

UNIVERSITY OF CAPE COAST

THE EFFECTS OF INTERNET BANKING ON THE PERFORMANCE OF
RURAL BANKS: A CASE STUDY OF KAASEMAN RURAL BANK

BY

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DECLARATION

Candidates Declaration

I hereby declare that this dissertation is the result of my own original research and that it has not been presented for another degree in this university or elsewhere.

Candidate's Signature..... Date.....

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Supervisor's Declaration

I hereby declare that the preparation and presentation dissertation were supervised in accordance with the guidelines on supervision of the dissertation laid down by of the University of Cape Coast.

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ABSTRACT

The study was to examine the knowledge and utilization of e-banking facilities in Kaaseman Rural Bank in Ghana. The study used a quantitative and descriptive design of which customers and management of Kaaseman Rural Bank were targeted. Two hundred and eighty respondents were chosen with the aid of simple random sampling technique for selecting the customers while purposive sampling was used to select the managers of the four branches of Kaaseman Rural Bank. Questionnaire was the main data collection instruments. Furthermore, the data was analyzed and interpreted by using percentages and frequencies and presented by using tables, and charts using Excel 2013 version. However, the responses from the interviews were transcribed verbatim and discussed thematically based on the objectives of the study. It was found out that electronic cards such as ATM and e-switch, SMS Mobile Banking, and Electronic transfer were the only e-banking services at Kaaseman Rural Bank. Not that withstanding, these services were sometimes not available. There was no internet banking services at Kaaseman Rural Bank. Also, the level of awareness of e-banking services was low among the respondents. Respondents understand its usage and heard about e-banking services through their family and friends while few heard it from the workers of the Kaaseman Rural Bank. Respondents knew much about SMS Mobile banking as compared to electronic cards and electronic transfers. Therefore, it is recommended that Kaaseman Rural Bank management should enroll sensitization and educative program about all the e-banking services it offers to the customers for effective usage. Also, Kaaseman Rural Bank should introduce Internet Banking to ease cost of transportation among others and time wastage in queuing.

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DEDICATION

To my lovely mother, Mercy Twenewaa

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ABBREVIATION

ATM	-	Automated Teller Machine
CERN	-	European Organization for Nuclear Research
e-banking	-	Electronic Banking
E-Business	-	Electronic Business
e-Commerce	-	Electronic Commerce
EDI	-	Electronic Data Interchange
EFT	-	Electronic fund transfer (EFT)
ICT	-	Information and Communication Technology
IT	-	Information Technology
PC	-	Personal Computer
PINs	-	Personal Identification Numbers
RFID	-	Radio Frequency Identification
SMS	-	Short Message Service
WWW	-	World Wide Web

CHAPTER ONE

INTRODUCTION

Background to the study

Information and Communication Technologies have become an essential part of our lives. In the past decade, the use of Information and Communication Technology (ICT) throughout society really took off with the introduction of the Internet. The Internet started mainly as a network for researchers that gave the opportunity to share information and ideas. An important step in the commercialization of the Internet was the announcement of the World Wide Web (www) in 1991 by Tim Berners-Lee of the European Organization for Nuclear Research (CERN) (Kalakota & Whinston, 1996). The world has also become increasingly addicted to doing business in the cyberspace, across the internet and World Wide Web. Internet commerce in its own respect has expanded in various innovative forms of money, and based on digital data issued by private market actors, has in one way or another substituted for state-sanctioned bank notes and checking accounts as customary means of payments (Cohen, 2001 as cited in Obenewa, 2011).

ICT is the umbrella term that encompasses a wide selection of systems, devices and services used for data processing. In the widest sense, 'E-business' refers to the application of ICT technologies in business processes. Businesses response to this technology has opened an opportunity for many of them including the financial industry. Adoption of electronic banking service delivery is fast gaining ground worldwide. Different e-Banking channels such as

electronic cards, internet banking and mobile banking services have been introduced (Obenewa, 2011).

