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Impact of Information and Communication Technology on the Performance of Deposit Money Banks in Nigeria

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ABSTRACT: The main objective of the study is to investigate the effect of information and communication technology on the performance of deposit money banks in Nigeria. specifically, the study examined the effect of information and communication technology on customer service delivery among others. The data collected were analyzed using both descriptive and inferential statistics. Descriptive statistics which included simple percentages and mean was used to answer the research questions while inferential statistics involving multiple regression was used to test all the hypotheses. The test was performed at 0.05 level of significance. The result of the study indicates that information and communication technology has positive and significant effect on customer service delivery, banking services and transaction costs in Anambra State. Therefore, the study concludes that information and communication technology has positive and significant effect on performance of deposit money banks in Anambra State. Amongst the recommendations, is that deposit money banks should put adequate security mechanism in place to forestall fraudulent practices, invest in information and communication technology that are easy to use; reliable, works with speed, guarantees privacy, affordable charges, and ones that allow customers to make deposits and withdrawal.

Keyword: Information and communication technology, performance deposit money banks

INTRODUCTION

The need for efficiency and effectiveness in the running of the Banks as leading players in the cohort of commercial banks providers of a nation thus cannot be overemphasized. Before the coming of information and communication technology, the transaction of businesses especially in the financial sector was difficult and stressful; hence, the low performance level of banks in Nigeria

(Akujiobi, 2021). Recently, the world is seen as a global village which turned the markets and economies in like manner. The world has witnessed a great development and a rapid change in the global banking environment as the circumstances obligated the banking industry to reconsider its structure, laying down strategies and the means used to achieve them in a world where the concepts became different and diversified and the competition turned out to be the foundation on both the domestic and international arena (Balogun, 2019).

"Today, information and communication technology (ICT) has become the heart of the banking sector, while banking industry is the heart of every robust economy." (Abubakar & Tasmin, 2012). Researches by Eteng, Inyang, Ene-Ita and Victoria, (2021). has shown that globalization has caused intense competition in the banking industry, worldwide. The phenomenon called globalization has significantly intensified competition in three particular aspects in the way competition had evolved giving it a new dimension viz.:

- The banks faces pressures from a wide and diverse range of competitors;
- The regulatory environment has become less protective of the banking sector and
- Competition has become global in nature (Abdulsalam, 2006).

The universal banking system was introduced in Nigeria in the early 1990s and rest of the world as an offshoot of globalization. Under this new system, banks were no longer specialized in either merchant banking or commercial banking; rather they are allowed to provide banking and other financial services to their customers under the new universal banking license. Banks could therefore provide commercial banking, stock broking, insurance business, asset and trustee management services under the new banking regulation. It also prompted a rapid and significant branch office expansion program with its attendant significant increases in the volume of customers' transactions in banking industry for survival and profitability (Johnson, 2005).

The increased demand for information and communication technology (ICT) in banking sector became imminent and unavoidable in the world at large and Nigeria in particular.

Invariably, the future lies in the ICT driven banking systems and services. Banks have embarked on deployment of ICT based banking products and services such as automated teller machine (ATM), internet banking, mobile banking solutions, point of sale terminals, computerized financial accounting and reporting, human resources solution among others (Ovia, 2005).

This research concentrates on the effects of ICT in the performance of commercial banks. The aim is to identify and understand the changes that ICT is causing on the banking sector, in order to examine in detail how the recent (and foreseeable) advances in ICT are affecting the sector and its future evolution. As ICT is having a strong influence on the evolution of the financial sector as a whole, financial markets and banks, some characteristics of evolution of markets will fall within the scope of this research.

Despite the rapid growing adoption of the information technology tools to improve banking operations through the use of SMS, Internet, on-line banking and real time gross settlement, Nigerian banks are still facing the challenges of continually modernize their operations so as to increase their productivity, enhance quality of service delivery and also minimize the average operating cost and time.

Other identified problems that can have an impact on the commercial banks in the performance of ICT can be grouped broadly as psychological and behavioural constraint. These include consumer awareness, security, accessibility to computers, reluctance to change, the cost of adoption, and preference for personalized services among others. Additionally, diffusion of smart card innovation needs high investment for the upgrades of ATMs and POS terminals to be capable of accepting smart cards and presumably a substantial investment in adding smart card technology for mobile computers and telephony stand to be another challenge. This is in developed countries, what more of a developing country like Nigeria.

