



EARNINGS AND BANK PROFITABILITY IN NIGERIA

John N. N. Ugoani

College of Management and Social Sciences,

Rhema University, Nigeria

E-mail: drjohnugoani@yahoo.com

Submission: 08/04/2015

Revision: 22/04/2015

Accept: 01/05/2015

ABSTRACT

Bank earnings in the form of retained profit help in the capital formation of banks. This is critical because capital inadequacy is often a cause of bank failures. During the banking crisis in Nigeria the gross earnings of many banks diminished considerably due to frauds and bad management. For example, in 2009 the Central Bank of Nigeria revoked the operating licenses of fourteen banks which had huge nonperforming loans and were making losses. The fragility in the Nigerian banking system in the 1990s and beyond was compounded due to wide spread poor corporate governance practices and imprudent lending that led to the erosion of gross earnings and profitability. The study employed the survey research design. Data analysis was done through the descriptive and Chi-square statistical methods. It was found that gross earnings have strong relationship with bank profitability.

Keywords: *Bad management, Huge nonperforming loans, Imprudent lending, Central Bank of Nigeria*



1. INTRODUCTION

Earnings by a bank indicate the extent to which management is putting its assets into productive use, although some nonproductive use is normal because while plant and equipment may not directly generate income, they are necessary to support the operations of the bank. What is critical here is that a bank must ensure cost efficiency of running plant and equipment.

The reality is that a bank with a core earnings performance significantly below the average for its peer group is very unlikely to have the capacity to compete effectively in the market place. Without such efficiency on the part of management, a bank may not be profitable, and may witness a serious drain on its earnings, and may even fail.

The major role of a bank is to take in funds, primarily through deposits and equity and reinvest differential earnings. In addition, a bank provides fee-based financial services that generate earnings in form of commission among others. It requires sound management to ensure that the optimum degree of expenditure is made that reflects the efficiency and quality of earnings.

Barltrop and McNaughton (1997) assert that bank earnings provide internal capital formation, and they are needed to attract new investor capital which is essential if the bank is to grow and remain profitable. Bank earnings serve both as a demonstration of management's effectiveness and as a barometer of the effects of macrofinancial policies on the bank. Earnings are needed because profit is needed to absorb loan losses and to build adequate provision.

A consistent earnings performance builds public confidence in the bank. Banks believe that public confidence is among their most valuable assets because it allows them to minimize finding costs and provide access to the best borrowers. Thus, regular and consistent healthy earnings are essential to the sustainability and profitability of banks. In effect sound bank earnings are the oil that allows the bank to remain viable. The Nigerian bank crisis of the 1980s, 1990s and beyond was exacerbated by the lack of earnings to provide capital cover for banks.

Many banks were liquidated because of inadequate capital cover to wipe out or at least reduce losses sustained from failed investment as the result of unsound bank management. The losses of most banks were so high that shareholders' funds'



were completely wiped away. Lack of retained earnings and the inability of the promoters of the affected banks to restructure them, through the injection of fresh capital and new sound management to revive the banks led to their liquidation by the regulatory authorities.

According to Onoh (2002) bank capital does not only serve as a cushion against deposit run-off, but forms the basis for future asset growth. The rate at which retained earnings grow also determines to a large extent the growth of bank capital and invariably the growth of bank assets.

He opines that if the rate of growth of retained earnings is low, it could be an indication of poor profitability or poor dividend policy or high dividend payment, to the extent that some banks rely mainly on retained earnings for the beefing up of bank capital since the banking system operates on a fractional reserve system in which each bank maintains only a fraction of its deposits in reserves, retained earnings serve as a cushion for banks in times of bank panics.

A bank panic occurs when the failure of one bank to honour its depositor's demands for payment leads the general public to fear that other banks will be unable to honour some demands. When this occurs depositors attempt to withdraw their deposits before their bank fails and in so doing may place it and other banks in jeopardy (BAYE; JANSEN, 2006). Bank profitability and earnings are closely related because retained earnings are undistributed profits accumulated over the years which may be subsequently used for the purpose of enhancing the capital resources of the bank (NZOTTA, 2004).

