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EMPIRICAL STUDY ON MEASUREMENT OF PERFORMANCE OF NIGERIAN MONEY DEPOSIT BANKS

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ABSTRACT

This study examines the performance of the Nigerian money deposit banks for the period 2008 to 2012. Past studies attempted to measure the performance and efficiency of the banking industry using different kinds of performance indicators such as outputs, costs, financial measures, economic measures to include Total Factor Productivity (TPF) among others. But in this study, the researchers focused on another aspect by adopting the Performance Indexing Model developed by Suat, Dilek & Oya (2011), to determine the performance levels of these banks when subjected to ranking. The study covered eleven (11) Nigerian money deposit banks listed in the Nigerian Stock Exchange Market. This was augmented by Time Series Panel Data Analysis to determine the magnitude of performance characteristics of the selected banks. Findings showed that, there is a significant and positive relationship between money deposit banks and the performance characteristics. It also showed that Access Bank is dominating as the best performer as indicated by Performance Index and that the model (PIM) is suitable for measuring money deposit banks performance as against the traditional method of using financial measurement only. It was recommended that Money deposit banks should not be measured by financial reports only, but should include management efficiency, capital adequacy, and asset quality among others (performance characteristics).

Keywords: Performance measurement, Performance Index, Money, Deposit Banks, Ranking and Return on Equity (ROE).

INTRODUCTION

The history of Nigerian banking system dates back to 1892, with the establishment of the African Banking Corporation (ABC). Thereafter, several other foreign and indigenous banks were established. Most of the indigenous banks were established out of nationalistic consciousness, rather than on the existence of relevant resources and banking skills, (CBN, 1995). Consequently, most of the banks failed in quick succession, mainly because of the absence of bank regulation, resulting in inadequate capitalization, fraudulent practices and bad management. This led to the enactment of the 1952 Banking Ordinance. The major success of this ordinance was the restriction of banking to establishments holding valid banking licenses, thus, introducing more orderly commercial banking practices (CBN/NDIC, 1995).

Performance measurement systems are considered to be important for evaluating the accomplishments of firm goals, constructing strategies for development, making decisions for investments and compensating managers. The efficiency of the banking system has been one of the major issues in the new monetary and financial environment which cannot easily be measured, since their products and services are of an intangible nature. Size affects the efficiency of banks. Previous research, especially in the United Stated, indicated that scale economies appear in small banks and not in large ones (Short, 1979; Miller and Noulas, 1996). More recent research showed that the levels of size for existence of scale economies are higher due to economic development and market liberalization (Miller and Noulas, 1997). The technical efficiency of large banks was examined by Miller and Noulas (1996). Larger and more profitable banks have higher levels of technical efficiency. At the same time, larger banks are more likely to operate under decreasing returns.

Effective bank regulation has two aspects – a sound regulatory framework and supervision of the banks to ensure that the regulations are adhered to, Barth, Capiro & Levine (2004). This view was supported by Balino (1991), when he listed 'regulatory framework' as one of the causes of bank stress in his study of banking crises in Argentina, Chile, Malaysia, the Philippines, Spain, Thailand and Uruguay. Many other authors including Sheng (1999), Yamoah (1998) and De Juan (1987) have identified many factors such as poor banking regulation and supervision and adverse economic conditions as negatively affecting the performance of banks. It is against this background that this study tends to investigates whether or not the ranking of Performance index, as enforced by the performance characteristics such as Management efficiency, profitability, Liquidity Ratio, Capital adequacy, Asset Quality, Growth and Market Value enhanced the performance of banks and reduced distress in Nigeria.

Statement of the Problem

After the financial crisis that started in 2008, banks have been taking steps to improve their performance measurement capabilities in light of ever changing economic and market conditions and new management needs. For example, new regulatory structures are affecting the underlying economics of businesses such as payment-card issuing and processing. Capital requirements are increasing for most banking businesses. New channels like mobile phones are becoming more important. Revenue growth continues to be difficult to achieve due to weak economic conditions and regulatory restrictions banks failed in quick succession, mainly because of the absence of bank regulation, resulting in inadequate capitalization, fraudulent practices and bad management (Okigbo, 1981). Also, recent economic crises have revealed the importance of bank performance to hedge against the high risk attributed to imbalances in bank's statement of financial positions. Nonetheless, excessive regulations may have adverse effects on the operations of money deposit banks. On the one hand, the prudential measures that mitigate the effect of economic crises on the stability of the banking system and subsequent accompanying of macroeconomic results. On the other hand, excessive regulations may increase the cost of intermediation and reduce the profitability of the banking industry. Simultaneously, as banks become more constrained, their ability to expand credit and contribute to economic growth will be hampered during