Businesses have employed e-business by the use of the internet and other products as a principal means of doing business. The electronic means of producing, distributing, marketing and sales of products and services is known as E-Commerce; broadly defined, electronic commerce encompasses all kinds of commercial transactions that are concluded over an electronic medium or network, essentially the Internet. Mcandrews and Strahan (2002) defined E-finance as the provision of financial services and markets using electronic communication and computation and today banks are switching to the multi-channel distribution of financial services in hybrid platforms where the traditional services of banks are provided through both “bricks and mortar” branches and Internet.

According to Frempong (2007), banks today are becoming increasingly aware of both the threat and the opportunity that the Web represents. ICT mediated services such as automated teller machines, electronic fund transfer, electronic smart cards, cell phone banking among others are transforming the traditional ways of banking and providing a competitive edge for banks that provide those services. But, to be competitive in the Internet economy, companies need to control the power of the Internet successfully; hence it is important to understand the benefits, barriers and challenges related to businesses’ adopting of E-Business.

E-Business has dramatically changed how companies’ business process is implemented and has also enhanced industry structure and shifted the balance of power between corporations and their suppliers and customers (Basu &

Muyllé, 2007). The Internet is driving the economy by creating exceptional opportunities for countries, companies, and individuals around the world. Today chief executive officers worldwide recognize the strategic role that the Internet plays in their organization's ability to endure and compete in the future. According to Basu and Muyllé (2007), Companies in every industry have evaluated the opportunities and threats presented by E-Business. By thinking strategically about E-Business, managers can select technological solutions that support the company's business strategies and create value for the company and its customers.

In the words of Balachandher, Santha, Norhazlin, and Rajendra (2001), this revolution in the marketplace has set in motion a revolution in the banking sector for the provision of a payment system that is compatible with the demands of the electronic marketplace. According to Awad (2000), there are four electronic commerce activities that users perform. These activities require a banking relationship and are shopping, banking, investing, and online electronic payment for Internet services. The enormous increase in the internet is changing the way businesses interact with consumers as most businesses are now conducted using the internet. Online banking according to Daniel (1999) is therefore defined as the provision of information or services by a bank to its customers over the internet.

The economy of Ghana is picking up the service industry especially the banking industry as they are extending their national and regional coverage to be able to provide the needed financial service and there will be a need for these businesses to understand if, when and how to use E-Business. In some industries, businesses are learning now that this is no longer an option to

consider, but a requirement for survival. Internet banking allows customers to perform a wide range of banking transactions electronically via the bank's Web site. When first introduced, Internet banking was used mainly as an informational medium in which banks marketed their products and services on their Websites. With the development of secured transaction technologies, more banks are using Internet banking as a transactional as well as an informational medium. As a result Internet banking users can now perform common banking transactions such as writing checks, paying bills, transferring funds, printing bank statements and checking account balances online using a computer (Acharya & Kagan, 2004).

E-banking has facilitated banking transactions for customers and bankers alike. Whereas it is faster, easily accessible, more convenient and readily available for customers, it is cost saving to bankers. Owing to this, e-banking has been gaining popularity as a potential medium for electronic commerce (Crede, 1995).

E-finance has numerous effects on the performance of the banks and therefore to realise the contributions of internet-banking to the growth of a country, Nupur (2010) noted that there was the need for the increase in internet access, development of new online banking features, growth of household internet usage, and the development of a good legal and regulatory framework. Therefore, this study seeks to examine the knowledge and utilization of e-banking facilities in Kaaseman Rural Bank in Ghana.

Problem Statement

The Ghanaian banking sector after the liberalisation has operated in a relatively stable environment, however, with the advent of Internet banking, the

industry is characterized by dramatically aggressive competition. These competitions have made banks in Ghana adopted new technologies such as internet banking to make the banking process faster and easier whilst satisfying the needs of the customers. Others explained that the cost of acquiring the internet facility, computers and even the security of internet banking transactions are very high or expensive for the average Ghanaian rural bank to incur at the expense of other expenditure.

Despite the introduction of these e-banking facilities in Kaaseman Rural Bank in Ghana, clients still opt for the traditional way of banking. They have not taken full advantage of such facilities. This low or non-utilization coupled with the reduction in staff numbers has resulted in overcrowding in the banking halls, bringing in its wake, unnecessary pressure on the few staff even as it wastes clients' time. Therefore, the study sought to examine clients' awareness, knowledge and utilization of e-banking facilities as well as benefits of e-banking rather than the traditional way of banking to clients of Kaaseman Rural Bank in Ghana.

