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Impact of Cashless Economic Policy and Financial Inclusiveness on Economic Activities in Nigeria: An Empirical Investigation

Adagiri Isah Husein[1], Abdurrauf Babalola [2]

Abstract

This study empirically investigated the impact of cashless economic policy and financial inclusiveness in Nigeria. The research design used was the cross-section survey and descriptive design. The data source was primary and valid responses used through questionnaires. The analytical techniques employed were percentages, tables, and Chi-Square. The study's findings divulged that cashless economic policy positively impacted financial inclusiveness and individual persons' business activities in Nigeria. The study suggested that intensive and consistent education about the electronic channels on financial services should be carried out to enhance general awareness, including those outside urban centers, service charges, and transaction costs being made affordable or free where necessary. Free or low-cost banking is pertinent because unnecessary expenses may discourage the unbanked population from being brought into the inclusive n. Financial inclusion requirements through the opening of bank accounts in the rural areas should be made uncomplicated and comfortable for the rural dwellers. Lastly, facilities to aid financial inclusiveness, such as POS and ATM, should be made more efficient, secure, and available for use. These undertakings will put more confidence in users and potential users.

Key Words: Cashless Policy, Financial Inclusiveness
JEL Codes: G20, G28, G30

[1] Department of Economics, University of Abuja, FCT, Nigeria.
Email: isahhusein3@gmail.com
[2] Department of Economics, Al-Hikmah University, Ilorin, Nigeria.
Email: abdclement@yahoo.com

1 Introduction

Studies have it that financial Inclusion's crucial role in strengthening any world economy's growth and development cannot be overemphasized. It is clear that for an economy to achieve its desired outcome, there must be easy access to mobilization and circulation of a fund within all strata of the economy. This can only be achieved with a robust and functional banking system and inclusive financial services available to all sundry in that economy. In the present digital world, National Financial Inclusion Strategy (NFIS 2018) stated that various personal finance options are available for every income class of the population. This concept is called financial inclusiveness; people have access to formal financial institutions because they can use any financial institution's financial products or services at their desired disposal anytime.

The pronouncement of cashless economic policy by the Central Bank of Nigeria (CBN) in 2006 has made academicians keep up with the country's cashless system's progress and evolving nature. It was observed that this transaction system had transformed the consumers' payment profile. This assertion is related to the volume of business transacted and the company's value by the consumers. Musa (2015) cited Adesina and Ayo (2010) that this emerging financial transaction has risen to a billion worth of business deal as of 2008. But Ejiofor and Rasaki (2012) and Adeoti and Osotimehin (2012) observed that when the CBN began the cashless scheme in Lagos State, a significant number of the commercial nerve centre residents displayed a low level of perceived awareness about the scheme.

In another development, it was found that awareness has been created among the verse majority of Nigerians. They agree that it will help lower the uncertainty of what may happen when carrying cash. However, the customers' satisfaction rate is still at the lower ebb of speed, degree of service offered by the agents, responsiveness, and transaction safety (Okoye & Ezejiofor, 2013; Adeoti & Osotimehin, 2012).

According to the Central Bank of Nigeria CBN (2010), the nation's Financial Inclusion Strategy's fundamental reason is to lay down a clear plan for the appreciably rising accessibility and usage of financial products by 2020. Hence, financial Inclusion can be looked at as adults' ability (18 years and above) to ease access to varieties of prescribed financial services that satisfy their desires. According to the National Financial Inclusion Strategy, these services must be affordable in terms of cost (NFIS 2018). The salient elements contained in the definition of inclusion strategy are highlighted below:

i. Financial Products and Services Access Ease: Ensure every sector of the society has easy means to use financial products without strenuous requirements.
ii. Financial Products and Services Broad Range Usage.
iii. Users Need to be Driven Financial Products: The products must meet all the clients' needs and consider users' financial capacity and access to delivery channels.
iv. Inexpensive Financial Services: Financial services should be less expensive to accommodate low – income groups.

Also, the cashless policy, which is aimed at facilitating the acceptance to be financially included in the system of the financial net in Nigeria, this study has the following aims to attain.

a. To reform the Nigerian economy's payment system into a modern and well-developed structure in line with the top 20 economies in the year 2020. It serves as a critical facilitator of economic growth, which is also positively related to development.
b. To decrease the charges of banking services and orders on obtaining credit to motivate financial inclusion.
c. Proper management of inflation and economic growth in Nigeria through an effective monetary policy should be to enhance financial services inclusiveness.

