

IMPACT OF BANK VERIFICATION NUMBER (BVN) ON CORRUPT BUSINESS PRACTICES IN UNITED BANK FOR AFRICA IN ABUJA

AKYUZ, Murat

Department of Business Administration
Nile University of Nigeria, Abuja, Nigeria

TONY, L. Wuyep

Department of Business Administration
Bingham University, Karu – Nigeria

OPUSUNJU, Michael Isaac

Department of Business Administration
Nasarawa State University, Keffi, Nigeria

IJMSSSR 2019

VOLUME 1

ISSUE 6 NOVEMBER – DECEMBER

ISSN: 2582-0265

Abstract – The study examined the impact of Bank Verification Number on corrupt business practices in the United Bank for Africa branches in Abuja, FCT. The study adopted a survey research design. The population of the study consists of 21 branches of the United Bank for Africa in Abuja. The population of staff of United Bank for Africa was uncertain and the sample used infinite sample size determination to determine the sample size of 246. The method of data collection used by this study was a questionnaire that was administered to the respondents who are the staff of the United Bank for Africa branches in Abuja, FCT. The statistical tool used is multiple regression and the findings revealed that implementation of BVN as a positive and significant effect on corrupt business practices in the United Bank for Africa, Abuja branches. Other findings were that before the introduction of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on diversion of the fund. The study found that after the implementation of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on the diversion of fund. The study also realized that before the introduction of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on money laundering. The study found that after the implementation of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on money laundering. The study also found that the difference in the values of mean and standard deviation indicates that the implementation of BVN in 2015 is very good and helps the banking sector as well as the government of Nigeria to monitored banking transfer and transactions. The difference is that model 1 has 76% coefficient of determination while model 2 has 93% coefficient of determination which implies that implementation of BVN has helped in preventing money laundering in the United Bank for Africa. Also, the difference is that model 1 has 76% coefficient of determination while model 2 has 93% coefficient of determination which implies that implementation of BVN has helped in preventing money laundering in the United Bank for Africa. The study recommended that United Bank for Africa branches, Abuja should continue to implement BVN in transacting business by carefully observing customers' biometrics such as fingerprint, signature, pins, 11 digits numbers to prevent corrupt business practices in the bank. The bank branches should ensure that they established a unit that will be responsible to see that the implementation of BVN is to carry out in the branches of the United Bank for Africa. They should monitor the customers' accounts daily.

Keywords: Banking Reform, Stability, Total Deposits, Loans

Introduction

With the increasing incidents of compromise on the conventional security system (password and pin), there is a high demand for greater security on access to sensitive or personal information in the banking system (Emefiele, 2015). The high rate at which fraudulent activities are going on in Nigeria made the Federal Government (FG) and the Central Bank of Nigeria (CBN) stand on their toes in order to resolve the issue of frauds and to boost

financial security in the Nigeria Banking Industry. Because of this, the Central Bank of Nigeria on February 14, 2014 made it compulsory that all account holders should have a Bank Verification Number (BVN) to enable the account holder to have a single identity in all the banks in Nigeria. Multiple account holders would be covered with a single registration in any of the banks where they have accounts; all he or she needs to do is to link it with his or her accounts.

The essence of this system is to help the bank in the protection of their customers from theft and other financial/economic crimes growing in the financial system (Vanguard Newspaper, 2015). The Bank Verification Number (BVN) is a great step taken by the Central Bank of Nigeria (CBN) to strengthen the financial security and order in the banking sector of Nigeria. One of the importance of the BVN is that transactions will be safer once all protocols are duly observed. More also, the essence of this BVN exercise is to ensure that bank transactions are safer and fraudulent transactions are minimized, if not eliminated (Nweze, 2015).

The Nigeria society is bedeviled with so many corrupt practices which have eaten deep into all fabrics in Nigeria as a result of the diversion of funds and money laundering. To address this corruption, the Administration of President Muhammadu Buhari Implemented Treasury Single Account (TSA) in 2015 and BVN in 2014 schemes with the aim of not only combating corruption in Nigeria but also eradicate it. It is therefore uncertain whether the implementation of BVN has helped to prevent corrupt business practices in the United Bank for Africa branches in Abuja or not despite government effort.

The objective of this study is to examine the impact of Bank Verification Number (BVN) in combating corrupt business practices in the United Bank for Africa and Access Bank Plc in Abuja. The specific objectives are to: determine the impact of BVN on the prevention of Diversion of funds in the United Bank for Africa in Abuja and determine the impact of BVN on combating money laundering in the United Bank for Africa in Abuja.

From past works of literature, Odusina and Fowosire (2014); Wisdom, (2015); Ehi (2015); Odusina and Fowosire (2017); Nangih and Davies (2017); Oluwalami (2018) and Olijo (2018) studied the variables but none of this study used United Bank for Africa branches in Abuja. Also, none of the studies reviewed and used in this study analysed data using pre and post method of data analysis to discover the impact of the variables.

