Contemporary Journal of Management | *ISSN 2766-1431*
Published by AIR JOURNALS | *https://airjournal.org/cjm*
12011 WestBrae Pkwy, Houston, TX 77031, United States
airjournals@gmail.com; enquiry@airjournal.org

RESEARCH ARTICLE

Effect of Regulatory Policies on the Economic Sustainability of Deposit Money Banks in Enugu State

Authored by
Ugochukwu, Loveth Ngozi PhD[1], Cyrus Apeh Abah[2], & Sunday, Ikechukwu Emmanuel[3]
[1]Department of Business Administration, Enugu State University of Science and Technology, Nigeria
[2]Department of Project Management, Enugu State University of Science and Technology, Nigeria
[3]Department of Business Administration and Management, ESUT Business School, Nigeria

Abstract

The study evaluated the effect of regulatory policies on the economic sustainability of deposit Money Banks in Enugu state. The specific objectives are to: Examine the effect of capital adequacy on the cost reduction, and ascertain the effect of financial reporting on the operational efficiency of deposit Money banks in Enugu state. The area of the study was Enugu State. The study used the descriptive survey design approach. The primary source of data was a questionnaire administered. A total population of 282staff was used. 227 staff returned the questionnaire and accurately filled. Data was presented and analysed using mean and standard deviation, and the hypotheses were tested using a Z-test. Capital adequacy had significant positive effect on the cost reduction; Z (8.287, P. < .05) and financial reporting had significant positive effect on the operational efficiency of deposit Money banks in Enugu state, Z (9.110, P. < .05). The study concluded that Capital adequacy and financial reporting had significant positive effect on the cost reduction and operational efficiency of deposit Money banks in Enugu state. The study recommended, among others, that to enhance cost reduction through capital adequacy, Deposit Money Banks (DMBs) in Enugu State should adopt proactive capital planning and efficient risk-based asset allocation strategies. Capital adequacy, which ensures that banks maintain sufficient capital to absorb losses and remain solvent, can significantly influence the cost structure of banks when managed effectively.

Keywords: *Capital Adequacy; Cost Reduction; Financial Reporting; Regulatory Policies; Sustainability*

Introduction

Deposit Money Banks (DMBs) are pivotal to economic sustainability, serving as intermediaries between savers and borrowers, thereby facilitating economic growth and maintaining financial stability. Over time, regulatory policies have evolved to ensure the robustness and sustainability of these institutions, often in response to financial crises and economic challenges. Financial crises caused by an unstable financial system derail economic progress and devastate communities by causing millions of bankruptcies, foreclosures, and job and income losses particularly for low-income communities and communities of color (Steele 2024a). Following World War II, governments implemented capital controls and interest rate regulations to maintain financial stability and control inflation. These measures allowed countries greater autonomy in setting domestic interest rates and facilitated policies that influenced the allocation of funds across various sectors within their economies. These restrictions, known as "capital controls," are regularly used in tandem with domestic interest rate ceilings in order to channel inexpensive funds toward a government or its preferred beneficiaries. But capital controls are also motivated in many cases by the more benign goal of insulating domestic financial markets from volatile international capital flows (Mullin, 2021). Regulatory policies have historically shaped the sustainability of Deposit Money Banks by balancing stability, risk management, and economic growth. While past regulations have successfully prevented crises and strengthened banking systems, continuous evolution is necessary to address new financial challenges and innovations in the banking sector. The ongoing dialogue between regulators, financial institutions, and other stakeholders remains crucial to ensure that regulatory frameworks effectively support the economic sustainability of Deposit Money Banks.

A global perspective on regulatory policies affecting the economic sustainability of deposit money banks (DMBs) involves analyzing how banking regulations impact their financial health, stability, and long-term viability across different jurisdictions. Various regulatory frameworks exist worldwide, shaped by international standards and national economic priorities. Effective risk management is essential for the sustainability of banks. Deposit Money Banks, acting as financial intermediaries, significantly impact Nigeria's economic growth by facilitating financial transactions and providing credit. Their role in supporting investments and business activities contributes to job creation, infrastructure development, and overall economic stability (Adeghe and Okologume, 2023). Monetary policies, including instruments like the Monetary Policy Rate (MPR), Cash Reserve Ratio (CRR), and Liquidity Ratio (LR), directly affect the performance of DMBs. Monetary policy tools significantly influence bank lending activities and profitability. Higher CRR can restrict the funds available for banks to lend, potentially impacting their profitability and sustainability (Ejem and Ogbonna, 2020).

Economic sustainability in Deposit Money Banks (DMBs) refers to their ability to maintain financial health and profitability over the long term while supporting economic growth and stability. This involves effective financial intermediation, robust corporate governance, and strategic management practices.DMBs are pivotal in channeling funds from savers to borrowers, thereby facilitating investments that drive economic development. By providing credit to various sectors, they support business expansion, job creation, and overall economic stability. As noted in a study on the role of DMBs, their efficient performance significantly impacts financial sector performance and economic growth (Brodowicz, 2024). The economic sustainability of Deposit Money Banks hinges on their ability to balance financial performance with responsible governance, compliance with regulatory policies, effective leadership, and the adoption of sustainable banking practices. By focusing on these areas, DMBs can ensure their long-term viability and continued contribution to economic development. This has necessitated the study the effect of Regulatory policies on the economic sustainability of deposit Money Banks in Enugu state.

Statement of the Problem

Regulatory policies play a crucial role in ensuring the economic sustainability of Deposit Money Banks (DMBs). These policies, implemented by central banks and financial regulators, impact the stability, profitability, and long-term viability of banks, protecting consumers, ensuring risk management, and promoting economic growth. A well-regulated banking sector contributes to national and global economic resilience. Regulatory policies set capital adequacy requirements, ensuring banks maintain sufficient reserves to absorb shocks. Liquidity requirements prevent bank runs by ensuring DMBs can meet withdrawal demands. Risk management frameworks help banks assess and mitigate credit, operational, and market risks. Strong regulatory oversight enhances trust in the banking sector. Deposit insurance schemes protect customers' savings, preventing panic withdrawals. Transparency requirements (financial reporting standards) ensure accountability, attracting investors.

However, the effect of regulatory policies on the economic sustainability of Deposit Money Banks (DMBs) presents several challenges, Banks must allocate significant resources to meet regulatory requirements, and stricter capital reserve requirements limit a bank's ability to expand credit and investments, Capital Adequacy Constraints. Policies like the Cash Reserve Ratio (CRR) and Liquidity Ratio (LR) can restrict the funds available for lending, reducing financial flexibility. Regulations on loan classification and provisioning discourage banks from lending to high-risk sectors, impacting economic growth. Frequent changes in regulatory policies create uncertainty and make long-term planning difficult for banks. Mandates on digital banking and cybersecurity demand continuous investment in IT infrastructure that increasing costs.