Thus the study intends to fill the existing gap by taking a critical look on the effective use of technology in Nigerian banks, with a view to establishing the link between the adoption of selected ICT tools and their impact on the performance of commercial banks in Nigeria

LITERATURE REVIEW

Information and Communication Technology

Information and Communication Technology (ICT) can be defined as the modern handling of information by electronic means, which involves its access, storage, processing, transportation or transfer and delivery (Ige, 1995). Research shows that ICT affects financial institutions by easing enquiry, saving time, and improving service delivery (Ali, 2002).

Banking like most industries, has been transformed by technological innovations. These have made it possible to offer alternative delivery channels for services such as Automated Teller Machines (ATMs), Electronic Banking (Internet Banking), Credit and Debit Cards, and execution of payments through Electronic Funds Transfer at the point of sale EFTPOS). While most of these have been the norm in the developed world, it is rapidly catching on in Nigeria but at varying paces for different African countries. Some other available telecommunication and information technologies which are presently being used in the banking industry in Nigeria are telephone, facsimile, wireless radiophone, very small aperture terminal satellites (VSAT), telegraphy and computer systems (Ugwu, 1999). World Bank Group (2006) in a study on the impact of information and communications technology on enterprises found that ICT had great impact on labour productivity in businesses, but added that it may probably be because such enterprises that use information technology more intensively are more capital intensive overall. On its own, Pilat (2002) wrote of how OECD stated the need for the study of the impact of information and Communications Technology (ICT) on firm performance, noting that firm-level studies of this contribute to a better understanding of the drivers of economic performance and better policy making. In line with this, Chen and Zhu (2004) recognized that the link between information technology (IT) investment and firm performance is indirect due to the effect of mediating and moderating variables. They developed an efficiency model that identifies the efficient frontier of a two stage production process linked by intermediate measures.

Wu (2006) tried to detect the impact of information technology on firm performance using Data Envelopment Analysis (DEA) and Decision Trees (DTs) and found strong positive impact. Info Dev (2008) did a multi-country study of Poland, Russia and the Baltic countries and found that ICT plays an

important role in facilitating the modernization and improved economic performance of firms in transition economies. On the other hand, Malhotra and Singh (2006) did a country-specific study on the impact of internet banking on bank's performance in India that confirmed a positive impact. Furthermore, Amin (2005) investigated the relationship between ICT and firm performance and found that the ICT use was strongly correlated with innovation and better performance in Thailand.

In his study of the Tanzanian situation, Mboma (2006), found that customers in the country found satisfaction in their use of ATM cards which also helped in their performance. In Nigeria, researchers have mainly focused on regulatory and security implications of the technology. For instance, Oghenerukeybe (2009) studied customers' perception of security indicators in on-line banking sites and found that security indicators (SIs) are not effective at alerting and shielding users from revealing sensitive information to spoofed sites. This led to her recommending that banks develop effective security strategies for the future of electronic banking in Nigeria.

Deposit Money Bank

The concept of the commercial banking industry in general has to be taken into consideration. The financial institution in Nigeria is categorized into two namely, the depository bank and no depository banks, The commercial banks basically falls under the depository banks or the deposit money banks, though its performs various functions as the opening of account where depositors (surplus unit) make payment into their account for safe keeping and this deposit is given out as loans to interested customers (deficit unit) who seek for such loans for investment purposes. A financial institution licensed by the regulatory authority to mobilize deposits from the surplus unit and channel the funds through loans to the deficit unit and performs other financial services activities.

According to Investopedia (2017) commercial bank is a financial institution that provides various financial services, such as accepting deposits and issuing loans. Commercial bank customers can take advantage of a range of investment products that commercial banks offer like savings accounts and certificates of deposit. The loans a commercial bank issues can vary from business loans and auto loans to mortgages.

The Central Bank of Nigeria (2016) further reiterates that commercial banking business in an economy consisting of changing cash for bank deposit and bank deposit for cash transferring same from one person or corporation to another, giving bank deposit in exchange for a bill of exchange, government bonds, the secured or unsecured promise of business to repay. This concept of banking portrays the underlying fact that bank as an organization principally is concerned with the accumulation of temporarily idle money of the general public purposely for advancing same to others for expenditure.