normal times. While most analysts would argue for the need to enforce regulations, the question hinged on "what is the right benchmark of regulations?" to enforce without jeopardizing the ability of banks to service the economy. To properly address this question, it has become necessary to thoroughly analyze the effects of capital regulations, namely the capital adequacy ratio, liquidity ratio among others on bank performance. Likewise, in a developing country like Zimbabwe, banks play an important and sensitive role, hence; their performance directly affects the growth, efficiency and stability of the economy (Ranga Mbizi, 2012). These and other factors are causing banks to re-examine and improve the ways in which they measure and report business performance.

Research Questions

Are there any business-unit key performance indicators (KPIs)?

What are the performance indices of money deposit banks?

What makes up the performance measurement process of money deposit banks?

Does Banks higher profitability represent higher performance?

Are banks resources used efficiently?

Does banks profit results from market growth?

Objectives of the Study

The general objective of this research is to measure the performance of Nigerian Money Deposit Banks. The specific objectives are:

To identify the performance indices of the money deposit banks.

To assess the selected money deposit bank's components of Performance Management process.

To identify suitable methods of regulating and supervising the banking industry for improved performance.

EXTANT LITERATURE

A number of studies in literature have investigated banks' performance by using variety of approaches. Kaplan and Norton (1992) used balanced score card method to measure business performance. The balanced score card method included both financial and non -financial measures such as institutional learning process, growth, internal business processes and customer-employee satisfaction. Kraft and Tirgiroglu (1998) employed data envelopment analysis to measure the bank performance in Croatia in the years 1994 and 1995. They found that new banks showed better performance than old banks and the profitability was negatively correlated to x-efficiency. Avkiran (1999) examined the banks' efficiency in Australia between 1986 to 1995. He observed that the bank efficiency rises slowly and steadily over years. Chen and Yeh (2000) study indicated that Taiwanese privatized government owned banks are less efficient than private banks in the year 1986. Hwag, Lee, Liu & Ouyang (2009) took into consideration both financial and non-financial performances when evaluating 35 sampled public traded banks in Taiwan. The banks were classified based on the year founded and the type of major stockholders. They found that the privatized government owned banks had significantly performed better than private banks. New and old banks were not significantly different from each other in both financial and non-financial performance indexes. They concluded that more branch offices, better capital structure and solvency, higher growth in deposits and loans resulted in more profits and led to higher customer satisfaction and more efficient management.

Furlong and Keeley (1989) argued that a value maximizing bank will not increase its asset risk under more stringent capital requirements. Furfine (2000) showed that a shift in bank asset portfolios in the United States occurred following the passing of the Accord Banks simultaneously reduced their investment in riskier commercial lending in favour of less-risky government securities, such that the share of total bank credit in commercial and industrial loans fell from 23% in 1989 to under 16% in 1994, while at the same time the share of total bank credit invested in US government securities increased from 15% to 25% over the same period.

The experience of many countries showed that capital regulation and supervision are essential for stable and healthy financial system and that the need becomes greater as the number and variety of financial institution increase. The banking sector has always received upper attention on protection due to the vital role it played in an economy. Minimum capital is one of the three "pillars" of macro prudential regulation. Bank capital serves both as a buffer and as a disincentive to excessive risk taking. When general equilibrium effects are taken into account, however, it is not clear that higher capital requirements will reduce the level of risk in the banking system (Gale, 2010). It is evident that one of the requirements for the success of any business in any economy is the existence of favorable regulatory environment as argued by Schmidt, 2002. Soludo (2004) discovered that low capitalization of the banks has made banks unable to finance the economy and be prone to unethical and unprofessional practices.

Aminu and Kola (2004) maintained that, increasing the capital base of banks in Nigeria would strengthen, and in the process, deepen activities within the industry. "Growing the Nigerian economy is about the number of banks that have the capacity to operate in all the states of the federation, fund agriculture and manufacturing concerns, and in the process generate employment for Nigerians" (Ologbondiya and Aminu, 2005).