The consequences of the challenges if not tackled, might lead to increasing operational expenses and reducing profitability and affecting revenue generation. Interest rate caps and restrictions on certain fees can limit banks' revenue streams, making it harder to sustain operations. Non-compliance leads to heavy fines and reputational damage, affecting customer trust and financial stability. Stringent regulations slow down the adoption of fintech solutions and limit innovation in banking services. Based on this the study evaluated Effect of Regulatory policies on the economic sustainability of deposit Money Banks in Enugu state.

Objectives of the Study

The main objective of the study was to evaluate the Effect of Regulatory policies on the economic sustainability of deposit Money Banks in Enugu state. The specific objectives are to:

i. Examine the effect of Capital adequacy on the cost reduction of deposit Money banks in Enugu state.
ii. Ascertain the effect of financial reporting on the operational efficiency of deposit Money banks in Enugu state.

Research Questions

The following research questions guide the guide

i. What is the effect of Capital adequacy on the cost reduction of deposit Money banks in Enugu state
ii. What is the effect of financial reporting on the operational efficiency of deposit Money banks in Enugu state.

Statement of Hypotheses

The following Statement of hypotheses guide the guide

i. Capital adequacy has effect on the cost reduction of deposit Money banks in Enugu state
iii. Financial reporting has effect on the operational efficiency of deposit Money banks in Enugu state.

Scope of the Study

The study was limited to Deposit Money Banks in Enugu State, Nigeria. The study covered dependent (cost reduction and operational efficiency) and independent(Capital adequacy, and Financial reporting) variables.

Review of Related Literature

Conceptual Review

Regulatory Policies

Regulatory policies in banks refer to the frameworks, rules, and guidelines established by financial authorities to supervise, monitor, and control the operations of banking institutions to ensure financial stability, protect consumers, and foster transparency. These policies are crucial in safeguarding public trust and preventing systemic risks in the financial system. Adusei and Osei-Wusu (2021), regulatory policies in banks are designed to ensure prudent risk-taking by financial institutions and to prevent crises that can arise from mismanagement and inadequate capital reserves. Regulations typically cover areas such as capital adequacy, liquidity, asset quality, risk management, and customer protection. The Basel Accords (Basel I, II, and III), introduced by the Basel Committee on Banking Supervision, represent global standards for banking regulation. They guide national regulators on capital requirements, stress testing, and market liquidity risk. As noted by Olokoyo et al. (2022), Nigerian banks have increasingly aligned with these international standards under the guidance of the Central Bank of Nigeria (CBN), which formulates and enforces banking regulatory policies to maintain a sound financial system.

In Nigeria, for instance, regulatory policies cover licensing requirements, anti-money laundering (AML) procedures, corporate governance standards, and loan provisioning frameworks. Ekeocha and Obasi (2020) emphasize that effective regulation by the CBN and the Nigeria Deposit Insurance Corporation (NDIC) has played a vital role in mitigating bank failures and enhancing confidence in the sector. Moreover, recent financial disruptions have underscored the need for dynamic regulatory frameworks. As highlighted by Nwachukwu and Bassey (2023), technological advancements such as fintech and digital banking demand updated and adaptive regulatory policies that address cybersecurity risks and digital financial inclusion. Regulatory policies are essential for ensuring the resilience, integrity, and efficiency of banks. They serve not only to protect stakeholders but also to maintain macroeconomic stability in a rapidly evolving financial environment.

Components of Regulatory polices used in the Study

Capital Adequacy

Capital adequacy in banks refers to the requirement that financial institutions maintain a sufficient level of capital to absorb potential losses and protect depositors' funds, while continuing operations during financial stress. It is a key component of banking regulation aimed at ensuring the stability and solvency of the banking sector. According to Basel III guidelines, capital adequacy is measured using the Capital Adequacy Ratio (CAR), which is the ratio of a bank's capital to its risk-weighted assets. This ensures that banks do not take excessive risks relative to their capital base. As noted by Uwalomwa et al. (2021), capital adequacy serves as a buffer against insolvency, enabling banks to withstand unexpected shocks in the financial environment.

In Nigeria, the Central Bank of Nigeria (CBN) enforces capital adequacy standards to strengthen the resilience of banks. Okoye, Modebe, and Iheanacho (2020) explain that Nigerian banks are required to maintain a minimum CAR, depending on their operational scope national, regional, or international. This requirement improves investor confidence and reduces the likelihood of systemic collapse. Capital adequacy also influences credit expansion and financial intermediation. Adebayo and Olayemi (2022) argue that well-capitalized banks are more likely to lend to the productive sectors of the economy, thereby enhancing economic growth. However, excessively high capital requirements may limit credit availability, especially in developing economies. In the context of digital banking and emerging risks, maintaining capital adequacy has become more challenging. As observed by Nnadi and Onuoha (2023), new forms of financial risks such as cybersecurity threats and fintech disruptions require regulators to continuously adapt capital adequacy frameworks to ensure effective risk coverage. Capital adequacy is vital to maintaining the financial health of banks and the overall banking system. It provides confidence to depositors, protects the economy from banking crises, and ensures that banks remain solvent and trustworthy in both normal and stressed conditions.

Financial Reporting

Financial reporting in banks refers to the process of preparing and disclosing financial statements and related information to various stakeholders, including regulators, investors, customers, and the public. It provides a transparent view of a bank's financial position, performance, and risk exposure, thereby enabling informed decision-making and regulatory oversight. Ibanichuka and Ofor (2020), financial reporting in banks is guided by regulatory frameworks such as the International Financial Reporting Standards (IFRS), which ensure consistency, accuracy, and comparability of financial information. Banks are required to disclose details on assets, liabilities, income, expenses, equity, and contingent risks.

In Nigeria, financial reporting is governed by the Financial Reporting Council (FRC) and the Central Bank of Nigeria (CBN), which enforce guidelines that promote transparency and financial integrity. As noted by Alade and Ajayi (2022), timely and accurate financial reports enhance market discipline and public confidence in the banking system. Financial reporting also plays a critical role in risk management and capital planning. Ezeani and Umeoduagu (2021) highlight that through financial disclosures, banks can communicate the effectiveness of their risk mitigation strategies, capital adequacy, and liquidity positions, which are essential for investor confidence and regulatory compliance. Furthermore, the advancement of digital banking and financial technology has increased the complexity and volume of financial data. Nwachukwu and Ibrahim (2023) observe that banks must now integrate advanced reporting systems to meet real-time regulatory and stakeholder demands, while also maintaining data accuracy and cybersecurity.

Economic

Economics in the context of banks refers to the application of economic principles and analysis to banking operations, financial decision-making, resource allocation, and policy implementation. Banks play a central role in economic development by mobilizing savings, facilitating investment, and enabling efficient financial intermediation within an economy. Okonkwo and Nnaji (2021), banks act as financial intermediaries that link surplus economic units (savers) with deficit units (borrowers), thereby promoting productive investment and economic growth. This function is rooted in core economic principles such as supply and demand for credit, interest rate determination, and risk-return trade-offs.

