

The Impact of Information and Communication Technology On Today Business Environment in FCMB,
First Band and Access Banks in Damaturu Metropolis

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Abstract:

This project titled the " The Impact Of Information And Communication Technology On Today Business Environment In Fcmb, First Band And Access Banks In Damaturu Metropolis" is aimed to determine How does cost of deploying new devices affect the productivity of selected banks in Damaturu metropolis. How does low patronage of e-banking service affect the productivity of the selected banks, how does lack of knowledge on how to operate the latest applications affect the productivity of the selected banks, how does inadequate power supply affect the productivity of the selected banks in Damaturu metropolis. The study is limited to bank staff in selected banks in Damaturu Yobe State with a population of sixty eight (68). Using Simple random sampling techniques all staff were sample due to their significant number of the population. Structure questionnaire with 5 likert scale rating format was used as the instrument for collection, research used mean deviation formula to analyze the collected data. It was found that the lack of devices cripples the selected bank from having more customer, lack of business opportunity, reduced work efficiency and compatibility issues which affect the job performance of banking sector in Damaturu lack of devices cripple the banking sector. Based on the findings, it is recommended that, The banks that were chosen ought to invest more in ICT (information and communication technology). Increased expenditure on information technology has been shown in this analysis to be successful since it has improved the profitability of Nigeria's banking industry. Increased training for employees in ICT utilization and the introduction of diversified products through technological software for their everyday customer transactions should contribute to a greater adoption of ICT in all branch networks.

Keywords: ICT, Business, Environment, Banks and Staff.

Background of the Study

Technology for information and communication has advanced significantly in the twenty-first century, contributing to global development. In order to enhance their operations and customer service, banks have always been at the forefront of managing and utilizing technology. Although our economy is so unpredictable, banks now operate in a complex and competitive environment. Using information and communication technologies in banks has improved service delivery requirements in the banking sector and introduced innovation, flexibility, and efficiency, among other benefits. For instance, users can now conduct a variety of banking operations outside of regular business hours by using Automated Teller Machines (ATMs). Customers can use it to take money out of the bank without physically being there.

Clients can check their balances and complete any transaction stress-free by using mobile banking. Because of this, there is no longer a need to carry currency in the economy; instead, transactions are completed online. Bank operations are now easier and faster thanks to technology and the internet. We also have smartcards, point of sale systems, etc. The banking sector's performance has grown thanks to its implementation of ICT. Customers and staff can access information in a safe and controlled method through ICT. With differing effects on developed and developing countries, ICT infrastructure has emerged into an essential part of propelling productivity and growth in global economies (Steinumueller, 2019).

According to Gholami et al. (2014), poor countries should not isolate themselves from the changes brought about by the globally development of ICT. This is partly due to the fact that ICT is revolutionizing the global economy while creating a new network that reduces distances and transcends cultural

divides. But it's crucial to remember that greater ICT spending alone, without the assistance of other socioeconomic factors, might not boost GDP in economically disadvantaged nations. In 2013, Mbaerikaetal According to studies by Grigorian et al. (2020), Nzotta and Okereke (2019), and Thiel (2011), industrialization has led to intense competition in the banking sector globally.

The notion of the world as a global village has caused markets and economies to shift in a similar way. The phenomenon known as globalization has greatly increased competition in three specific areas, giving it a new dimension. Banks are under pressure from a wide variety of competitors, the regulatory environment is no longer as protective of the banking industry, and competition has expanded globally (Abdulsalam, 2016). As a result of globalization, the universal banking infrastructure became operational in Nigeria and the rest of the world in the early 1990s. Within the new framework, banks are now permitted to offer banking and other financial services to their clients under the new universal banking license, rather of focusing on merchant or commercial banking. Therefore, the new banking rule allowed banks to offer asset and trustee management services, insurance business, stock broking, and commercial banking.