This study is restricted to the impact of Bank Verification Number (BVN) in Combating Corrupt Business Practices in the United Bank for Africa in Abuja. It focuses on the periods before the introduction of BVN (2000-2014) and a period before the introduction of BVN (2014 to 2017). The justification for choosing the period that BVN was not introduced in Nigeria from 2000 to 2014 and it was only introduced in Nigeria by President Goodluck led administration and the full implementation of BVN and its compliance by the Buhari led administration came to effect in the period (Vanguard Newspaper, 2015).

H₀₁: BVN does have a significant impact on the Diversion of funds in the United Bank for Africa in Abuja.

H₀₂: BVN does have a significant impact on money laundering in the United Bank for Africa in Abuja.

Concept of Corrupt Business Practices

Corrupt Business practices are those set of the method, procedure, process, or rule that are improbity in an organization or economic system whereby goods and services are being exchanged for a reward (Wisdom, 2015). However, Corrupt business practices involve seeking or extracting of receipt or promise of a gift or any other advantage by a person or group of persons in consideration of his/her performance or omission of an act in violation of the duties required of the office (Isaac, 2009). The study conceptualized corrupt business practices to means practices that involved diversion of fund and money laundering by the management of an organization.

Diversion of Fund

The diversion of fund is the movement fund to activities that are not budgeted for and refers to the diversion of fund used for unintended purposes (Khaleque, 2010). Khaleque (2010) asserts that the diversion of fund is the disbursement of funds to the unattractive economic sector or movement of fund to individual hands (Bhat, 1971). From this, the study conceptualized diversion of fund as money that is transferred to unofficial records as in banks as if it documented. It is also referring to as money meant for development is used for personal consumption.

Money Laundering

According to Ering (2011), money laundering is the practice of engaging in financial transactions to conceal the identity, source, or destination of illegally gained money. Money laundering according to Ogbodo and Miseseigha (2013) is the concealment of the source, nature, existence, location and disposition of money and/or property obtained illegally or from criminal activities such as embezzlement, drug trafficking, prostitution, 419, corruption and large scale crime. Puneet and Parashar (2010) defined money laundering as illegal money acquired in an attempt to make legitimate from a legal source. Money laundering is the processing of criminal proceeds to disguise their illegal origin (Bolaji, 2010). Money laundering is the crime of moving money that has been obtained illegally through banks and other businesses to make it seem as if the money has been obtained legally (Shehu, 2013). Osisioma (2009) refers to money laundering as a second-order financial crime that derives from an underlying criminal activity often called predicate offence. It generates proceeds which when laundered results in the offence of money laundering. Still, in his words, money laundering is often a cross-border crime. Salinger (2005) opined that money laundering takes several different forms although most methods can be categorized into one of a few types such as bank methods, currency exchanges and double –invoicing.

Concept of Bank Verification Number (BVN)

The Bank Verification Number (BVN) is a biometric identification system that gives each bank customer a unique identity across the Nigerian banking industry, forms part of an identity management programme enforced by the CBN which was launched in February 2014, also partly ensuring the effectiveness of Know Your Customer (KYC) principles (CBN, 2014). BVN is the 11 digit number you get from the bank after your picture, fingerprints, and signature have been captured electronically and successfully added to the database (Taiwo, 2015). It refers to as Bank Verification Number because, it's a biometric system exercise adopted by the bank, which uses some of the functions of biometrics, to verify the existing data of customers in the bank in order for a unique number to be issued for curbing corrupt business practices in the financial institution (CBN, 2016). The bank verification number has the following features. They are Biometrics and Eleven Digit Numbers.

Biometrics is a field of science that uses computer technology to identify people based on physical or behavioral characteristics, such as fingerprints or voice scans (Taiwo, 2015). Biometrics are gaining widespread use in the business world as a means to make the workplace more secure and efficient (Taiwo, 2015).

This number is used to indicate which template should be used for comparison in the bank. If the number is stolen or seen by anyone, it can't be useful for that person because it is best used with BVN platform which only a few and selected people in the banks have access to it. In verification (or authentication) mode the biometric system performs a one-to-one comparison of a captured biometric with a specific template stored in a biometric database to verify the individual is the person they claim to be (CBN, 2014).

Empirical Studies

Wisdom (2015) examined the impact of BVN on corrupt business practices in Zenith Bank Nigeria Plc. He used a survey research design and the entire staff of Zenith Bank Nigeria Plc. The sample size was determined based on the number of staff who received a copy of the questionnaire. He tested for the reliability of the instrument and used variables such as money laundering and diversion of fund as measures of corrupt business practices. The study also employed the use of regression to analyse the data and the finding indicates that implementation of BVN has a significant impact on the prevention of corrupt business practices in Zenith Bank of Nigeria Plc.