There's need for innovation, efficiency and effectiveness in the banking sector which will make the commercial bank staff perform better and promote bank to customers' relationship. However, the challenges confronting commercial banks in Nigeria could be classified into three classes as: Human Constraint, Operational Constraint, and Technical constraints.

The human constraints include physical disability, poor sight, illiteracy and ageing. The operational constraints include insecurity of funds transferred, frauds and standardization of channels. The technical constraints are centered on the lack of supporting infrastructures such as erratic electricity supply, interdependence and lack of encryption on short message system (SMS) messages (Agbada, 2008).

The adoption of information technology in banking sector is owing to the fact that, linguistic barriers needed to be put to an end to enable easy and cheaper communication during transaction, to foster customer bank relationship, increase customer satisfaction, improve operational efficiency, reduce the running cost, reduce transaction time, give banks competitive edge, provide security to investors fund and promotion of other financial services.

In Nigeria, customers of banks today are no longer about safety of their funds and increase returns on their investments only. Customers demand efficient, fast and convenient services. Customers want a Bank that will offer them services that will meet their particular needs (personalized Banking) and support their Business goal. For instance; businessmen want to travel without carry about cash for security reasons. They want to be able to check

their balance online, find out if a cheque is cleared, transfer funds among accounts and even want to download transaction records into their own computer at work or home. Customers want an ensuring cashless economy.

Bickersteth (2005) attributed the slow pace of development of e-payment to lack of adequate infrastructure, low Internet penetration, absence of open standards/trust among banks and providers as well as absence of adequate legislation or national policy on ICT development

Theoretical Framework

Contingency Theory

A contingency theory is an organizational theory that claims that there is no best way to organize a corporation, to lead a company, or to make decisions. Instead, the optimal course of action is contingent upon the internal and external situation (Wikipedia). Contingency theory suggests that an information system should be designed in a flexible manner so as to consider the environment and organizational structure confronting an organization. Information systems also need to be adapting to the specific decisions being considered. In other words, information systems need to be designed within an adaptive framework. Review of accounting information system literature also indicates that most AIS studies have incorporated contingency factors such as organizational structure, business strategy, and environmental condition in their research model but have neglected the influence of IT on AIs design.

According to Lamminen et al. (2015) contingency approach assert that neither the type of strategy, nor the organizational configuration will directly affect performance. Rather, contingency theory suggests that the most important determinant of performance is the contingent fit between the chosen strategy and its contextual variables. Similar to IT researches, these studies viewed IT from the technological perspective only but failed to incorporate other perspectives of IT sophistication such as informational, functional and managerial.

Hunton and Flowers (1997) suggested that a more comprehensive AIS study is needed to explain the relationship between IT and accounting and its subsequent impact on the organization in general and accounting/accountants in particular. Very few of such studies have been carried out in

developing countries especially in the Middle East. Due to the continuous flow of considerable amount of empirical studies which investigate the contingency factors and accounting and/or IS and indicates the importance and vitality of this theory, this study is theoretically and empirically constituted upon contingency theory which has long been applied in both accounting and information system disciplines. Ikpefan and Agwu (2015) opined that there is an imperative need for not mere technology upgrading but also its integration with the general way of functioning of banks to give them an edge in respect of services provided to optimizing the use of funds.

Empirical Review

Akujiobi, (2021) investigates the impact of these new technologies on the performance of the Nigerian banks for the period 1970 to 2008, using the t-ratio (difference between means) and found that the introduction of information technology has positively impacted on the performance of the banks

Eteng, Inyang, Ene-Ita and Victoria, (2021) empirically examined Information and communication technology and decision making in the selected banks in Cross River State, Nigeria. This study adopted the survey research design. The study adopted random sampling technique so as to select the respondents/ sample from the total population of 200 staff of the three banks. Data for this research was collected from two sources, primary and secondary source. The Pearson product moment correlation statistical technique was used in confirming stated hypotheses. Based on the analysis, the major findings of this study include: there was a significant influence between quality of ATM and performance of selected banks in Cross River State, there was a significant influence between speed of POS and effectiveness in selected banks in Cross River State, there was a significant influence between accuracy of on-line banking and decision making creativity in selected banks in Cross River State. Human resource capability significantly moderates the influence of ICT on decision making effectiveness in selected banks in Cross River State