Purpose of the Study

The main purpose of the study is to examine the knowledge and utilization of e-banking facilities in Kaaseman Rural Bank in Ghana.

Research Objectives

1. To examine the availability and accessibility of the various e-banking facilities
2. To identify the level of awareness of customers of the e-banking facilities available at Kaaseman Rural Bank

3. Ascertain the knowledge and utilization of e-banking services by customers of Kaaseman Rural Bank
4. Examine how effective the use of e-banking facilities benefits customers of Kaaseman Rural Bank.

Research Questions

1. What types of e-banking facilities are available and accessible at the various bank branches?
2. What is the level of awareness among customers on the availability of e-banking facilities at Kaaseman Rural Bank?
3. What is the level of knowledge and utilization of e-banking facilities among the customers of Kaaseman Rural Bank?
4. How effective are these facilities being put to use to benefit customers of Kaaseman Rural Bank?

Significance of the Study

The study is aimed at examining the knowledge and utilization of e-banking facilities in Kaaseman Rural Bank in the Western region of Ghana. One of the major significance of this study is that it would help create awareness to bank managers as to whether customers are taking full advantage of the availability of these electronic facilities and to know how beneficial it has been to them. It would also help bank managers' plan on how to make these facilities customer friendly. Again, the study will help the managers of Kaaseman Rural Bank bank to assess the effectiveness of their e-banking services and products. The study will help educate customers on how to take full advantage of the e-

banking services in order to reduce the amount of time spent at the banking hall. Finally, it would add up to the literature on e-banking for further studies.

Delimitation

The study was conducted on the e-banking facilities in Kaaseman Rural Bank with regard to awareness, accessibility, usage and benefits that customers derived from it. Only issues concerning Kaaseman Rural Bank's e-banking facilities were considered. Therefore, the findings of the study were limited to only the branches of Kaaseman Rural Bank and not for all the rural banks in Ghana.

Limitations

Some challenges were encountered in undertaking this study and these include the unwillingness at first hand of some people to respond to questionnaires. Responses were however obtained after convincing and explaining issues and essence of the study to the respondents. There were also financial limitations with regards to the printing of data collections instruments and travelling to study areas.

Organization of the Study

The study has been divided into five chapters. Chapter one consist of the introduction and background of the study, statement of the problem, objectives and research questions, etc. The literature review also falls under Chapter two, while the third chapter describes the methods that will be used for the study. Specifically, the chapter three will discuss the research design, brief description or profile of the study area, the target population, data source to be used, sample size and sampling procedure, tools for data collection, and data analysis. The

fourth chapter will also contain the presentation and interpretation of the result of the study, and the last chapter, Chapter five, will present the summary, conclusion and recommendations of the study.

Definition of Terms

ATM (Automated Teller Machine): An ATM combines a computer terminal, record keeping system and cash vault in one unit, permitting customers to enter a financial firm's bookkeeping system with either a plastic card containing a Personal Identification Number (PIN) or by punching a special code number into a computer terminal linked to the financial firms computerized records 24 hours a day. The ATM card is a complex circuit that process micro-processors with a single chip that contains complete arithmetic and logic unit of the computer.

Electronic Data Interchange (EDI): this is the transfer of financial or business information or document between originations in machines readable form.

Electronic Money: this is referred to as the money value measured on an electronic device in the customer's possession. This electronic value can be purchased and hold on the device until reduced through purchases or transfer.

Internet Banking: this is a banking service that uses the internet to carry out financial transactions and also linking customers with financial service providers. Through the internet a customer can verify real-time account balances anytime from any location, move funds instantly from one account to another, confirm that deposits have been made, cheques have been cleared and submit an application for loan and credit cards. It has to be noted that internet banking is just an aspect of electronic banking.

Mobile Banking: this is a product that offers customers of a bank access to services as they move from one place to another. Customers can make their transactions anywhere, such as account balances transaction enquiry, account verification, bill payment, electronic fund transfer, updates and history and transfer between accounts etc.

Transaction Alert: This is SMS services that help customers to monitor and track promptly the transactions on their account. The system also serves as a notification system to reach out to customers when a necessary information needs to be communicated.

