



Cashless Economy And Entrepreneurship Development In Anambra State, Nigeria

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ABSTRACT

This work examined the effect of cashless economy and entrepreneurship development Anambra state, Nigeria. The study reviewed relevant conceptual, theoretical and empirical literatures, and it is anchored on Diffusion of Innovation Theory (DIT). Internet banking services, automated teller machine and crowdfunding were employed as the explanatory/independent variables while entrepreneurship development was employed as dependent variable. The study adopted descriptive survey research design. The population comprised 2093 the staff of entrepreneurship development in Anambra State, Nigeria. Sample size of four hundred and four (404) respondents was selected for the study using Borg and Gall (1973) formula. Questionnaire was employed as the main instrument for data collection. The data generated were analyzed using frequency, percentage analysis, descriptive statistics, correlation analysis and multiple regression analysis. It was found that internet banking services had a positive significant effect on entrepreneurship development. The study also found that automated teller machine services had a positive significant effect on entrepreneurship development. The study further found that Crowd funding had a positive significant effect on entrepreneurship development. The study concluded that cashless economy has a positive significant effect on entrepreneurship development. It was recommended therefore that banks should give high priority electronic banking as important key drivers towards successful development of entrepreneurship. It is therefore important that banks constantly improve and upgrade their internet banking system's security in order to reduce the security threat to the system; banks should invest in ATMs that are easy to use; guarantees privacy, affordable charges and once that allow entrepreneurship development an management of banking institutions should enhance application of Crowdfunding to increase entrepreneurship development.

Keywords: Internet Banking Services, Automated Teller Machine, Crowdfunding, Entrepreneurship Development

INTRODUCTION

The rate of rapid development at global level has been so dynamic that it touches all aspects of human venture (Latifat and Alhassan 2015). Policymakers and development practitioners acknowledge the leading role of information and communication technologies (ICTs) for development (Dutta & Mia, 2009). Today, the world is becoming a global village, given the growing complexity of business portfolios and expansion of business groups, and the increase in decentralization in response to these changes (Tasmin. Abubakar & Josu, 2012). Thus, cashless economy services have been gaining ground around the globe. This offers the banking industry a new leading edge of opportunities and challenges in the global banking market. Hence, the success of cashless economy services depends on the rate at which the new technology is adopted by the entrepreneurship development. Consequently, the factors that affect the entrepreneurship development will certainly be of concern to policy makers (Shaukat & Zafarullah, 2010). The rapid changes in business operations in contemporary times in the form of technological improvement require banks in Nigeria to serve the entrepreneurship development.

Cashless economy products are increasingly gaining ground as many entrepreneurship receive them as panacea to problems of poor service delivery that has been bed evil ling many banks for a long time (Dogarawa, 2005). However, experts posit that the rate at which Nigerians accept the products is far below expectation. This according to some research findings is due to lack of awareness of the

products, inadequate legal framework and low technology. Cashless economy hold that there should be no transaction frictions that can be reduced through the use of money balances, and that accordingly provide a reason for holding such balances even when they earn rate of return (Woodford, 2003). A cashless economy is simply at its prime when all means of payments are carried out without the use of physical cash. Payments will range from a list of options such as cheques, wire transfers, debit and credit cards, online transactions, and mobile banking.

The Central Bank of Nigeria (CBN) introduced a new policy on cash-based transactions which stipulates a 'cash handling charge' on daily cash withdrawals or cash deposits that exceed ₦150,000 for Individuals and ₦1,000,000 for Corporate bodies. The new policy on cash-based transactions (withdrawals & deposits) in banks, aims at reducing (not eliminating) the amount of physical cash (coins and notes) circulating in the economy, and encouraging more electronic-based transactions (payments for goods, services, transfers) (CBN, 2012). The cashless economy policy of the CBN is designed to provide mobile payment services, breakdown the traditional barriers hindering financial inclusion of millions of Nigerians and bring low cost, secure and convenient financial services to urban, semi-urban and rural areas across the country. This has however become an albatross to some elites, the poor, the uneducated and traders (Eromosele and Obinna, 2012). Babalola, (2008) notes that the cashless economy does not imply an outright end to the circulation of cash (or money) in the economy but that of the operation of a banking system that keeps cash transactions to the barest minimum.