The above study failed to indicate the population of the study and the figure for sample size. The study used the word impact but failed to conduct the analysis called before and after (pre and post). The regression used was unique since the study uses an impact to understudy the variables.

Odusina and Fowosire (2017) used five top-rated posts consolidated banks to examine biometric verification numbers and fraud prevention in Nigerian Deposit Money Banks. Structured questionnaire was prepared to get the opinions of both workers and bank customers, their responses were critically analyzed and the study concluded that the introduction of Biometric Verification Number is an effective tool that will reduce the incidence of fraud to the barest minimum in Nigeria, and thus the financial institution and their business partners must continue to seek and develop new solutions to the issue of customer authentication and transaction validation.

The above study used Biometric Verification Number and Fraud prevention in Nigerian Deposit Money Banks and noted that fraud was cited as Nigeria's biggest problem both in the public and private sectors and similar studies can also examine this to re-affirm this statement. The study failed to indicate the population of the study and the sample size of the study. The study failed to use appropriate statistical tools adopted in this study.

Oduşina and Fowosire (2014) examined Information Communication Technology, Bank Verification Number and Fraud Prevention in the Banking industry in Nigeria, their responses were critically analyzed. Structured questionnaire was prepared to get the opinions of both workers and bank customers using all the banking industry in Nigeria and the study concluded that the introduction of Bank Verification Number with the aid of Information Communication Technology (ICT), is an effective tool that will reduce the incidence of fraud to the barest minimum in Nigeria, the use of ICT should also be encouraged but with strict security and thus the financial institutions and their business partner must continue to seek and develop new solutions to the issue of customer authentication and transaction validation

The above study used three variables such as Information Communication Technology, Bank Verification Number and Fraud Prevention in the Banking industry in Nigeria but similar studies can only use two variables such as Bank Verification Number and Fraud Prevention. The study failed to indicate the population of the study and the sample size of the study. The study failed to indicate the statistical tool used in the study.

Ehi (2015) critically analyses the centralized biometric identification system tagged Bank Verification Number (BVN). The BVN project was introduced by the Central Bank of Nigeria due to increasing incidents of compromise on conventional security systems (password and PIN) and high demand for greater security for access to sensitive or personal information in the Banking System. This paper seeks to determine whether or not the project can achieve its core objectives? The analysis would be done under the following headings: Identity Theft, Beneficial Owners, Financial Inclusion and Blacklisted Customers.

The above study failed to adopt good research methodology such as indicating the research design, population of the study, a sample size of the study and method of sample size determination, sources of data, method of data collection and method of data analysis as well as model specification. The finding of the study is not unique since it does not use a statistical tool such as regression and correlation as well as chi-square.

Oluwalami (2018) examined e-banking fraud prevention and detection in the Nigerian banking sector; particularly the current nature, impacts, contributing factors, and prevention and detection mechanisms of e-banking fraud in Nigerian banking institutions. This study adopts mixed research methods with the aid of descriptive and inferential analysis, which comprised exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) for the quantitative data analysis, whilst thematic analysis was used for the qualitative data analysis. The findings show that the factors contributing to the increase in e-banking fraud in Nigeria include ineffective banking operations, internal control issues, lack of customer awareness and bank staff training and education, inadequate infrastructure, presence of sophisticated technological tools in the hands of fraudsters, negligence of banks' customers concerning their e-banking account devices, lack of compliance with the banking rules and regulations, and ineffective legal procedure and law enforcement.

The above study failed to indicate the population of the study and sample size of the study as well as the method of sample size determination. The study also failed to indicate the statistical tool adopted. The study could have to use regression to estimate the cause and effect relationship between the dependent and independent variables.

Olijo (2018) investigated Nigerian newspaper coverage of the Bank Verification Number (BNV) exercise with emphasis on story interpretation/ education, volume, and prominence. The study applied content analysis while two newspapers- The daily Sun and The Leadership were selected for the study which duration was February 1st, 2015 to October 31st, 2015. A self-developed questionnaire was used to collect data for the study. The result showed that 66.7% of the stories on BVN were found to be educative/ interpretative while only 33.3% were found not to be interpretative/ educative, findings also showed that 60.3% of the stories were on half-page, 25% were quarter-page while 14% was a full page. The researcher also found that most (47%) of the stories on BVN were on the inside page, followed by back page (17%), front page (17%) and the center page (15%).

The above study used bank verification number and similar studies can also use the same variable. The problem of the study was that it failed to indicate the population of the study and how the population or sample size was reached. The study failed to indicate good statistical tools such as regression and correlation but use a simple percentage that cannot give detail significant effect of one variable on the other variable.