Electronic Banking (E-Banking): This is a web-based service that enables customers of a bank to access their account in virtual space or everywhere.

Information Technology: This represents the various types of hardware, database management, telecommunication and other information processing technologies used in a computer-based information system.

Computer: A computer is an automatic device usually electronic which is capable of storing a relatively large complicated sequence of mathematical and logic operations without human intervention.

CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter focuses on information which has a direct bearing on E-banking through a review of the various theories such as information production and contemporary theory, innovation diffusion theory, the conceptual framework as well as empirical studies.

Theoretical Review

Information Production and Contemporary Banking Theory

Diamond (1984) suggested that economic agents may find it worthwhile to produce information about possible investment opportunities if this information is not free; for instance, surplus units could incur substantial search costs if they were to seek out borrowers directly. There would be a duplication of information production costs if there were no banks as surplus units would incur considerable expenses in seeking out the relevant information before they commit funds to a borrower.

Banks enjoy economies of scale and have expertise in processing information related to deficit units (borrowers). They may obtain information upon the first contact with borrowers but in a real sense, it's more likely to be learned over time through repeated dealings with the borrower. As they develop this information they develop a credit rating and become experts in processing information. As a result, they have an information advantage and depositors are willing to place funds with a bank knowing that this will be directed to the

appropriate borrowers without the former having to incur information costs (Diamond, 1984).

According to Bhattacharya and Thakor (1993), the contemporary banking theory suggests that banks, together with other financial intermediaries are essential in the allocation of capital in the economy. This theory is centred on information asymmetry, an assumption that different economic agents possess different pieces of information on relevant economic variables, in that agents will use this information for their own profit (Freixas & Rochet, 1988). Asymmetric information leads to adverse selection and moral hazard problems. Asymmetric information problem that occurs before the transaction occurs and is related to the lack of information about the lender's characteristics, is known as adverse selection. Moral hazard takes place after the transaction occurs and is related to incentives by the lenders to behave opportunistically.

Innovation diffusion theory

Mahajan and Peterson (1985) defined an innovation as an idea, object or practice that is perceived as new by members of the social system and defined the diffusion of innovation as the process by which the innovation is communicated through certain channels over time among members of social systems. Diffusion of innovation theory attempts to explain and describe the mechanisms of how new inventions, in this case internet and mobile banking is adopted and becomes successful (Clarke, 1995). Sevcik (2004) stated that not all innovations are adopted; even if they are good, it may take a long time for an innovation to be adopted. He further stated that resistance to change may be a hindrance to diffusion of innovation and although it might not stop the innovation, it will slow it down.

Rogers (1995) identified five critical attributes that greatly influence the rate of adoption. These include relative advantage, compatibility, complexity, trialability and observability. According to Rogers (1995), the rate of adoption of new innovations will depend on how an organization perceives its relative advantage, compatibility, trialability, observability and complexity. If an organization in Ghana observes the benefits of mobile and internet banking they will adopt these innovations given other factors such as the availability of the required tools. Adoption of such innovations will be faster in organizations that have internet access and information technology departments than in organizations without.

Banking Overview

Banking is the business of providing financial services to consumers and businesses. The basic services a bank provides are checking accounts for payments and purchase of goods and services; savings accounts and time deposits for the purpose of saving money for future use; loans for consumers and businesses- to purchase goods and services; and basic cash management services such as check cashing and foreign currency exchange. Four types of banks specialize in offering these basic banking services: commercial banks, savings and loan associations, Investment banks, and credit unions (Awuku, 2011).

A broader definition of a bank is any financial institution that receives, collects, transfers pays, exchanges, lends, invests, or safeguards money for its customers. This broader definition includes many other financial institutions that are not usually thought of as banks but which nevertheless provide one or more of these broadly defined banking services. These institutions include

finance companies, investment companies, investment banks, insurance companies, pension funds, security brokers and dealers, mortgage companies, and real estate investment trusts (Awuku, 2011).