Balogun, 2019) examined customer's and employee's responses to technology innovation, and their effects on the performance of the Nigerian banks. Fifteen (20) major banks were selected for the research. Two null hypotheses based on sets of questionnaires distributed to selected banks' employees and customers were

formulated to test whether there is no significant relationship between technology innovation and customer's satisfaction; and between technological innovation and Nigerian banks employee's performance. Four hundred and fifty (450) questionnaires were distributed to customers to test the first hypothesis out of which 400 were collected which is 88.88% of the distributed questionnaires, Chi square was used to test the hypothesis . Findings revealed that technological innovation influenced banks employee's performance, customer's satisfaction and improvement in banks profitability.

Berger (2003) studied technological progress and its effects in the banking industry using data collected from the banking industry in the United State over the period 1967 to 2001. The author employed multiple regression model and the findings revealed the progress made in costs of lending capacity due to improvements in "bank office" technologies, as well as consumer benefits from improved quality and variety of banking service. It was concluded that technological progress have a significant influence in the banking industry. The study recommended that the use of ICT in the banking sector should not only be restricted to the cities alone, rural business activities and operations should be improved upon. Malhotra (2009) examined the implications of internet banking on the Indian banking industry using information drawn from a survey of 85 scheduled commercial bank and found out that the quality of ICT enable managers to make rational decision by communicating with relevant branch of the bank within a short period. It was concluded that internet banking helps manager to make decision within a short period of time, was recommended that from time to time there should be enlightenment given to the general public through the transactions, e-commerce activities, smart cards, ATM of the banking sector, etc and its importance should be made known to the public in India.

Dos Santo (1993) empirically studied the effects of early adoption of Automated Teller Machine (ATM) technology by banks on employee efficiency in United States using a sample of 3.838 banks covering the period of 1979 by applying multiple regression models. The finding revealed that the introduction of ATM technology improves the bank's performance and customer's satisfaction. It was concluded that adoption of ATM technology has a significant influence on employee efficiency. It was recommended that the banking experts and workers should

be used side by side with ICT rather than reducing human capital which will in turn lead to unemployment in United States. Hamdam (2010) examined the effects of information and communication technology (ICT) on Jordanian banking industry for the period of 2003-2007. The authors used a sample of 15 banks to analyze the data obtained by applying multiple regression model diagnosis tests to check the normality and multi-co linearity problems. The results of the study indicated that there is a significant impact on the use of ICT in Jordanian banks on the market value added (MVA) earnings per share (EPS). Return on Assets (ROA) and Net Profit Margin (NPM).

METHODOLOGY

This study adopted descriptive survey research design which is adjudged appropriate because it helps in asking questions from which we elicit appropriate responses to answer research questions (Onodugo, Ugwuonah & Ebinne, 2010). Atijosan, (2010) ascertain that descriptive research provides an accurate portrayal or account of the behaviour, opinions, beliefs, and knowledge of a particular individual or group. The study is carried out in Anambra State. Five Deposit Money Banks were selected in the states. These deposit money bank were selected primarily from the major cities in the states. Only the management and employees of the selected Deposit Money Banks were examined. Secondary data were employed from Deposit Money Banks quoted on the Nigerian Stock Exchange. Base on the information obtained from the Nigeria Stock Exchange, a total number of twenty three (23) Deposit Money Banks were quoted at the exchange as at December 2020, hence, they constitutes the population of the study.

Watkins (2006) opined that "sample is made up of the members of a population (the target population), the latter referring to a body of people or to any other collection of items under consideration for the purpose of the research". Five (5) deposit money banks selected for the study include: First Bank of Nigeria Plc, Zenith Bank Plc, Fidelity Bank Plc, Union Bank Plc and United Bank for Africa. These banks were chosen because they have survived various consolidation exercise and due to the availability of their annual reports.