Nangih and Davies (2017) examined how the use of biometrics and BVN technology can be used to check the menace of ghost worker syndrome and payroll fraud in the local government system in Rivers State. Primary data were collected via questionnaires. Chi-Squares and Kruskal Wallis statistical tools were employed to test hypotheses. Descriptive statistics were also used to show the diagrammatically the reactions of the respondents. It was concluded that the use of biometrics and BVN can help greatly in the eradication of payroll fraud and ghost workers in the local government payroll system.

The above study was conducted in River State and a similar study can be conducted in Abuja using deposit money banks in Abuja. The study failed to indicate the population of the study and the sample size of the study as well as sample size determination. The study used Chi-Squares and Kruskal Wallis which are inappropriate since then it cannot explain the cause and effect relationship between the dependent and independent variables.

Fraud Preventative Theory

Intentions are the best predictor of any planned behavior and understanding the antecedents of intentions provides practical insights into the behavior (Ajzen & Fishbein 1980). Therefore Fraud preventative theory was proposed to curb the behavioral intention of any individual to fraud. According to Goosen, Pampallies, Van der Merwe and Mdluli (1999), a bank owes a duty to its customers to keep accurate records of all the transactions effected against the account in question. Thus, a bank statement serves a vital role in meeting the bank's accountability to its clients and is a fundamental aspect of modern banking. Goosen et al, (1999) state that the role of a bank account statement, which is of the utmost importance to a bank, is that it serves as an audit trail showing in detail the various transactions effected against the account. The Pheiffer (1998) defines financial investigations in which, on behalf of law enforcement, financial expertise is used to gather, check, refine the process and analyze financial information. According to Tuffey (2002), financial investigation is the investigation of an individual or corporation through their financial affairs. Willemse (2004) is of the view that financial investigation is the identification and documentation of the movement of money during and after a crime. It establishes the link between where the money comes from, who gets it, when it was received, and where it was stored or deposited. This can provide proof of unlawful activity such as money laundering, racketeering, corruption, and terrorist financing, as well as identify and trace assets for asset forfeiture purposes, in effect addressing the proceeds of unlawful activity.

Methodology

The study adopted a survey research design. The population of this study is 21 branches of United Bank for Africa according to Nigerian Business Directory, (2019). These 21 branches of United Bank for Africa was used as the sample size. The study also used various department employees in United Bank for Africa in Abuja such as operations/customer service/risk management department, information technology/personnel department, inspection/treasury/Forex management department. The total population of the listed number of respondents is uncertain. Therefore the researcher uses infinite sample methods to determine the sample size.

The infinite sample size for the employees of United banks for Africa across Abuja, FCT are stated below

$$n = \frac{t^2_{\alpha} * P * q}{e^2}$$

n = sample size

p = percentage (80%)

q=1-P (20%)

$t^2_{\alpha} = 1.96$ (confidence 95%)

$$n = \frac{1.96^2 * 0.8 * 0.2}{0.05^2}$$

$$n = \frac{3.8416 * 0.8 * 0.2}{0.05^2}$$

0.0025

$$n = \frac{0.61656}{0.0025}$$

n = 246

However, the customers' sample size is 246 and 10% is added to ensure the successful return of the 246 copies of the questionnaire. The study used a structured questionnaire to elicit the responses of the respondents. It is a 5 point Likert type scale questionnaire designed to collect information from the respondents regarding the variables. The questionnaire is administered to the employees of United Bank for Africa in a pro-rata based as shown below:

Table 1: Sample Size of Staff selected

Responses	Operations/customer service/risk management department	Information technology/personal/HRD department	Inspection/Treasury/Forex management	Total
Total	82	82	82	246

Source: Survey, 2019

The study also distributed a questionnaire to 21 United Bank for Africa using a pro-rata based since the researcher does not have an adequate number of the population of staff in these bank branches. The 11 copies of the questionnaire were shared with 20 branches of United Bank for Africa only one branch of United for Africa received 27 copies of the questionnaire. The 27 copies of the questionnaire were given to the branch located at Mogadishu Cantonment (Formerly Sani Abacha Barracks), Asokoro, Abuja. The reason is that it located at the center of Abuja. Respondents filled and return the completed questionnaire. Some staff of the United Bank for Africa in Abuja branches was consulted to help in administering the copies of questionnaires to the various staff in their respective departments. Also, with the questionnaire coming from the staff, respondents were assured of the confidentiality of their responses.

To test the reliability of the questionnaire to ensure that it can address appropriately the questions being answered. Cronbach's alpha was used which was used to measure the internal consistency.

Table 2: Scale reliability of variables

Variables	Cronbach's Alpha
BVN	0.81
Diversion of Fund	0.89
Money Laundering	0.85

Source: researcher's computation (2019)

The above table indicates that the variables used are reliable and they have Alpha value above 0.6.

The statistical tools used are multiple regression and simple percentages.