A bank generate a profit from the differential between the level of interest it pays for deposits and other sources of funds and the level of interest it charges in its lending operations. This difference is the spread between the cost of funds, and the loan interest rate. In recent history, banks have taken many new measures of income generation to ensure that they remain profitable while responding to increasingly changing market conditions.

For example, they have expanded the use of risk based pricing from business lending to consumer lending, which means charging higher interest rates to those customers that are considered to be a higher credit risk and thus increased chance of default on loans. This helps to offset the losses from bad loans, lowers the price of



loans to those who have better credit histories, and offers credit facilities to high risk customers who would otherwise have been denied credit.

They have equally sought to enhance the methods of payment processing available to the general public and the business community. Banks make money from these products through interest payments, fees and commission to increase their gross earnings. (MATYSZAK, 2007).

Profit is the bottom line or ultimate performance result showing the net effects of banks policies and activities in a financial year. Its stability and growth trends are the best summary indicators of a banks performance in both the past and the future.

According to Greuning and Bratanovic (2003) profitability is usually measured by a set of financial ratios, including gross earnings. They insist that strong and stable net interest margins have traditionally been the primary determinants of intermediation efficiency and earnings performance.

Prior to 2004 banking sector reform, many banks in Nigeria were distressed largely due to poor management and operating losses. The reform agenda led to the emergence of twenty five banks as at 31st December, 2005, from seventy five banks out of the existing eighty nine banks as at 31st December, 2004. Fourteen banks which had huge nonperforming loans and making losses had their licenses revoked by the CBN (UNIAMIKOGBO, 2007; ONOH, 2014).

With the purchase of nonperforming loans of banks by the Asset Management Corporation of Nigeria (AMCON) the banking industry capital position became stronger in 2011. While the equity capital decreased by about 11.81 percent from N249.71 billion in 2010 to N220.21 billion in 2011, the reserves increased substantially to N2.266 billion in 2011 from N179.89 billion in 2010.

The adjusted shareholders' funds increased to N1.93trillion in 2011 from N312.36billion in 2010. Consequently, deposit money banks capital adequacy ratio improved from 4.06 percent in 2010 to 17.71 percent in 2011. Accordingly, total operating income of the banking industry stood at N2.33trillion in 2011, representing an increase of about 7.90 percent over the N2.16 trillion reported in 2010. Similarly, total operating expenses increased from N932.53 billion in 2011 to N1.79 trillion in 2011.



Some banks reported losses at the end of 2011 which resulted in the negative Return on Assets (ROA) as well as Return on Equity (ROE) and adversely affected the industry performance (IBRAHIM, 2011). Bank earnings, both current and accumulated, are to absorb losses and augment capital.

Earnings are the initial safeguard against the risks of engaging in the banking business, and represent the first line defense against capital depletion. Earnings performance allows the bank to remain competitive and profitable. An analysis of bank earnings is often critical for the success of a bank and the Return on Assets (ROA) is a common starting point for analyzing earnings because it gives an indication of the return on the bank's overall activities.

The Federal Deposit Insurance Corporation (2015) believes that earnings evaluation involves the level of earnings, the ability to provide for adequate capital through retained earnings, the quality and sources of earnings, the level of expenses in relation to operations, as well as the earnings exposure to market risk such as interest rate, foreign exchange, and price risks.

1.1. Statement of the problem

Banking institutions have the fundamental objective of generating earnings so as to achieve improved profitability for shareholders and to provide cushion in times of bank panics through sound management. This was elusive during the Nigerian banking crisis of the 1980s, 1990s and beyond, when shareholders funds in the banking system were wiped out.

According to Nnamdi and Nwakanma (2011) shareholders' funds represent total stake of stockholders inclusive of reserves and retained earnings in banking business. And without adequate earnings the confidence in the banking system by the public that they should have access to their funds whenever they need them is eroded.