Aside from less cash-carrying, the policy aims to limit the adverse concern related to the economy's excellent use of raw cash. There is a cost involved in printing money. With the implementation of carrying less cash, the economy will save the cost of printing and maintaining money notes and the security of such funds in banks and circulation. The payment system becomes faster and even more secure. In the same vein, corruption activities from payer to collector/receiver will be highly monitored with ease.

Below tables are used to depict the financial inclusion progress in Nigeria over the years.

Table 1
National Financial Inclusion Target Progress

	Target areas	**Target by 2020**	**2010**	**2012**	**2014**	**2016**	**2018**	**Variance to 2020**
Total Adult Population Percentage	Payments	70	22	20	24	38	40	-30
	Savings	60	24	25	32	36	24	-36
	Credit	40	2	2	3	3	2	-38
	Insurance	40	1	3	1	2	2	-38
	Pension	40	5	2	5	7	8	-32
	Financial Exclusion	20	46.3	39.7	39.5	41.6	36.8	-16.8

Source: Excerpt from EFInA, 2019

Table 1 shows the percentages of adults in Nigeria who are presently participating in financial Inclusion in the target areas from 2010 to 2018. The table revealed that Nigeria is far from reaching the target year of 2020. All impediments must be quickly addressed on time to see how the expected prospects of financial inclusion to the economy are achievable.

Table 2
Financial Behaviour Update and Usage

	2016	**2018**	**Growth/Decline**
Other formal (Non Bank)	30.1	28.5	-1.6
Pension	7.8	8.0	0.2
Savings	5.0	3.7	-1.3
Mobile money	1.6	3.3	2.2
Mobile money agents	0.2	1.1	0.9
Insurance	1.7	1.6	-0.1
Remittances	0.9	1.5	0.6
Loan with other formal institutions	1.0	1.3	0.3

Source: Excerpt from EFInA, 2019

Table 2 above, at 2018, about 99.6 million adults are active users of other formal financial institutions. It shows a reduction in the non-bank of other formal institutions from 30.1% to 28.8% (EFInA, 2019).

From table 3, all charges are done to generate for the commercial banks and government agencies without considering the reversal effect from the products' users. Consequently, this has been a spike in the use of cash transactions by Nigerians who intend to avoid these charges. This scenario will create the opposite of what a cashless policy should be. There is an expectation that quantifiable reduction in customers' preferred payment method will change to using cash for the transaction.

Table 3
Financial Inclusion Products and Rates Charged

Products	**Rate**	**Usage**	**Payment Channels**
Point of Payment (POS)	N50	Every Use	Mobile Banking
Automated Teller machines (ATMs)	N65	After Third Uses	Mobile Banking
Card Maintenance	N52.50	Monthly	Mobile Banking
SMS Alert	N4.00	Always	Mobile Banking
Electronic Transfer	N52	Always	Electronic Banking
A one-time pin (OTP)	N4.00	Always	Electronic Banking
Bank Statement	N20.00	Each Page	Over the Counter
Card Renewal	N1, 000.00	On Request	Over the Counter

Source: Author's Compilation, 2019

1.1 Statement of the Problem

Looking at the financial Inclusion fundamental elements, the rationale for the evolution of cashless policy in Nigeria, and the attendant solution it portends to curb in the economic system, Nigeria still needs to appraise the journey.

Nigeria Inter-Bank Settlement System Plc (NIBSS) in 2017 shows that there were 146.3 million POS transactions in Nigeria. This figure increased to 285.9 million in 2018, which shows that it is on the rise. Due to different charges prevailing in the system, this compliance trend could reverse compliance due to the unilateral aim of profit maximization of the stakeholders in the financial system, especially in terms of infrastructural and technical deficits, hindering the adoption of the cashless policy.

These charges could also affect other related gains of the financial inclusiveness and cashless policy.

