BENEFICIARIES ASSESSMENT OF ACCESSIBILITY AND UTILIZATION OF CASHLESS INSTRUMENTS IN OYO STATE

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Abstract
The paper assessed the accessibility and utilization of cashless instruments by beneficiaries in Oyo state. The research adopted survey design method and was guided by two research questions and two null hypotheses. The population comprises of all beneficiaries in Oyo state out of which four hundred (400) respondents were randomly sampled. A structured questionnaire was used to collect data for the study. The instrument was face-validated by three experts in research methodology with reliability coefficient of 0.87. Mean and standard deviation were used to answer the research questions while t-test statistics was used to test the hypotheses. Findings indicated that cashless instruments are accessible but rarely utilized in the study area. Recommendations were made such as encouragement of higher accessibility to cashless instruments, proper legislation for the safety of the instruments, government supports to business and financial institutions that are providing the instruments to mention but a few.
Keyword: Accessibility, utilization, cashless policy instruments

Introduction

The advent of technology coupled with globalization of business has brought about a tremendous improvement and changes in the process and pattern of receiving funds and making payments. One of such improvement is the introduction of cashless instruments which intends to produce cashless economy. Adu (2016) defined cashless economy as an environment that permit the spending of money without the physical movement of cash but electronic devices as means of information are required to show the amount spent and received by cash beneficiaries. In the same vein, Elechi and Rufai (2016) conceptualized cashless economy as an economy where financial transactions can be done without physical movement of cash as a means of exchange but rather with the application of credit card, debit card and other electronic media of payment for goods and services. Technology has greatly influenced many human endeavours and business, anywhere money changes hand are not exempted. Ezemoyin and Ugochukwu (2014) noted that in all ramifications, technology has increased and improved communication contact, reduce need for physical movement (of money, persons, products etc) and it has improved audio-visual transmission. Supporting this claim, Olakulehin cited in Oluwafemi (2019) asserted that ICT have bought a tremendous improvement in the process of collecting, storing and transferring information and in this case, financial or monetary information. This has affected the attitude of customers and the general banking public or beneficiaries because they no longer tolerate any waste of time and resources in handling and receiving cash and thus resulting into cashless policy in which banks and other financial institutions relied mostly on monetary transaction via electronic means rather than physical movement of cash.

The Central Bank of Nigeria maintained that there should be cashless economy to be monitored by it. CBN (2011) maintained that the apex bank introduced the policy so as to move Nigeria from cash banker economy to cashless economy in other to enable it meet up with global best practices in payment and movement of physical cash. It also aimed to improve the efficiency of Nigeria payment system, quality of services offered to beneficiaries, and reduces some of the negative effects of movement of physical cash such as high risk of using cash, high subsidy, internal economy, high cost of cash, in efficiency and high risk of corruption. This is made possible through the internet service as one can sit down in his domain and start making payment and receiving money in 24 hours. James (2012) noted that the technological breakthrough and product design have brought e-banking services to becoming popular globally except in developing countries like Nigeria. This view is further supported by David (2012) who noted that Nigeria

did not accept e-banking when compared with other developed countries and e-banking involves creating opportunities for financial transaction through the facilities in the digital world and it is an upgrade that supports the less movement of physical cash (cashless economy). Supporting Adelowo (2016), Adu (2016) defined Electronic banking (e-banking) as the use of computer to carryout banking transaction such as withdrawals through cash dispensers or funds transfer at point of sale and this forms the bedrock of cashless policy.

There are many cashless instruments and these include: cheques, bank drafts, automated teller machine (ATM), Nigeria interbank settlement schme (NIBSS), National Electronic Fund Transfer, Moble Money, Real Time Gross Settlement, Electronic Transfer and Point of Sales (POS).