The advantages of a cashless society are enormous from regulating, controlling, and securing the financial system of any economy (Ezumba, 2011). According to Izuogu (2002), this payment system has been widely accepted by consumers and merchants throughout the world, and by far the has most popular methods of payments especially in the retail markets. This form of payment system has several advantages, which were never available through the traditional channels of payment. Some of the most important are: privacy, integrity, compatibility, good transaction efficiency, acceptability, convenience, mobility, low financial risk and anonymity. Therefore, this study seeks to evaluate the effect of cashless economy on the entrepreneurship development in Anambra State., Nigeria.

Statement of the Problems

All banks compete with each other to attract their customers in different ways through providing convenient, accessible and acceptable services or/and products to their customers. One of the most important of these services is cashless economy (electronic services) that have contributed significantly to on the increase of the distance between costumers and the bank and entrepreneurship development (Kannabira & Narayan, 2015). Today's banking situation demands continuous innovation in order to meet the yearnings and aspirations of the ever-demanding customers. Hence, banks need to roll out new products and services quickly and effectively, using latest cutting edge technology (Augusto, 2012). Cashless economy enable banks to improve their service delivery, decongest queues in the banking halls, enable customers withdraw cash at will aid international payments and remittances, track personal banking transactions, request for online statements, or even transfer deposit to third party accounts.

These services will undoubtedly impact significantly on the overall performance of entrepreneurship development. The entrepreneurship development on the other hand, stand to enjoy the benefit of quick service delivery, reduced frequency of going to banks physically and reduced cash handling, which will give rise to higher volume of turnover (Fagbuyi, 2003). However, these developments in the Nigerian cashless economy seem not to have achieved their aims. Despite the effort of banks to ensure that customers reap the benefits of e-banking, the banks are met with complaints from customers as regard, online theft and fraud, non-availability of financial services, payment of hidden cost of electronic banking like Short Message Services (SMS), for sending alert, mandatory acquisition of ATM cards, non-acceptability of Nigerian cards for international transaction, malfunctioning Automated Teller Machines (ATMs) and network downtime. Other problems observed that are associated with Nigerian's cash-based economy, which include: Delays in financial transactions which can be caused by queue in the bank or ATM to collect cash, lack of network which affect Crowdfunding and Web, banking Spread of bacteria through handling physical cash, High rate of crime; illegal drug trade; terrorism; illegal immigration; human trafficking; corruption; due to its cash-based economy. "People are always faced with the challenges of violent crimes (insecurity) such as,

bank and ATM robberies” (Okafor, 2012). Based on the foregoing, the study will examine the effect of cashless economy on the entrepreneurship development in Anambra State, Nigeria.

Objectives of the Study

The main objective of the study is to examine the effect of cashless economy on entrepreneurship development in Anambra State, Nigeria. The specific objectives includes to:

1. Examine the influence of internet banking on the entrepreneurship development in Anambra State,
2. Determine the effect of automated teller machines on entrepreneurship development in Anambra State.
3. Evaluate the influence of Crowdfunding on entrepreneurship development in Anambra State,

Research Questions

The following research questions have been formulated to guide the study.

1. How does internet banking influence on entrepreneurship development in Anambra State?
2. To what extent does automated teller machine affect entrepreneurship development in Anambra State?
3. To what degree does Crowdfunding influence on entrepreneurship development in Anambra State?

Hypotheses

The following hypotheses stated in null form guided this study.