Financial inclusiveness is expected to boost Nigeria's economic activities, which are likely to reflect general growth and improve a better life. It is against this threshold that the study seeks to ascertain how it has affected Nigeria's economic growth. This study became imminent, looking at the fact that any traditional society – where the more extensive populace is in the rural areas – making electronic payment more manageable, faster, and cheaper usually requires impetus for a voluntary financial change culture.

1.2 Objectives of the Study

The study's main objective is to examine the impact of a cashless policy as a panacea to Nigeria's economic growth. This objective is intended to be achieved through these specific objectives:

1. To examine the impact of business models changes of financial service providers on financial inclusiveness
2. To evaluate the effect of user’s awareness of electronic channels on financial inclusiveness
3. To assess the effect of usage of improved formal financial services on financial inclusiveness
4. To investigate the impact of ease of access to payments infrastructure on financial inclusiveness
5. To appraise the effect of service costs and perceived value on enhancing financial inclusiveness

1.3 Hypothesis Statements

H01: There is no significant impact of financial service providers' models on users' financial inclusiveness.

H02: There is no significant effect of knowledge of using electronic channels on users' financial inclusiveness.

H03: There is no significant effect of improved formal financial services on the financial inclusiveness of users.

H04: There is no significant impact of ease of access to payment infrastructures on users' financial inclusiveness.

H05: There is no significant effect of service costs and perceived value on enhancing users' financial inclusiveness.

2 Literature Review

2.1 Conceptual Issues, Economic Financial Policy

Strategic stakeholders in Nigeria's economic-financial policy and its role are vital to the financial system and the economic activities that the economy can propel for productivity. Financial inclusiveness is a determinant to increased gross domestic product and improvement of the financial system. The economic and monetary policy consists of rules and regulations that govern players' activities in the sector. These rules are expected to drive the economy in the desired direction. A new recent economic-financial policy was the cashless policy meant to deliver the predetermined objectives that are economic growth and development driven.

Each stakeholder's role is stated as follows, as enshrined in the policy framework given by the Central Bank of Nigerian.

Public Institution: This is made up of Federal Ministries, other Government Agencies, and Parastatals with their respective programs. Each of the public institutions is mandated to create an enabling environment for digitalizing the government's financial responsibilities and support initiatives to boost access to finance of the barred populations from financial Inclusion.

Financial Service Providers: Commercial Banks, Development Banks, Pension Fund Administrators, Microfinance Banks, etc. It is expected that these institutions will offer financial services that are reasonable and accessible to meet end-user needs, which are in line with established consumer best financial practices.

Other Financial Institutions: Middle Money Operations and Other Financial Technology Companies are Telecommunication companies (GLO, MTN, AIRTEL, etc.) whose platform is usually used to do the financial transactions.

Development Partners: Organizations that are not owned by the Government and Foundations and bilateral agencies that provide help to achieve developmental goals should be impartiality, well-being enhancement, emancipation, the low-quality decline amid other activities in the country.

Distribution Actors: All stakeholders intermediate between the financial inclusion services users like Network Service Providers, Intermediary Bank Settlement, and Satellite Agents within the communities. These activities allow them to earn income from services offered and other collaborative services in the financial ecosystem. It is expected that such services rendered are well-organized, appropriate and consistent services in maintaining the objectives of financial Inclusion.

Users: Consumers and Advocacy Group are the categories of users that make use of the opportunity available to them right to use and deal with their finances, slot in economic activities, enhance spending, raise revenue and attain sustainable, cost-effective dependence.

Regulators: CBN, Nigerian Communication Commission (NCC), Nigerian Agricultural Insurance Commission (NAIC), Pension Commission (PENCOM), Nigerian Deposit Insurance Commission (NDIC), and Securities and Exchange Commission (SEC) are the regulatory agencies in Nigeria that supervise those activities under their respective agencies.

2.2 Theoretical Review

The industrial revolution of most advanced countries like Europe was boosted by the financial system, which was activated unexpectedly for industrial sector usage. This revolution was also made possible because of the accessibility of finances and the low charges on loans obtained for industrial activities. In line with this position, real growth in a country is determined by the financial system's actions because improved production and specialization are made possible by the system's enhanced resource (credit availability and acquisition). Schumpeter (1912) also affirmed that technological discovery and innovation are critical for economic growth that the financial sector must expedite through well-organized resource generation and distribution. He maintained that a vibrant financial system is necessary for flourishing entrepreneurial commitment in technological innovation because translating novel thinking (ingenuity) into real output has cost repercussions that entrepreneurs themselves may not cover. He queried that an efficient financial system is that type that can identify and fund entrepreneurs who have shown the most significant probability of successfully converting innovative ideas into marketable products through inventive production processes (Okoye, Adetiloye, Erin & Modebe, 2017).