Cheques: This refers to the instrument of encashment of third party through the bank. But it can only be used for payment of an amount not exceeding, ten million (10m) naira. Bank Drafts: This is called bankers cheques and it is most preferred to organizations over customers' cheques because it cannot be paid across the counter and the issues of post dating is not required. Automated teller machines (ATM): This is cashless instrument used through ATM cards given to account owner to enable 24 hours withdrawal of cash and online payment of examination fees, school fees, utility bills, subscription, GSM recharges, etc for proper security, customers are being advised to keep ATM safe and protect ATM pins. Nigeria interbank settlement scheme (NIBSS) fund transfer: This is online scheme that allows for instant transfer of funds between banks for single or multiple beneficiaries of amount not exceeding #10m. National Electronic Fund Transfer (NEFT): This is also an online platform for interbank transfer and is used mainly by organization and government establishment to pay their beneficiaries, once the transfer is affected, it works with the next available clearing session of the CBN and the beneficiaries can access the fund the same day or next day or next working day. Mobile Money: This enables users to make payment and receive funds or balance enquires through the use of their mobile phones without necessarily appeared in banks. Real times gross settlement (RTGS): This is used to transfer funds exceeding Ten million naira (#10m) in favour of a single beneficiary and it is used for big ticket transaction which must have been effected before noon for most banks if the funds are to reach the recipients hand the same day (Adu, 2016).

Electronic Transfer (e-transfer): This refers to fund transfer through the use of internet on laptops, personal computer (PCS), mobile phones and other devices. This is more available for bank customers who have subscribed to the internet banking and it allows them to perform basic banking transaction through the web. Point of sale (POS) terminals: These are stationed at business locations where users slot their electronic cards through POS so as to make payments for purchases or services instead of using physical cash. When using this to make payments, the customers bank account is debited with the cost of goods purchased or services enjoyed (Ailemen, Enobong, Osuma, Evbuomwan & Ndigwe, 2018).

These instruments required the use of internet and ATM/Debit card. The cashless policy permits the use of e-banking which featured home banking telephones/internet banking, electronics card, electronic fund transfer and Automated Teller Machine (ATM). The cashless instrument is used by wide range of beneficiaries such as customers, organization, banking sector, government ministries, department and agencies. Furthermore, the CBN has issued license to six payment terminal service providers to support and maintain Point of Sale (POS) terminals. This demonstrates the strong determination of the financial policy makers in Nigeria to enforce the cashless policy. Olajide (2012); Ajayi and Ojo (2006) noted that one of the prerequisite for national economic development is the encouragement of a payment system characterized by the security and affordability. Evidence abounds from observation and literature that many cashless instruments are available for the beneficiaries in Nigeria. The Central Bank of Nigeria (CBN) in 2012 release a circular on the introduction of cashless policy and it set minimum cash deposits and withdrawal so that the country can join her counterpart in the world to reduce the movement of physical cash to nearest minimal. It also went ahead to test run in major business areas in Nigeria such as

Lagos, Port Harcourt and Abuja. This has resulted in the debate and divergent views from beneficiaries. This paper therefore aimed at finding out the level of accessibility and utilization of the cashless instrument in Oyo state.

Statement of the Problem
The Central Bank introduced cashless policy and its instruments for effective cash management and security. Economy involved the change of money or cash for goods, several attacks by the hoodlum were reported or witnessed over the years, this brought the policy as introduced by the Apex Bank. The populace is yet to accustom with the policy which brought about slow pace of transaction among the customers, this has brought about the assessment of beneficiaries. Despite the effort of government and CBN to enforce cashless policy, it is observed that majority of the populace still move around with bulky cash, this is supported by the opinion of Ailemen et al (2018) when they asserted that a large percentage of the population in many developing countries like Nigeria are unbanked and hence cash becomes the major mode of payment since they are yet to achieve modernized state of cashless economy that is powered by e-banking. What now bothers mind is the rate of accessibility and utilization of cashless instruments to encourage the realization of the use of cashless instruments hence the need for this study.

Purpose of the Study
The main purpose of this study is to evaluate the accessibility and utilization of cashless policy in Oyo state. Specifically, the study sought to establish:
3. The level of accessibility of cashless instruments in Oyo State
4. The level of utilization of cashless instruments in Oyo State

Research Questions
The following research questions were raised to guide study
  1. What is the level of accessibility of cashless instruments by beneficiaries in Oyo State?
  2. What is the level of utilization of cashless instruments by beneficiaries in Oyo State?

Research Hypotheses
The following null hypotheses were formulated and tested at 0.05 level of significance.
Ho$_1$: There is no significant difference between the mean ratings of bankers and customers on the accessibility of cashless instruments in Oyo State.
Ho$_2$: There is no significant difference between the mean ratings of public and private organizations on the utilization of cashless instruments in Oyo State.