1.2. Objective of the study

This study was designed to explore the effect of gross earnings on bank profitability.



1.3. Hypotheses

There is a growing body of empirical evidence to suggest that banks with high gross earnings tend to be more profitable. As a modest contribution therefore, and based on the objective of the study, two hypotheses were formulated and tested at 0.05 level of significance to either support or deny the assumptions

Ho: Gross earnings have no effect on bank profitability.

Hi: Gross earnings have effect on bank profitability.

1.4. Scope of the study

The study was restricted to 5 selected banks in Nigeria (EZEJELUE, et al, 2008)

1.5. Limitations of the study

This study was constrained by lack of research grant and current literature in the area of interest. However, these serious limitations did not impair the academic content of the study.

2. LITERATURE REVIEW

After the banking crisis of the 1980s, 1990s, and beyond, banks now believe that high and quality gross earnings hold the olive branch for improved profitability. In Nigeria for instance, the 25 banks that emerged post-consolidation from 2004 spent most part of the review period integrating their operations, with some raising further capital, through mergers/acquisitions, initial public offers, right issues, and private placements.

For example, First Bank's shareholders' funds as at the end March 2007 rose by 27 percent standing at N77.4 billion compared to N60.9billion in the previous year, while profit before tax (PBT) rose from N19.8billion in 2006 to N22.0billion in 2007 (AJEKIGBE, 2007).

Barltrop and McNaughton (1997) assert that the best evidence that a bank is viable is if it is able to sustain consistent growth of high-quality earnings. And that it is desirable for a bank to maintain earnings growth at a pace that yields a level of dividends satisfactory to shareholders while also reinforcing its capital to asset ratio.

In such cases stable earnings will contribute to making the bank attractive in the financial market. Earnings represent the main sources of income for a bank and is derived from some major sources such as (i) Operating income, (ii) Interest income, (iii) Commission, (iv) Other operating income, and negatively affected by (v) Operating expenses..

i) Operating income

Operating income includes all income and expense items that represent the normal core business of a bank. According to Barltrop and McNaughton (1997), specifically excluded are items that represent extraordinary circumstances, prior period adjustments, or that are unrelated to the normal business of a bank. The financial health of a bank is a direct result of its earnings performance.

Inadequate earnings performance will tempt even the best management to reach for profitability by engaging in riskier business to shore up profitability, thus exposing the bank to increased risk of failure. Low earnings performance is thus a leading indicator of problems that may become cumulatively significant enough to show up in the balance sheet and the related ratios years later.

ii) Interest income

Interest income includes all interest received by the bank from all sources including interest on overdrafts, interest on loans, among others. Barltrop and McNaughton (1997) insist that the principal source of most banks' earnings is interest differential income, defined as interest income less interest expense. Interest differential income usually accounts for at least 70 percent of a bank's income.

Net interest differential income divided by total average assets over the period during which the income was earned yields the net interest margin (NIM). The NIM is driven by the composition of the balance sheet and by the interest rates applicable to the individual asset and liability accounts. Effective management of the asset and liability accounts can substantially lead to improved bank earnings and profitability.

The ratio of net interest income (NII) to average assets is used in measuring bank earnings and profitability. This ratio typically represents the bank's largest revenue component. While a higher NII ratio is generally a positive sign, it can also be reflective of a greater degree of risk within the asset base. For example, a high

NII ratio could indicate that management is making a large number of high-interest, high-risk loans.

The NII ratio can be broken down into interest income to average assets. These ratios and their related components can be analyzed to determine the root cause(s) of any changes in the ratio and their consequent effect on ROA, earnings and profitability. On the other hand, the NIM indicates how well management employs the earning asset base.

