Digital Technology and the Nigerian Banking System

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Abstract

This study investigates the perceived transformative potential of blockchain technology among Nigerian financial professionals. A descriptive survey research design was employed, and quantitative data were collected via a structured questionnaire from 235 purposively sampled professionals within Nigeria's banking and fintech industries. Data analysis involved descriptive statistics and inferential techniques, including Pearson correlation and multiple regressions. The findings reveal a strong, positive, and statistically significant relationship between blockchain adoption and the disruption of traditional banking models ($r = 0.611$, $p < 0.01$), the enhancement of financial inclusion ($r = 0.574$, $p < 0.01$), and the improvement in transaction security and privacy ($r = 0.652$, $p < 0.01$). Furthermore, regression analysis indicated that blockchain features such as transparency and automation significantly predict cost reductions in banking operations, explaining 47.7% of the variance (Adjusted R^2). The study concludes that blockchain technology holds immense potential to revolutionize Nigeria's financial system by decentralizing operations, improving efficiency, fostering inclusion, and reducing costs. It is recommended that stakeholders develop comprehensive regulatory frameworks, invest in digital infrastructure, and initiate targeted capacity-building and public-awareness campaigns to accelerate the responsible and inclusive adoption of blockchain technology in Nigeria.

Keywords: Blockchain, Technology, Banking, Financial Inclusion, Transaction Security
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