Methodology
This study adopted descriptive survey research design. It was carried out in Oyo State. Population comprised of all beneficiaries of cashless instruments in the study area out of which four hundred (400) respondents were randomly selected for the study. A structured questionnaire consisting of eighteen (18) items was used for data collection. It was face-validated by three experts in research methodology and pilot tested at an interval of two weeks after which the result were analysed using Pearson Product Moment Correlation instrument which yielded co-efficient of 0.84 signifying reliability of the instrument. The instrument had options like much available/much utilized, available/utilized, rarely available/rarely utilized and not available/not utilized. Mean and standard deviation were used to answer the research questions while t-test statistics was used to test the hypotheses. Any mean rating between: 3.50-4.00 is adjudged much accessible/utilized, 2.50-3.49 is adjudged accessible/utilized, 1.50-2.49 is adjudged rarely accessible/utilized and 1.00-1.49 is adjudged not accessible/utilized. Hypothesis was rejected where t-calculated is greater than the t-critical or otherwise accepted.

Results
The results of the study are presented in the following tables according to the research questions

Research Question 1: What is the level of accessibility of cashless instruments by beneficiaries in Oyo state?

Table 1: Mean Ratings and Standard Deviation of Beneficiaries Opinions on Accessibility of Cashless Instruments in Oyo Statement

S/N	CASHLESS INSTRUMENT	MEAN	SD	REMARK
1	Cheques	3.89	0.75	Much accessible
2	Bank Drafts	3.76	0.80	Much accessible
3	Automated teller machines	3.92	0.64	Much accessible
4	Nigeria interbank settlement schemes	3.42	0.71	Accessible
5	National electronic fund transfer	3.28	0.84	Accessible
6	Mobile money	3.45	0.61	Accessible
7	Real time gross settlements	3.30	0.63	Accessible
8	Electronic transfer	3.20	0.71	Accessible
9	Point of sale (POS)	2.90	0.88	Accessible
	Grand Mean	**3.46**		**Accessible**

The result in table 1 above revealed that all the items had their mean ratings ranging from 2.90 to 3.92 which implies that cashless instrument such as cheques, bank drafts and automated teller machines with mean ratings of 3.89, 3.76 and 3.92 are much accessible while Nigeria interbank settlement schemes, national electronic fund transfer, mobile money, real time gross settlements, electronic transfer and point of sale with mean ratings of 3.42, 3.28, 3.45, 3.30, 3.20, and 2.90 are accessible in the study area. The grand mean of 3.46 indicated that cashless instruments are accessible by the beneficiaries in Oyo State.

Research Question 2: What is the level of utilization of cashless instruments by beneficiaries in Oyo state?

Table 2: Mean Ratings and Standard Deviation of Beneficiaries Opinion on Utilization of Cashless Instruments in Oyo State

S/N	CASHLESS INSTRUMENT	MEAN	SD	REMARK
1	Cheques	3.52	0.89	Much utilized
2	Bank Drafts	3.50	0.74	Much utilized
3	Automated teller machines	3.60	0.78	Much utilized
4	Nigeria interbank settlement schemes	1.50	0.65	Rarely utilized
5	National electronic fund transfer	1.50	0.62	Rarely utilized
6	Mobile money	2.10	0.71	Utilized
7	Real time gross settlements	1.50	0.73	Rarely utilized
8	Electronic transfer	2.20	0.68	Utilized
9	Point of sale (POS)	2.50	0.88	Utilized
	Grand Mean	**2.48**		**Rarely utilized**

The result in the table 2 above shows all the items had their mean ratings ranging from 1.50 to 3.52 which implies that the cashless instrument like cheques, bank drafts, automated teller machines with mean ratings of 3.52, 3.50 and 2.60 are much utilized while Nigeria interbank settlement scheme, national electronic fund transfer and real time settlement with mean rating of 1.52, 1.50 and 1.60 respectively were rarely utilized and mobile money electronic transfer and profit of sale are adjudged utilized by the beneficiaries. The grand mean of 2.48 indicated that the cashless instruments are rarely utilized in Oyo state.

Test of Hypotheses
The null hypotheses were tested at 0.05 level of significance using t-test statistics and the results are presented in the following tables according to the hypotheses.

Ho[1]: There is no significant difference between the mean ratings of bankers and customers on the accessibility of cashless instruments in Oyo state.