Levy-Yeyati and Sturzenegger (2003) used cluster analysis to classify exchange rate regimes and frameworks. A cluster analysis uses type of discriminant analysis that seeks grouping as the researcher has in this study and chosen Ogun State CBN as part of cluster depending on the similarity of experiences with some macroeconomic target. For exchange rate regimes, the variances of the exchange rate are chosen.

Kyriaki and Costantin (2008) examined the performance of commercial and cooperative banks in Greece with the aid of specific financial ratios. The results obtained indicated that commercial banks were tending to increase their accounts, to attract more customers and ameliorate their financial indices, thereby becoming more competitive and maximizing their profits. In view of the second banking directive, the money deposit banks were tending to ameliorate their performance and hedged the financial risks in order to be more competitive among the European banking institutions. Concerning the cooperative banks in Greece, the conclusions were not so uniform, since there were banks that increased their profits and market shares considerably while others reported deteriorating financial indices.

METHODOLOGY

This research covered all the thirteen (13)

money deposit banks in Nigeria listed in the Nigerian Stock Exchange Market and operating in Nigeria over the period 2008 to 2012, except two (2) banks viz; First City Monument Bank PLC (FCMB) and Union Bank of Nigeria PLC that their financial data were not readily available as at the time of the survey (2013). Consequently, the sample used for the study included eleven (11) money deposit banks as indicated in Table 2. The method of data collection comprised in-depth observation, recording, auditing and analysis of five- year (5) from 2008 to 2012 annual financial reports of the banks through their web pages.

Method of Data Collection and Analysis

This study made use of desk research instrument to generate secondary data. Desk research instrument involved review of available materials as sources of data; the researcher contacted company available records and statistics, in-house journal, advertising agencies, newspapers, bulletins such as ILO, UNESCO and ECOWAS hence, the variables that were needed for this study were structured out as guidelines for extracting data from the financial records of the money deposit banks.

The data were collected over the period of two months in May and July, 2013. Table 3 indicated the variables selected in this study which involves ratio based on the banks' financial statements. Financial ratio analysis has been widely used to evaluate firms' performance, to make credit risk assessment decisions, to predict bankruptcy and merger of money deposit banks (Kyriaki and Constantin, 2008).

Table 1. showing the 13 money deposit banks listed in Nigerian Stock Exchange and operating in Nigeria

S/No.	Money Deposit Banks in Nigeria
1.	Access Bank PLC
2.	Diamond Bank PLC
3.	Eco Bank Transnational Incorporation
4.	Fidelity Bank PLC
5.	*First City Monument Bank (FCMB) PLC
6.	Guaranty Trust Bank (GTB) PLC
7.	Skye Bank PLC
8.	Sterling Bank PLC
9.	United Bank for Africa (UBA) PLC
10.	*Union Bank of Nigeria PLC
11.	Unity Bank PLC
12.	Wema Bank PLC
13.	Zenith Bank PLC

**Banks that their data were not readily available.*

Table 2. List of the 11 Money Deposit Banks Adopted for the study

S/No.	Money Deposit Banks
1.	Access Banks PLC
2.	Diamond Bank PLC
3.	Eco Bank Transnational Incorporation
4.	Fidelity Bank PLC
5.	Guaranty Trust Bank (GTB) PLC
6.	Skye Bank PLC
7.	Sterlin Bank PLC
8.	United Bank for Africa (UBA) PLC
9.	Unity Bank PLC
10.	Wema Bank PLC
11.	Zenith Bank PLC

Source:

Table 3. Selected ratios for the evaluation of Nigerian money deposit banks performance

ASSETS
LOANS
DEPOSITS
NET INCOME
INCOME BEFORE TAXES
EQUITY
SECURITIES
INTEREST INCOME BEFORE TAXES
NET INTEREST INCOME
GROSS PROFIT
ADMINISTRATIVE COST
PROVISIONS
EXPENSES
CAPITAL
INTEREST EXPENSES
NON PERFORMANING LOANS
NON-INTEREST EXPENSES

Source: Kyriaki and Constantin, 2008.

