

1.1 INTRODUCTION

The commercial world today has been devastated by random breaches of business ethics. This has resulted to rampant occurrence of white collar crimes committed mostly by top and highly educated professional personnel, these crimes are sometimes euphemistically dubbed, executive dishonesty crimes like improper waiver of interest on loans, fraudulent false accounting, falsification, computer fraud, dishonesty, classification of debts as bad debt or irrecoverable, non-disclosure of vital interest by executive, and other financial malpractices, fall into this category.

Furthermore, the government has responded by churning out laws with constant regularity in a bid to meet the challenges posed by these problems. One of such problems is the incidence of fraud in financial institutions especially Nigeria banks. This has attracted at least three major legislation in the past few years. All these relevant enactments will be examined in this project.

It is a notorious fact that frauds are mostly masterminded by insiders, at times in concert with outsiders. They are mostly discovered by tip offs from other staff who feel left out or by accident. Rarely do normal official checks reveal such earth shattering fraudulent scams that are big concern of the financial world.

Moreso, there is need to arrive at an acceptable constitution for the word “fraud” and to deepen our understanding by paying some respect to the statutory construction of financial institution like Nigeria banks.

Having dealt with the general situation of things in our banking industries, the research work is therefore aimed at pointing out the major causes of fraud in Nigeria banks etc. effects on the Nigeria economy commercial world, individuals especially the depositors (customers of the banks) after the research must have been carried out the above, the researcher then recommended the measures to be taken in order to prevent and minimize the incidence of fraud in Nigeria banks. It should be noted that no bank, big or small is immune from fraudulent

particles. However, bankers should have it as the back of their minds that dignity and hard work are not the only thing required but integrity is also required.

1.2 OBJECTIVE OF THE STUDY

The objective of this study is to enable us know that for any financial institution like bank to be on the move in respect of growth ion the economy, there is need to work out possible solutions that can put a stop to fraudulent practices or bring it to a minimal level

In a nutshell, this project is designed for the following.

To determine the rate and the extent of fraud in the banking industry in Nigeria.

To bring to light some of the ceases of fraud in our banking sectors.

To highlight on the dangers/menace of fraud in Nigeria banks

To discover the likely procedure that will enable us determine fraudulent practices nad possible ways of tackling them.

To examine critically the management and government measures as regards to the possible checking of fraud and preventive measures.

To render some recommendations and suggest possible solutions on the best way fraud could be brought to a minimal.

1.3 SIGNIFICANCE OF THE STUDY

The study enhances various examinations of the techniques usually employed by the fraudsters. It is structured for all classes who may want to invest in banking industry especially in Nigeria. Bad performance and incompetent discharge of duty as a result of this category's activities (who are employed by the management) when properly examined will be a contributory to the growth in banking industry. When all measures are strictly adhered to it would go a long ways in bringing fraud to a minimal.

The research work is to enable all and sundry such as: the shareholders, the insurance companies and the management to benefit, the customers so as to rebuild and reverse the already lost confidence of the public and the parties

involved in the banking industry. This will enhance rapid growth in the banking industry which will enhance rapid growth in the banking industry which will in-turn enhance the development of this nation Nigeria

1.4 STATEMENT OF THE STUDY

The banking industry seems to be a focal point of fraudsters. It is a notorious fact that frauds are master minded by the banker, at times in concert with outsiders. It is incredible that bankers whose watch word should be "Transparent honesty" have turned to become looters and by so doing, creating fear in the minds of the public.

Newspaper pages are jam-packed with reports of fraud cases in banking industry, however, most computer frauds cases like other frauds are not usually reported by banks and this may be due to the embarrassment it would cause the institution, the loss of public confidence as well as the difficulty of prosecution of such cases.

It is estimated that not less than an average amount of one million naira per working day of the financial year is made away by fraudsters. The amount lost is quite a setback to our economy. The management of these respective banks have taken cognizance of these fraud issues yet they have not worked out a permanent solution to these problems.

It is so painful that we do not really know who is trusted in the banking industry since they have failed many depositors, shareholders and a lot of non-bankers have been discouraged from banking their money because of the fear that the bank may collapse at any time. They prefer keeping their idle cash with them instead of banking with people of dubious characters.

In other words, frauds frustrate the banking habit of the society. Fraud leads to stunted growth of banking industries due to great losses involved it could also hinder commercial growth. Fraud deteriorates any nation's economy development

1.5 HYPOTHESIS FORMULATION

Hypothesis is a stated assumption made about a population which must be tested and proved. Hypothesis could be classified into two major types namely.

(H₁)

EXPLANATIONS

Null hypothesis (H₀) signifies no difference or no relationship exist between two or more alternatives variable in other words, it is a hypothesis of “no effect” no difference”

Alternative/positive hypothesis (H₁) is the proposition that may be accepted if the stoical null hypothesis is rejected by the sample evidence.

Let Ho – Null Hypothesis

Hi – Alternative hypothesis.