The NIM is more useful than the NII for measuring the profitability of the bank's primary activities (buying and selling money) because the denominator focuses strictly on assets that generate income rather than the entire asset base. This is imperative because the ROA is a common starting point for analyzing bank earnings because it gives an indication of the return on the bank's overall activities. A typical ROA level is different, depending on the size, location, activities, and risk profile of the bank and its overall earnings performance and profitability.

iii) Commission

These include time related fees – for example, a commitment fee based on a percentage of the undrawn amount of a line of credit and fees that reimburse the bank for the reasonable cost of processing a loan or fees that recover expenses incurred to register interests in security. Increasing competition among banks and frequent changes in the disclosure and accounting requirements have made banks to cut down their lending rates. This situation has led to dismantling of non-interest differential services.

According to Barltrop and McNaughton (1997) increased regulatory emphasis on capital adequacy requirements related to the size of assets has encouraged banks to emphasize fee-based products and services and on/off-balance-sheet credit substitutes in an effort to expand income yielding business without increasing risk assets so as to avoid the need for additional capital.

Such fee income can include loan related fees, such as to cover the cost of the financial analysis or to secure a loan commitment, that are effectively equivalent to interest, and non-related fees such as for maintaining a current account, providing financial advice, or for other trade-related documentary services. These quality fees

are in most cases classified under the commission income which forms a high percentage of bank earnings.

iv) Other operating income

According to Barltrop and McNaughton (1997) fees have become an increasing source of revenue for banks as competition and regulatory pressure on lending rates have forced an unbundling of service pricing from interest differential income. Other operating income typically involves income on investments, service charges, and fees. For example, income from investments in many respects resembles interest because it is income received that relates to the use of banks resources, service charges relate to the normal periodic charges for providing a standard service and are independent of transaction volume or risk.

Again transaction fees relate to fees that are specifically transaction dependent and are based on the operating cost of executing the transaction, not on the risk involved, while commission is risk related and include letter of credit fees, documentary collection fees, and funds transfer fees, where these are proportional to the amount of the transactions.

v) Operating Expenses

The process of income generation by a bank incurs operating expenses, including personnel costs, rent, insurance, transportation costs, maintenance costs, advertising and other sundry expenses. Banks are generally presumed to be inefficient in Nigeria because of the long queues over the counters, epileptic automatic teller machines (ATMs), long turnaround time for loan processing and high rate of loan default and nonperforming loans among others.

Banks in Nigeria use limited technology and cannot avoid incurring expenses required to provide quality services needed to compete in the ever changing global financial market. They also incur expenditure with regard to credit recovery activities. With the high rate of non-performing loans in Nigeria, banks spend much on matters like legal fees, hotel expenses, among others.

In addition, most transactions and record keeping are usually done manually, and multiple reporting requirements, particularly on insider lending require extensive manual processing, and at a high cost. Because of the labour intensive nature of banking operations in Nigeria human resource cost tend to be high. Similarly, while



bank salaries are often low at the lower levels, the pay at the top is usually high. Bank executives in Nigeria are used to what may be called the “jumbo” pay. Such pay went on even in banks with low earnings and heavy nonperforming loans.

There are cases of high cost of renting bank premises and bloated expenses for service contracts on cleaning, painting, building, repairs, furniture, machinery and equipment among others. An inordinately high level of overhead expenses, and excessive salaries and bonuses all have negative impact on bank earnings and profitability. Thus, an understanding of the structure of a bank’s operating expenses is essential to ensure a stable earnings pattern. A high operating expenses as a percentage of net interest income would suggest inefficient management culminating to low gross earnings and profitability.

2.1. Assessing Quality of Bank Earnings

According to the FDIC (2015) earnings quality is the ability of a bank to continue to realize strong earnings performance in order to register impressive profitability ratios. It reports that an inordinately high ROA is often an indicator that the bank is engaged in higher risk activities. For example, bank management may have taken on loans or other investments that provide the highest return possible, but are not of a quality to assure either continued debt servicing or principal repayment.

Short-term earnings will be boosted by seeking higher rates for earning assets with higher credit risk. However, earnings may suffer if losses in these higher-risk assets are recognized. Also, a bank’s adversely classified and nonperforming assets, especially upon which future interest payments are not anticipated, may need to be reflected on a nonaccrual basis for income statement purposes. When such assets are not placed on a nonaccrual status, earnings will be overstated.

