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Determinants of Financial Exclusion in North-Western Nigeria

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Abstract:
This paper examines the determinants of financial exclusion (FE) in the North West region of Nigeria with particular reference to Sokoto State. To achieve this, a well-structured face to face questionnaire was used by 9 research assistants to collect data from a sample of 415 respondents arrived at using Slovin's (1960) formula from a population of 1,886,250 adults excluded from financial services in Sokoto as at December 2018. Descriptive statistics, Pearson product-moment correlation, and multiple regressions were used to analyze the data. The findings reveals that men within the age bracket of 18-36 years are the most excluded from financial services in the study area and are mostly with no formal education. Also revealed from the analysis is that income level, internet accessibility, insecurity, proximity to banks, lack of confidence, and documentation are the major factors militating against the reduction in the level of FE in Nigeria. Thus the study recommended that there is the need for government to provide jobs to people within the age bracket of 18 – 36 years. There is the need for government to enhance educational system in remote areas and employment realistic approaches to curving insecurity ravaging the country. Banks should embark on the creation of more branches in remote areas and should reduce the documentation bottleneck for opening an account.

Keywords: *Financial exclusion, North West, financial services, banks*

1. Introduction

The federal government of Nigeria in its quest to reduce poverty, generate employment, create wealth, improve the welfare of its citizens and their standard of living adopted a strategy aimed at delivering formal financial products and services to individuals and businesses here referred to as 'National Financial Inclusion Strategy' (NFIS) in 2012. The strategy if fully implemented is believed to boost the country's gross domestic product (GDP) and reduce the proportion of adult Nigerians that are financially excluded from these products and services by the year 2020 here referred to as 'Financial Inclusion' (FI). FI refers to the act of having access to financial products and services at a formal institution which gives an individual the right to maintain an account with these formal institutions, access to credit, contract insurance, use payment services and pension services. The strategy set an overall target of 80% for both formal and informal sectors (70% and 10% respectively) by the year 2020. The importance of financial inclusion is the delivery of financial services at an affordable cost to vast sections of disadvantaged groups and low-income earners.

As of 2010, only 36.3% of adults Nigerian are financially included in the formal sector and this rate is projected to increase to 70% by the year 2020 (NFIS, 2010). According to Enhancing Financial Innovation & Access (EFInA) access to financial services survey in Nigeria, more than half of the country's population (51%) in 2020 are using formal (regulated) financial services like banks, microfinance banks, mobile money, insurance, or pension accounts which show an upward trend from 49% in 2018. Though the level of FI has grown in the past decade, the country falls short of meeting the NFIS target set in 2010 of 70% of Nigerians with access and usage to formal financial services by the year 2020 and 80% by overall FI for the same period (NFIS, 2020). In a survey carried out by EFInA in 2012, 2014, and 2016, the level of exclusion continues to grow in almost all the six geopolitical zones, with North West increasing from 64% in 2012 to and 70% in 2016. North Central zone and North East show an increase from 32% to 39% and 60% to 62% in 2012 and 2016 respectively. South-South and southeast also witnessed an increase from 30% to 31% and 26% to 28% in 2012 and 2016 respectively; only South West witnessed a decrease in the level of financial exclusion from 25% to 18% in 2012 and 2016 respectively. This prompted the interest of various policymakers, academics, and financial analysts to study the factors behind the increase in the level of FE and or factors behind the low level of financial inclusion. Studies on the determinants of financial inclusion by Mhlanga and Denhere (2020) and Celestin (2021), the impact of FI on financial stability (Pham & Doan, 2020), Determinant of FE in Indonesia (Ali et al., 2020), Adeyemi et al. (2014) studied the determinants of FE among Muslim Micro-entrepreneurs in Ilorin, Nigeria, Devlin (2005) analyses of factors influencing total FE in the UK. Coffinet and Jadeau (2017) surveyed Household FE in the Eurozone, Muhammad et al. (2018) explore the contribution of Islamic

Banking on FE and Achugamonu et al. (2020) studied the implication of FE on bankable adults in SSA. Most of the studies conducted are in developed economies and that most of them study the determinant of FI. The scarce empirical determinants of FE in Nigeria centered mainly on other regions of the country neglecting the most vulnerable region (Northern part) (NFI, 2018). It is given this that the study intends to fill in the aforementioned gaps by determining those factors militating against the reduction in the level of FE in the northwest zone of Nigeria with particular reference to Sokoto State.