This is expressed in this study as follows:

$$Y = \alpha + \beta_1 x \dots \dots \dots 1$$

Where y = dependent variable, α = intercept, β_1 is coefficient and x is the independent variable. However, the above model is expressed as:

Model 1:

$$DVF = \alpha + \beta_1 FBVN + \mu \dots \dots \text{equation 2}$$

$$DVF = \alpha + \beta_1 BVN + \mu \dots \dots \text{equation 3}$$

Model 2:

$$ML = \alpha + \beta_1 FBVN + \mu \dots \text{equation 4}$$

$$ML = \alpha + \beta_1 BVN + \mu \dots \text{equation 5}$$

Where:

BVN = Bank Verification Number

FBVN = Before the introduction of Bank Verification Number

β = Coefficient

α = Intercept

μ = Error terms

DVF = Diversion of Fund

ML= Money Laundering

Data Analysis and Discussion

Table 2: Assessment of Traditional Verification Process before BVN was implemented in 2015

Items	5	4	3	2	1
The United Bank for Africa, Abuja usually check various accounts of their customers daily	88(35.77)	71(28.87)	10(4.07)	22(8.94)	55(22.36)
The united bank for Africa, Abuja used the internal audit to verified account of the customers frequently	91(36.99)	83(33.74)	44(17.89)	17(6.91)	11(4.47)
United Bank for Africa employed more of whistleblowing as a way to verified crimes in their branches in Abuja	101(41.06)	83(33.74)	33(13.41)	20(8.13)	9(3.66)

Source: Survey, 2019

The above analysis shows that the majority of the respondents said that the traditional verification process was used in verification of customers' accounts before the introduction of bank verification number in 2014 which was implemented in 2015. The implication of this is that United Bank for Africa branches in Abuja, FCT use to check various accounts of customers, performed internal auditing, and listening to whistleblowing.

Table 3: Mean of Traditional Verification Process before BVN was implemented in 2015

Variables	5	4	3	2	1	FX	N	Mean	Remarks	Ranking	Sectorial mean
Checking of account	88	77	10	22	55	877	246	3.57	High	1 st	3.62
Internal audit	91	83	44	17	11	964	246	3.91	High	2 nd	
Whistleblowing	101	83	33	20	9	985	246	3.40	High	3 rd	

Author Computation, 2019

The above table shows that the traditional Verification Process before BVN was implemented in 2015 has a mean value of 3.62 and the study also realised that the sectorial mean of 3.62 proved that the traditional verification process before the introduction of BVN and implement was good.

Table 4: Assessment of BVN implemented from 2015 to 2018

Items	5	4	3	2	1
The used Biometric such as signature, face, fingerprint, and hand have been effectively used in United Bank for Africa	121(49.19)	99(40.24)	11(4.47)	9(3.69)	6(2.44)
The United Bank for Africa used 11 digits to checkmate the customers' account	119(48.37)	89(36.19)	18(7.32)	12(4.88)	8(3.25)
The United Bank for Africa, Abuja branches used a special pin for customers to check their account	120(48.78)	91(36.99)	16(6.50)	10(4.00)	9(3.66)

Source: Survey, 2019

The above analysis shows that majority of the respondents said that BVN has implemented in Nigeria has been effectively applied by United Bank for Africa branches in Abuja, they used Biometric such as signature, face, fingerprint and hand, 11 digits numbers as well as pin to control the customers' account.

Table 5: Mean of BVN implemented from 2015 to 2018

Variables	5	4	3	2	1	FX	N	Mean	Remarks	Ranking	Sectorial mean
Biometric	121	99	11	9	6	1058	246	4.30	High	1 st	4.26
11 digits	119	89	18	12	8	1037	246	4.22	High	3 rd	
Pin	120	91	16	10	9	1051	246	4.27	High	2 nd	

Author Computation, 2019

The above table shows that the bank Verification number implemented from 2015 to 2018 in Nigeria has helped United Bank for Africa and this is because the sectorial mean of 4.26 proved that BVN implemented by Nigeria is good for United Bank for Africa branches in Abuja.

Table 6: Assessment of Fund Diversion

Items	5	4	3	2	1
Fund has been diverted to unofficial account by customers of United Bank for Africa branches in Abuja	33(13.41)	43(17.48)	12(4.88)	111(45.12)	47(19.11)
Fund deposited in United Bank for Africa is always diverted to unintended purposes by customers of the bank	41(16.67)	55(22.36)	11(4.47)	101(41.06)	38(15.45)
Fund meant for public and general development is always diverted for personal use	54(21.95)	44(17.89)	23(9.35)	122(49.59)	3(1.22)

Source: Survey, 2019

The above analysis shows that the majority of the respondents disagreed that fund is not fully diverted in United Bank for African. There is no unofficial diversion of fund, unintended purposes diversion of fund and personal use diversion of fund.