Similarly, material amounts of restructured loans may have a negative effect on earnings and therefore impair profitability. Earnings performance can be enhanced by extraordinary items and tax strategies. For example, a bank may dispose of high-yielding assets to record gains in current earnings. Levels and trends in earnings performance would be positive if sound management is sustained. Conversely, a bank might dispose of assets at a loss to take advantage of tax loss provisions and enhance future earnings potential.



Current earnings levels and trends would be poor in such a case, but funds recaptured through this strategy may greatly improve future earnings capacity. It is a condition that no analysis of earnings is complete without an assessment of earnings quality and a complete investigation and understanding of the strategies employed by bank management. Assessing the quality of bank earnings is very important to ensure that earnings are sufficient to cover fluctuations in net interest income or net interest margin, the development of significant negative trends, nominal or unsustainable earnings, intermittent losses, or a substantive drop in earnings from the previous years.

2.2. Bank Capital and Earnings

The analysis of earnings includes all bank operations and activities. When evaluating earnings, regulatory agencies attempt to develop an understanding of the banks core business activities. Core activities are those operations that are part of a bank's normal or continuing business. Therefore, when earnings are being assessed, bank regulators want to be aware of nonrecurring events or actions that have affected bank earnings performance positively or negatively, and which may require an adjustment.

Examples of events that may affect earnings include capital base, adoption of new accounting standards, extra ordinary items, or other actions taken by management that are not considered part of the bank's normal operations such as sales of securities for tax purposes or for some other reasons unrelated to active management of the securities portfolio. The exclusion of nonrecurring events from the analysis makes it easy to analyze the profitability of core operations without the distortions caused by non-recurring items.

In this way, it becomes convenient to compare earnings performance against the bank's and industry wide performance. This issue of capital adequacy is important in earnings analysis because of its relationship with bank profitability in which case a bank should have the flexibility to reduce earnings. In undercapitalized banks, there may be need to strongly discourage the continuation of cash dividends and other distributions so as to enhance capital formation.

A sound earnings analysis could further suggest the prohibition of dividend where the bank is undercapitalized and has a high risk profile or carrying heavy



nonperforming loans (NPLs) as witnessed in Nigeria in the 1990s through 2011. Nonperforming loans as a percentage of shareholders' funds in Nigeria rose from 89.17 in 2002 through 91.99 in 2003 to 107.82 in 2004 which showed that all the shareholders' interests in the Nigerian banking sector which should serve as a cushion for the depositors' funds were wiped away by nonperforming loans (NNAMDI; NWAKANMA, 2011).

A bank's capital and profitability are critically dependent on the quality of its loan portfolio, and financial analysis is literally meaningless without a good understanding of the value of the bank's assets (BARLTROP; MCNAUGHTON, 1997).

3. METHODOLOGY

3.1. Participants

The sample comprised of 300 participants (200 females and 100 males) ranging in age from 21 to 70 (M = 46years; SD = 25). The participants were generated from the general population across Nigeria.

3.2. Materials

A 20 item 5-point Likert-type scale titled "Bank Earnings Questionnaire (BEQ)" was used to generate data. The reliability of the instrument was confirmed by the Test-Retest technique. The Likert scale has previously been found to be internally consistent (NWORUH, 2004).

3.3. Procedure

The materials for data collection were personally administered on the participants by the investigator and assisted by two research assistants. All the materials were retrieved and the responses used for analysis.

3.4. Data analysis

Data were analyzed through descriptive and Chi-square statistical methods. The results were presented in tables.



4. PRESENTATION OF RESULTS

Table 1: Extract of Gross Earnings / Profits by Banks

S/No	Bank	Year Ended	Gross Earning ₦ bn	Profits ₦ bn
1.	Access	30/6/2011	46	10
2.	Fidelity	30/6/2013	63	11
3.	Ecobank	30/9/2014	348	45
4.	First Bank	30/9/2014	333	74
5.	Zenith	31/12/2013	351	106

Source: Field work, 2014.