Banks also influence and respond to macroeconomic indicators such as inflation, interest rates, gross domestic product (GDP), and exchange rates. Adebisi and Olayinka (2022) explain that through monetary policy tools such as the cash reserve ratio (CRR) and monetary policy rate (MPR), central banks use commercial banks to manage economic stability. For instance, adjusting interest rates influences borrowing and saving behavior, which directly affects economic activities. Furthermore, banking economics includes the analysis of market structures, competition, and regulatory frameworks. Ojo and Lawal (2020) assert that economic principles guide banks in pricing financial products, managing operational costs, and assessing credit risks. These decisions are crucial for maintaining profitability and long-term sustainability. Banks also contribute to inclusive economic development. As observed by Musa and Adeoye (2023), by providing access to credit and financial services for small and medium-sized enterprises (SMEs) and underserved populations, banks enhance income generation, job creation, and poverty reduction key economic goals.

Sustainability

Sustainability refers to the integration of environmental, social, and governance (ESG) principles into banking operations, policies, and decision-making processes to promote long-term economic growth, environmental protection, and social well-being. It ensures that banks not only pursue profitability but also contribute positively to society and the environment. Eze and Nwankwo (2021), sustainable banking involves financing projects and businesses that support renewable energy, reduce carbon emissions, encourage social equity, and uphold ethical governance. This approach aligns banking practices with global sustainability goals, such as the United Nations Sustainable Development Goals (SDGs).

In Nigeria, banks are increasingly adopting sustainable practices driven by regulatory directives and stakeholder expectations. The Central Bank of Nigeria (CBN) introduced the Nigerian Sustainable Banking Principles (NSBP) in 2012, requiring banks to consider environmental and social risks in their lending activities. As noted by Adegbite and Olamide (2022), this policy has encouraged banks to integrate sustainability into credit risk assessments and project financing decisions. Sustainability also enhances reputation, investor confidence, and long-term profitability. Uzonwanne and Adebayo (2023) argue that banks that embrace sustainability reporting and responsible investment practices are better positioned to attract socially conscious investors and maintain customer trust in an increasingly ethical marketplace.

Moreover, technological innovation has played a significant role in promoting sustainability. Osei and Okafor (2020) observe that digital banking reduces the need for paper-based transactions and physical infrastructure, thereby lowering the carbon footprint of banking operations. In conclusion, sustainability in banks is about balancing profit with responsibility to people and the planet. It reinforces resilience, promotes ethical conduct, and supports inclusive economic growth, ensuring that the banking sector contributes to a more sustainable future.

Economic Sustainability

Economic sustainability in banks refers to the ability of financial institutions to operate profitably over the long term while supporting economic development and maintaining financial stability. It involves managing resources efficiently, minimizing risks, and aligning banking practices with long-term economic goals that benefit both the bank and the broader economy. Okonkwo and Ibrahim (2021), economic sustainability in banking focuses on generating stable income, preserving capital, and supporting sustainable lending practices that promote inclusive growth. It ensures that banks can meet current financial needs without compromising their ability to serve future generations. Banks achieve economic sustainability by implementing sound risk management, maintaining adequate capital buffers, and investing in productive sectors of the economy. As noted by Alade and Chukwu (2023), sustainable banks are those that diversify their income sources, promote financial inclusion, and support businesses that contribute to national development goals.

Furthermore, economic sustainability goes beyond profitability it includes resilience to economic shocks and changing market conditions. Ezeani and Ofor (2022) explain that banks that prioritize long-term stability over short-term gains are better positioned to withstand financial crises and support national economic recovery during downturns. Technological innovation also plays a role in driving economic sustainability. As observed by Musa and Adeola (2020), digital banking services reduce operational costs, expand outreach, and improve financial service delivery, thereby enhancing the bank's capacity to sustain growth while serving the underserved. In conclusion, economic sustainability in banks is essential for ensuring long-term profitability, national economic growth, and financial system stability. It balances the bank’s financial objectives with broader economic responsibilities, helping to create a resilient and inclusive financial environment.

Components of Economic Sustainability used in the study

Cost Reduction

Cost reduction in banks refers to the strategic efforts made by financial institutions to lower operational expenses while maintaining or improving service quality and efficiency. It is a critical aspect of financial management that enhances profitability, competitiveness, and long-term sustainability in a highly regulated and dynamic banking environment. Adepoju and Oladimeji (2021), noted that cost reduction in banks involves streamlining internal processes, adopting digital technologies, outsourcing non-core functions, and optimizing workforce productivity. These measures help banks reduce overhead costs, improve efficiency, and redirect resources toward revenue-generating activities. The rise of digital banking has significantly transformed cost structures. As noted by Nwachukwu and Eze (2022), digital platforms such as mobile banking, internet banking, and automated teller machines (ATMs) reduce the need for physical branches and manual operations, leading to substantial savings in administrative and operational costs.

In Nigeria, banks have increasingly embraced technology-driven cost-reduction strategies to adapt to changing customer behavior and economic challenges. According to Uche and Bello (2023), many Nigerian banks now leverage artificial intelligence, cloud computing, and robotic process automation (RPA) to automate repetitive tasks, reduce errors, and minimize personnel costs. However, cost reduction must be strategically implemented to avoid compromising customer service quality and regulatory compliance. Okafor and Chinedu (2020) caution that aggressive cost-cutting measures, especially those involving staff layoffs or reduced investments in risk management, can lead to reduced employee morale, service delivery failures, and increased operational risks. Cost reduction in banks is vital for enhancing operational efficiency, sustaining profitability, and maintaining competitiveness. When effectively managed, it enables banks to allocate resources more productively and remain resilient in a fast-evolving financial landscape.

Operational Efficiency

Operational efficiency in banks refers to the ability of financial institutions to deliver high-quality services at minimal cost by effectively managing resources, streamlining processes, and leveraging technology. It measures how well a bank converts inputs such as labor, capital, and technology into profitable outputs like customer service, loan disbursement, and financial transactions. Adeyemi and Afolabi (2021), operational efficiency is a key determinant of profitability and competitiveness in the banking industry. Efficient banks are able to reduce waste, optimize internal processes, and respond swiftly to market demands, thereby enhancing customer satisfaction and financial performance. In the context of Nigeria, operational efficiency has become increasingly important due to economic pressures, regulatory demands, and changing consumer behavior. As noted by Eze and Okonkwo (2022), many Nigerian banks have adopted digital transformation strategies, such as core banking systems, mobile platforms, and data analytics, to reduce turnaround time and lower operating costs.

Technological innovation plays a central role in driving efficiency. According to Musa and Ibrahim (2023), banks that integrate automation, artificial intelligence, and cloud computing are better positioned to enhance service delivery, minimize human error, and scale operations without a proportional increase in cost. Moreover, operational efficiency contributes to financial stability. Olatunji and Nwachukwu (2020) highlight that efficient operations help banks maintain liquidity, manage risks, and comply with regulatory requirements, all of which are crucial in maintaining trust and avoiding financial distress. Finally, operational efficiency in banks is essential for sustainable growth, improved customer experience, and resilience in a competitive financial environment. It enables banks to optimize performance while maintaining quality and regulatory compliance.

