strength (population) of the sample size population.

3.5 METHOD OF DATA COLLECTION

Data were collected through questionnaire carefully designed and administered to the respondents, as well as through personal interviews. On the whole, the questionnaire constituted the major instrument for data collection, the questionnaire contain section A and B. section A contains personal information about the respondents, section B is the main body of the main body of the questionnaire, this section contains ten (10) close ended questions using a three (3)

point scale instruments through which the opinions of the respondents were expressed, their responses were measured by means of a three-category rating system:

A- Agree =3

B- D- Disagree = 2

C- In - Indifference =1

3.6 METHOD OF DATA ANALYSIS

Table and sample percentage was used as technique of analyzing the research question while Chi - square was used to test the research hypothesis; all the tests were conducted at 0.05 level of significance.

Decision Rule

The decision to either reject or accept the null hypothesis (Ho) was reached using the following rules:

If the calculated value <+- call> is greater than the table value <+-tab>, the null hypothesis (Ho) will be rejected in favor of the alternative hypothesis (Hi) and if the table value (+- tab is greater than the calculated value < +- c all>, the alternative hypothesis <Hi> will be rejected in favor of the null hypothesis.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 DATA PRESENTATION

In this chapter, effect are made at the empirical quantification of responses from the respondent, the questionnaire administered on the bank staff was divided into parts, A & B part A death with the personal information and BVN service at Central Bank of Nigeria (CBN), Ilorin Branch.

4.2 DATA ANALYSIS

Table 1: To which of the following level of management do you belong?

LEVEL	NO OF RESPONDENTS	PERCENTAGE
Lower level	10	50%
Middle level	5	25%
Top level	5	25%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

The above table shows that 10(50%) of the respondent are belong to level, 5(25%) of the respondents are belong to middle level and remaining 5(25%) of the respondents are top level.

Table 2: Age of Respondent

AGE	NO OF RESPONDENTS	PERCENTAGE
18-30	8	40%
31-40	7	35%
41-50	5	25%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

The above table shows that 8(40%) of the respondents fall to age 18-30, and 7(35%) of the respondents are age 31-40 while 5(25%) of the respondents are age 41-50.

Table 3: Sex of Respondents

SEX	NO OF RESPONDENTS	PERCENTAGE
Male	12	60%
Female	8	40%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

The above table shows that 12(60%) of the respondents are male and 8(40%) of the respondents are female.

4 EDUCATION QUALIFICATION OF RESPONDENTS

EDUCATION QUALIFICATION	NO OF RESPONDENTS	PERCENTAGE
ND/NCE	4	20%
HND/B.Sc	9	45%
M.Sc	7	35%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

The above table show that 4(20%) of the respondents has ND/NCE certificate holder, 9(45%) of the respondents has HND/B.Sc holders and 7(35%) of the respondent are M.Sc holders.

TABLE 5: YEAR OF WORKING EXPERIENCE

WORKING EXPERIENCE	NO OF RESPONDENTS	PERCENTAGE
1-5	10	50%
6-10	5	25%
10 and above	5	25%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

In the table it could be deduced the 10(50%) of the respondent are 1-5 years working experience, and 5(25%) of the respondents 6-10years working experience, while remaining 5(25%) of the respondents are 10 and above.

6 BVN HAS SIGNIFICANT EFFECT ON THE LEVEL OF FINANCIAL CRIMES IN NIGERIA

OPTIONS	NO OF RESPONDENTS	PERCENTAGE
Agree	19	95%
Disagree	1	5%
Indifference	0	0%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

In the table above it could be seen that 19(95%) of the respondents Agree and 1(5%) of the respondents Disagree that BVN has significant impact on the level of financial crimes in Nigeria.

TABLE 7: BVN SYSTEM HAS SIGNIFICANT IMPACT ON LEVEL OF FINANCIAL SAFETY IN THE NIGERIA

OPTIONS	NO OF RESPONDENTS	PERCENTAGE
Agree	15	75%
Disagree	0	0%
Indifference	5	25%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

In the table above it could be seen that 15(75%) of the respondents agree and 5(25%) choose indifference with the assertion. The interpretation one could give the above is at the majority of the respondent agreed that BVN has significant impact on the level of financial safety in Nigeria deposit money bank.