Table 2: Capital Adequacy of Banks

Capital Adequacy Indicators	Year	
	2010	2011
Total Qualifying Capital (N.bn)	424.46	1900.31
Adjusted shareholders funds (N.bn)	312.36	1,934.93
Capital to total risk weighted Asset Ratio (%)	4.06	17.71
Number of Banks	24	20

Source: Nigeria Deposit Insurance Corporation (2011) Annual Report and Statement of Accounts

Table 3: Earnings and Profitability Indicators

Indicators	Year	
	2010	2011
Profit Before Tax (N, billion)	607.34	-6.71
Net Interest Income (N, billion)	824.62	817.14
Non-interest Income (N, billion)	462.76	845.65
Interest Expense (N, billion)	616.31	544.21
Operating Expenses (N, billion)	932.53	1,788.37
Yield on Earning Assets (%)	11.24	10.05
Return on Equity (%)	162.98	(0.28)
Return on Assets (%)	3.91	(0.04)

Source: Nigeria Deposit Insurance Corporation (2011) Annual Report and Statement of Accounts.

Table 4: Chi-square Test

Participants	Agreed		Disagreed		Strongly agreed		Strongly disagreed		Neutral		Total	Calculated value	Table value	Level of significance	d/f
	No	%	No	%	No	%	No	%	No	%					
Male	15	5	20	6.7	10	3.3	30	10	25	8.3	100				
Female	20	6.7	30	10	50	16.7	40	13.3	60	20	200				
Total	35	11.7	50	16.7	60	20	70	23.3	85	28.3	300	13.34	9.48	0.05	4

4.1. Discussion

Bank earnings are important for bank profitability. Financial failure occurs when a bank is insolvent in the sense that it cannot meet its current obligations out of current profit as they become due even if its total assets exceed its total liabilities. Gross earnings are used in managing capital inadequacy to increase the level of profit retention of a bank.

Therefore, profitability in the form of retained earnings is typically one of the key sources of capital generation. A sound banking system is built on profitable and

adequately capitalized banks. Profitability is a revealing indicator of a bank's competitive position in banking markets and of the quality of its management. The gross earnings or the profitability of a bank is often measured in relation to its rate of return on investment that encompasses total assets or capital employed or shareholders equity.

Banks usually devote time in analyzing and presenting their facts and figures in their Annual Reports with regard to gross earnings and profitability, because it is the tinted glasses through which the general public assesses the performance of the bank. For example, while presenting its financial performance in 2007 Ajekigbe states: The Bank and our subsidiaries recorded impressive results which impacted positively on the performance of the group.

The Group's total balance sheet size plus contingent liabilities grew by N351billion from N732.8billion in 2006 to N1.08 trillion in 2007. With all its income lines reporting significant increases over the corresponding figures for the preceding year, gross earnings increased to N90.32 billion from N67.44billion recorded in the preceding year.

The bank reports that with appropriate mix of business lines profit before tax and exceptional items rose by 41.4 percent from N18.13billion in 2006 to N25.56billion in 2007. Also profit after tax rose by 17.2 percent from N17.38billion in 2006 to N20.37billion in 2007. Interest income on performing loans and advances, and income from both local and foreign placements all recorded appreciable increases. As at end – March 2007, the Group's shareholders' funds rose by 29.7 percent, standing at N83.38billion compared to N64.28 billion in 2006.

Gross earnings in terms of interest income, commission, charges and other fees form the bases for bank profitability. This evidence supports the findings of Bartrop and McNaughton (1997) that earnings are critical for bank profitability.

4.2. Recommendations

- While banks must earn interest income from loans and advances, they should maintain a reasonable spread between interest charged and interest paid on deposits. This will not only reduce the level of nonperforming loans portfolio exacerbated by interest charges, but also attract more deposits to the banking sector.