2.3 Empirical Review

It is not new that inclusive finance is critical to financial development in the world today. The inclusive finance and human capital can significantly impact promoting effective regional economic growth, especially in the Western China provinces but otherwise in the Central region. This difference is due to different human capital development in the areas. The study recommends that optimizing resource allocation of inclusive finance and human capital is imperative because it can guarantee China's general economy's constant evolution. (Guangyou, Kuangxiong, Sumei & Guohu, 2018)

Adetoso, Harleyand Adegbola (2017), in a study, the role of financial Inclusion on economic growth and poverty reduction in a developing economy, found that economic growth and poverty can be influenced significantly by financial Inclusion. Economic growth is bound to increase when there is financial inclusiveness of the populace, and in the end, poverty is reduced. The study that used OLS econometric analysis suggested that nations can emphasize decreasing poverty level via improvement in infrastructure that would boost better living standards and banking services.

In a study of financial Inclusion, finding revealed that rural dwellers' funds kept in the money banks and loans with commercial banks significantly impact the gross domestic product (GDP) in Nigeria. The study adopted the Vector Error correction model (VECM) to estimate the short run and the long-run causality among the rural dwellers' deposit and loans to GDP (Onalo, Lizam & Kaseri, 2017).

Okoye et al. (2017) studied the impact of financial Inclusion, credit delivery on economic growth and development in Nigeria. The study used OLS as the empirical analysis method and found that credit delivery has not significantly promoted or improved GDP in Nigeria. In contrast, financial Inclusion has enabled poverty alleviation via rural credit delivery. They recommended that financial system agency that controls coordination activities should not be concerned with financial inclusion effort through enhanced credit deliverance to the private segment of the economy. Still, it is also expected to strengthen the regulatory framework to ensure efficient and effective resource allocation and utilization.

Omojolabi (2017) studied financial Inclusion, governance, and economic progress in Nigeria as it affects the welfare of those below the poverty line. The generalized method of moment (GMM) estimation techniques were used in the study and found that financial inclusion, good governance, and commercial banks corporate governance significantly affect GDP per capita. Infrastructural development can bridge the gap between the rich and the poor and reduce the prevalence of poverty in Nigeria. The study suggested that more effort be taken to tackle income inequality issues and increase per capita income of the small income earners' financial inclusion.

Olaniyi and Babatunde (2016) studied the determinant of financial inclusion in Africa: a dynamic panel data approach between 2005 and 2014, where dynamic panel data was used. The factors like per capita income, wide-ranging money as a proportion of GDP, education, internet access, domestic credit as a fraction of GDP, deposit interest rate, inflation, population, and non-interest banking presence and activities are relevant explaining the level of financial inclusion in Africa. The study recommended that the listed factors above are of utmost relevance for the Apex banks, commercial banks, and policymakers in Africa to advance innovative ways to enhance the inclusion of the impoverished populace excluded in the formal financial system.

Onaolapo (2015) stated that there is a need to create a deposit and borrowing windows at affordable cost to the poor and to the income group erstwhile tagged as unbankable, encouraging financial intermediation among the rural dwellers. Financial inclusion on Nigeria's economic growth (1982 – 2012), was analyzed and found that the citizens' financial enclosure in a cost-effective system is significant to economic growth in Nigeria.

Olayinka (2015) found that although Nigeria’s mobile money adoption falls short of expectations, the experience catalogue operators revealed that such issues and challenges are among the contextual constraints of mobile money operation in Africa’s largest economy. It was advised that regulatory restrictions could be identified and addressed through industrial regulatory practices.

Nwanne (2015), discovered that the lack of financial institutions in rural areas excludes dwellers from getting into the financial inclusion net. The study that used rank correlation method of statistical analysis recommended that the continuous education of the rural dwellers, collaboration among commercial bank institutions, micro finance banks, and communication services must be promoted to facilitate the success of the CBN's financial inclusion policy. More so, the requirements for financial Inclusion through the opening of bank accounts in rural areas should be made light and comfortable for rural dwellers.