- Ho₁: Internet banking services have no significant effect on entrepreneurship development in Anambra State
- Ho₂: Automated teller machine services have no significant influence on entrepreneurship development in Anambra State
- Ho₃: Crowdfunding services have no significant effect on the entrepreneurship development in

REVIEW OF RELATED LITERATURE

Conceptual Framework

Cashless Economy

Conceptually, cashless economy entails a drastic reduction in the handling of cash for transaction purposes, but relies more on the sending of an electronic signal to banks for the payment and receipt of money on one’s behalf in the process of exchange” (Yusuf, Adedina and Egbekule 2015). It is not to say that the use of cash will be eradicated, but will be limited to the barest minimum for carrying out financial transactions. The cashless economy concept aims at reducing (not eliminating) the amount of physical cash circulating in the economy, and encouraging more electronic based transactions (payment of goods, services, transfers). Cashless economy equally aims at preventing Bank run (Sloman 2006). The Cashless idea reduces one’s power to keep ones purchasing power in paper currency. Ejiofor and Rasaki (2012) opine that cashless system is the ability to store money in an electronic purse on a card and is fast becoming standard practice throughout the work place. The electronic purse is then used to purchase products at the vending machine or at any point of sale terminal. Ajayi (2014) reemphasized that cashless economy does not mean a total elimination of cash as money would continue to be a means of exchange for goods and services. It is a financial environment that minimizes the use of physical cash by providing alternative channels for making payments. Olaonipekun (2013) asserts that electronic transaction is a sine qua non to the implementation of cashless economyas it is desired to make it succeed. Electronics cash is a system that allows individuals to purchase goods or services in today’s society without the exchange of anything tangible. Osazevbaru and Yomere (2015) define cashless economyas the system which aims at reducing, but not eliminating the volume of the physical cash circulating in the economy while encouraging more electronic based transactions. In other words, it is a combination of e-banking and cash-based system.

Cashless economy policy aims to curb some of the negative consequences associated with the high usage of physical cash in the economy, including: High cost of cash, high risk of using cash, high subsidy, informal economy and inefficiency and corruption (CBN, Website, 2011). March (2013) opines that a cashless economy is an environment in which money is spent without being physically carried from one person to another. Akiindende (2011) notes that cashless society is one in which

physical cash as a transaction medium is reduced to the barest minimum. Substituted in the place of cash would be an electronic payment system in one form or another”.

Nweke (2012) opines that “cashless economy essentially means that countries particularly developing ones would transit from a cash-based economic model to a cashless economic model. A cashless economy on the other hand is an economy where the physical cash circulating in the economy is minimized while other forms of payment, especially electronic based payments are utilized. In other words, cashless economy is a combination of the cash-based payment system and electronic payment systems with the latter exceeding the former in terms of utilization.

Cashless economy does not mean a total elimination of cash, as money will continue to be a means of exchange for goods and services in the foreseeable future. It is a financial environment that minimizes the use of physical cash by providing alternative channels for making payments (Ajayi 2014).

Entrepreneurship Development

Entrepreneurship phenomenon appeared in economics in 1930s but it got recognition as an important factor of social and economic change only in 1960s (Timmons and Spinelli 2016). For more than a decade the studies of entrepreneurship confined to large scale businesses and industry, and then to small scale industrial sector. The emergence and development of entrepreneurship is not a spontaneous one but a dependent phenomenon of economic, social, political, psychological variables often attributed as supporting conditions to development of commerce and industry (Hill & Mac Gowon 2009). Nwafor (2017) sees “entrepreneurship development is the most effective method for creating new enterprises, and bringing new products and services to the market”. These entrepreneurial activities significantly affect the economy of a society by building the economic base and providing job opportunities. To be enterprising is to keep your eyes open and your mind active. It is to be skilled enough, confident enough, creative enough, and disciplined enough to seize opportunities that present themselves regardless of the environmental influence (Nwafor 2017).