- Banks should encourage prudent management of financial resources with regard to expenditure. There are instances where banks with high gross earnings report losses due to inappropriate expenditures.
- Prudent lending practices should be encouraged to reduce nonperforming loans to related insiders, because nonperforming loans erode bank earnings and profitability.
- Bank supervision should be regular to recommend corrective measures. The seemingly annual post mortem exercises have not helped in checking mismanagement and bank failures in Nigeria.
- The regulatory authorities should ensure proper composition of the board of banks to enhance corporate governance culture. This will make room for the efficiency needed in sound bank management.

4.3. Scope for further study

Further study should be conducted to examine the relationship between discretionary expenditures and bank losses with a view to finding a solution to the problems of bank failures in Nigeria.

5. CONCLUSION

Prudent bank management enhances gross earnings that result to bank profitability. This study provides evidence of banks that their profit before tax (PBT) was highly positively correlated with their gross earnings. Even though there can be other measures of bank soundness profitability is one key indicator of such and also profitability in the form of retained earnings helps to sustain a bank's capital formation. Through statistical analysis it was found that gross earnings have strong positive relationship with bank profitability, and this result supports the views of Greuning and Bratanovic (2003) and Barltrop and McNaughton (1997). This is the import of the study.

REFERENCES

AJEKIGBE, J. M. (2007) **First Bank of Nigeria Plc Annual Report Accounts**. Experience & Enterprise Lagos Firstbank.

BARLTROP, C. J.; MCNAUGHTON, D. (1997) **Banking Institutions in Developing Markets**. Interpreting Financial Statements. v. 2. The World Bank, Washington, D.C.



- BAYE, M. R.; JANSEN, D. W. (2006) **Money, Banking and Financial Markets: An Econometrics Approach** India, AITBS Publishers.
- EZEJELUE, A.; OGWO, E.; NKAMNABE, A. (2008) **Basic Principles in Managing Research Projects**. 2nd Edition Onitsha Educational Books and Investments Ltd.
- GREUNING, A.; BRATANOVIC, S. B. (2003) **Analyzing and Managing Banking Risk**. A Framework for Assessing Corporate Governance and Financial Risks. 2nd edition. The World Bank Washington, D. C.
- IBRAHIM, U. (2011) Nigeria Deposit Insurance Corporation. **Annual Report and Statement of Accounts** (2011) Abuja. Earnings and Profitability, p:136 – 140.
- MATYSZAK, P. (2007) **Ancient Rome on Fire Denarii a Day** New York. Thames & Hudson, p. 144.
- MCNAUGHTON, D. (1997) **Banking Institutions in Developing Markets**. Building Strong Management and Responding to change. v. 2 The World Bank Washington, D. C
- NNAMDI, I. S.; NWAKANMA, P. C. (2011) **Marketing of Financial Services in Nigeria**. Theory and Developments. Owerri Stramark Communication Consult.
- NWORUH, G. E. (2004) **Basic Research Methodology for Researchers, Trainees and Trainers in Management Sciences**. 2nd edition Owerri Ambox Printers Nigeria.
- NZOTTA, S. M. (2004) **Money Banking & Finance: Theory and Practice**. 2nd edition Owerri Hudson – Jude Nigeria Publishers.
- ONOH, J. K. (2002) **Dynamics of Money Banking & Finance in Nigeria**. An Emerging Market. 2nd reprint. Aba Astra Meridian Publishers.
- ONOH, J. K. (2014) **Regulatory Challenges of the Ever Changing Global Financial Landscape**. A keynote Address Presented on the occasion of the 4th Accounting and Finance Research Association / AFRA International Conference held between the 2nd & 5th November, 2014, at the Staff Development Centre Abakaliki, Nigeria, pp: 1 – 28.
- UGOANI, J. N. N. (2013) **Effect of Emotional Intelligence on Bank Success** Germany Lambert Academic Publishing.
- UNIAMIKOGBO, S. O. (2007) Management Imperatives of Economic Reforms, **Management in Nigeria**, v. 43, n. 1, p. 20-27.