Table 8: Mean of Diversion of Fund

Variables	5	4	3	2	1	FX	N	Mean	Remarks	Ranking	Sectorial mean
unofficial account	33	43	12	111	47	642	246	2.60	Low	3 rd	2.85
unintended purposes	41	55	11	101	38	698	246	2.84	Low	2 nd	
Personal use	54	44	23	122	3	763	246	3.10	High	1 st	

Author Computation, 2019

The above table shows that the mean value of diversion of fund in the United Bank for Africa and also indicated the rating on the variables used in describing diversion of fund. The table also indicates the ranking in the variables used in the study. It is discovered that unofficial account diversion has been minimized as well as funds diverted for unintended purposes but funds diverted for personal use is not minimize in the organization.

Table 9: Assessment of Money Laundering

Items	5	4	3	2	1
Customers of United Bank for Africa transfer money across the border using bank methods	44(17.89)	22(8.94)	11(4.470)	123(50.00)	46(18.69)
Customers of United Bank for Africa usually transfer money using currency exchanges	45(18.29)	33(13.41)	10(4.07)	110(44.72)	48(19.51)
double –invoicing is always used by united Bank for Africa customers in Abuja to transfer cash cross border	33(13.41)	51(20.73)	10(4.00)	122(49.59)	30(12.19)

Source: Survey, 2019

The above analysis shows that the majority of the respondents disagreed that money laundering does not practice in United Bank for African. There is no currency exchange, bank methods and double invoicing as ways of engaging in money laundering.

Table 10: Mean of Money Laundering

Variables	5	4	3	2	1	FX	N	Mean	Remarks	Ranking	Sectorial mean
Bank methods	44	22	11	123	46	633	246	2.57	Low	3 rd	2.66
Currency exchange	45	33	10	110	48	655	246	2.66	Low	2 nd	
Double invoicing	33	51	10	122	30	673	246	2.74	Low	1 st	

Author Computation, 2019

The above table shows that the mean value of diversion of fund in United Bank for Africa and also indicated the rating on the variables used in describing diversion of fund. The table also indicates the ranking in the variables used in the study. It is discovered that unofficial account diversion has been minimized as well as fund diverted for unintended purposes but fund diverted for personal use is not minimize in the organization.

Table 11: Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
FBVN	246	1.00	5.00	2.1220	1.24596
BNV	246	1.00	5.00	3.1829	1.57372
DVF	246	1.00	5.00	2.9593	1.44221
ML	246	1.00	5.00	2.6179	1.54138
Valid (listwise)	N 246				

Source: SPSS version 20.00

The table 11 revealed that the mean value of before the introduction of BVN in 2014 (FBVN) is 2.12, the mean value of when BVN was implemented and adopted by United Bank for Africa, Abuja branches (BNV) is 3.18, the mean value of diversion of fund (DVF) is 2.95 and the mean value of money laundering (ML) is 2.62. The standard deviation of before the introduction of BVN in 2014 (FBVN) is 1.24, the standard deviation value of when BVN was implemented and adopted by United Bank for Africa, Abuja branches (BNV) is 1.57, the standard deviation value of diversion of fund is 1.44 while the standard deviation value of money laundering (ML) is 1.54. However, the study compared the two means and standard deviation values of FBVN and BNV. The study realized that BNV was improved than when before through the means and standard deviation values of (2.12 for FBVN and 3.18 for BNV) and (1.24 for FBVN and 1.57 for BNV). The difference in the values of mean and standard deviation indicates that the implementation of BVN in 2015 is very good and help the banking sector and the government of Nigeria to help in monitoring banking transfer and transactions.

Table 12: Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.841 ^a	.707	.706	.78204
2	.961 ^b	.924	.923	.40051

a. Predictors: (Constant), FBVN

b. Predictors: (Constant), FBVN, BNV

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	360.367	1	360.367	589.235	.000 ^b
	Residual	149.227	244	.612		
	Total	509.593	245			
2	Regression	470.615	2	235.307	1466.936	.000 ^c
	Residual	38.979	243	.160		
	Total	509.593	245			

a. Dependent Variable: DVF

b. Predictors: (Constant), FBVN

c. Predictors: (Constant), FBVN, BNV

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.894	.099		9.064	.000
	FBVN	.973	.040	.841	24.274	.000
2	(Constant)	.150	.058		2.595	.010
	FBVN	.299	.033	.258	9.069	.000
	BVN	.683	.026	.746	26.216	.000

a. Dependent Variable: DVF

Excluded Variables^a

Model	Beta In	T	Sig.	Partial Correlation	Collinearity Statistics	
					Tolerance	
1	BVN	.746 ^b	26.216	.000	.860	.389

a. Dependent Variable: DVF

b. Predictors in the Model: (Constant), FBVN

Source: SPSS output version 20.00, 2019

Decision rule: 5%

In model 1, the regression result shows that the model is fit for the study since the f-statistics is significant at 5% level of significance. The result also shows that before the introduction of BVN in United Bank for Africa, Abuja branches has a positive and significant effect on diversion of fund. This effect is significant since the P-value is less than 5%. Thus, the study rejects the null hypothesis and concluded that before the introduction of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on the diversion of fund. The $R^2 = 0.70$ which states that only 70% of variation on before the introduction of BVN in United Bank for Africa, Abuja branches can be explained by the diversion of fund but 30% can be explained by other factors not noted in the regression model which is referred to as error term.