2. Literature Review

This section deals with the literature regarding FE. Structurally, it provides general concepts, causes, indicators, consequences, and status of FE in Nigeria. The final stage of this section acknowledged both empirical review and theoretical framework. The previous evidence comes from many studies, which are seen as the most relevant for this study. The study summarized the context in which each scholar takes to conduct their study, methodology, and their results regarding FE.

2.1. Financial Exclusion

The term ‘FE has been defined in different ways but is most frequently defined as a wide concept describing a lack of easy access to, and use of, a range of financial services at affordable costs. FE refers to an inability of the less privileged to participate in a financial system of a country or develop the process of building the country’s economy (Obaidullah & Abdul Latif, 2007). Sinclair (2001), Howell (2005), and Carbo et al (2004) define FE to be a lack of access to the mainstream of financial services. Delvin (2005) saw FE as be the procedure that prevents a particular group of people from gaining access to financial products and services at affordable costs.

According to EFInA (2020), FE in Nigeria is classified into banking/payment transactions, saving, credit access, insurance, and pension FE. Banking/Payment/Transaction Exclusion is the percentage of the adult population that has no transaction account with a regulated financial institution and/or has not made an electronic payment through a regulated financial institution in the last 12 months. Saving Exclusion entails the percentage of the adult population that has no savings-related product at a regulated financial institution and/or has not saved through a regulated financial institution in the last 12 months. Credit Exclusion on the other hand is the percentage of the adult population that has not had a credit product through a regulated financial institution in the last 12 months. Insurance Exclusions are those individuals or the percentage of the adult population that are not covered by a regulated insurance policy and lastly, Pension Exclusion is that percentage of the adult population that is not contributing to a regulated pension scheme or receiving a pension through a regulated pension scheme.

Carbo et al. (2007) pointed out that FE has social, economic, and financial consequences. Social consequences are issues relating to difficulty in taken employment in countries where payment of wages is by electronic transfer into a bank account, psychological problems (the feeling of being socially rejected or distrust by others due to stolen of cash), budgetary control problems (lack of a bank account makes it more difficult to work out and meet a budget for the household) and lastly, the problems of security and theft (feeling of insecure when rooming around with cash from one place to another). Economic consequences on the other hand result to increase in the cost of a transaction due to inaccessibility to financial services. Occasional payments of utility bills, payment of taxes, bank transfers to third persons, cashing cheques, and money orders at the banking counter are more expensive for those who are not customers of the bank. People lacking a payment card (debit or credit card) are also unable to take advantage of the lower prices of goods and services bought in this way. Lastly, financial consequences encompass the inability of an individual to enter into agreements requiring payment of bills by banker’s order, e.g. to pay gas and electricity. People with no bank account at all face difficulties dealing with cheques made out in their name by a third party. Often, they have to pay to have the cheque cashed and, in some countries, there are networks of cheque cashing companies whose main purpose is to offer this service.

2.2. Financial Exclusion in Nigeria

Nigeria has the highest rate of FE more than any country in Sub-Saharan Africa. It was the target to reduce to 20% by 2020 from 46.3% in 2010 (NFIS, 2010). Financially excluded are predominantly dependents, reside in rural areas; have low education with and low proximity to access points (EFInA, 2020).

Focus Areas	Target by 2020	2010	2012	2014	2016	2018	2020	Variance to 2020 Target
Payment	70%	22%	20%	24%	38%	40%	45%	-25%
Saving	60%	24%	25%	32%	36%	24%	32%	-28%
Credit	40%	2%	2%	3%	3%	2%	3%	-37%
Insurance	40%	1%	3%	1%	2%	2%	2%	-38%
Pension	40%	5%	2%	5%	7%	8%	7%	-33%
Formally served	70%	36.3%	43.0%	48.6%	48.6%	48.6%	50.5%	-19.5%
FE	20%	46.3%	39.7%	39.5%	41.6%	36.8%	35.9%	-15.9%

Table 1: Targeted Level of Financial Inclusion and Exclusion as of 2020 with Variances in Nigeria
Source: Efina (2020)

Table 1 above indicates that the targeted rates by the year 2020 on different financial services are payment (70%), Savings (60%), credit (40%), insurance (40%), and Pension (40%) of inclusion while the level of exclusion was targeted to 20% by the same year. Also revealed was that from 2010 to 2020 none of the focus areas achieved their set target as evidenced from the target variance as of 2020. The rate of exclusion in Nigeria has reduced from 46.3% in 2010 to as low as 35.9% in 2020 which shows an insignificant decrease in the level of exclusion in the country with a variance of -15.9% as of 2020.