In order for the banking business to survive and be profitable, it also spurred a swift and substantial branch office expansion program, which in turn led to a notable increase in the amount of customer transactions. In Nigeria and the rest of the world, the growing need for the use of ICT in the banking industry has become inevitable. ICT-driven monetary services and systems will constantly be the way of the future. Computerized teller machines (ATMs), internet banking, mobile banking, point-of-sale

*The Impact of Information and Communication Technology On Today Business Environment in FCMB,
First Band and Access Banks in Damaturu Metropolis*

terminals, computerized financial accounting and monitoring, and human resources solutions are merely a few of the ICT-based banking products and services that banks have started to implement (Ovia, 2015). This has been linked to Nigeria's privatization of banking licenses in the early 1990s. The establishment of new generation banks, like as GT Bank and Zenith Bank, occurred throughout this crucial time.

Objectives of the Study

The main objective of this study is to assess the impact of information and communication technology on the performance of the selected banks in Damaturu metropolis. The specific objectives of the study are:

- 1.To determine how cost of deploying new devices affect the productivity of banks in Damaturu
- 2.To determine how low patronage of e-banking services affect the productivity of banks
- 3.To determine how lack of knowledge to operate the latest banking application productivity of selected banks in Damaturu
4. To determine how inadequate public power supply, affect the productivity of the selected banks in Damaturu

Research question

The following question provide answer to the study

1. How does cost of deploying new devices affect the productivity of selected banks in Damaturu metropolis.
2. How does low patronage of e-banking service affect the productivity of the selected banks in Damaturu metropolis?

3. How does lack of knowledge on how to operate the latest applications affect the productivity of the selected banks in Damaturu metropolis

4. How does inadequate power supply affect the productivity of the selected banks in Damaturu metropolis?

LITERATURE REVIEW

Concept of Banking Technology.

Technology has had a significant positive impact on the commercial sector. It is breeding golden eggs and growing the economy to achieve double-digit growth. ICT strategy is improving efficiency and providing transparency, which is helping the commercial sector achieve great financial results. Customers can use basic banking solutions from any bank branch to manage their accounts, make money transfers, and access all banking services. It provides a network connecting all of a bank's branches. There are many possibilities for core banking solutions:

- To acquire an accounting statement
- To send money
- To pay at any branch
- In any branch to obtain demand drafts.

The primary banking solution seeks to deliver effective, transparent, high-quality service.

Automated Teller Machine (ATM) service is also known as ATM service, or simply space time money in everyday parlance. Customers can complete their transactions without getting the help of bank employees thanks to this electronic communication equipment that is either placed inside the bank's premises or set up outside of it. To complete financial transactions, customers must insert a card with a magnetic

strip that includes their bank information and input their personal identification code.

Mobile Banking: mobile banking technology is a system that allows customers who have smart phones to perform their banking transaction., It includes:

- ✓ Checking bank statements.
- ✓ Monitoring term deposits.
- ✓ Accessing to mutual fund and equity statements.
- ✓ Accessing to loan statements Paying bills. etc

Subsequently, smartphone banking is known as an e-banking service, which banks provide to their clients in order to execute transactions when they are not physically present. The majority of financial institutions offer internet banking, a convenient e-banking option, to its customers. People can conduct financial transactions using this service from anywhere, including their homes or workplaces. Online banking services can offer the following services:

To confirm an account's details
In order to create fixed deposits
Prepaid mobile phone recharge
To pay for utilities
To move funds
Some of the (ICT) device that use in the selected Banks
Automatic teller machine (ATM)
Printer
Point of sale (POS)
Online banking platform
Biometric Authentication Device
CCTV Cameras
Photocopy machine

Computer
E-mail
Scanning machine
With network, transactions in banking
Regardless of business hours, clients can access a range of services online.

Automatic Teller machine

ATM let customers access to your bank account and perform financial transaction independently. Selected banks customer can use the ATM if they will possess a debit or credit card the machine card slot, provide the personal identification number (PIN), and Access various banking services

Advantage of ATM machine

ATM service are available 24/7
Accessibility of ATM have reduced the burden on banking employee.
An ATM save time visiting the banks whenever customer need to make a transaction.
ATM make transaction safe and secure as customers need transact with others banks

CCTV camera

Is a new technology that play a vital roles in ensuring the security and safety of bank. Customer and employee. Here are some benefits of CCTV camera

- ✓ Deterrent potential criminal attempting theft or vandalism
- ✓ Surveillance continuous monitoring of bank, premises ATMs and sorrounding areas
- ✓ Investigation, CCTV footage aid in investigating crime identifying perpetration Risk management, reduces

risk of robbery, burglary and terrorist attack.