Ajagbe (2014) opine that an act of being an entrepreneur is seen as "one who undertakes innovations with finance and business acumen in an effort to transform innovations into economic goods”. Hence, “entrepreneurs perceive problems as opportunities, and then take action to identify the solutions to those problems and the customers who will pay to have those problems solved”. Entrepreneurial success is simply a function of the ability of an entrepreneur to see opportunities in the marketplace, initiate change (or take advantage of change) and creates value through solutions. Ajagbe and Ismail (2014) posit that “entrepreneurship is viewed as the capability and attitude of an individual or team of people to implement new ventures ideas with the possibility of success or failures”. This situation requires that the person should be ready to assume a substantial level of risks, be a good leader in addition to being highly innovative. However, in business management, “entrepreneurship is regarded as the prime mover of a successful enterprise just as a leader in any organization must be the environmental change agents” (Ajagbe and Ismail 2014).

Akanwa and Akpanabia (2012) argued that entrepreneurship is the willingness and ability of an individual to seek out investment opportunities, establish and run an enterprise successfully”. Igwe(2013) described entrepreneurship as a powerful engine of economic growth and wealth creation for many developing countries, which is crucial for improving the quality, number and variety of employment opportunities for the poor”. Soyibo (2016) see “entrepreneurship as the process of identifying an opportunity related to needs satisfaction and converting it to a product or service of value”. It can also be conceptualizing to mean the process and activities undertaken by entrepreneurs directed at capturing value associated with business opportunities. It can be seen as a process driven by the desire to innovate; that is producing new things (goods and services) or improving on existing ones, and profiting from it. Soyibo (2016), posit that entrepreneurs involves the destruction of existing market structures by the creation of new markets (otherwise reduction in market shares of current dominating competitors) through improvement of existing products or the development of entirely new products.

Akanwa and Agu, (2015) found that entrepreneurs started their enterprises as a part time activity in small villages while it is a main business in the large villages. Entrepreneurship include all the product functions that are not rewarded immediately by regular wages, interest and rent and non-routine human labour. Entrepreneurship is the service that the entrepreneur renders. It is accepting the risk of starting and running a business (Akanwa and Agu, 2015).Entrepreneurship pertains to any new organization of productive factors and not exclusively to innovations that are on the technological or

organizational cutting edge, it pertains to entrepreneurial activities both within and outside the organization. Entrepreneurship need not involve anything new from a global or even national perspective, but rather the adoption of new forms of business organizations, new technologies and new enterprises producing goods not previously available at a location (Nwankwo and Okeke 2016). This is why entrepreneurship is considered to be a prime mover in development and why nations, regions and communities that actively promote entrepreneurship development, demonstrate much higher growth rates and consequently higher levels of development than nations, regions and communities whose institutions, politics and culture hinder entrepreneurship.

Theoretical Framework

The study was anchored on Diffusion of Innovation Theory (DIT). Diffusion of Innovation Theory (DIT) is the process of adopting new innovations has been studied for over 30 years and one of the most adaptation models is described by Rogers in his book "Diffusion of Innovation" (2003). He offered the following description of an innovation. An innovation is an idea, practice or project that is perceived as new by an individual or other unit of adaptation (Roger, 2003). An innovation may have been invented longtime ago, but if individuals perceive it as new, then it may still be an innovation for them. The newness characteristics of an adoption are more related to the three steps (knowledge, persuasion and decision) of the innovation-decision process. In addition, roger claimed there is a lack of diffusion research on technological clusters. For Roger (2003), "a technology cluster consists of one or more distinguishable elements of technology that are perceived as being closely interrelated. In general (DIT) explains individuals' attention to adopt a technology as a modality to perform a traditional activity.

The critical factors that determine the adoption of an innovation at the general level are the following: relative advantage, compatibility, complexity, trialability and observability (Moga, 2010). Many banks have found it advantageous to adopt ICT in their operation in order to improve their efficiency. This is achieved through development of websites and mobile applications that suit the customer needs. Customers are therefore able to access their accounts anywhere as long as they are connected to the internet. This theory is concerned with the manner in which a new technological idea, artifact or technique, or a new use of an old one, migrates from creation to use. According to DIT, technological innovation is communicated through particular channels, over time, among the members of a social system.