In model 2, the regression result shows that the model is fit for the study since the f-statistics is significant at 5% level of significance. The result also shows that after the implementation of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on the diversion of fund. This effect is significant since the P-value is less than 5%. Thus, the study rejects the null hypothesis and concluded that after the implementation of BVN in United Bank for Africa, Abuja branches has a positive and significant effect on the diversion of fund. The $R^2 = 0.92$ which states that only 92% of variations on after the implementation of BVN in United Bank for Africa, Abuja branches can be explained by the diversion of fund but 8% can be explained by other factors not noted in the regression model which is referred to as error term.

From the analysis of the two models, it is realized that the co-efficient of before the introduction of BVN is 0.29% while the coefficient after the implementation of BVN is 0.68%. It is realized from the analysis that the implementation of BVN in Nigeria which was adopted by the United Bank for Africa is unique since there is a change of 0.39%. It means that the implementation of BVN in Nigeria by the United Bank for Africa branches in Abuja has helped to prevent diversion of fund at 0.39% increase. This finding implies that implementation of BVN has prevented diversion of fund in the United Bank for Africa branches more than when it was not implemented.

Also, the coefficients of determination of the two models have a significant difference that indicates that implementation of BVN has prevented money laundering in the United Bank for Africa. However, the difference is that model 1 has 76% coefficient of determination while model 2 has 93% coefficient of determination which implies that implementation of BVN has helped in preventing money laundering in the United Bank for Africa.

Table 13: Regression Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.874 ^a	.765	.764	.74918
2	.966 ^b	.933	.932	.40122

a. Predictors: (Constant), FBVN

c. Predictors: (Constant), FBVN, BVN

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	445.132	1	445.132	793.083	.000 ^b
	Residual	136.949	244	.561		
	Total	582.081	245			
2	Regression	542.964	2	271.482	1686.460	.000 ^c
	Residual	39.117	243	.161		
	Total	582.081	245			

a. Dependent Variable: ML

b. Predictors: (Constant), FBVN

c. Predictors: (Constant), FBVN, BVN

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.322	.094		3.411	.001
	FBVN	1.082	.038	.874	28.162	.000
2	(Constant)	-.378	.058		-6.516	.000
	FBVN	.446	.033	.361	13.527	.000
	BVN	.644	.026	.657	24.652	.000

a. Dependent Variable: ML

Excluded Variables^a

Model	Beta In	T	Sig.	Partial Correlation	Collinearity Statistics	
					Tolerance	
1	BVN	.657 ^b	24.652	.000	.845	.389

a. Dependent Variable: ML

b. Predictors in the Model: (Constant), FBVN

In model 1, the regression result shows that the model is fit for the study since the f-statistics is significant at 5% level of significance. The result also shows that before the introduction of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on money laundering. This effect is significant since the P-value is less than 5%. Thus, the study rejects the null hypothesis and concluded that before the introduction of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on money laundering. The $R^2 = 0.76$ which states that only 76% of variation on before the introduction of BVN can be explained by money laundering in United Bank for Africa, Abuja branches but 30% can be explained by other factors not noted

in the regression model which is referred to as error term.

In model 2, the regression result shows that the model is fit for the study since the f-statistics is significant at 5% level of significance. The result also shows that the implementation of BVN in the United Bank for Africa, Abuja branches has a positive and significant effect on money laundering. This effect is significant since the P-value is less than 5%. Thus, the study rejects the null hypothesis and concluded that implementation of BVN in the United Bank for Africa, Abuja branches has a positive and significant effect on money laundering. The $R^2 = 0.93$ which states that only 93% of variations on implementation of BVN in the United Bank for Africa, Abuja branches can be explained money laundering but 7% can be explained by other factors not noted in the regression model which is referred to as error term.

From the analysis of the two models, it is realized that the co-efficient of before the introduction of BVN is 0.44% while the coefficient after the implementation of BVN is 0.64%. It is realized from the analysis that the implementation of BVN in Nigeria which was adopted by the United Bank for Africa is unique since there is a change of 0.4%. It means that the implementation of BVN in Nigeria by the United Bank for Africa branches in Abuja has helped to prevent money laundering at 0.4% increase. This finding implies that the implementation of BVN has prevented money laundering in the United Bank for Africa branches more than when it was not implemented.