Segun and Onafowokan (2014) studied the interplay of financial inclusion in Nigeria: theory, practice, and policy found that account ownership, insurance services, and mobile money are very low. This study was done using simple statistical analysis to present the responses of the questionnaire in percentages from the six geopolitical zones of Nigeria. The study suggested that banks should reinforce their enlightenment strategies to harness the Nigerian populace to increase the transaction net of the unbanked ones into the financial inclusiveness.

3 Methodology

The research design used in this work was the cross-section survey design and descriptive design. This approach was deemed necessary because the study wants to observe the behaviour of the respondents as it affects the policy of less usage of cash in Nigeria through the use of financial inclusion strategies. Hence, the data source was primary as it collected from a sample of Two Hundred and Forty (240) valid responses from the questionnaires distributed to different classes of people ranging from working-class, traders, and other private employers. The questionnaire used was designed so that respondents can tick the given options based on the view they have on the issues at hand. The analytical techniques used were percentages, tables, and Chi-Square to show the respondents' behaviour to the cashless policy to solve financial Inclusion and increase in the economy's gross domestic product. Thus, the Chi-Square relationship was presented as:

$$E = \frac{row\ total \times column\ total}{grand\ total} \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots$$

Degree of Freedom (df) = (c – 1)(r – 1)

$$X^2 = \sum \frac{(O-E)^2}{E} \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots 2$$

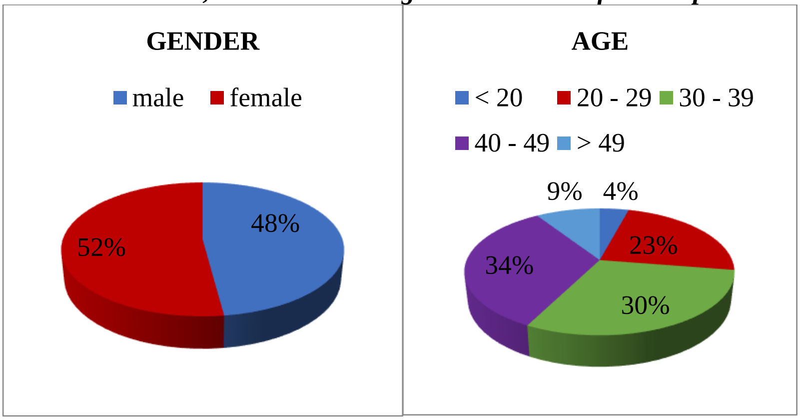
Decision Rule

If $X^2_t < X^2_c$, we do not reject H_1.

4 Results and Discussion

Figure 1

Panel A is Gender, and Panel B is Age Distributions of the Respondents



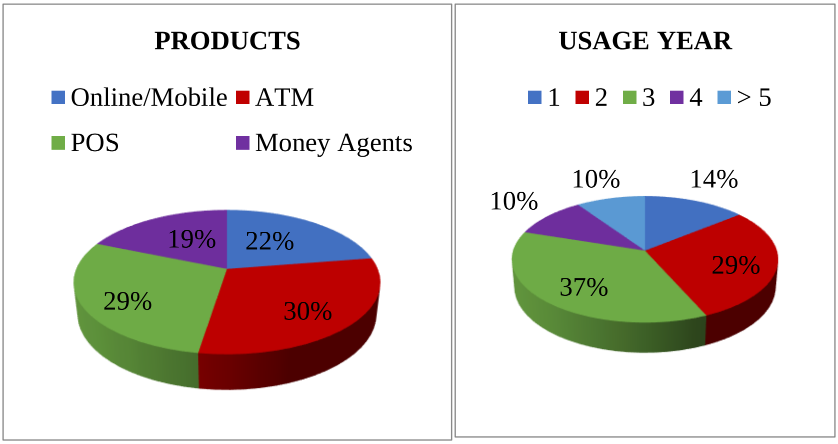
Source: Authors' calculations

Figure 1 above, Panel A shows that 52% of the respondents are male, while the remaining percentage represents females. Panel B shows the respondents' age distribution, which depicts that many of them know what is right and beneficial to them in terms of their welfare.