Theoretical Framework

The study was guided by **Public Interest Theory** of regulation by **Arthur Cecil Pigou** (1877–1959). Public Interest Theory is one of the foundational theories used to explain the rationale behind government regulation, particularly in sectors like banking that have significant public and economic impact. The theory posits that regulation is instituted to protect the public from market failures, ensure fairness, and promote economic efficiency. It assumes that regulators act in the best interest of society to correct inefficiencies and protect consumers. According to Nwaeze and Adebayo (2021), public interest theory supports regulatory policies in banks by emphasizing the role of government agencies such as the Central Bank in ensuring transparency, financial stability, and the protection of depositors. In the banking sector, where asymmetric information and systemic risks are prevalent, regulation helps prevent practices such as fraud, risky lending, and market manipulation.

Regulatory frameworks such as capital adequacy requirements, anti-money laundering (AML) laws, and consumer protection policies are grounded in this theory. As noted by Okafor and Edem (2022), these policies ensure that banks operate responsibly and that the financial system remains stable, especially during economic downturns or crises. Furthermore, Public Interest Theory encourages accountability and ethical conduct. Ezeani and Chukwu (2023) argue that when banks are subject to strict supervision and disclosure standards, they are less likely to engage in behavior that could harm the economy or the public, such as excessive risk-taking or discriminatory lending. Public Interest Theory promotes regulatory policies that align the operations of banks with societal goals. It underscores the need for continuous oversight to prevent abuses, maintain trust in the financial system, and foster a safe and inclusive banking environment.

Empirical Review

Capital Adequacy on the Cost Reduction

Ahmed and Haruna (2025) conducted a study on the effect of Capital Adequacy Ratio (CAR), Foreign Exchange Rate Risk, and Operational Risk on the financial performance (Return on Assets, ROA) of selected listed Deposit Money Banks in Nigeria. Using an ex post facto design, the researchers sampled 14 banks listed before December 31, 2014, with complete annual reports from 2014 to 2023. Descriptive statistics and regression analysis were employed. The findings revealed that capital adequacy ratio has a positive and statistically significant effect on ROA, whereas foreign exchange rate risk and operational risk were positive but statistically insignificant at the 5% level. The study recommended that Deposit Money Banks improve operational risk controls through better internal systems, technology adoption, and staff training to enhance efficiency and performance

Amahalu, et al. (2025) conducted a study on the effect of Capital Adequacy on Financial Performance of selected quoted Deposit Money Banks in Nigeria over the period 2010–2015. Using secondary data from bank fact books, annual reports, and accounts, the authors applied Pearson Correlation, Multiple Regression Analysis, Variance Inflation Factors, multicollinearity and heteroskedasticity tests, and Hausman diagnostics. The results revealed a positive and significant relationship between capital adequacy and financial performance at the 5% significance level. It was empirically verified that capital adequacy significantly affects performance of Deposit Money Banks. The study recommended that banks avoid over-reliance on debt, as increasing debt in the capital structure raises financial risk and the possibility of distress or bankruptcy

Olarewaju (2025) conducted a study on the capital adequacy and its influence on the operational efficiency of Deposit Money Banks in Nigeria, over the period 2004–2013. Using a mixed-methods approach, primary data were collected via structured questionnaires from managerial staff and CBN panel attendees, while secondary data on variables such as cost-to-income ratio, core capital ratio, debt-to-equity ratio, return on assets (ROA), credit risk, liquidity, total assets, inflation, and deposit structure were drawn from bank annual reports and CBN statistical bulletins. Analytical techniques included Financial Ratio Analysis, pooled OLS, fixed-effects and random-effects models, as well as dynamic regression. Key findings revealed that core capital ratio had a significantly positive effect on operational efficiency (e.g., reducing cost-to-income ratio) at $p < 0.05$, while debt-to-total-equity ratio and bank risk had significant negative effects. Bank size, however, did not significantly influence efficiency. The study concluded that stronger capital adequacy promotes cost efficiency and recommended that banks maintain robust capital structures, improve managerial competence, and adopt technology to sustain operational efficiency levels

Olarewaju (2025) conducted a study on the determinants of capital adequacy and assesses the influence of bank capital structure on operational efficiency—measured via cost to income ratio and related metrics—in quoted Deposit Money Banks in Nigeria over the period 2004–2013. Using a mixed methods design, data were sourced from: Primary data: structured questionnaires administered to managerial staff and Central Bank of Nigeria (CBN) Capital Adequacy Ratio panel participants; Secondary data: annual reports, financial statements, and CBN statistical bulletins, covering variables such as core capital ratio, debt to total equity ratio, equity to total asset ratio, credit risk, liquidity, return on assets, bank size, GDP, inflation, deposit structure, and non performing assets. Analytical techniques included descriptive statistics, Financial Ratio Analysis, pooled OLS, fixed effects and random effects regression models, as well as dynamic panel regression. Results showed: Core capital ratio had a positive, statistically significant effect on operational efficiency ($t = 4.65$, $p < 0.05$), reducing cost to income ratio; Debt to equity ratio ($t = -3.17$, $p < 0.05$) and bank risk ratio ($t = -3.89$, $p < 0.05$) had significant negative effects on operational efficiency; Bank size was negatively related to cost-efficiency but was not statistically significant; Among specific banks—FCMB, Fidelity, and WEMA—variations in operational efficiency in 2009 and 2010 reflected differences in managerial competence, technology adoption, and timeliness in decision making. The study concluded that stronger capital adequacy enhances cost-efficiency of Deposit Money Banks in Nigeria and recommended that banks maintain robust capital structures, invest in managerial competence and technological upgrades, and strengthen internal systems to sustain cost efficiency levels.

Financial Reporting on the Operational Efficiency

Ogungbade, Adekoya, and Olugbodi (2021) conducted a study on the effect of audit quality—measured by audit firm size, audit tenure, and audit fees—on financial reporting quality of Deposit Money Banks listed on the Nigerian Stock Exchange over the 2009–2018 period. Employing panel multiple regression and choosing a random-effects model via Hausman test, the study found that while audit firm size and audit tenure affected financial reporting quality (FRQ), only audit fees had a statistically significant impact on FRQ. The study measured FRQ by the reporting lag between financial year-end and auditor sign-off.

Orjinta and Okoli (2024) conducted a study on the effects of audit committee characteristics on financial reporting quality of Deposit Money Banks in Nigeria. This study investigated whether a well-diversified audit committee enhances the financial reporting quality of selected Deposit Money Banks in Nigeria, using panel data from 11 listed banks over the period 2015 to 2022. The research adopted an ex post facto design with discretionary accruals as the proxy for financial reporting quality. Independent variables included audit committee gender diversity, financial expertise, meeting frequency, and committee size. Analysis was conducted using descriptive statistics, Pearson correlation, Variance Inflation Factors, and panel least squares regression (random effects model chosen via Hausman test). Findings revealed that audit committee gender diversity and committee size exerted negative and statistically significant effects on financial reporting quality at the 5% level, while financial expertise and frequency of meetings had positive but statistically insignificant effects on reporting quality ($p > 0.05$).