Table 4. Empirical Results for 2012 (N million)

S/No	Banks	Assets	Rank	Equity	Rank	Net Income	Rank	ROE	Rank	PI	Rank
1	Access	1745177	4	237624	4	5456	9	2.3	10	28.5	1
2	Diamond	823376	7	107316	8	23074	5	21.5	3	19.2	2
3	Eco	2992550	1	326470	2	52203	3	15.9	5	-5.61	9
4	Fidelity	914360	6	145972	6	19924	6	13.64	7	-2.26	10
5	GTB	1620317	5	288154	3	84264	2	29.24	1	15.6	4
6	Skye	107311	11	108088	7	12697	7	11.75	8	-17.4	7
7	Sterling	580226	8	46642	9	6954	8	14.91	6	3.16	6
8	UBA	1933065	3	22017	5	47376	4	21.5	4	6.59	5
9	Unity	373859	9	44510	10	2434	10	5.5	9	-16.1	8
10	Wema	245704	10	1278	11	-5989	11	3.9	11	-1.6	11
11	Zenith	2436886	2	438003	1	95813	1	21.9	2	18.01	3
	Average	1109288		178579		31382		14.73		4.37	

Source: Field Survey 2013

Table 5. Empirical results for the year 2011 (N million)

S/No.	Banks	Assets	Rank	Equity	Rank	Net Income	Rank	ROE	Rank	PI	Rank
1	Access	1629003	4	237624	2	5456	8	2.3	11	57.45	1
2	Diamond	545161	8	84136	8	22868	4	27.18	2	24.88	2
3	Eco	2574286	1	218900	4	31026	3	14.17	5	13.9	5
4	Fidelity	737732	7	146852	6	13911	5	9.5	7	-14.07	10
5	GTB	1523528	5	234180	3	51653	1	22.06	3	12.56	6
6	Skye	876527	6	99282	7	2627	10	2.65	10	-19.41	9
7	Sterling	504048	9	41057	10	6909	7	16.82	4	14.17	4
8	UBA	1666053	3	182315	5	-7966	11	4.4	9	-12.42	11
9	Unity	305221	10	44153	9	12415	6	28.11	1	23.71	3
10	Wema	221157	11	6268	11	4228	9	6.74	8	-21.37	8
11	Zenith	2169073	2	372017	1	41795	2	11.23	6	4.49	7
	Average	1159253		151525		16811		13.19		7.63	

Source: Field Survey, 2013

Table 6. Empirical Results for 2010 (N million)

S/No.	Banks	Assets	Rank	Equity	Rank	Net Income	Rank	ROE	Rank	PI	Rank
1	Access	796216	4	164648	4	12931	5	7.9	9	75.69	1
2	Diamond	542098	6	56090	8	6522	8	11.62	4	11.05	4
3	Eco	1570030	2	193891	2	19772	3	10.19	6	-11.05	9
4	Fidelity	497553	7	136566	5	5828	9	4.27	10	-5.92	10
5	GTB	226123	10	118435	6	38411	1	32.43	1	28.16	2
6	Skye	674064	5	106937	7	9308	7	8.7	8	-23.73	6
7	Sterling	259579	9	30788	10	5181	10	16.82	3	8.12	5
8	UBA	1440724	3	187356	3	2167	11	1.16	11	-15.66	8
9	Unity	305282	8	44153	9	12015	6	27.21	2	26.05	3
10	Wema	203144	11	14837	11	16238	4	10.94	5	-16.27	6
11	Zenith	1789458	1	350414	1	33335	2	9.51	7	-1.43	11
	Average	754933		127646		14700		12.79		6.81	

Source: Field Survey, 2013

Table 7. Empirical results for 2009 (N million)

S/No.	Banks	Assets	Rank	Equity	Rank	Net Income	Rank	ROE	Rank	PI	Rank
1	Access	689330	4	160262	5	22885	2	14.27	5	8.48	4
2	Diamond	604361	6	28045	10	-4883	10	17.41	2	3.14	5
3	Eco	1350978	3	185334	4	9690	5	5.23	8	-12.18	9
4	Fidelity	434053	7	91144	6	1414	8	1.55	10	-3.68	11
5	GTB	323253	9	200052	2	30777	1	15.38	4	13.83	3
6	Skye	622164	5	88032	7	1130	9	1.28	11	-14.1	8
7	Sterling	205640	10	20492	11	3454	6	16.85	3	15.57	2
8	UBA	1400879	2	187719	3	12889	4	6.87	6	-9.98	10
9	Unity	256789	8	40042	9	-15855	11	39.59	1	32.72	1
10	Wema	142785	11	45499	8	2094	7	4.6	9	-34.99	7
11	Zenith	1573196	1	328383	1	18365	3	5.6	9	0.01	6
	Average	682948		125000		7360		11.69		1.07	