The stages through which a technological innovation passes are: knowledge (exposure to its existence, and understanding of its functions); persuasion (the forming of a favourable attitude to it); decision (commitment to its adoption); implementation (putting it to use); and confirmation (reinforcement based on positive outcomes from it) (Arnaboldi & Claeys, 2008). In the same way internet banking has been enhanced due to cyber threats and fraud. Early users generally are more highly educated, have higher social status, are more open to both mass media and interpersonal channels of communication, and have more contact with change agents. Mass media channels are relatively more important at the knowledge stage, whereas interpersonal channels are relatively more important at the persuasion stage.

Innovation decisions may be optional (where the person or organization has a real opportunity to adopt or reject the idea), collective (where a decision is reached by consensus among the members of a system), or authority-based (where a decision is imposed by another person or organization which possesses requisite power, status or technical expertise). Barnes and Corbitt (2013) advice that managers need to understand the capabilities of any particular technology and the benefits that ensue from its use in considering what technology to use with their operations, as well as understand associated costs and limitations of operating that technology. He advises the general issues to consider as the volume and variety of output that the technology can achieve, the fit with existing technology used with the organization and the level of maturity of the technology. The DIT theory explains the necessity of adopting technology in an organization to replace the traditional system of management and administration as well as model of service provision if it is service orientated. A theory is normative in nature as it aims to established structures. Electronic banking heavily relies on the ICT since it is carried out on the internet. Customers are able to access their accounts remotely without having to physically visit the bank.

Empirical Review

Kirigano, Muturi and Atandi (2016) analyzed the effect of mobile phone transfer applications on performance trends of micro and small enterprises. The sampling frame constituted all micro and small enterprises found in the hair-dressing, carpentry and cloth making industries in Kitale town. Descriptive and statistical analysis were carried out from which the researcher was able to compute the Pearson product moment correlation (r) to establish relationship. The study revealed that there is indeed an effect of the mobile phone transfer services innovations on enterprise performance of the enterprises surveyed, did indicate that when innovations are used they help bring more customers leading to more business income, innovations save time and money and contribute to their profits and that the more they invested in them the more the profits. Based on the findings, the study recommends a tax waiver on all mobile phones and related paraphernalia to enable majority apply them even in enterprises. Entrepreneurship policies on the other hand should be well researched before implementation to guarantee sustainability.

Okereke (2016) examined the impact of automated teller machine (ATM) transaction value, point of sales terminal, internet banking and Crowdfunding transaction value on economic growth of Nigeria. The quantitative design using ordinary least- square (OLS) method of multiple regression analysis was employed. However, secondary data for this study was obtained from CBN annual report and federal office of statistics. The ordinary least square method was used to test the significance of the data. Vector Error Correction test (VERC) model was applied to test the hypotheses arising from the research objectives. Also some tests, using Augmented Dickey Fuller (ADF) unit root and Johansen's Co-integration tests, were executed to establish the validity of the model assumptions. Findings showed that only point of sales terminal was significant to economic growth while automated teller machine, Crowdfunding and internet banking were insignificant to economic growth within the period under study. Therefore, the insignificant contributions of these instruments was as a result of users' ignorance and bank's inability to distribute the product effectively in the country. Meanwhile, government and bankers should put more effort in infrastructure development and aggressive public awareness campaigns.

Okeke (2017) investigated the effect of cashless economy on development of entrepreneurship development in Anambra state. Automated teller machine (ATM) point of sales (POS), Crowdfunding(MB) and internet banking were regressed on entrepreneurship development. The population of the study was 1300 staff of 15 selected entrepreneurship development in Anambra state. Judgmental sampling technique was used to get the desired target sample size of 350. The tools used in analyzing the data collected were simple percentages, descriptive statistics and correlation analysis. The study also employed multiple regression analysis (MRA) method to determine the effect of cashless economy on entrepreneurship development. The result of the study indicate that Automated teller machine has a significant effect on the development of entrepreneurship development in Anambra state Point of sale has no influence on the development of Entrepreneurship development in Anambra state. Internet banking has a significant effect on the development entrepreneurship development in Anambra state, and Crowdfunding has significant effect on the development entrepreneurship development in Anambra state. The study recommended that: government should provide uninterrupted power supply and adequate communication link while shortfall should be covered by banks through back-up arrangements to power standby generators in case of power shortage; commercial banks should ensure ease of usage, and customer interactive features in ATMs, POSs, mobile and on-line shopping systems. Government and the CBN should create awareness on the benefits derivable from cashless economy for the improvement of business well as economic development