Sample Size and Sampling Techniques

According to Kothari (2004), Atijosan (2010), the most important characteristic of a sample is not its size but the extent to which it is representative of the population; that is, the

extent to which it accurately approximates the population. The statistical formula devised by Borg and Gall (1973) was employed to determine the sample size. The formula state thus:

$n = (Zx)^2eN$

Z = Confidence level and for 0.05 it is 1.964

e = Margin error and this case= 0.05

N.B. Target population of selected manufacturing firms is 2090

Substituting the population variables of this study into the formula above, the sample size can be neatly computed as follows:

$n = (1.964)^2\ 0.05 \times 2090$

$n = 407.55$

Therefore, n = 408

Instruments for Data Collection

For the purpose of data collection, the researcher makes use of a structured questionnaire. In the structured questionnaire, participants were required to respond to options which range from Strongly Agree (5), Agree (4), Undecided (3), Disagree (2) Strongly Disagree (1). The questionnaire contains two sections. Section A focus on respondents' demographic data such as age, level of education, gender while section B bothers on issues that relate to financial innovation and performance of deposit money banks in Anambra State

Validity and Reliability of Research Instrument

The research instrument was Questionnaire, which was subjected to face and content validity procedures. For face validity, the experts with special assistance of the senior researchers determined the appropriateness of the instruments in measuring what they purported to measure and ensured that the instruments contained the appropriate items that could actually elicit the intended responses. Experts' judgements were also used in determining the content validity. Also, the research questions, hypotheses and the questionnaire were made available to my supervisor who later effected final correction where necessary.

The reliability of the questionnaire was established through the test- retest method. This involved the administration of the questionnaire to 20 employees of the deposit money bank who were not intended to be included in the study. The questionnaire was administered twice within an interval of two weeks. Two sets of responses were correlated with the use of Cronbach's alpha Reliability

Coefficient and 0.773 was obtained. This was considered high enough to make the instrument reliable.

Method of Data Analysis

The data collected were analysed using both descriptive and inferential statistics. Descriptive statistics which included simple percentages and mean was used to answer the research questions while inferential statistics involving multiple regression was used to test all the hypotheses. The test was performed at 0.05 level of significance

Model Specification

$Y = \alpha + \beta_1X(CSD) + \beta_2X(BS) + \beta_3X(TC) + (1)$

Where:

$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_nX_n + ẹ$

Where:

Y = Performance of Deposit Money Banks (ROA)

α = Constant Term

β= Beta coefficients

X1= Customer Service Delivery (CSD)

X2= Banking Services (BS)

X3= Transaction Costs (TC)

ẹ = Error Term

RESULTS AND DISCUSSION

Descriptive Statistics

Table 1 Descriptive Statistics

The study is designed to examine the effect of investigate the effect of information and communication technology on the performance of deposit money banks in. Given this background and the objectives of the study, the model was specified as follows:

ICT, CSD, BS,TC

Performance of Deposit Money Banks = (PMB) Y (CSD, BS,TC) - (1)

Specifying equation (1) in an econometric form, we have:

The regression model is represented as:

The descriptive statistics shows the minimum value, maximum value, mean and standard deviation of the variables used in the study. The result is presented in table 4.35 below:

	N	Minimum	Maximum	Mean	Std. Deviation
Information and Communication Technology	354	9	30	21.20	4.301
Customer Service Delivery	354	10	30	18.25	4.059
Banking Services Delivery	354	11	30	20.22	4.086
Transaction Costs	354	11	30	22.54	3.208

Source: SPSS Version 21.0

This table present the summary of statistics used in the analysis. It provides information about the mean and standard deviation of the variables used in the study. Information and communication technology has a mean value of 21.20 with a standard deviation of 4.301. Customer service delivery has a mean value of 18.25with a standard deviation of4.059. Banking services has a mean value of 20.22 and a standard deviation of 4.086. Again the transaction costs recorded a mean value of 22.54 with a standard deviation of 3.208. Low values of standard deviation for each of the variables indicate a consensus on statements associated with each of the variables.

Multiple Regression Analysis

Multiple regression result was employed to test the effect of independent or explanatory variables on the dependent variables. The result of the multiple regression analysis is presented in the tables below.