Source: Field Survey, 2013

Table 8. Empirical results for the year 2008 (N million)

S/No.	Banks	Assets	Rank	Equity	Rank	Net Income	Rank	ROE	Rank	PI	Rank
1	Access	700215	5	175251	5	6083	8	3.05	10	19.46	2
2	Diamond	650891	6	116983	6	11822	6	10.1	6	7.05	5
3	Eco	1245927	3	237913	2	16671	3	7.01	7	-3.1	10
4	Fidelity	504165	7	45572	8	2298	10	5.04	8	-1.96	11
5	GTB	246509	9	183639	4	28089	2	15.29	4	10.25	4
6	Skye	784878	4	75011	7	15126	4	20.16	3	4.87	6
7	Sterling	236502	10	10246	11	2303	9	22.47	2	2.31	7
8	UBA	1520091	2	188155	3	6444	7	3.42	9	-19.05	9
9	Unity	364080	8	39931	10	11904	5	29.81	1	26.39	1
10	Wema	120352	11	44500	9	1115	11	2.51	11	-27.3	8
11	Zenith	2384688	1	338484	1	46524	1	13.74	5	11.23	3
	Average	796208		132335		12961		12.05		2.74	

Source: Field Survey, 2013

Table 9. Summary of the performance characteristics between 2012 and 2008

S/No.	Banks	2012	2011	2010	2009	2008
1	Access	1	1	1	4	2
2	Diamond	2	2	4	5	5
3	Zenith	3	7	11	11	3
4	GTB	4	6	2	3	4
5	UBA	5	11	8	10	9
6	Sterling	6	4	5	2	7
7	Skye	7	9	6	8	6
8	Unity	8	3	3	1	1
9	Eco	9	5	9	9	10
10	Fidelity	10	10	10	11	11
11	Wema	11	8	6	7	8

Source: Researcher Computation, 2013

Table 4 presents the performance characteristics of banks and factors defining these characteristics. It also presents the weight of performance characteristics and commonly used factors determined among the banking sector professionals. The performance index of each financial characteristic was constructed by calculating weighted averages of relevant standardized factors with predetermined weights. The performance index presented the relative importance of each category. The weights were determined according to their relative impact based on the surveys expert in the banking sector. The evaluation of weights of performance characteristics by banking experts were averaged and rounded up to nearest percentage points. The weights used in this analysis were as follows; 10% for management efficiency, 25% for profitability, 10 % for liquidity, 10% for capital adequacy, 10% for asset quality, 10% for growth and 25% for market value.

Each of the bank performance index characteristics for each year was calculated as follows;

Management Efficiency $ME_{it} = W_{1it}Z_{1it} + W_{2it}Z_{2it} + W_{3it}Z_{3it}$

Profitability $PR_{it} = W_{1it}Z_{1it} + W_{2it}Z_{2it} + W_{3it}Z_{3it}$

Liquidity $LQ_{it} = W_{1it}Z_{1it}$

Capital Adequacy $CA_{it} = W_{1it}Z_{1it} + W_{2it}Z_{2it}$

Asset Quality $AQ_{it} = W_{1it}Z_{1it}$

Growth $GR_{it} = W_{1it}Z_{1it} + W_{2it}Z_{2it}$

Market Value $MV_{it} = W_{1it}Z_{1it}$

Where Z_{it} is the standardized performance factor for i^{th} bank at time t, W_{it} is the predetermine weight for all banks and all times. The weights of performance factors are determined according to their relative impact.

Finally, overall financial performance index of each bank for each year is calculated as the weighted average of performance indexes of management efficiency, profitability, liquidity, capital adequacy, asset quality, growth and market value. The financial Performance Index (PI) calculated is shown below;

PI=

$$\alpha_{j1}ME_{it} + \alpha_{j2}PR_{it} + \alpha_{j3}LQ_{it} + \alpha_{j4}CA_{it} + \alpha_{j5}AQ_{it} + \alpha_{j6}G$$

Where α_{j1} is the predetermined weight for all banks at all times, and ME_{it}, PR_{it}, LQ_{it}, CA_{it}, AQ_{it}, GR_{it}, MV_{it} are the performance characteristics of the i^{th} bank for time t. the relative financial performance of each bank is compared to that of the peers and all banks are ranked by PI values for each year.