Table 3: t-test summary of the Mean Ratings of Bankers and Customers on the Accessibility of Cashless Instruments in Oyo State

Variables	No	Mean	SD	Df	t-cal	t- tab	Decision
Bankers	80	3.18	0.57				
				398	1.24	1.96	Accepted
Customers	320	3.26	0.76				

The result in table 3 shows that the calculated t-values of 1.24 is less than the table t-values of 1.96. Thus, the null hypothesis was accepted implying that bankers and customers did not differ significantly regarding the level of accessibility of cashless instruments in the study area.

Ho[2]: There is no significant difference between the mean ratings of public and private organizations on the utilization of cashless instruments in Oyo State.

Table 4: t-test summary of the Mean Ratings of Public and Private Organizations on the Utilization of Cashless Instruments in Oyo State

Variables	No	Mean	SD	Df	t-cal	t-tab	Decision
Private organization	135	3.40	0.56				
				318	0.76	1.96	Accepted
Public organization	185	3.26	0.52				

The result in table 4 shows that the calculated t-values of 0.762 is less than the table t-values of 1.96. Thus, the null hypothesis was accepted and this implies that private and public organization did not differ significantly regarding the level of utilization of cashless instruments by beneficiaries in Oyo State.

Discussion of Findings

The result in table 1 shows that cashless policy instruments are adjudged accessible by beneficiaries in Oyo state with Automated Teller Machines (ATM) having the highest mean score followed by cheques, Point of sales and bank drafts. This may be as a result of the fact that many people understand the use of these four cashless instruments particularly when the Apex Bank (CBN) enforced the stoppage of withdrawals through the cashier and individuals are surcharged heavily for withdrawing cash limits from cashier hence they are forced to use their ATM. This finding is in agreement with the earlier findings of Ejoh and Okpa (2014) that reported that Nigerians are assured of cashless policy tools and banking sectors have been developed to enhance their use. This finding corroborates the opinion of Obodo (2012) that the CBN introduced cashless policy with the aim of achieving a situation where a substantial proportion of financial transactions are carried out through cheques and electronic payment in line with recent global trend and practices, hence banks and other financial institutions are forced to make the cashless policy available and accessible to the beneficiaries. Also Oyetade and Ofoelue (2012) noted that most e-payment channel require use of ATM. Therefore, the findings agreed with the findings of Adelowo (2015) that ATM is the most electronic banking service.

The result in table 2 shows that cashless instruments are rarely utilized in the study area particularly the Nigeria interbank settlement scheme, real time gross settlements and national electronic fund transfer (NEFT). This may be due to the fact that many people do not understand the operation of this instrument meaning that they are not popular. But, it is observed that government officials understand NEFT as they adjudged it much utilized but the fact still remains that the cashless policy instruments are rarely utilized in the study area. This finding is in agreement with the report of CBN (2011) that many Nigerians (informed and non-formed) have divergent views about cashless policy. Also it supports the findings of

Ailemen, Enobong, Osuma, Evbuomwan and Ndigwe (2018) that cashless instrument (electronic banking tools) has no significant impact on the currency in circulation which implies that they are rarely utilized.

The two hypotheses tested indicated that there is no significant difference in the opinion of the beneficiaries regarding the accessibility and utilization of cashless policy instruments. It should be noted that both agreed that the instruments are available but they are rarely utilized in the study area.

Conclusion

From the findings, it is clear that cashless instruments are made accessible to the beneficiaries and this shows the seriousness of the financial regulatory body in Nigeria (CBN) to institute and enforce a cashless policy environment aimed at proper economic development through establishment of a safe, convenient and efficient means of payment and receipts of funds. But it is sad to note that these instruments provided under the policy are rarely utilized by the beneficiaries. Therefore, all hands must be on deck to achieve effective cashless policy by encouraging effective utilization and greater accessibility to cashless policy and its instruments.

Recommendations

Based on the findings of this study, the following recommendations were made:

2. Government should provide good environment in form of subsidy to banks and financial institutions in the area of financing cashless policy and its instruments so as to give it more popularity.
3. There should be proper enlightenment on the use of uncommon cashless policy instruments.
4. The people should be encouraged and give proper training on how to utilize cashless instruments.
5. There should be proper legislation guiding the accessibility and utilization of cashless policy and its instruments to enhance its effective utilization.

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