Looking at Figure 2 below, Panel A shows the product that makes cashless policy possible and serves as a financial inclusiveness tool. The products include online banking, mobile banking, automated teller machine (ATM), point of sale (POS), and money Agents' patronage that uses the network service provider's platform. The majority of them use POS and ATM more often than mobile banking and money agents. Panel B of figure 2 indicates that many of the respondents have been using these available cashless platforms for financial transactions. Only 10% of the respondents have been using cashless platforms for more than five years. It can be inferred from panel B that tremendous progress is being made in this regard as the number of users increases.

Figure 2

Panel A is Products, and Panel B is Usage Year Distributions of the Respondents



Source: Authors' calculations

From the tables above analysis, it is evident that awareness of cashless poly and financial Inclusion is circulating among Nigeria's citizens. Financial agencies that control and maintain the regulatory policy implementation must ensure that necessary means through which this achievement is enhanced and sustained should not be ignored. And all the facilities available in cities that ease the accessibility and affordability of the financial inclusion cashless policy should be provided close to the rural dwellers.

Table 4 presents the analysis of respondence in line with the various research hypotheses.

Table 4

Analysis of Respondents

Research Hypothesis 1: Product offered in the mobile banking market and the needs of the target users							
S/N	**STATEMENTS**	**SA**	**A**	**N**	**D**	**SD**	**TOTAL**
1	I am aware of mobile banking	50 (36)	27 (28)	3 (4)	4 (9)	1 (7)	85
2	I make use of it often	17 (24)	18 (18)	6 (3)	8(6)	6 (5)	55

3	I prefer the product to cash purchases	11 (19)	14 (15)	2 (2)	10 (5)	8 (4)	45
4	It reduces my daily cash spending compare to before	11 (13)	13 (10)	0(2)	3 (3)	3 (3)	30
5	Usage of the new models ease my transactions	14 (11)	8 (8)	1 (1)	0 (3)	2 (2)	25
	Total	103	80	12	25	20	240
Observed: $x^2_c = 39.02$		x^2_t=26.2962		df = 16 @µ = 0.05			
Research Hypothesis 2: Simplicity of the operational technology used in the product meet the acceptability & usability of the targeted users							
1	Registration procedure is easy	35 (28)	20 (21)	2 (3)	2 (5)	1 (5)	60
2	My device is user friendly	9 (14)	10 (10)	3 (1)	4 (2)	4 (2)	30
3	It makes transactions easier in lower denominations	6 (12)	8 (9)	1 (1)	5 (2)	5 (2)	25
4	Customers are aware of the services and ready to use them anytime	16 (21)	20 (15)	1 (2)	5 (3)	3 (4)	45
5	Many still do not use it at all due to low awareness	45 (37)	24 (27)	3 (3)	2 (6)	6 (6)	80
	Total	111	82	10	18	19	240
Observed: : $x^2_c = 38.52$		x^2_t=26.2962		df = 16 @ µ = 0.05			
Research Hypothesis 3: Service costs of the products on offer and perceived value by the targeted customers are acceptable							
1	The cost services are high	39 (28.5)	24 (24.9)	2 (3.9)	3 (6.3)	4 (8.4)	72
2	There are hidden charges	24 (29.7)	26 (25.9)	6 (4.1)	6 (6.6)	13 (8.8)	75
3	There are sharp practices in charges deducted	11 (17)	14 (14.9)	1 (2.3)	8 (3.8)	9(5)	43
4	Service charge commensurate with usage	9 (11.5)	13 (10)	2 (1.6)	3 (2.5)	2 (3.4)	29
5	I have value for the cost paid for services	12 (9.1)	7 (8)	2 (1.2)	1 (2)	1 (2.7)	23
	Total	95	83	13	21	28	240
Observed: $x^2_c = 28.52$		x^2_t=26.2962		df = 16 @ µ = 0.05			
Research Hypothesis 4: Trust in the products and services offered in the cashless policy and their adoption & utilization							
1	I feel financially secured from fraudulent activities	32 (22)	18 (18)	1 (2)	2 (6)	2 (7)	55
2	It is easy to use any of products available	15 (20)	16 (16)	5 (2)	4 (6)	9 (7)	50
3	This is a result of fear of bleach of trust	15 (25)	15 (20)	1 (2)	16 (7)	15 (8)	62
4	The services are available everywhere in Abuja	14 (16)	18 (13)	0 (1)	5 (5)	3 (5)	40