Boro and Newstyle (2024) Conducted a study on the Audit Committee Characteristics and Financial Reporting Quality of Listed Deposit Money Banks in Nigeria. Audit Committee Characteristics and Financial Reporting Quality of Listed Deposit Money Banks in Nigeria by Grace Lyon Boro and Dountimiarye Newstyle investigates the relationship between audit committee attributes specifically committee size and independence—and the relevance dimension of financial reporting quality for listed banks over the period 2013–2022. Utilizing data from 14 banks listed on the Nigerian Exchange Group, and sampling 7 banks purposively, the study collected both secondary data (annual reports) and primary responses from 247 participants (225 responses received). Analysis involved descriptive statistics and Pearson's Product-Moment Correlation. Findings reveal that audit committee size and independence both have negative and statistically insignificant relationships with financial reporting relevance. The study also identified that firm size serves as a moderating factor in these relationships.

Business Efficiency and Earnings Quality of Commercial Banks in Nigeria (2024) conducted a study on the effect of financial efficiency, operational efficiency, and cost/resource efficiency on earnings quality in listed commercial banks in Nigeria. Using an ex-post facto design, the researchers sampled 12 banks listed on the Nigerian Exchange over the period 2012–2022, selecting them for accessibility of annual reports. Secondary data were collected from bank reports, yielding a panel of 132 observations. Independent variables included: Operational efficiency: measured via operating expense ratio (operating expense ÷ total revenue). Financial efficiency: return on assets (net income ÷ total assets). Cost/resource efficiency: total revenue ÷ total costs Earnings quality was proxied by net cash from operating activities divided by net income. Data were analyzed via pooled Ordinary Least Squares regression. The study found that operational efficiency (i.e. lower operating expense ratio) had a positive relationship with earnings quality.

Onwubiko, Azubike and Ihendinihu (2025) conducted a study on the effect of audit report quality on financial performance of deposit money banks in Nigeria. The study specifically examined audit fee, audit committee size and timelines of audit report to determine the effect of audit quality on financial performance of deposit money banks in Nigeria from the period of 2012 to 2021. The study examined six deposit money banks for the period under study. The study used purposive sampling method to select six banks based on access to their financial report, consistency and readiness of the reports. The study used a pooled data technique to establish the nexus between the variables and financial performance. Econometric approaches such as Augmented Dickey Fuller test, Unit Root test, Johansen, Cointegration and Error Correction Model (ECM) to check for autocorrelation were adopted in the analysis. Multiple regressions were employed to establish the relationship between the dependent and independent variables. Descriptive method of analysis was also adopted to understand the trends of variables; correlation matrix was employed to identify the relationship between the independent variables while granger causality was used to identify the direction of influence of the variables. Findings of the study show that audit fee and audit committee size have negative and insignificant effect on return on asset of deposit money bank in Nigeria, however, timeliness of audit report has a positive effect on return on asset. The study therefore concludes that investors consider all relevant information about firm performance. Smaller audit size will cost less remuneration. The study recommends that audit committee size be kept as minimum, as possible. Deposit money banks should ensure auditors are remunerated in tune with the quality of their work. Audit reports should be timely presented to stakeholders.

Gap in Empirical Review

The studies done were carried outside the Effect of Regulatory policies on the economic sustainability of deposit Money Banks in Enugu state and did not focus to best of my knowledge on the Capital adequacy and cost reduction; financial reporting and operational efficiency of deposit Money banks in Enugu state. Most of the studies reviewed analyzed their data through Descriptive statistics and appropriate inferential statistics, Pearson Moment Correlation Coefficient, Kendall's correlation and Kruskal Wallis test , Partial Least Square Structural Equation Modeling (PLS-SEM), and Multiple Regression Analysis (MRA) method, while the present study made use of Pearson correlation coefficient (r) to test the hypotheses. Therefore, the study aimed at filling this research gap by evaluating the relationship between Procurement Practice and performance of chemical manufacturing firms in Enugu state.

Methodology

The study was based on the four (4) selected banks within Enugu metropolis with high number of staff and long years of establishment namely: Fidelity Bank, First bank Plc, United bank of Africa and Zenith Bank. The total population for the study was two hundred and eighty-two (282). The study made use of the whole due to its small number. A survey design was adopted for the study. Instrument used for data collection was the questionnaire and interviews. Two hundred and eleven (227) copies of questionnaire were properly completed and returned. That gave 81 percent response rate. The validity of the instrument was tested using content analysis and the result was good. The reliability was tested using the Pearson correlation coefficient (r). It gave a reliability co-efficient of 0.83 which was also good. Data was presented and analyzed by mean score and Z – test was used to test the hypotheses with aid of Special Package for Statistical Software (SPSS).

Results

Data Presentation

The effect of Capital adequacy on the cost reduction of deposit Money banks in Enugu State

Table 1: Responses on the effect of Capital adequacy on the cost reduction of deposit Money banks in Enugu state

		5 SA	*4 A*	*3 N*	*2 DA*	*1 SD*	*∑FX*	*- X*	*SD*	*Decision*
1	Capital adequacy enhances risk management to reduce the bank's overall operational risks and,in turn, lower its costs of operation	375 75 43.3	228 57 25.1	165 54 23.8	14 7 3.1	34 34 15.0	816 227 100.0	3.58	1.368	Agree
2	Capital adequacy and cost reduction are positively correlated in deposit money banks,as stronger capital buffers lead to reduced costs and improved financial stability	625 125 55.1	228 57 25.1	42 14 6.2	6 3 1.3	28 28 12.3	929 227 100.0	4.09	1.332	Agree
3	A well-capitalized bank can mitigate the need for large provisions, thereby lowering overall costs and maintaining healthier profit margins	480 96 42.3	228 57 25.1	132 44 19.4	6 3 1.3	27 27 11.9	873 227 100.0	3.85	1.313	Agree
4	Banks can afford to expand their business and diversify their portfolios, which leads to greater economies of scale and cost reduction in the long term	455 91 40.1	332 83 36.6	42 14 6.2	14 7 3.1	32 32 14.1	875 227 100.0	3.85	1.357	Agree
5	The lower cost of borrowing translates into reduced expenses for the bank, which can ultimately lead and a decrease in the costs associated with holding and managing deposits	560 112 49.3	256 64 28.2	21 7 3.1	4 2 .9	42 42 18.5	883 227 100.0	3.89	1.491	Agree
	Total Grand mean and standard deviation							**3.852**	**1.3722**	

Source: Field Survey, 2025

Table 1, 132 respondents out of 227 representing 68.4 percent agreed that Capital adequacy enhances risk management to reduce the bank's overall operational risks and, in turn, lower its costs of operation with the mean score of 4.09 and standard deviation of 1.332. 182 respondents representing 80.2 percent agreed that Capital adequacy and cost reduction are positively correlated in deposit money banks, as stronger capital buffers lead to reduced costs and improved financial stability with a mean score of 4.09 and standard deviation of 1.332. 153 respondents representing 67.4 Percent agreed that a well-capitalized bank can mitigate the need for large provisions, thereby lowering overall costs and maintaining healthier profit margins with mean score of 3.85 and standard deviation of 1.313. 174 respondents representing 76.7 percent agreed that Banks can afford to expand their business and diversify their portfolios, which leads to greater economies of scale and cost reduction in the long term with mean score of 3.85 and standard deviation of 1.357. 176 respondents representing 77.5 percent agreed that the lower cost of borrowing translates into reduced expenses for the bank, which can ultimately lead and a decrease in the costs associated with holding and managing deposits, with a mean score of 3.89 and standard deviation 1.491.