2.3. Review of Empirical Studies

Various studies have been conducted in this area (Amaeshi et al., 2007; Adewale et al, 2012; Mhlanga & Denhere, 2020), below presents the chronology of major studies related to this research in order to assess and identify the research gap. In South Africa, Wentzel et al. (2016) investigated the factors impacting FE and found that the most significant factors associated with being financially excluded in South Africa were educational level, the primary source of income, age, home language, and the number of dependents. The study further found that gender, relationship status, and homeownership were not associated with being financially excluded. An interesting finding was that living in a rural area as opposed to an urban area was not significantly associated with being excluded. Exploring Central and West African countries used regression on a Global Financial Inclusion Database (Findex) to determine factors driven FI. The outcome from the analysis revealed that FI is driven by gender, education, age, income, residence area, employment status, marital status, household size, and degree of trust in financial institutions (Soumaré et al., 2016). Olaniyi and Adeoye (2016) studied the factors affecting financial inclusion in Africa during the period 2005–2014. The study employed the dynamic panel data approach to establish the determinants of financial inclusion. The study found that financial inclusion was driven by per capita income, broad money as a percentage of GDP, literacy rate, internet access, and the presence of Islamic banking activities. Zins and Weill (2016) reveal a low level of financial inclusion in Africa compared to other countries. Gender (being male), income level (being rich), an education level (being educated) promote financial inclusion, with a greater marginal effect on income level and education variables. These results show that, in terms of economic policies related to strengthening financial inclusion, women and young people are the population groups that should be targeted. Ibor et al. (2017) examined FI and performance of micro, small and medium scale enterprises in Nigeria using primary data obtained from the administration of questionnaires. Pearson Chi-square technique was employed for data analysis and the result revealed that distance to financial services, access points terminals, and infrastructural deficiency are factors hindering the fast and effective financial inclusion in Nigeria and recommended for the spread of access points to more rural areas and improve infrastructure to promote FI.

Jimoh et al. (2019) study the impact of financial inclusion on the performance of banks in Nigeria by using the census method to analyze all the deposit money banks in Nigeria and found a positive and significant impact of Automated Teller Machines, bank embranchment, and point of sale terminals on bank performance at both 1% and 5% levels of significance with an insignificant result on the number of bank account, they recommended that more ATMs, POS, and Branches be put in place for better inclusive finance. Enisan and Akinwumi (2019) while examining the determinants of FI and its impact on poverty in the Ondo State of Nigeria administered 450 questionnaires to individuals aged 18 years and above in all the 18 local government areas of the State. Logistic regression results revealed age, genders, financial discipline, religion, income, location, trust alternatives, ICT inclination, documentation, household size, tertiary education, marital status, occupation to be the major determinants of financial inclusion and that these factors significantly affect the level of poverty in the State. In a related study by Soekarno et al. (2020) on Women and digital financial inclusion in Indonesia as an emerging market surveyed 622 respondents in Indonesia, the ordinal logistic regression model was used as a method to model the key variables, gender (women) and digital financial inclusion. The result concluded that women give a significant impact on the behavioral intention that represents digital financial inclusion. The study recommended that one way for women in Indonesia to achieve digital financial inclusion is through digital financial education. Understanding digital financial inclusion will contribute to greater financial stability in Indonesia.

