



Research Paper

## Impact of Societal Values of Greed and Materialism on Electronic Bank Fraud Practices in the Financial Industry in Rivers State, Nigeria

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### ABSTRACT

This study examined impact of societal values of greed and materialism on electronic bank fraud practices in the financial industry in rivers state. To achieve this, the study generated data from field survey using questionnaires. The data generated were analysed using bivariate correlation analysis. From the study, it was observed that there is high rate of greed and materialism in the new generational banks in the Rivers State. There is a significant relationship between electronic bank fraud and greed and materialism at R value of 0.822. It is anticipated that as greed and materialism increase in the banking sector there is a tendency that electronic bank fraud will increase correspondingly as well. Therefore, the need for banks to introduce a rigorous anti-fraud internal culture that promotes honesty, openness, integrity and vigilance throughout the workforce, is of necessity.

**KEYWORDS:** Societal Values, Greed, Banking, Electronic Fraud, Rivers State

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### I. INTRODUCTION

Values are the abstract standard in a society or group that defines the ideal principle of what is desirable and morally correct. Thus, values determine what is considered right and wrong, beautiful and ugly, good and bad. Although values are abstract they provide a general outline for behaviour (Andersen & Taylor, 2012).

The danger is that when the wrong values are imposed on a people, their traditional values are supplanted and the society experiences an inner conclusion as it attempts to reconcile its traditional values with those imposed from outside (Anikpo, 2012). This situation has endured till date and possibly accounts for the prevalent mad materialistic culture as exemplified in the disrespect for work ethics, scam operations, e- banking frauds, money rituals, looting of public treasury etc.

The phenomenon of frauds in the Nigerian society is so pervasive that it is now recognized as an acceptable way of life. In other words, it has become part of the culture of the Nigerian people. An electronic fraud is a variant of the financial frauds that occur in Nigeria and is consequent on the use of electronic system of processing transactions in the banks. At one time or another, Society has always grappled with one social ill or another including frauds. Social problems have been defined differently by different people and each examining it from his own perspective (Abiteboul & Julia., 2019).

Electronic fraud is traceable to some deviant and criminal behaviours that are exhibited by the bank staff, the customers or both in collaboration. One of the causes of deviance and criminality can be located in the socio-economic conditions that people find themselves. In the Nigerian society, poverty had for so long held a firm grip on the populace exerting severe strain (Achim & Nicolae, 2020).

It is believed strongly that the incessant fraud reports have a tendency to frustrate the monetary authority's efforts to reduce the cash in circulation and herd them into the banking system (Achim, Nicolae & Viorela., 2021). This has implications for development because a cashless system if achieved will curb physical cash thefts (armed robbery), ensure transparency, remove leakages and provide room for further money creation, strengthen the regulatory functions of the Central Bank, and enhance financial inclusion. Over all, the

fraud issues risks affecting the socio-economic development of the country if not checked (Amarasinghe, Achala & Naomi, 2018; Bagga, Goyal, Gupta & Arvind 2020).

The perversion of our values seems like a cankerworm that has eaten deep into our national psyche cutting across all sectors of the nation including the banking system. This perhaps accounts for the sudden upsurge in electronic banking frauds in which the actors, bank workers and customers, sometimes in collaboration seek to undermine the system (Butterworth, 2018).

## II. STUDY AREA

Rivers State is located between latitude  $4^{\circ}40' N$  and  $4^{\circ}43' N$  and longitude  $6^{\circ}55' E$  and  $7^{\circ}05' E$ . Rivers State is located in the southern part of Nigeria. The state is bounded to the north by Imo, Abia and Anambra, Akwa Ibom to the east and Bayelsa, Delta to the west and to the south, it is bounded by the Atlantic Ocean. The total land area of Rivers State is estimated at total area of  $11,077 \text{ km}^2$ . The state is endowed with both urban and rural branches of banks. There are Seventy-eight (78) banks operating in Rivers State. The urban branches are close to Central Business Districts (CBDs) with a heterogeneous mix of customers while the rural branches are close to markets and busy local government headquarters where electronic payments are also common.

## III. CONCEPTUAL ISSUES

The Structural Strain theory is an explanation to the deviant behaviour which occurs when people are confronted with challenges meeting their set goals as a result of society's inability to provide acceptable and adequate means of attaining such cultural values. Societies are composed of two core aspects: culture and social structure. It is in the realm of culture that our values, beliefs, goals, and identities are developed. These are developed in response to the existing social structure of society, which is supposed to provide the means for us to achieve our goals and realize positive identities. However, often our cultural goals are not in balance with means made available by the social structure, and this is when structural strain occurs, and according to Merton, deviant behaviour is likely to occur (Crossley, 2005).

By virtue of the unequal social strata some groups in the society have found themselves marginalized and not capable of accessing the available means to actualize their economic needs. They may be excluded by virtue of their race, sex, class or who they are and so may resort to unacceptable practices (deviant behaviour) to attain or meet the expectations of the society like others.