Mpho (2017) evaluated the impact of the cashless arrangement in Nigeria on different macroeconomic variables. The study considered five macroeconomic variables which are: unemployment of the total labour force; Gross Domestic Product (GDP); corruption and transparency; Foreign Direct Investment (FDI) and currency in circulation. The study uses data immediately before and post the introduction of the cashless economy in 2012. Due to the short data span (annual data from 2005-2015) the study did not use any statistical methodology, but rather critically analyses the trends before and after the introduction of the cash policy in March 2012. The analysis shows that the cashless economy has largely been valuable to Nigeria, considering the positive effects on GDP, unemployment rate and money supply. The study found that cashless economy in March 2012 aimed to drive development

and advance payment systems in Nigeria. In addition, the policy aimed to reduce costs related to banking and facilitate the progression of monetary policy decisions and economic growth. To date, the variable has not directly evaluated the effectiveness of the system but only attempts to evaluate the benefits and adverse effects of the cashless economy in Nigeria.

Ndugbu and Ochiabuto (2016) carried out a study on the relationship between predictors of a cashless economy and a country's move toward a cashless economy. Data for this research were sourced from the Central Bank of Nigeria Statistical Bulletin and Bureau of Statistics. The study covered the periods between 1981 and 2013. The analysis employed ordinary least square to evaluate a set of factors which affect such move. The results as analyzed by EVIEW statistical software confirmed positive fundamental relationships among market discipline two years ago, financial inclusion in the past year, and previous move toward a cashless society and the move toward a cashless economy. Standard of living had a negative impact on the move toward a cashless economy. The market discipline elasticity of move toward a cashless economy was inelastic as banks response has been below expectation towards reforms for cashless economy and finding alternatives. The lesser the time then the more inelastic banks are to market discipline. Financial inclusion was found never a threat on the move toward a cashless Nigeria.

Taiwo, Ayo, Afieroho and Agwu (2016) carried out a research on the appraisal and implementation of the cashless economy since its introduction into the Nigerian financial system in 2012 and also to examine the persistent challenges facing its implementation. In view of the above stated objective, primary data were collected with the aid of the questionnaire, which was randomly administered to 120 respondents ranging from First Bank, Zenith Bank and United Bank for Africa. The banks were selected based on their total assets and the information collected covered the activities of the CBN and that of these banks towards implementation of the cashless economy from 2012 till date. The data collected were presented and analyzed with the aid of the Statistical Package for Social Sciences (SPSS) using descriptive statistics and one-sample t-test. The study revealed that development of an innovative cashless economy has the potential to transform economic activity into achieving developmental goals. From the analysis carried out, it appears much has already been done in creating awareness on the introduction of the cashless economy. The e-payment system is gaining prominence in Nigeria, to the extent that the era of cash payment is gradually fading away as the need to operate cashless transactions dominates the modern Nigerian economy. It can also be concluded from the study that the cashless system will be helpful in the fight against corruption and money laundering.