More recently, Mhlanga and Denhere (2020) used a logit model to establish factors driven FI in Southern Africa with particular reference to South Africa. The study discovered that age, educational level, level of income, race, gender, and marital status are the major factors that drive FI; the study recommended that the government in Africa should encourage the use of financial services and products among women, Black African, and the youths. Kaur and Kapuria (2020) while examining the determinants of access to institutional and non-institutional finance across male and female-headed households in rural India used multinomial logistic regression and discovered that education level is one of the important factors influencing financial inclusion. Other factors that were discovered were monthly household consumption expenditure, land size holding, access to irrigation land and the levels of scheduled penetration of commercial banks influenced financial inclusion. Babajide et al. (2020) surveyed the South West Zone of Nigeria (Lagos and Ekiti) to examine the penetration of FI in the two States. Logit regression was used to analyze the data collected through the use of a questionnaire, the result from the analysis revealed that penetration in Lagos is higher than that of Ekiti with 81% and 60% levels of penetration. Irregular income/job loss, hidden bank charges, long queues at the Bank, and high maintenance fees were the major reason for FI in the zone, thus the study recommended an increase in employment in the two states targeting the low-income earners. Dar and Ahmed (2020) also sought to investigate the determinants and barriers of financial inclusion in India. Using the Global Findex Database (Findex) of 2017, the study found out that gender, age, education, and income influence financial inclusion with a significant influence on informal saving and borrowing.

2.4. Theoretical Frame Work

This section highlighted the key theories that have been used to explain the phenomenon of financial exclusion. In some cases, analyses of FE will explicitly identify a core theory, and, in other cases, the theory may be inferred. Ozili (2020) posited the following theories of financial inclusion, public good theory, dissatisfaction theory, vulnerable group theory, systems theory, community echelon theory, public service theory, special agent theory, collaborative intervention theory, financial literacy theory, private money theory, public money theory, and the intervention fund theory. Due to the nature of our study, the vulnerable group theory will be adopted. The theory emphasizes the need for including the most vulnerable members of the society in financial services as they suffer the most from economic hardship and crises, such members include the poor people, young people, women, and elderly people. Ozili further posited that their inclusion can be achieved through government to person cash transfer into their formal account thereby increasing the rate of financial inclusion and reducing the level of exclusion among the vulnerable and can also make the vulnerable people feel that they are being compensated for the existing income inequality that affects them, as it allows them to catch up with other segments of society. The adoption of this theory is since, the inclusion of the vulnerable members of the society in Nigeria where the level of exclusion is extremely high (Northern part of the country) will invariable reduce to a large extent the level of FE.

3. Methodology

The population of this study comprised of 1,886,250 adult populations excluded from the financial services as of 2018 in Sokoto State (EFInA, 2018). A sample size of 400 respondents was arrived at using Slovin's (1960) formula. Respondents have selected through the use of snowball non-probability sampling technique by interviewing only those excluded from financial services and have the intention to participate in the survey. Data was collected through face-to-face interviews due to the inability of respondents to read the content of the interview. The questionnaire was designed into three parts. Part 1, is the demographic features of the respondents, part 2 contains questions in relation to FE products and services while part 3 deals with questions relating to the determinants of FE. For data collection, 9 graduates were trained and engaged as research assistants at local governments in the rural areas of Sokoto State, the data was thereafter cleaned, recategorized, recoded, and subjected to a reliability test using Cronbach Alpha. FE which represents whether or not a respondent uses a particular financial service being the dependent variable was measured using dichotomous of 1 and 0. Where a respondent uses a particular financial service, he is scored 0 and 1 where not. The financial services covered by this study include banking transactions, savings, credits, insurance, and pension services. The independent variables included in the study are income level (classified into the lower middle and higher middle income), internet accessibility, insecurity, religious beliefs, means of identification, self-exclusion (where an individual excluded self without any reason), marital status (married or single), proximity to banks, service charges, lack of confidence, documentations and traditional savings. All were measured using a dummy of 1 and 0. Responded is scored 1 where he/she respond in the affirmative to these questions being the reason why he/she is excluded from financial services and product and 0 where otherwise.

3.1. Model Specification

The econometric model specification below developed by the researcher was used in the regression equation to establish the relationship that exists between the dependent variable and the independent variable as in Wentzel et al. (2016) adapted. This relationship will be able to inform us if the determinants of FE selected and adopted in this study will have a positive or negative relationship with FE in Nigeria.

$$FE = f(INC, IA, INS, RLG, ID, SE, MS, WS, PB, SC, LC, DCM, TS) \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots..\ldots.. (1)$$

Econometrically, the regression models can be specified as;

$$FE = \beta o + \beta 1INC + \beta 2IA + \beta 3INS + \beta 4RLG + \beta 5IDF + \beta 6SE + \beta 7MS + \beta 8WS + \beta 9PB + \beta 10SC + \beta 11LC + \beta 11DCM + \beta 11TS + e \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots (2)$$