Low patronage of e-banking service

E-banking has become an essential in tools for banks to provide convenient and efficiency services to customer, however despite its benefits many banks face low patronage of e-banking service

Factors Contributing to low patronage

Security concern

Lack of awareness

Infrastructure limitation

User experience

Low patronage of e banking services is a significant concern for bank, understand the contributing to the issues and implementing strategies to address them can help improve e-banking adoption and retention

High cost of deploying new devices affect the selected Banks in Damaturu metropolis

The selected banks have witness significant technological advancement leading to increased adoption of digital devices, however deploying new device comes with substantial cost component associated with new device in selected banks

- ✓ Hardware and software cost
- ✓ Implementation and integration cost
- ✓ Maintenance and upgrading cost
- ✓ Security cost

Deploying device in bank come with significant cost of impacting profitability and component

The Impact of Information and Communication Technology On Today Business Environment in FCMB, First Band and Access Banks in Damaturu Metropolis

adopting mitigation strategies can help selected banks to optimize device deploying

Summary of the Chapters

A careful examination of the aforementioned data shows how closely information and communication technology and banks' financial success are related. Finding out how ICT impacts banks' financial and non-financial performance (bank deposit and return on assets) is the aim of this study. The reviewed literature indicates that no study assessed the non-financial and financial performance of banks; instead, only their financial performance was assessed.

This study attempts to close that gap. This study will look at a more recent study because the research in the reviewed linked literature was done in the past.

METHODOLOGY

Introduction:

establishing appropriate techniques and protocols for data collection and analysis that will aid in resolving the research topic is the focus of this chapter. The research design, population of the study, sample size determination, estimation of the sample size for individual organizations, data collection methods, validity and reliability of the data collection instruments, administration of the instrument used to collect data, data processing and analysis techniques, and methodology limitations are the subsections that offer more detail on the chapter.

Area of study

A survey research design method was used in this investigation. This approach was selected since it is somewhat cost-effective in terms of time and resources and allows for connections to

actual world events. Three Nigerian financial companies—Fcmb, First Bank, and Access Bank—were designated to represent the country's whole populace. Primary sources provided the research data. The questionnaire is the primary tool used for data collecting.

Table 1: Sample and sampling techniques

Bank	Total Number of Staff
First bank	24
FCMB Bank	19
Access Bank	25
Total	68

Source: Interview.

There is no sampling because the population of the study is manageable.

Instrument for the data Collection

The questionnaire was the primary research tool utilized to gather data from the primary source, which provided the data for this study. There are two sections (A and B) in the questionnaire that was created for this study. While section (B) included questions designed to gather material that would address the study objectives, section "A" was mostly focused on the biographical information of the respondents.

Method of data Collection

Sixty-eight (68) copies of the study's questionnaires were distributed to the respondents by the researcher individually. There were no field assistants on duty. Employees of First Bank Plc, Access Bank Plc, and First City Monument Bank (FCMB) Plc filled out the copies of the questionnaires.

Method of Data Analysis

The researcher analyzes the data using the mean scale for score obtain from the four (5) points liker scale below:

Strongly Agree (SA)	5
Agree (A)	4
Undecided (U)	3
Disagree (D)	2
Strongly Disagree (SD)	1

The cut-off point is obtained through the use of the following formula:

$$X = \frac{\sum FX}{N} = \frac{5+4+3+2+1}{5} = \frac{15}{5} = 3.0$$

$$N = 5$$

Therefore, 3.0 is the threshold point. The summed frequency (EFX), which is then divided by the amount of samples (N) to determine the mean score, will be obtained by multiplying each variable by the value assigned to each of the five points. Consequently, the cut-off point establishes whether or not such a variable is accepted.

Data Presentation and Analysis

This chapter present the analysis, presentation and interpretation of data collected from the respondents in the area study, Sixty eight (68) questionnaires were distributed to the respondents in First Bank, FCMB, and Access Bank in Damaturu Metropolis and 48 were retrieved and used for the analysis. The analysis of data are based according to the sequence of the research questions.