Banking services are extremely important in a free market economy. Banking services serve two primary purposes. First, by supplying customers with the basic mediums-of-exchange (cash, checking accounts, and credit cards), banks play a key role in the way goods and services are purchased. Without these familiar methods of payment, goods could only be exchanged by barter (trading one good for another), which is extremely time-consuming and inefficient. Second, by accepting money deposits from savers and then lending the money to borrowers, banks encourage the flow of money to productive use and investments. This, in turn, allows the economy to grow. Without this flow, savings would sit idle in someone's safe or pocket, money would not be available to borrow, people would not be able to purchase cars or houses, and businesses would not be able to build the new factories the economy needs to produce more goods and grow. Enabling the flow of money from savers to investors is called financial intermediation, and it is extremely important to a free market economy (FINSAC, 2010).

The Evolution of E-Banking

The first electronic banking product was money transferred via telegraph in the mid-1800's by Western Union in America. Wire transfer remained the major electronic banking product for more than 100 years. In the 1970's, balance reporting came into being. Balance reporting involved the use of a terminal and a modem to dial up a host where account balance information and transaction summary information could be printed on a terminal such as the

Texas Instruments Silent 700 Thermal Printer. Advances in microprocessors led to the development of the personal computer which could retrieve both summary and detail bank account information. Further advances led to the ability to download account transaction information which could be exported to the user's accounting system. The personal computer also allowed the user to move funds, which provided greater control of cash (Awuku, 2011).

The growth of electronic banking has not been limited to advances in information reporting. Electronic payments have become a force majeure. Electronic payments lower cost, improve cash forecasting and provide straight-through processing to accounts payable or accounts receivable. With increased acceptance and advances in technology, the use of electronic banking products will continue to increase. For organizations to stay competitive and to grow, they must embrace electronic banking products (Gurau, 2002).

E-Banking in Ghana

In Ghana, the first information and communication technologies (ICTs) used in the banking sector were generally office automation devices such as telephone, telex, and facsimile (Nupur, 2010). The adoption of these devices remained in use for years, to help speed up operations and efficiency in serving clients. Over time, the importance of ICTs in changing the way business transactions are conducted and meeting the growing demands of customers increased in the late 1980s, as competition intensified. New technology introduced at the time was a personal computer (PC). Most Ghanaian banks began to use PCs in back-office operations and later by tellers to service clients as well (Awuku, 2011).

Advancements in computer technology saw the banks networking their branches and operations thereby making the one-branch philosophy a reality. Barclays Bank (Gh.) and Standard Chartered Bank (Gh.) pioneered this very important electronic novelty, which changed the banking landscape in the country (Abor, 2004). Afterwards, the existence of electronic delivery channels collectively known as e-banking followed subsequently. Many established banks in the country began with Automated Teller Machines (ATMs). For instance; in 1995, the Trust Bank Ghana installed the first ATM and in 2001, Ghana Commercial Bank started its ATM networks in collaboration with the Agricultural Development Bank.

Additionally, as of 2004, other banks such as Barclays Bank (Gh.), Standard Chartered Bank (Gh.) and Ecobank Gh. Ltd operated ATMs in Ghana. The most innovative electronic delivery channel in the country and worldwide has been the ATM. Observations from a study, in Abor (2004) reveals that customers consider it as important in their choice of banks, and banks that delayed the implementation of their ATM systems, have suffered irreparably. ATMs have been able to entrench the one-branch philosophy in this country, by being networked, so people do not necessarily have to go to their branch to do some banking.

Another electronic innovation was the electronic cards, developed over a period of time. The first was known as “Sika Card” a value cash card loaded electronically, by Social Security Bank (now Societe Generale SSB) in May 1997. Again in 2001, the first debit card in Ghana by Standard Chartered Bank was launched and that also have been recently integrated with ATM cards, as they are accessed in the same manner. The third was the E-Card’ from Ecobank,

Cal Merchant Bank and the Trust Bank in November 2001. The E-Card is online in real time; therefore, any changes occurring in the account is automatically reflected.

In spite of the numerous benefits from the utilization of ATMs and electronic cards, the idea of improving in areas of competition, profits, performance and convenience to customers made it possible for the banking industry to develop another form of e-banking innovation called Personal Computer (PC) banking service. PC banking services are provided to customers; mainly to corporate clients with proprietary software to access their bank account, sometimes via the World Wide Web (WWW). Some banks offering PC banking includes Ghana Commercial Bank, Stanbic Bank (Gh.), Barclays Bank (Gh.), Ecobank (Gh.), and Standard Chartered Bank (Gh).