Where:
FE =is the measures of Financial Exclusion being the dependent variable.
β0 = the intercept.
β1 - β1 = coefficients of independent variables
INC = Income level, IA = Internet Accessibility, INS = Insecurity, RLG = Religious beliefs, IDF = Means of identification, SE = Self-Exclusion, MS = Marital Status, WS = Working Status, PB = Proximity to Banks, SC = Service charges, LC = Lack of confidence, DCM = Documentations
TS = Traditional savings, e = taken as the stochastic error term

4. Data Presentation and Analysis

4.1. Responses on Demographic Characteristics

S.N	Item	Options	No. of Responses	% of Responses
1	Age	18 – 35 years	351	85
		36 – 53 years	60	16
		53 – 71years	4	11
		Total	415	100
		Above 71 years	0	0
2	Sex	Male	380	92
		Female	35	8
		Total	415	100
3	Marital Status	Married	380	92
		Single	35	8
		Total	415	100
4	Education	BSc/Dip/NCE	1	0
		SSCE	45	11
		FSLC	32	8
		No. Formal Education	337	81
		Total	415	100

Table 2: Demographic Characteristics
Source: Interview Conducted 2021

Table 2 above revealed that 351 (85%) of the interviewees are between the age of 18 – 35 years, 380 (92%) represents their male number, 380 (92%) are married while 337 (81%) does not have formal education. This means that, majority of the people excluded from financial services are within the age bracket of 18 – 35 years and that most of them are male. Another point to note is that these people are mostly married without any formal education.

4.2. Responses on the Measures of Financial Exclusion

S.N	Measures	Mean (x)	SD	Remark
1	Do you own an Account in any Bank?	1	0	No
2	Do you save money in your account for future use?	1	0	No
3	Are you aware that banks are opening zero minimum balance account?	0.2048	0.4041	Yes
4	Have you ever taken a loan from any Bank?	1	0	No
5	Are you using any other form of financial services or product?	0.9398	0.2382	No
6	Do you own an insurance policy?	1	0	No
7	Do you have a point of sale (POS) outlet in your locality?	0.7398	0.4393	No
8	Do you use mobile banking applications?	1	0	No
9	In the past three (3) months have you paid bills electronically?	1	0	No
10	Is there any Bank situated within your locality?	0.8482	0.3593	NO

Table 3: Mean Ratings of the Responses on Financial Exclusion in Nigeria. (n = 415)
Source: Survey Report 2021
SD = Standard deviation

Table 3 showed the mean ratings of the responses on all measures of FE within the real limit of 0 – 1 using Yes or No responses. This implied that the respondents are excluded from financial products and services except for the Zero accounting opening where the majority of the respondent acknowledged the fact that they are aware of the policy. The values of the standard deviation of the 10 items that form the measures of FE ranged from 0 – 0.4393 which indicated that the responses are close to one another and the mean.

4.3. Responses on the Determinants of Financial Exclusion in Nigeria

S.N	Measures	Mean (x)	SD	Remark
1	Income Level	0.7976	0.4023	Yes
2	Internet	0.7253	0.4469	Yes
3	Insecurity	0.8482	0.3593	Yes
4	Religion	0.7952	0.4041	Yes
5	Identification	0.7277	0.4457	Yes
6	Self-Exclusion	0.9759	0.1535	Yes
7	Marital status	0.8217	0.3832	Yes
8	Working status	0.9566	0.2039	Yes
9	Proximity	0.8265	0.3791	Yes
10	Service Charge	0.9614	0.1928	Yes
11	Lack of Confidence	0.9952	0.0693	Yes
12	Documentation	0.1928	0.3950	Yes
13	Traditional savings	0.9904	0.0978	No

Table 4: Mean Ratings of the Responses on Financial Exclusion in Sokoto, Nigeria. (n = 415)
Source: Survey Report 2021.
SD = Standard Deviation

Indicated in the data presented in Table 4 above showed that the mean rating of income level, insecurity, religious beliefs, self-exclusion, marital status, work status, proximity to banking halls, higher service charges, lack of confidence, and traditional savings to be the major determinants of FE in the study area followed by non-accessibility to the internet and lack of means of identification. Rigorous documentation does not seem to be the determinant of FE for the study area.