Value is critical to the survival of any group if it must escape disorderliness. Social values provide the moral compass; act as a guide within which people measure their conducts on the basis of right and wrong before taking the appropriate actions. Values is not arguable because it has been stated consistently that the major challenges Nigeria is passing through is traceable to the near absence of positive social values (Anikpo, 2012).

## IV. METHODS OF DATA COLLECTION

The study adopts the qualitative method of research design. The population of the study was banks in Rivers State. Stratified random sampling was adopted to select twelve (12) branches (15%) of the 78 branches of selected banks in Rivers State. All the branches were first stratified into urban and rural branches, then eight (8) urban and four (4) rural branches were selected at random. A total sample size of 558 respondents representing 10% of the total population of bankers were selected. Descriptive and inferential statistics were used to analyse data. Descriptive statistics (percentage and mean) were used to achieve the objectives. Bivariate correlation analysis was used to analyse the relationship between ICT and electronic bank fraud.

## V. RESULTS AND DISCUSSION

**Table 1:** Greed effect on workers

Banks	Response %
First Bank	17
UBA	19
Fidelity	21
Access	43
<b>Total</b>	<b>100</b>

Source: Field work, 2021

Table 1 reveals that workers in the banking sector have high level of greed. 43% of bankers from Access bank have high level of greed, while 17% of bankers from first bank have the least level of greed. The increase level of greed in the new generational bank is high. This could be attributed the value system in the society today of making money quick.

**Table 2:** Greed & materialism accentuates electronic bank frauds

Opinion	Response %
Strongly Agree	42.5
Agree	31.4
Strongly Disagree	14.6
Disagree	11.5
<b>Total</b>	<b>100</b>

Source: Field work, 2021

Table 2 reveals that 42.5% of the respondent strongly agreed that greed & materialism accentuates electronic bank frauds, while, 31.4% agreed that greed & materialism accentuates electronic bank frauds. Similarly, 14.6% strongly disagree that greed & materialism does not accentuate electronic bank frauds, whereas, 11.5% disagree that greed & materialism accentuates electronic bank frauds. The high rate of respondents who strongly agree and agree that the greed & materialism accentuates electronic bank frauds is an evidence to support the assertion that greed & materialism accentuates electronic bank frauds.

**Table 3:** Education enhances bank electronic fraud

Response	%
Strongly Agree	35
Agree	53.4
Strongly Disagree	8.3
Disagree	3.3
<b>Total</b>	<b>100</b>

Source: Field work, 2021

Table 3 reveals that 35% and 53.4% of the respondent strongly agreed and agreed that educational value helped in enhancing banking operations inspite of its flaws. However, the 8.3% and 3.3% of the respondent strongly disagreed and disagree that educational value has not enhanced banking. The high rate of respondents who strongly agree and agree that the educational value enhances electronic bank fraud.

**Table 4:** Correlation Model summary

		ICT	Electronic Bank Fraud
Greed & materialism	Pearson Correlation	1	.822**
	Sig. (2-tailed)		.012
	N	558	588
Electronic Bank Fraud	Pearson Correlation	.822**	1
	Sig. (2-tailed)	.012	
	N	588	588

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Table 4 shows that greed and materialism correlated positively with electronic bank fraud at R = 0.822. This implies that 82% of electronic bank fraud is associated to greed and materialism in the banking sector today. Thus, as greed and materialism increases so also electronic bank fraud increases as well.

## VI. CONCLUSION

The study revealed that bankers in Rivers State have been faced with high level of greed and materialism especially workers at Access bank. Moreso, the level of education supports their greed and materialism leading to electronic bank fraud. The absence of values education as was prevalent in our educational system contributes to escalating electronic banking frauds. The study further showed that electronic bank fraud correlated with greed and materialism, thus as greed and materialism will simultaneous increase electronic bank fraud as well.

The implication of this findings is for the banking sector in Rivers State to exploit other methods to reduce the get rich quick syndrome which has drowned the entire society. The undue recognition accorded to those who have acquired wealth without querying their sources provides leverage to many young people who aspire to get rich quick since the society does not frown at it.

It is therefore recommended that socialization agencies must be strengthened and made more effective to properly socialize the young ones to the values of the society. The families, the schools, the religious organization and especially the parents have critical roles to play here. Values education particularly in the family setting which is the first point of contact should be made top priority. A faulty foundation will only ensure the result we are getting now. Moreso, capacity building for bank staff/management should be carried out especially in the provisions of various types of training as well as devices to track and monitor fraud. This would ensure that they have the requisite skills to implement such preventive strategies. As the perpetrators get

more ingenious in the acts the banks should be on top of their games at all times. The banks should in addition create a rigorous anti-fraud internal culture that promotes honesty openness, integrity and vigilance throughout the workforce.

All the institutions such as the academia, the churches, the chieftaincy institutions among others and the general public should cease from honouring or according undue recognition to men without visible means of livelihood. They should be courageous to shun, name and shame those with questionable sources of income irrespective of whatever contributions they may seek to make to the society.

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