DISCUSSION

This section presented the findings of the performance measurement of money deposit banks in Nigeria, using a model developed by Suat, Dilek & Oya (2011). A total of seventeen (17) variables/financial ratios were carefully drawn from the annual reports of the money deposit banks in Nigeria which were overwhelming.

Business enterprises in Nigeria reports' only their accounting profitability showing their financial strength. Systematic reporting of factor productivity either total or partial is almost unheard in Nigeria, factor productivity comprises of all the factors of performance index earlier mentioned.

The Tables 4 – 9 show the results of performance index computations of money deposit banks listed in the Nigeria stock Exchange for the year 2008 through 2012.

These results are then compared to ranking of banks for total equity, asset size, net income and Return On Equity (ROE) ratio.

Table 4 presents the total assets, total equity and annual net income values as well as the computed ROE and performance index (PI) for the eleven (11) banks examined for the year 2012. All banks under consideration were ranked for both observed and computed variables. ECO bank has the largest asset size and produced the 3rd greatest annual net income for the year 2012, but it was ranked as the 5th and 9th in terms of Return on Equity (ROE) and PI respectively. Similarly, Zenith bank has the second highest asset size, the greatest net income and the 2nd and 3rd ROE and performer by PI respectively. But Access bank was ranked as the best performer in terms of PI, while Diamond bank was ranked as the second performer with the 3rd ROE.

Table 5 shows the performance results for the year 2011. Guaranty Trust Bank (GTB) reported the highest net income and 3rd highest ROE but it was ranked the 6th performer by PI. Zenith bank has the greatest equity, 2nd highest net income and the 6th ROE for the year but it was ranked as the 7th performer by PI. Unity bank was ranked as the 3rd best performer and had the greatest ROE for the year.

Table 6 presents the performer results for the year 2010. Access bank has the 4th largest equity and asset size; it is the best performer by PI. GT bank had the highest net income and ROE and the 2nd ROE and ranked 9th performer by PI.

Table 7 presents the performer for the year 2009. Zenith bank had the greatest asset size and equity, 3rd greatest net income but ranked 6th performer by PI. GT bank has the 2nd greatest equity, the best net income ranked as the 3rd best performer for the year. Sterling bank has the 3rd greatest ROE, the 2nd best performer and has the 10th asset size.

Table 8 presents the performance results for the year 2008. Unity bank was ranked as the greatest best performer by PI and ROE and it had the 5th net income but ranked as the 10th equity for the year. Sterling bank had the 2nd ROE but ranked 9th and 11th net income and equity respectively. ECO bank had the 3rd greatest net income, 2nd equity and ranked 10th in terms of performance index.

Table 9 summarizes the ranking results by performance measurement index. Access bank and Diamond bank were the best performers for 2011 and 2012. Unity bank showed a great decrease in the performance in the last 3 years, although, it was ranked as the best in 2008 and 2009. The performance of Zenith bank in 2012 showed a great increase compared to the previous. Considering the past five (5) years under review, Access bank had the most significant and consistent increase in performance. Although, it was ranked as the 4th in 2009, 2nd in 2008 and maintained the best performer from 2010 to 2012, it presented a wonderful performance in the following years.

CONCLUSION AND RECOMMENDATION

This study measured the financial performance of money deposit banks in Nigeria between the period of 2008 to 2012 by employing a Performance Indexing approach. The findings ranked eleven (11) money deposit banks for each year. On the other hand, non -financial factors have become more important in recent years measuring overall per-

formance of any firm. Therefore, inclusion of non-financial measures such as higher customer satisfaction, effective management and leadership, using advanced technology in banking operations, made valuable contributions to the measurement of overall performance of banks rather than limiting the financial measures.

The major reasons for bank measurement were to maintain bank safety and soundness, protect creditors and depositors in the event of bank failure, create a distinctive risk taken by banks and provide a buffer against losses for depositors. The results showed that protection of depositors and creditors in the event of bank failure is important.

The study further implicitly showed that customer services would be comparable in competitive market or would be reflected in the growth rate of output however, there is a wide perception that Access bank offers better customer services compared to other money deposit banks. Although, this study did not focus on customer services or quality of output, hence, money deposit banks and even any organizational performance should not be measured only by financial reports but to rather include management efficiency, profitability ratio, liquidity, capital adequacy, asset quality, growth and market value.

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