4.4. Inferential Analysis

The empirical analysis here is to probe the relationship between FE and the identified determinants.

4.4.1. Correlation Analysis

VARIABLES	Financial Exclusion	Determinants of Financial Exclusion
Financial Exclusion	1	
Determinants of Financial Exclusion	.164**	1

Table 5: Correlation Analysis
***. Correlation Is Significant at the 0.01 Level (2-Tailed)*
Source: SPSS Software Output

The findings show a positive and statistically significant ($r = 0.164$; $p < 0.01$) relationship between FE in Nigeria and its determinants in Table 5.

4.4.2. Regression Analysis

The dependent variable is FE while the independent variables for the analysis are the determinants of FE. The study used Multiple Regression to analyze the relationship.

Dependent Variable: Financial Exclusion (FE)			
Predictors Variables	**Coefficient**	**Std Error**	**P-Value**
(Constant)	.947	.084	.000
Level of income	-.054	.012	.000*
Internet	-.024	.011	.028**
Insecurity	.040	.015	.007*
Religion	.020	.012	.112
ID	.002	.010	.873
Self Excl	.007	.036	.857
Mstatus	.052	.037	.165
Wstatus	.015	.030	.616
Proximity	-.067	.038	.077***
Service Charge	.017	.018	.343
Lack of Confidence	.142	.073	.054**
Documentation	.061	.009	.000*
Tsavings	.018	.033	.585
R	0.633		
R^2	0.468		
F-Statistics	0.000		

Table 6: Regression Results
**, **, ***Significant at 1%; 5% and at 10% Respectively*
Source: SPSS Output 2021

Table 6 presents the analysis of regression results which revealed that all the variables are either positively or negatively associated with FE as the determinants of FE in Nigeria but not all are statistically significant. Level of income significantly influences FE with a p-value less than 1% (0.000) and a negative coefficient of –0.054. This implies that a decrease in the level of income increases the chances of being excluded from financial services, this conforms to the findings of Wentzel et al. (2016), Soumaré et al., 2016, Olaniyi and Adeoye (2016), Zins and Weill (2016), Enisan and Akinwumi (2019), Dar et al., (2020) that level of income is the major determinant of FE. Internet accessibility also revealed a negative significant relationship with FE. This implies the lower the accessibility to internet services the higher the level of FE, which buttresses the earlier findings of Olaniyi and Adeoye (2016).

Insecurity as the determinant of FE was also significant with a positive coefficient; it implies that the higher the level of insecurity in the country the higher will be the level of FE and vice-versa. Religious beliefs, means of identification, self-exclusion, marital status, working status, service charges, and traditional savings though exhibited a positive relationship with FE but the effect is insignificant, this contradicted the findings of other studies like Enisan and Akinwumi (2019) who established that religious beliefs are one of the major determinants of FI. The findings also disputed the findings of Soumaré et al. (2016) and Mhlanga and Denhere (2020) whose findings established that marital status is a significant determinant of FI and that of Babajide et al. (2020) that bank charges significantly influence FI. Lastly, lack of confidence and documentation revealed a positive and significant relationship with FE. This can be inferred to mean that, the more respondents lack confidence in bank activities the higher the level of FE so also documentation.

5. Conclusion and Recommendations

In conclusion, we can infer from the findings that the majority of people excluded from access to financial services are men, within the age bracket of 18-36 years. Also that most of them are married and have no formal education.

Also inferred from the analysis is that income level, internet accessibility, insecurity, proximity to banks, lack of confidence and documentation are the major factors militating against the reduction in the level of exclusion from financial services and products in Nigeria.

In view of the foregoing, there is the need for the creation of policies by the government capable of providing jobs to citizens within the age bracket of 18 – 36 years. Government should enhance educational system to people leaving in the remote areas to ameliorate the problem of lack of formal education by those excluded from the financial services.

Lastly, banks should embark on the creation of more branches especially in remote areas where banks are not easily accessible. To achieve this, there is the need for government to employ more realistic approaches to curbing insecurity in the country especially in the northern part of Nigeria where kidnapping, banditry, Boko-haram, and other forms of crime become so rampant. Banks should devise means of opening accounts capable of reducing the bottleneck of rigorous documentation during account opening.

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