METHODOLOGY

Descriptive research design was adopted in this study. This study was carried out in Anambra State. The population of study was made up of register entrepreneurship with cooperate affair commission in Anambra State. The total population comprises of 2093. The statistical formula devised by Borg and Gall (1973) was employed to determine the sample size. Therefore the sample size is 404. The researcher used primary sources of data. The researcher will used a structured questionnaires. The questionnaires contained both open-ended and closed-ended questions. Open-ended questions were be to get the views and opinions of respondents on how cashless economy affect the entrepreneurship, while closed-ended questions were used to get the exact information. Matrix questions that utilize the Likert rating scale were used. The instrument was both face and content validated. To check reliability of the instrument, the questionnaire will pre-tested through pilot study to ascertain its effectiveness in soliciting information intended. The researcher use test-retest method in order to test reliability of the research instruments. The collected data will be analyzed using quantitative data analysis methods. Descriptive statistics such as mean and standard deviation was used to present quantitative data in form of tables. Data from questionnaire was coded and entered into the computer using Statistical Package for Social Science (SPSS Version 21) for analysis. It gave means, standard deviations and correlations of each independent and dependent variable. Cashless economy and entrepreneurship development was regressed against the four independent variables using the regression model. The study also employed Multiple Regression Analysis (MRA) method to evaluate the effect of cashless economy on entrepreneurship development.

DATA PRESENTATION AND ANALYSIS

The data generated from the entrepreneurs were presented, analyzed and interpreted. A total of four hundred and four questionnaires were distributed to the respondents, out of which three hundred and fifty four were properly filled and found relevant to the study 34 copies of the questionnaires were not properly filled and 16 copies get missing. Therefore, the analysis in this section was based on the three hundred and fifty four relevant copies.

Descriptive Statistics

The descriptive statistics shows the minimum value, maximum value, mean and standard deviation of the variables used in the study.

Test of Hypotheses

Multiple regression analysis was employed to test the hypotheses formulated for the study. The multiple regression result is presented in the table below.

Table 1 Summary of the Regression Result

| Variable | T-Statistics | Probability |
|--------------------------|--------------|-------------|
| Internet Banking | 11.655 | 0.000 |
| Automated Teller Machine | 1.395 | 0.164 |
| Crowdfunding | 2.795 | 0.006 |
| R-squared | 0.733 | |
| Adjusted R-squared | 0.726 | |
| F-Statistics | 107.563 | |
| Prob. (F-Statistics) | 0.000 | |
| Durbin Watson | 1.677 | |

Source: Author’s Computation Using SPSS Version 21.0

The regression result has coefficient of determination (R^2) of 0.733. This implies that 73.3% of the variations in cashless economy are being accounted for or explained by the variations in the explanatory variables. This shows that the explanatory powers of the independent variable are very high and strong. The adjusted R^2 supports the claim of the R^2 with a value of 0.726 indicating that 72.6% of the total variation in the dependent variable (cashless economy) is explained by the independent variables (the regressors). Thus, this supports the statement that the explanatory power of the variables is high and strong.

The F-statistic is instrumental in verifying the overall significance of an estimated model. The f-statistics of 107.563 and f-probability of 0.000 shows that that the model has goodness of fit and is statistically different from zero. In other words, there is significant impact between the dependent and independent variables in the model. This shows that the independent variables (internet banking, automated teller machine, Crowdfunding and) have a joint significant effect on the dependent variable (entrepreneurship development).

From the regression result in table 4.12, it is observed that DW statistic is 1.677 which is approximately 2. Therefore, the variables in the model are not autocorrelated and that the model is reliable for predications.

Hypothesis One

Ho₁: Internet banking services have no significant effect entrepreneurship development in Anambra State,

Ho_i: Internet banking services have a significant effect the performance of small and medium scale enterprises in Anambra State,

Based on t-statistics value of 1.395111.395 and p-value of 0.164, internet banking services was found to have an insignificant effect on entrepreneurship development in Anambra State,. Therefore, we accept the null hypothesis and reject the alternative hypothesis. This implies that internet banking services had no significant effect on entrepreneurship development p in Anambra State,.