The Effect of Financial Reporting on the Operational Efficiency of DEPOSIT MONEY BANKS in Enugu State

Table 2: Responses on the effect of financial reporting on the operational efficiency of deposit Money banks in Enugu State

		5 SA	4 A	3 N	2 DA	1 SD	∑FX	$\bar{X}$	SD	Decision
1	Financial reporting provides stakeholders with an accurate picture of the bank's financial health, allowing them to make informed decisions about investments	345 69 30.4	360 90 39.6	21 7 3.1	38 19 8.4	42 42 18.5	806 227 100.0	3.55	1.464	Agree
2	Financial reports gives information related to compliance with regulatory frameworks, and a bank’s ability to comply with these regulations efficiently contributes to its operational success.	400 80 35.2	516 129 56.8	21 7 3.1	1 1 .4	10 10 4.4	948 227 100.0	4.18	.876	Agree
3	Investors and customers often rely on the clarity and transparency of financial statements to assess how well a bank is managed.	515 103 45.4	444 111 48.9	21 7 3.1	4 2 .9	4 4 1.8	988 227 100.0	4.35	.746	Agree
4	Positive financial reporting can attract more investment and customers, further improving operational efficiency through economies of scale.	450 90 39.6	492 123 54.2	21 7 3.1	6 4 1.8	3 3 1.3	972 227 100.0	4.29	.731	Agree
5	Efficient banks tend to maintain an optimal Capital Adequacy Ratio (CAR), which allows them to grow their business sustainably without taking undue risks.	265 53 23.3	564 141 62.1	21 7 3.1	42 21 9.3	5 5 2.2	897 227 100.0	3.95	.913	Agree
	Total Grand mean and standard deviation							**4.064**	**0.946**	

Source: Field Survey, 2025

Table 2, 159 respondents out of 227 representing 70.0 percent agreed that financial reporting provides stakeholders with an accurate picture of the bank's financial health, allowing them to make informed decisions about investments with the mean score of 3.55 and standard deviation of1.464.209 respondents representing 92.0 percent agreed that Financial reports gives information related to compliance with regulatory frameworks, and a bank’s ability to comply with these regulations efficiently contributes to its operational success with a mean score of 4.18 and standard deviation of .876. 214 respondents representing 94.3 Percent agreed that Investors and customers often rely on the clarity and transparency of financial statements to assess how well a bank is managed with mean score of 4.35 and standard deviation of .746.213 respondents representing 93.8 percent agreed that Positive financial reporting can attract more investment and customers, further improving operational efficiency through economies of scale with mean score of 4.29 and standard deviation of .731, 194 respondents representing 85.4 percent agreed that efficient banks tend to maintain an optimal Capital Adequacy Ratio (CAR), which allows them to grow their business sustainably without taking undue risks, with a mean score of 3.83 and standard deviation 1.299.

Test of Hypotheses

Hypotheses One: Capital adequacy has effect on the cost reduction of deposit Money banks in Enugu state

Table 3: **One-Sample Kolmogorov-Smirnov Test**

		Capital adequacy enhances risk management to reduce the bank's overall operational risks and, in turn, lower its costs of operation	Capital adequacy and cost reduction are positively correlated in deposit money banks, as stronger capital buffers lead to reduced costs and improved financial stability	A well-capitalized bank can mitigate the need for large provisions, thereby lowering overall costs and maintaining healthier profit margins	Banks can afford to expand their business and diversify their portfolios, which leads to greater economies of scale and cost reduction in the long term	The lower cost of borrowing translates into reduced expenses for the bank, which can ultimately lead and a decrease in the costs associated with holding and managing deposits
N		227	227	227	227	227
Uniform Parameters[a,b]	Minimum	1	1	1	1	1
	Maximum	5	5	5	5	5
Most Extreme Differences	Absolute	.379	.515	.427	.476	.551
	Positive	.115	.119	.154	.128	.093
	Negative	-.379	-.515	-.427	-.476	-.551
Kolmogorov-Smirnov Z		5.708	7.766	6.438	7.168	8.297
Asymp. Sig. (2-tailed)		.000	.000	.000	.000	.000

a. Test distribution is Uniform
b. Calculated from data

Decision Rule

If the calculated Z-value is greater than the critical Z-value (i.eZ_{cal}>Zcritical), reject the null hypothesis and accept the alternative hypothesis accordingly.

Result

With Kolmogorov-Smirnon Z – value ranges from 5.708 <8.287 and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms the assertion of the most of the respondents that Capital adequacy had significant positive effect on the cost reduction of deposit Money banks in Enugu state

Decision

Furthermore, comparing the calculated Z- value ranges from 5.708 < 8.287 against the critical Z- value of .000(2-tailed test at 95percent level of confidence) the null hypothesis was rejected. Thus, the alternative hypothesis was accepted which states that Capital adequacy had significant positive effect on the cost reduction of deposit Money banks in Enugu state

Hypotheses Two: Financial reporting has effect on the operational efficiency of deposit Money banks in Enugu state

Table 4: **One-Sample Kolmogorov-Smirnov Test**

		Financial reporting provides stakeholders with an accurate picture of the bank's financial health, allowing them to make informed decisions about investments	Financial reports gives information related to compliance with regulatory frameworks, and a bank's ability to comply with these regulations efficiently contributes to its operational success.	Investors and customers often rely on the clarity and transpare ncy of financial statement s to assess how well a bank is managed.	Positive financial reporting can attract more investment and customers, further improving operational efficiency through economies of scale.	Efficient banks tend to maintain an optimal Capital Adequacy Ratio (CAR), which allows them to grow their business sustainably without taking undue risks.
N		227	227	227	227	227
Uniform Parameters[a,b]	Minimum	1	1	1	1	1
	Maximum	5	5	5	5	5
Most Extreme Differences	Absolute	.442	.503	.622	.605	.494
	Positive	.106	.145	.035	.062	.097
	Negative	-.442	-.503	-.622	-.605	-.494
Kolmogorov-Smirnov Z		6.654	7.583	9.375	9.110	7.450
Asymp. Sig. (2-tailed)		.000	.000	.000	.000	.000
a. Test distribution is Uniform.						
b. Calculated from data.						

Decision Rule

If the calculated Z-value is greater than the critical Z-value (i.eZ_{cal} > Zcritical), reject the null hypothesis and accept the alternative hypothesis accordingly.

Result

With Kolmogorov-Smirnon Z – value ranges from 6.654 < 9.110 and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms the assertion of the most of the respondents that financial reporting had significant positive effect on the operational efficiency of deposit Money banks in Enugu state.