Ho: Internal and external control system do not reduce fraudulent practice to the minimal in Nigeria banks.

Hi: Internal and external control system reduces fraudulent practices to minimal in Nigeria banks

Ho: Legal control of frauds in Nigeria financial institution especially commercial banks has no relationship with the minimization of fraudulent practices.

Hi: Legal control of frauds in Nigeria financial institution especially commercial banks has relationship with the minimization of fraudulent practices.

Ho: The introduction of information technology has no great impact on banking industry in respect of services and frauds.

Hi: The introduction of information technology has great impact on banking industry in respect of services and frauds.

d Ho: Nigeria deposit insurance Decree of 1988 (NDIC) has no power to make regulations guiding specific items with respect to the day to day management of the regulated institutions like the commercial banks.

Hi: Nigeria deposit insurance Decree of 1988 (NDIC) has power to make

regulations guiding specific items with regulation to the day to day management of the regulated institutions like the commercial banks.

1.6 SCOPE AND LIMITATION OF THE STUDY

In whatever step one takes or makes in life there is the possibility of obstruction or oppositions right there at the corner raising its head against every step made. That is why this study will not be left out in encountering problems in trying to achieve success. Some of these problems includes

Lack of corporations and no response from the commercial banks executives as regards to the information needed from them. They were very conservative in terms of giving out information in respect of fraud which may not expose most of the fraudulent practices. This they claim is done to protect the image of the bank some of these banks said that non of their branches has ever been involved in fraudulent act. Again thyme factor was another problem which is worthy of note. The bank / visited in Ogwashi – uku in Delta state (First bank of Nigeria PLC) was unable to supply me with enough information because of time constraint. Time again was not on my side because of the semester academic exercise I decided to utilize the available information I have for this research. Another pressing problem was that of finance, for this study to be in full swing money is needed to carry on the research effectively. Some items of which money was required were: Transportation in search of resources materials, making of photocopies of materials especially bulky and voluminous ones and the production of the project itself

1.7 DEFINITION OF TERMS

In explaining fraud as an element of some other officers, the criminal code ascribes it as a situation correlation with deceit. But a workable definition can be traced to the Osborne's concise law Dictionary (6th edition). Thus fraud can be seen as the obtaining of material advantage by unfair or wrong means. This may be either by way of abuse of entrusted reasonability by convert or overt deceit.

In a liberal sense fraud may be used as an umbrella term to cover almost all classes of white collar crimes known to law and business.

Fraud can also be defined as one type of irregularity. It is usually reflect to irregularities involving the use of criminal deception to obtain unjust or illegal advantages (by Okorie Onovo, ACAS, understanding Auditing and Investigation.)

Fraud can also said to be conscious premeditated action of a gang of persons with the intention of altering the truth or fact for selfish personal monetary reward. This involves the use of deceit and tricks and sometime highly intelligent or cunning methods. This action usually takes the form of signing of documents and authorizing signature outright theft. (by Adeewumi 1986)

There are so many definitions of fraud but the researcher decided to present just three definitions. All definitions seemed to be correct but the former that of that of Osborne's concise law Dictionary (6th Edition|) contains elements of frauds appropriately and adequately for the purpose of this research work.

These tow impact element are

That for a fraud to take place, there must be obtaining of material advantage wrongly

There must be abuse of entrusted responsibility or convert of overt deceit that means that in this case a party is exposed to losses while the other part gains

It will be of great importance to briefly mention on the occurrence of fraud to answer the question WHEN DOES FRAUD ARISE?

Fraud arises when a person in a position of trust and responsibility breaks the rule and regulations to advance his personal interest at expense of the public interest he has been entrusted to guard and promote. It also arises when a person through deceit trick or highly intelligent curing gains an advantage he could not otherwise have gained through lawful, just or normal process.

Fraud is a mater of individual choice and opportunity. As human beings the

individual takes the advantage if there is opportunity and possible means of getting away with it.

FRAUD IN NIGERIA BANKS (ANALYSIS AND SOLUTIONS)

The complete project material is available and ready for download. All what you need to do is to order for the complete material. The price for the material is NGN 3,000.00.

Make payment via bank transfer to Bank: Guaranteed Trust Bank, Account name: Emi-Aware technology, Account Number: 0424875728

Bank: Zenith Bank, Account name: Emi-Aware technology, Account Number: 1222004869

or visit the website and pay online. For more info: Visit <https://researchcub.info/payment-instruct.html>

After payment send your depositor's name, amount paid, project topic, email address or your phone number (in which instructions will sent to you to download the material) to +234 70 6329 8784 via text message/ whatsapp or Email address: info@allprojectmaterials.com.

Once payment is confirmed, the material will be sent to you immediately.

It takes 5min to 30min to confirm and send the material to you.

For more project topics and materials visit: <https://researchcub.info/> or For enquiries: info@allprojectmaterials.com or call/whatsapp: +234 70 6329 8784

Regards!!!