Table 2 Summary of the Regression Result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.294[a]	.686	.572	3.185	.086	6.151	5	326	.000	1.875

a. Predictors: (Constant), ICT, CSD, BS,TC
b. Dependent Variable: Performance of Deposit Money Banks
Source: SPSS 21.0

Table 2 shows that R^2 which measures the strength of the effect of independent variable on the dependent variable have the value of 0.686. This implies that 69% of the variation on the performance of deposit money banks is explained by variations in (Customer Service Delivery, Banking Services, Transaction Costs). This was supported by adjusted R^2 of 0.572. In order to check for autocorrelation in the model, Durbin-Watson statistics was employed. Durbin-Watson statistics of 1.875 in table 4.5 shows that the variables in the model are not autocorrelated and that the model is reliable for predications.

Table 3 Analysis of Variance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	312.052	5	62.410	6.151	.000[b]
	Residual	3307.502	326	10.146		
	Total	3619.554	331			

a. Predictors: (Constant), CSD, BS,TC
b. Dependent Variable: Performance of Deposit Money Banks
Source: SPSS 21.0

The f-statistics value of 6.151 in table 4.5 with f-statistics probability of 0.000 shows that the independent variables has significant effect on dependent. This shows that customer service delivery, banking services, transaction costs can collectively explain the variations in the performance of deposit money banks in Anambra

Test of Hypotheses

Here, the three hypotheses formulated in this study were tested using t-statistics and significance value of the individual variables in the regression result. The essence of this is to ascertain how significant are the effect of individual independent or explanatory variables on the dependent variables. The summary of the result is presented in the table below.

Table 4 T-Statistics and Probability Value from the Regression Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	18.916	1.918		9.863	.000
	Customer Service Delivery	.123	.043	.158	2.870	.007
	Banking Services	.028	.044	.204	3.632	.006
	Transaction Costs	.085	.044	.202	2.923	.008

a. Dependent Variable: PMB
Source: SPSS 21.0

Test of Hypothesis One

Ho: Information and communication technology has no positive and significant effect on customer service delivery in Anambra State

Hi: Information and communication technology has no positive and significant effect on customer service delivery in Anambra State

In testing this hypothesis, the t-statistics and probability value in table is used. customer service delivery in Anambra State had a t-statistics of 2.870 and a probability value of 0.007 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses which state that information and communication technology has positive and significant effect on customer service delivery in Anambra State

Test of Hypothesis Two

Ho: Information and communication technology has no positive and significant effect on banking services in Anambra State

Hoi: Information and communication technology has positive and significant effect on banking services in Anambra State

Information and communication technology has a t-statistics of 3.632 and a probability value of 0.008 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses. The implication of the result is that information and communication technology has positive and significant effect on banking services in Anambra State

Test of Hypothesis Three

Ho: Information and communication technology has no positive and significant effect on transaction costs in Anambra State

Hi: Information and communication technology has no positive and significant effect on transaction costs in Anambra State

Information and communication technology had a t-statistics of 2.923 and a probability value of 0.008 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses which implies that information and communication technology has positive and significant effect on transaction costs in Anambra State

Discussion of Findings

This work evaluated the effect of information and communication technology on the performance of deposit money banks in Nigeria (A Study of Selected Deposit Money Banks in Anambra State). The data generated were analysed using descriptive statistics, correlation analysis and multiple regression analysis. The study found that information and communication technology has positive and significant effect on customer service delivery in Anambra State. This agrees with the findings of Adeyemi, Ola and Oyewole (2014), whose result showed that information and communication technology has significant effect on customer service delivery.

The finding also agrees with Ngungi (2013) who concludes that information and communication technology has positive and significant effect on customer service delivery in Kenya

Information and communication technology has positive and significant effect on transaction costs in Anambra State. This agrees with the findings of Monga, (2012), Emenike (2016).

CONCLUSION

The study is to investigate the effect of information and communication technology on the performance of deposit money banks in Nigeria (A study of selected deposit money banks in Anambra State).The result of the study indicates that information and communication technology has positive and significant effect on customer service delivery banking services and transaction costs in Anambra State. Therefore, the study concludes that information and communication technology has positive and significant effect on performance of deposit money banks in Anambra State.

Based on the findings, the study recommends that: deposit money banks should put adequate security mechanism in place to forestall fraudulent practices, invest in information and communication technology that are easy to use ;reliable, works with speed, guarantees privacy, affordable charges, and ones that allow customers to make deposits and withdrawer; Deposit money banks should embark on intensive awareness campaign and sensitization of the citizenry and: Deposit money banks should be encourage information and communication technology to reduce transaction costs in Anambra State.

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