Decision

Furthermore, comparing the calculated Z- value ranges from 6.654 < 9.110 against the critical Z- value of .000(2-tailed test at 95percent level of confidence) the null hypothesis was rejected. Thus, the alternative hypothesis was accepted which states that financial reporting had significant positive effect on the operational efficiency of deposit Money banks in Enugu state.

Discussion of Findings

From the result of hypotheses one, the calculated Z- value ranges from 5.708 < 8.287 against the critical Z- value of .000 which implies that Capital adequacy had significant positive effect on the cost reduction of deposit Money banks in Enugu state. In support of the result in the literature. Ahmed, and Haruna (2025) conducted a study on the effect of Capital Adequacy Ratio (CAR), Foreign Exchange Rate Risk, and Operational Risk on the financial performance (Return on Assets, ROA) of selected listed Deposit Money Banks in Nigeria. The findings revealed that capital adequacy ratio has a positive and statistically significant effect on ROA, whereas foreign exchange rate risk and operational risk were positive but statistically insignificant at the 5% level. Amahalu, et al. (2025) conducted a study on the effect of Capital Adequacy on Financial Performance of selected quoted Deposit Money Banks in Nigeria over the period 2010–2015. The results revealed a positive and significant relationship between capital adequacy and financial performance at the 5% significance level. Olarewaju (2025). Conducted a study on the capital adequacy and its influence on the operational efficiency of Deposit Money Banks in Nigeria, over the period 2004–2013. Key findings revealed that core capital ratio had a significantly positive effect on operational efficiency (e.g., reducing cost-to-income ratio) at $p < 0.05$, while debt-to-total-equity ratio and bank risk had significant negative effects. Bank size, however, did not significantly influence efficiency.

From the result of hypotheses two, the calculated Z- value ranges from 6.654 < 9.110 against the critical Z- value of .000 which implies that financial reporting had significant positive effect on the operational efficiency of deposit Money banks in Enugu state. In support of the result in the literature, Ogungbade, Adekoya and Olugbodi (2021) conducted a study on the effect of audit quality measured by audit firm size, audit tenure, and audit fees on financial reporting quality of Deposit Money Banks listed on the Nigerian Stock Exchange over the 2009–2018 period. Employing panel multiple regression and choosing a random-effects model via Hausman test, the study found that while audit firm size and audit tenure affected financial reporting quality (FRQ), only audit fees had a statistically significant impact on FRQ. The study measured FRQ by the reporting lag between financial year-end and auditor sign-off. Orjinta and Okoli (2024) conducted a study on the Effects of Audit Committee Characteristics on Financial Reporting Quality of Deposit Money Banks in Nigeria. Findings revealed that audit committee gender diversity and committee size exerted negative and statistically significant effects on financial reporting quality at the 5% level, while financial expertise and frequency of meetings had positive but statistically insignificant effects on reporting quality ($p > 0.05$).

Summary of Findings

i. Capital adequacy had significant positive effect on the cost reduction of deposit Money banks in Enugu state, Z (8.287, P. < .05)
ii. Financial reporting had significant positive effect on the operational efficiency of deposit Money banks in Enugu state, Z (9.110, P. < .05)

Conclusion

The study concluded that Capital adequacy and financial reporting had significant positive effect on the cost reduction and operational efficiency of deposit Money banks in Enugu state. Regulatory policies, when properly designed and enforced, significantly support the economic sustainability of deposit money banks in Enugu State by strengthening capital buffers, managing risk, and preserving asset quality. However, undue political interference and rigid application may impair performance outcomes and employee morale, dampening the positive effects. Balancing regulatory oversight with institutional flexibility and stakeholder engagement is key to sustaining both stability and growth.

Recommendations

1. To enhance cost reduction through capital adequacy, it is recommended that Deposit Money Banks (DMBs) in Enugu State adopt proactive capital planning and efficient risk-based asset allocation strategies. Capital adequacy, which ensures that banks maintain sufficient capital to absorb losses and remain solvent, can significantly influence the cost structure of banks when managed effectively.
2. It is recommended that Deposit Money Banks (DMBs) in Enugu State strengthen their financial reporting systems by adopting real-time, technology-driven reporting tools to improve operational efficiency. Accurate and timely financial reporting enhances transparency, supports data-driven decision-making, and enables early detection of inefficiencies or financial risks.

References

Adebisi, M. A., and Olayinka, F. T. (2022). Monetary policy, banking operations, and macroeconomic outcomes in Nigeria*. International Journal of Banking and Economics*, 14(2), 87–102.

Adegbite, A. O. and Olamide, A. T. (2022). Regulatory influence and sustainable banking in Nigeria: An assessment of the Nigerian Sustainable Banking Principles. *African Journal of Finance and Policy,* 14(1), 102–118.

Adeghe, R. and Okologume, H. C. (2023). Deposit Money Banks Stability and Economic Growth in Nigeria. *African Scholar Journal of Business Development and Management Research*

Adepoju, A. A., and Oladimeji, M. A. (2021), *Cost management and profitability of deposit money banks in Nigeria. Journal of Banking and Financial Management, 13(2), 101–115.*

Adeyemi, S. O., and Afolabi, O. A. (2021), *Operational efficiency and performance of deposit money banks in Nigeria. Journal of Banking and Financial Studies, 11(2), 112–125.*

Adusei, M., and Osei-Wusu, R. (2021). Bank regulation and performance: The role of prudential measures in emerging markets. *Journal of Financial Regulation and Compliance,* 29(2), 230–245.

Ahmed, A. I. and Haruna, M. A. (2025). *Effect of Capital Adequacy, Foreign Exchange Rate and Operational Risks on Financial Performance of Selected Listed Deposit Money Banks in Nigeria. UMM Journal of Accounting and Financial Management*, 5(1).

Alade, S. O., and Ajayi, M. O. (2022). *Regulatory compliance and financial reporting quality in Nigerian banking sector*. *Journal of Financial Reporting and Governance*, 11(3), 55–70.

Alade, S. T., and Chukwu, I. A. (2023). Sustainable banking strategies for long-term economic resilience in Nigerian banks*. Nigerian Journal of Banking and Economic Policy,* 11(1), 66–80.

Amahalu, N. N., Okoye, E. I., Nweze, C. L., Obi, J. C., & Okika, E. C. (2025). *Effect of Capital Adequacy on Financial Performance of Quoted Deposit Money Banks in Nigeria*. In *Proceedings of the 2017 International Conference on African Entrepreneurship and Innovation for Sustainable Development (AEISD)*

Boro, G. L., and Newstyle, D. (2024). Audit Committee Characteristics and Financial Reporting Quality of Listed Deposit Money Banks in Nigeria**.** *British Journal of Business and Management Research*, *9(4), 123–138. Retrieved from https://bwjournal.org/index.php/bsjournal/article/view/2371*

Brodowicz, M. (2024). The Role of Deposit Money Banks in Promoting Economic Growth and Stability. *https://aithor.com/essay-examples/the-role-of-deposit-money-banks-in-promoting-economic-growth-*

Business Efficiency and Earnings Quality of Commercial Banks in Nigeria (2024). International Journal of Accounting and Financial Management, 10(4), 285

Onwubiko, C. O., Azubike, J. U. B., and Ihendinihu, J. U. (2025). *Effect of Audit Report Quality on Financial Performance of Deposit Money Banks in Nigeria. International Journal of Research and Innovation in Social Science*; *https://www.rsisinternational.org/journals/ijriss/Digital-Library/volume-8-issue-10/1112-1129.pdf*

Ekeocha, P. C., and Obasi, R. O. (2020). Banking regulation and supervision in Nigeria: A review of policies and practices. *Journal of Banking and Finance Research,* 8(3), 45–59.