Personal Data Presentation

Table 2: Personal Data.

S/N	Qualification	Quantity
1	HND/B.Sc.	27
2	ND/NCE	12
3	Other	9
Working Experience		
1	1-5years	22

2	5-10years	26
Gender		
1	Male	32
2	Female	16
RANK		
1	Seniors staff	11
2	Juniors staff	37
Total		48

Source: Field Survey, 2024 N=48

Table 3: How does cost of deploying new devices affect the productivity of selected banks in Damaturu?

S/N	Variables	SA	A	U	D	SD	ΣFX	Mean	Remark
1	High cost of deploying new devices kinder the potentiality of staff in banking sector.	8	38	0	2	0	196	4.03	Agreed
2	lack of knowledge on how to operate the devices affect the banking sector.	3	7	0	38	0	119	2.47	Disagreed
3	lack of devices cripple the banking sector	7	35	0	4	0	183	3.81	Agreed
4	Poor operational skills to handling devices affect the banks in Damaturu	6	28	0	10	4	170	3.54	Agreed
5	Higher cost of modern devices affect the bank in Damaturu	9	21	0	11	7	158	3.29	Agreed
Total Mean Score								17.14	

Source: Field Survey, 2024

N= 48

Based on the table above it was found that question (1) with a total mean score of 3.81 reveal that lack of devices cripple the banking sector, affect the selected bank in Damaturu metropolis particularly the bank that I research on the impact of information and communication technology on today's business environment in first bank fcmb and access bank in Damaturu metropolis were affected by the cost of deploying new devices

Findings

It was found that the lack of devices cripples the selected bank from having more customer, lack of business opportunity, reduced work efficiency and compatibility issues which affect the job performance of banking sector in Damaturu lack of devices cripple the banking sector

Table 4: how does low of patronage of e-banking service affect the productivity of selected banks in Damaturu?

S/N	Variables	SA	A	U	D	SD	$\sum FX$	Mean	Remark
1	Lack of modern devices affect bank in Damaturu	0	26	3	19	0	151	3.14	Agreed
2	Most of the bank they cannot prevent there self from cyber attack	6	15	0	27	0	144	3.00	Disagreed
3	Lack of modern device also cause money laundering	11	23	0	10	4	177	3.68	Agreed
4	Lack of modern devices cause unsatisfaction to customer	0	14	2	28	4	122	2.54	Disagreed
5	Lack of network also affect the banks in Damaturu	9	29	0	10	0	181	3.77	Agreed
Total Mean Score								16.13	

Source: Field Survey, 2024

N=48

Based on the table above it was found that question (2) with a total mean score of 3.68 indicate that Lack of modern device also cause money laundering in and cyber-attack in selected banks in Damaturu metropolis.

It was found that Lack of modern device also cause money laundering and cyber-attack in selected banks in Damaturu metropolis. increased lack of network, breakdown of transactions, lower confidence and job satisfaction, and difficulty in adapting to new technologies in selected banks

Findings

Table 5: How does lack of knowledge on how to operate the latest applications affect the productivity of the selected banks?

S/N	Variables	SA	A	U	D	SD	$\sum FA$ X	Mean	Remark
1	Most of the banks staff are ICT literate	0	29	0	4	15	139	2.89	Agreed
2	Lack of training and support to staff affect banks in Damaturu	3	33	2	6	10	175	3.64	Agreed
3	Most of the bank staff are difficult to verifying customer identities	0	16	3	20	9	134	2.79	Agreed
4	Lack of training to staff on literacy and education affect banks in Damaturu	10	29	0	9	0	184	3.83	Agreed
5	Lack of training to	0	26	0	14	8	142	2.95	Agreed

The Impact of Information and Communication Technology On Today Business Environment in FCMB, First Band and Access Banks in Damaturu Metropolis

customer on how to operate Mobile banking app affect banks in Damaturu

Total Mean Score

16.1

Source: Field Survey, 2024

N=48

Based on the table above it was it was found that question (3) with a total mean score of 3.83 reveal that lack of training and support on (ICT) literacy and education affect banks in Damaturu lead to inability to minimize progress of the selected banks, poor handling devices, decreased confidence, dependency and limited career growth which affect the selected banks in Damaturu metropolis.