Hypothesis Two

Ho₂: Automated teller machine services have no significant influence on entrepreneurship development in Anambra State,

Hi: Automated teller machine services have a significant influence on entrepreneurship development in Anambra State,

Based on t-statistics of and p-value of 0.000, Automated teller machine was found to have a significant effect on entrepreneurship development in Anambra State. This result therefore suggests that we reject the null hypothesis and accept the alternate hypothesis which states that Automated teller machine have a significant effect the entrepreneurship development in Anambra State,. This implies that Automated teller machine have a significant effect on entrepreneurship development in Anambra State,

Hypothesis Three

Ho₃: Crowdfunding have no significant effect on entrepreneurship development in Anambra State,

Hi: Crowdfunding have a significant effect entrepreneurship development in Anambra State,

Based on the t-statistics of 2.795 and p-value of 0.006, Crowdfunding were found to have a significant effect on entrepreneurship development in Anambra State, Therefore, we reject the null hypothesis and accept the alternate hypothesis. This implies that Crowdfunding have a significant effect on entrepreneurship development in Anambra State.

DISCUSSION OF FINDINGS

This work evaluated the effect of cashless economy on the entrepreneurship development in Anambra State,. The data generated were analyzed using descriptive statistics, correlation analysis and multiple regression analysis. The study found that internet banking services had a positive significant effect on entrepreneurship development. This tally with the findings of Adeyemi, Ola and Oyewole (2014) result showed that the independent variables internet banking were significant joint predictors of customer satisfaction. The finding also agrees with Ngungi (2013) that concludes that online banking has a weak positive and significant influence on the financial performance of commercial banks in Kenya, Flavlan, Torres and Guinaliu 2004, Gan, Clenes, Limsombunchi and Weng, 2006 internet banking services had a positive effect on the performance of entrepreneurship development. The finding also agrees with Pikkarainen 2004 that online banking is one of the cheapest delivery services for banking products.

Furthermore, Automated teller machine services had a positive significant effect on entrepreneurship development. This tally with the findings of Ali and Emenike (2016) that found ATM transactions positively and significantly impacts private sector demand deposits in Nigeria. Jegede (2014) who result indicate that less than the benefits, the deployment of ATMs terminals have averagely improved the performance of Nigerian banks because of the alarming rate of ATM fraud. Also this result agrees with Fatai, Olaleye and Mudashiru (2014) result showed that the frequency of demand for money to meet transactionary and precautionary motives was significant through ATM, while average amount withdrawn is smaller compared to teller

The study further found that crowdfunding had a significant effect on entrepreneurship development. This disagrees with Faniran and Odumeru (2015) the relationship between gender and crowdfunding adoption is not significant. This founding agrees with Mutinda (2014) that revealed a positive correlation between entrepreneurship development and business growth, efficiency in service delivery, access to information and convenience and reliability. Also the founding agrees with Kirigano, Muturi and Atandi (2016) revealed that there is indeed an effect of the mobile phone transfer services innovations on enterprise performance of the enterprises surveyed, did indicate that when innovations are used they help bring more customers leading to more business income, innovations save time and money and contribute to their profits and that the more they invested in them the more the profits

Summary of Findings

This work evaluated the effect of cashless economy on entrepreneurship development in Anambra State. The data generated were analyzed and the following were evident.

1. The study found that internet banking services had a positive significant effect on entrepreneurship development
2. The study also discovers that automated teller machine services had a positive significant effect on entrepreneurship development.
3. The study further found that Crowdfunding had a positive significant effect on entrepreneurship development.

CONCLUSION

This work evaluated the effect of cashless economy on the entrepreneurship development in Anambra State. The cashless economy channels used in this study such as internet banking, automated teller machine, and crowdfunding were found to have significant positive effect on entrepreneurship development. Cashless economy has become a necessary survival weapon and is fundamentally changing the entrepreneurship development worldwide. Based on the foregoing, the study concludes that cashless economy services had a significant effect on entrepreneurship development.

RECOMMENDATIONS

Based on the findings of this study, the study recommends that:

1. Banks should give high priority electronic banking as important key drivers towards successful development of entrepreneurship. It is therefore important that banks constantly improve and upgrade their internet banking system's security in order to reduce the security threat to the system.
2. Banks should invest in ATMs that are easy to use; guarantees privacy, affordable charges and once that allow entrepreneurship development.
3. Management of banking institutions should enhance application of Crowdfunding to increase entrepreneurship development

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