Eze, C. N., and Nwankwo, O. (2021). Sustainable banking practices and the Nigerian financial sector: Challenges and prospects. *Journal of Banking and Environmental Studies*, 9(2), 45–59.

Eze, T. C., and Okonkwo, B. C. (2022). *Digital transformation and operational efficiency in Nigerian commercial banks. African Journal of Finance and Digital Economy, 5(1), 74–88.*

Ezeani, E. J., and Chukwu, O. P. (2023). Regulatory compliance and ethical behavior in Nigerian deposit money banks: A public interest theory perspective. *Journal of Financial Governance and Ethics*, 6(1), 70–85

Ezeani, E. J., and Ofor, N. P. (2022). Risk management and economic sustainability in commercial banks. *International Review of Economics and Finance*, 14(3), 122–135.

Ezeani, E. J., and Umeoduagu, C. D. (2021). Financial reporting disclosures and risk management in Nigerian banks. *Journal of Accounting and Financial Management*, 7(2), 21–34.

Ibanichuka, E. A. L., &Ofor, N. P. (2020). Adoption of IFRS and the quality of financial reporting in Nigerian deposit money banks. *International Journal of Accounting and Finance*, 9(1), 88–103.

Mullin, J. (2021). A Look Back at Financial Repression. The policies were gradually phased out in many advanced and emerging economies. Will they come back? *https://www.richmondfed.org/publications/research/econ_*

Musa, A. S., and Ibrahim, Y. A. (2023). *Technology adoption and operational performance in Nigerian banks. Journal of Financial Innovation and Management, 6(1), 51–66.*

Musa, H., and Adeola, T. O. (2020). Digital banking and economic sustainability in emerging economies: A Nigerian perspective. *Journal of Sustainable Finance and Development,* 9(1), 89–103.

Musa, H., and Adeoye, B. A. (2023). Financial inclusion, banking, and economic empowerment in Nigeria. *Journal of Development Economics and Banking,* 6(1), 72–89.

Nwachukwu, J., and Bassey, C. E. (2023). *Fintech innovations and regulatory response in the Nigerian banking sector*. Journal of Financial Innovation and Regulation, 5(1), 78–95.

Nwachukwu, U., and Ibrahim, M. (2023). Digital transformation and the evolution of financial reporting in Nigerian commercial banks. *Journal of Banking Innovation and Technology,* 5(1), 63–80.

Nwachukwu, U., and Eze, C. M. (2022). *Digital banking adoption and cost efficiency in Nigerian banks. African Journal of Digital Finance and Innovation, 4(1), 56–70.*

Nwaeze, C. A., and Adebayo, M. O. (2021). The relevance of public interest theory in banking regulation in Nigeria. *Journal of Regulatory Economics and Policy,* 9(1), 44–59.

Ogungbade, O. I., Adekoya, A. C., and Olugbodi, D. I. (2021). *Audit Quality and Financial Reporting Quality of Deposit Money Banks Listed on the Nigerian Stock Exchange. Journal of Accounting, Finance and Auditing Studies, 7(1), 77–98.*

Ojo, A. O., and Lawal, K. M. (2020). Economic analysis of pricing strategies in the Nigerian banking industry. *Nigerian Journal of Financial Economics,* 8(3), 55–69.

Okafor, K. U., and Edem, E. E. (2022). Banking regulation and the role of public interest in promoting financial stability. *Nigerian Journal of Economic and Financial Regulation*, 8(2), 101–116.

Okafor, L. C., and Chinedu, A. O. (2020), *Operational cost reduction and service quality in Nigerian commercial banks. International Journal of Banking and Economic Studies, 10(3), 88–101.*

Okonkwo, C. E., and Ibrahim, M. A. (2021). Banking sector performance and economic sustainability in Nigeria. *Journal of Financial and Economic Sustainability*, 8(2), 41–55.

Okonkwo, O. C., and Nnaji, C. E. (2021). The role of banking in economic development: A Nigerian perspective. *Journal of Economic and Financial Studies*, 9(1), 34–48.

Olarewaju, O. M. (2025). *Capital Adequacy and Operational Efficiency of Banks in Nigeria* (M.Sc. dissertation). ObafemiAwolowo University, Ile-Ife; ***Capital Adequacy and Operational Efficiency of Banks in Nigeria – Odunayo Magret Olarewaju (2015, ObafemiAwolowo University)***

Olarewaju, O. M. (2025). *Capital Adequacy and Operational Efficiency of Banks in Nigeria (M.Sc thesis).* Obafemi Awolowo University, Ile-Ife.

Olarewaju, O. M. (2025). *Capital Base and Operational Efficiency in Nigerian Deposit Money Banks (Evidence from a Two-Way Fixed Effect Approach). Global Journal of Management and Business Research*, 16(D1), 1–11.

Olatunji, T. E., and Nwachukwu, C. O. (2020), *The impact of operational efficiency on financial stability in the Nigerian banking sector. International Journal of Economics and Financial Stability, 9(3), 90–104.*

Olokoyo, F. O., Salami, O., and Omankhanlen, A. E. (2022). Basel framework implementation and its effect on Nigerian bank performance. *African Journal of Economic Policy*, 29(1), 113–130.

Orjinta, H. I., and Okoli, P. C. (2024). *Effects of Audit Committee Characteristics on Financial Reporting Quality of Deposit Money Banks in Nigeria. International Conference on Analysis of Mathematics and Exact Sciences*, *1(1), 5–15.*

Osei, K., and Okafor, L. C. (2020). Green banking, digital innovation, and sustainable finance in Sub-Saharan Africa. *Journal of Sustainable Finance and Investment*, 10(4), 289–305.

Steele, G. (2024), The End of Banking History? Finishing the Unfinished Business of Financial Reform. *https://rooseveltinstitute.org/wp-content/uploads/2024/07/RI_Banking-Unfinished-Business-Financial-Reform_Brief_082024.pdf*

Uche, M. C., and Bello, A. T. (2023), *Technological innovation and cost optimization in Nigeria's banking sector. Journal of Financial Innovation and Strategy, 7(1), 75–89.*

Uwalomwa, U., Olamide, A., and Francis, E. (2021). *Capital adequacy and financial performance of deposit*

Uzonwanne, G. C., and Adebayo, S. M. (2023). Sustainability reporting and performance of listed deposit money banks in Nigeria. *Journal of Corporate Social Responsibility and Ethics*, 5(1), 33–49.