8 THE EFFICIENCY AND EFFECTIVENESS OF BVN POLICY CAN BE USED AS A TOOL FOR CONTROLLING THE INCIDENCE OF FRAUD IN COMMERCIAL BANK?

OPTIONS	NO OF RESPONDENTS	PERCENTAGE
Agree	15	75%
Disagree	0	0%
Indifference	5	25%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

In the table above it could be seen that 15(75%) of the respondents agree and 5(25%) choose indifference with assertions. The interpretation one could give the above is that the majority of the respondent agreed that the efficiency and effectiveness of BVN policy can be used as a tool for controlling the incidence of fraud in Nigeria Bank.

TABLE 9: NIGERIA DEPOSIT MONEY BANK FACE CERTAIN THREATS AND WEAKNESS IN THE IMPLEMENTATION OF BANK VERIFICATION NUMBER?

OPTIONS	NO OF RESPONDENTS	PERCENTAGE
Agree	15	75%
Disagree	0	0%
Indifference	5	25%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

In the above table it could be soon that 15(75%) of the respondents agree and 5(25%) choose indifference with the assertions. The interpretation on could give the above is that Nigeria Money Deposit Bank faces certain threats and weakness in the implementation of Bank Verification Number.

TABLE 10: THERE IS HIGH DEGREE OF COMPLIANCE OF THE GENERAL PUBLIC THE BANK VERIFICATION NUMBER POLICY?

OPTIONS	NO OF RESPONDENTS	PERCENTAGE
Agree	15	75%
Disagree	0	0%
Indifference	5	25%
Total	**20**	**100%**

Source: Researcher's Field work, 2025.

In table above it could be seen that 15(75%) of the respondents agree and 5(25%) choose indifference with assertion. The interpretations on could give the above is that there is high degree of compliance of general public with the Bank Verification Number Policy.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 SUMMARY

Great effort has been made on this project to evaluate "A critical Assessment of the role of Bank Verification Number in reducing fraud in Nigeria Banks" in other to carry out this project work effectively, the Central Bank of Nigeria was chosen as a case study to enable the project to have a relevant information to role of BVN which was carried out basically through questionnaire.

This research works has critically examined the role of Bank Verification Number is protecting bank and their customers as a result of the increase the fraud, misappropriation of fraud and other financial crimes being experienced by banks and general public.

5.2 CONCLUSION

This study concludes that Bank Verification Number is essential in the fight against fraud in Nigeria banks and provides safety in the operation and running of financial activities.

Bases on the study carried out chapter two and three of this research, one may conclude the BVN has been a significant role BVN as played, if banks can continuous to re-engineer their operation based on the changing need of time.

This is because a time is coming when people will be able to carry out all of their banking activities with computers.

5.3 RECOMMENDATION

This study there by recommend among other things that financial regulator should stem up sensitization activities on installation adoption and usage of electronic banking which can only be possible through improve awareness creation among the public on information technology.

Moreover, the study also recommended on increase level of technical education and improved training on information and communication technology among banking operator to enhance the application of the usage of electronic banking.

This study shows that the introduction of BVN and other reform in the banking sector i.e (cashless policy) in Nigeria can be seen as a step in the right direction. It is expected that its impact will be role of modernization of Nigeria payment systems, reducing in the cost of banking services as well as reduction in high security and safety risks. This is also assumed that the introduction of cashless policy in Nigeria will help to reduce the amount of bills and notes calculating in the economy. This should, therefore, endure handling operation cost incurred on conventional money, as well as reduction in cash related crimes. It should also help to provide easy access to banking services for Nigerian.

Lastly, provision should be made to ensure that all the members of staff are given equal opportunity for training in the use of computer for greater efficiency and implementation of the BVN policy.

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