Also, the coefficients of determination of the two models have a significant difference that indicates that implementation of BVN has prevented money laundering in the United Bank for Africa. However, the difference is that model 1 has 76% coefficient of determination while model 2 has 93% coefficient of determination which implies that implementation of BVN has helped in preventing money laundering in the United Bank for Africa.

Discussion of Findings

The study found out that implementation of BVN as a positive and significant effect on corrupt business practices in the United Bank for Africa, Abuja branches. Other findings were that before the introduction of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on diversion of fund. The study found that after the implementation of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on diversion of fund. The study also realized that before the introduction of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on money laundering. The study found that after the implementation of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on money laundering. The study is in line with Wisdom (2015) who found that implementation of BVN is significant to prevent corrupt business practices in Zenith Bank of Nigeria Plc. The study is in agreement with fraud preventative theory.

Conclusion and Recommendations

The study concluded that the difference in the values of mean and standard deviation indicates that the implementation of BVN in 2015 is very good and helps the banking sector as well as the government of Nigeria to monitored banking transfer and transactions. The difference is that model 1 has 76% coefficient of determination while model 2 has 93% coefficient of determination which implies that implementation of BVN has helped in preventing money laundering in the United Bank for Africa. Also, the difference is that model 1 has 76% coefficient of determination while model 2 has 93% coefficient of determination which implies that implementation of BVN has helped in preventing money laundering in the United Bank for Africa.

The study also concluded that before the introduction of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on diversion of fund. The study found that after the implementation of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on diversion of fund. The study also realized that before the introduction of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on money laundering. The study found that after the implementation of BVN in the United Bank for Africa, Abuja branches have a positive and significant effect on money laundering.

The study recommended that:

United Bank for Africa branches, Abuja should continue to implement BVN in transacting business by carefully observing customers' biometrics such as fingerprint, signature, pins, 11 digits numbers to prevent corrupt business practices in the bank. The bank branches should ensure that they established a unit that will be responsible to see that the implementation of BVN is to carry out in the branches of the United Bank for Africa. They should monitor the customers' accounts daily.

References

1. Ering, S.O. (2011) "Trans-border Crime and its Socio-economic impact on Developing Economies" *Journal of Sociology and Social Anthropology* 2 (2) 738-788
2. CBN Governor Godwin Emefiele (Wednesday 14 October, 2015). *The nation Newspaper*, BVN: Will CBN stick to October 31 deadline? Retrieved from CBN library 2017
3. Central Bank of Nigeria. (2012). *Further Clarifications on Cash-Less Lagos Project*. Retrieved from CBN website: <http://www.cenbank.org/out/2011/pressrelease/gvd/cashless%20lagos%20brief%20for%20website%20revised2.pdf>
4. Central Bank of Nigeria. (2014, October 21). *Clarification Circular on Bank Verification Number (BVN) Enrolment*. Retrieved from CBN Website: <http://www.cenbank.org/out/2014/bpsd/clarification%20circular%20on%20bvns.pdf>
5. Wisdom, A. P. (2015). impact of BVN on corrupt business practices in Zenith Bank Nigeria Plc. *International Journal of Business and Management*, 2(3) 33-47
6. Oluwalami, M. F. (2018). *An Examination of E-Banking Fraud Prevention and Detection in Nigerian Banks*. De Montfort University
7. Ehi, E. E. (2015). A Critical Analysis of the Bank Verification Number Project introduced by the Central Bank of Nigeria
8. Olijo, I. I. (2018). Newspaper Coverage of Bank Verification Number Enrolment in Nigeria. *New Media and Mass Communication*, 72
9. Nangih, E. & Davies, D. S. (2017). Biometrics and bank verification number (bvn) technology and ghost workers identification in rivers state local government areas. *Journal of Harmonized Research in Management*, 3(1) 01-07
10. Odusina, A. O. & Fowosire, R. A. (2017). Biometric Verification Number And Fraud Prevention In Nigeria: A study Of Selected Deposit Money Banks
11. Odusina, A. O. & Fowosire, R. A. (2014). Information and communication technology: bank verification number and fraud prevention in Nigerian banking industry. *FUO Quarterly Journal of Contemporary Research*, Vol. 6 No. 1
12. *Vanguard Newspaper* (March 12, 2015), *Importance of Bank Verification Number* <http://www.vanguardngr.com/2015/03/importance-of-bank-verification-number>. March 12, 2015. Accessed on 20th March 2019.
13. Taiwo I (September, 2015). *All you need to know about bank verification number*. Retrieved January 2019
14. Mieseigha, E. G., & Ogbodo, U. K. (2013). "An Empirical Analysis of the Benefits of Cashless Economy on Nigeria's Economic Development". *Research Journal of Finance and Accounting*, 4(17), 11-16.
15. Puneet, B. P. R., & Parashar, N. (2010). Factors Affecting Money Laundering: A Lesson for Developing Countries. *Symbiosis Centre for Management and HRD*, 3(2), 108-139.