5	There is sufficient law to curtail breach of trust	19 (13)	10 (11)	1 (1)	1 (4)	3 (4)	33
	Total	95	77	8	28	32	240
Observed: x^2_c = 51.1		x^2_t=26.2962		df = 16 @ µ = 0.05			
Research Hypothesis 5: Eco – System and other channels are available							
1	Other channels are accessible everywhere	38(29)	22(23)	2(3)	3(5)	1(6)	66
2	It is easy to cash in or cash out	13(19)	15(15)	4(2)	4(3)	8(4)	44
3	End – to – end Transactions are immediately done	8(14)	10(11)	1(1)	6(3)	7(3)	32
4	Transaction failures are easily resolved quickly	16(20)	20(16)	1(2)	5(4)	3(4)	45
5	Minimal average charges per transaction compare to banks	30(23)	16(18)	2(2)	1(4)	4(5)	53
	Total	105	83	10	19	23	240
Observed: x^2_c = 35.05		x^2_t=26.2962		df = 16 @ µ = 0.05			

For research question 1, the below calculations are the steps for deriving the expected value for each intersection of rows and columns. This calculation was done for every research question, which was used to generate the values in parenthesis.

Row I	**Row III**	**Row V**
(85 x 103)/240 = 36	(45 x 103)/240 = 19	(25 x 103)/240 = 11
(85 x80)/240 = 28	(45 x 80)/240 = 15	(25 x 80)/240 = 8
(85 x 12)/240 = 4	(45 x 12)/240 = 2	(25 x 12)/240 = 1
(85 x 25)/240 = 9	(45 x 25)/240 = 5	(25 x 25)/240 = 3
(85 x 20)/240 = 7	(45 x 20)/240 = 4	(25 x 20)/240 = 2

Source: Researcher's Output (2019)

To get X2 for each SA, A, N, D and SD in each hypothesis, we calculate thus using the 5th Hypothesis first row

SA X2 = $\frac{(38-29)^2}{29}$ = 2.7931; find that of A, N, D, and SD. Then sum row X2 values. Lastly, add all the X2 for each row in Hypothesis 5 to get the X2 for that hypothesis.

5 Discussion of Findings

The chi-square results for hypotheses used to achieve the study's objectives are displayed below in table 5.

Table 5
Chi-Square Results for the Five Hypotheses

Variables	X^2_c	X^2_t	Df @ µ	Decision Rule	Status
Hypothesis 1	39.02	26.29	16 @ 0.05	$X^2_t<X^2_c$	Do not reject H_1
Hypothesis 2	38.52	26.29	16 @ 0.05	$X^2_t<X^2_c$	Do not reject H_1
Hypothesis 3	28.52	26.29	20 @ 0.05	$X^2_t<X^2_c$	Do not reject H_1
Hypothesis 4	51.1	26.29	16 @ 0.05	$X^2_t<X^2_c$	Do not reject H_1
Hypothesis 5	35.05	26.29	16 @ 0.05	X2t<X2c	Do not reject H1

The first objective examines the presence of significant impact of changes in financial service providers' financial inclusiveness, which is stated in hypothesis 1, i.e. there is no significant impact of financial service providers' models on financial inclusiveness of users. This objective is done by using the product existing in the mobile banking market and the target users' needs. The finding reveals that X2t (26.2962) < X2c (39.02), meaning that we do not reject the alternative hypothesis that there is a significant impact of model change in the monetary services providers on the financial inclusiveness of users. It is clear to conclude that there is a significant association between the changes in financial service business models and financial inclusiveness. Our result is quite in line with the findings of Guangyou et al. (2018) in the Chinese economy.