Findings

This study found that lack of training and support on (ICT) literacy and education affect banks in Damaturu lead to inability to minimize the progress of selected banks decreased confidence, dependency and limited career growth which affect the banks in Damaturu.

Table 6: How does inadequate power supply affect the productivity of the selected banks in Damaturu

S/N	Variables	SA	A	U	D	SD	ΣFX	Mean	Remark
1	lack of power supply affect the banks in Damaturu	0	18	0	27	4	130	2.70	Agreed
2	lack of power reduce the economic opportunity	7	37	0	4	0	179	3.72	Agreed
3	Lack of power supply cripple the selected banks in Damaturu	6	28	1	13	1	200	4.16	Agreed
4	Lack of power cause damages in banks in Damaturu	0	7	9	30	2	177	2.43	Agreed
5	Lack of awareness on how to operate ATM machine affect the most customer of the bank	2	28	0	9	0	140	2.91	Agreed
Total Mean Score								15.92	

Source: Field Survey, 2024

N=48 Based on the table above

It was found that question (4) with a total mean score of 4.16 reveal that lack of power supply lead to loss of data, decreased inconsistent communication, damage modern devices and dependence on backup systems which affect the selected banks in Damaturu.

It was found that lack of power supply lead to loss of data, decreased inconsistent communication, damage modern devices and dependence on backup systems which affect the selected banks in Damaturu.

Findings

SUMMARY

This research is survey-based. The purpose of the study was to evaluate how ICT (information and communication technology) generally

affected the performance of the chosen banks in the city of Damaturu. The study specifically focuses on three (3) chosen institutions that operate in Damaturu: First Bank Plc, FCMB, and Access Bank.

1. The study has discovered that lack of devices cripple the banking sector, affect the selected bank in Damaturu
2. The study revealed that Lack of modern (ICT) device also cause money laundering and cyber-attack in selected banks in Damaturu metropolis
3. The study also revealed that lack of training and support on (ICT) literacy and education affect banks in Damaturu
4. The study was found that lack of power supply and affect the selected banks in Damaturu metropolis

Conclusions

With particular attention paid to the chosen banks in Damaturu city, the aim of this study is to investigate how technological innovation affects the performance of these banks. After establishing the necessary data about information and communication technology, the study examined the issues that prevent the chosen banks in Damaturu city compared to having an efficient ICT system. These issues include a lack of funding, inadequate security, inadequate power supply, poor connectivity facilities, and a lack of knowledge about ICT use.

The country's general banking sector has seen a major transformation with the advent of ICT. ICT has made it easier to do business in banks. Banks all over the world rely on internet banking to make sure that this technology is not misused or used to promote dishonest and unethical banking practices. These banks perform a number of time-consuming and routine tasks on a daily basis.

The Impact of Information and Communication Technology On Today Business Environment in FCMB, First Band and Access Banks in Damaturu Metropolis

In order to safeguard their website from unauthorized visitors, banks must make sure that their internet service provider (ISP) has a firewall in place. They should also make sure that the firewall is installed correctly and set up a process for ongoing maintenance and management.

Recommendation:

1. The chosen banks ought to invest more in ICT (information and communication technology). Increased information technology investment has been shown in this analysis to be a profitable endeavor since it has improved the profitability of Nigeria's banking industry.
2. Increased training of employees in ICT utilization and the introduction of diversified products through information technology software for their everyday customer transactions should facilitate a greater adoption of ICT in all branch networks.
3. Employees and ICT should be employed in tandem instead of lowering human capital, which will ultimately result in unemployment in the nation.

Suggestions for Further Studies

1. further study will Investigate the overall impact of information and communication technology on today's business environment in Nigeria banking sector
2. Explore the effectiveness of different banks security measures in preventing breaches in banking sector in Nigeria
3. Conduct a comparative study on banking strategies in Damaturu metropolis
4. Development on framework for implementing scalable ICT impact in banking industry in Nigeria

5. Examine the role of staff training in enhancing security on Nigerian banking industry

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