The second objective is to evaluate the effect of awareness of electronic channels on financial inclusiveness via the concept of simplicity of the operational technology used in the product to meet the acceptability & usability of the targeted users' acceptability and usability. This objective is reported in hypothesis 2, i.e. there is no significant effect of knowledge of using electronic channels on financial inclusiveness of users). The result shows that X2t (26.2962) < X2c (38.52), which implies that we don’t reject the alternative hypothesis. There is a significant effect of awareness of electronic channels on financial inclusiveness through simplified operational technology for the products offered to the target users.

The third objective measures the effect of enhanced formal financial services on financial, which pivots on hypothesis 3, i.e. there is no significant effect of improved standard financial services on users' financial inclusiveness. It shows that X2t (26.2962) < X2c (28.52), implying that we accept the alternative hypothesis and agree that there is the significant effect of the usage of enhanced formal financial services costs on the financial inclusiveness of users. It can be deduced from the comparison of the two values - X2t (26.2962) < X2c (28.52) – where the difference is not much that the cost of service charge is affecting the usage of the financial services available to customers.

The fourth objective investigates the impact of accessibility of payments' infrastructure on financial inclusiveness, stated in hypothesis 4. It shows that X2t (26.2962) < X2c (51.1). The result implies a strong correlation between payment accessibility infrastructures and the financial inclusiveness of users. It confirms that the users have trust in the product and services offered in the cashless policy. In this vein, when users have pretty access to withdrawal and deposit of their cash with ease, security, and disappointment in the form of lack of electricity, attack by rubbers, etc., they tend to choose to be financially included.

Lastly, the fifth objective appraises the effect of service costs and perceived value on enhancing financial inclusiveness using the ecosystem. Other channels are available, which rotates on hypothesis 5 (There is no significant effect of service costs and perceived value on enhancing users' financial inclusiveness), which turns on hypothesis 5. It shows that X2t (26.2962) < X2c (51.1). The result implies that users know the perceived value of the services offered and the cost as it enhances their financial inclusiveness. It suffices to say that there is a significant relationship between service cost and perceived value on financial Inclusion and cashless policy due to the availability of various channels of transaction. In essence, when users have a high perceived cost of operating the financial inclusiveness, they tend to withdraw from such activity. They could opt out and hence, be financially excluded.

Generally, looking at the values of the Chi-Square of the findings collectively, it can be stated that cashless policy has a strong co-relationship to financial Inclusion and economic growth in Nigeria.

Other studies that corroborated with the findings of this study are Onaolapo (2015), Olaniyi and Babatunde (2016), and Onalo et al. (2017). They all agree that financial Inclusion can be achieved through cashless transactions and, in the end, improve the economic growth in Nigeria.

6 Conclusion and Recommendations

This study empirically investigated the impact of cashless economic policy and financial inclusiveness in Nigeria. The research design used was the cross-section survey and descriptive design. Hence, the data source was primary as it collected information from a sample of Two Hundred and Forty (240) valid responses through questionnaires distributed to different classes of people ranging from working class, traders, and other private employers. The analytical techniques used were percentages, tables, and Chi-Square to show the behaviour of the respondents to the cashless policy as a solution to financial Inclusion and an increase in the gross domestic product of the economy

Findings of the study divulged that Cashless Economic Policy impacted positively on Financial Inclusiveness in Nigeria. Therefore, consistent effort must be maintained to ensure that cashless policy is deepened to reach the entire populace of the country to advance economic activities and consequently improve economic growth. Even though the cost of transaction and charges seems to be an issue to the users of cashless policy, financial Inclusion remains a relevant factor that can be used to track economic activities, free money, sharp practices in government agencies and intergovernmental expenses.

The study, therefore, recommends that:

1. Business models of any financial service institution that would enhance financial inclusiveness should be encouraged, and the potential benefit of such models be made known to the users.
2. Intensive and consistent education about the electronic channels on financial services should be carried out to enhance general awareness, including those outside urban centers.

3. Service charges and transaction costs should be made affordable or free where necessary because unnecessary charges may discourage the unbanked population from increasing.
4. Financial institutions and government should ensure that enabling environment should be provided where the users of cashless policy will be stranded at the time of financial services need.
5. More so, the requirements for financial Inclusion through the opening of bank accounts in rural areas should be made light and comfortable for rural dwellers.
6. Lastly, the availability of infrastructural facilities to promote financial inclusiveness, such as POS and ATM, should be more efficient and secure. This strategy will put more confidence in potential users.

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