However, the idea of increasing the point of convenience and time, used in transacting business in the banking industry leads to the development of telephone banking services. This service aims at providing credible information about banks products and services, bank statements, cheque book request and complaints and inquiries from clientele. Telephone banking was launched initially on August 28, 2002, by Barclays bank (Gh.) and immediately followed by SSB Bank on September 19, 2002, as “Sikatel” or SSB Call Centre’.

In a while, the use of mobile phones as a medium for conducting banking transactions also emerged in the industry. It was as a result of the high patronage of mobile phones by individuals in Ghana for their personal and business communications that banks thought it wise to introduce mobile banking (or SMS banking) to perform some kind of financial services (GhanaWeb, 2005).

According to Jayawardhena and Foley (2000), surveys of 9,000 Irish consumers were asked about their willingness to use mobile phones as a medium for conducting a variety of types of banking transactions. The findings reveal a clear set of trends that face firms in the banking industry if they are to successfully move forward with mobile banking as a viable consumer electronic banking option. The key findings are: mobile banking users are a very small minority – approximately 1%, interest is growing with a focus on basic services like the checking of one's balance and consumers are not yet ready for function-rich mobile banking. However, similar situations are likely to exist in Ghana. The prominent of them is the use of SMS banking to check an individual's account with a bank. There are quite a number of Ghanaian banks such as Barclays bank (Gh.), Standard Chartered Bank (Gh.), HFC Bank (Gh.), Ecobank (Gh.) etc that use SMS banking service.

Additionally, the identification of Internet banking as a new delivery channel for performing various banking transactions has gained acceptance in the country. It provides an opportunity for the customers to carry out banking transactions at their convenience. Banks have recognized the internet as representing an opportunity to increase profits and their competitiveness (Abor, 2004). As of 2004, no bank was offering internet banking (i-banking) in Ghana, even though some banks have well-laid plans to start.

The exploitation of internet banking began in 2005 by Cal bank (Gh), Guarantee Trust-2006, Zenith Bank (Gh.)-2007, Ecobank, Stanbic and Standard Chartered Bank (Gh.) -2008, Intercontinental bank-2009 and among other Ghanaian banks. Again, internet banking model offers advantages for both banks and customers. The internet provides the banks with the ability to deliver

products and services to customers at a cost that is lower than any existing mode of delivery. A survey conducted in the US shows that of all the modes of transactions, internet banking is the cheapest for the banks (Malhotra, 2006).

Last of all is a Point-of-Sale Terminal known as E-zwich. This technological innovation is a name for the National Switch, initiated by the Bank of Ghana in collaboration with other banks in Ghana to bring the payment systems for goods and services up to the best international standards. Also, it's being designed to help bring the purpose of banking closer to everyone. E-zwich participants include major and rural banks, savings and loans companies, merchants, services providers, tax revenue collectors and individuals making or collecting payments for goods and services. The general public benefits from a more convenient, safer and easier way to send and receive money by using the smart card. Electronic banking is in fact not a technology, but an attempt to merge several different technologies that are identified to be of high-quality when brought together to improve the performance of bank services.

Application of Electronic Banking

For many consumers, electronic banking means 24-hour access to cash through an automated teller machine (ATM) or Direct Deposit of pay cheques into checking or savings accounts. But electronic banking involves many different types of transactions (Simpson, 2002; Fox & Beier, 2006).

According to Simpson (2002), Fox and Beier (2006), Electronic fund transfer (EFT) is a component of electronic banking which involves the use of computer and electronic technology as a substitute for checks and other paper transactions. EFTs is initiated through devices like cards or codes that let you, or those you authorize, access your account (Fox & Beier, 2006). Many

financial institutions use ATM or debit cards and Personal Identification Numbers (PINs) for this purpose.

Some use other types of debit cards such as those that require, at the most, your signature or a scan. For example, some use radio frequency identification (RFID) or other forms of “contactless” technology that scan your information without direct contact. The federal Electronic Fund Transfer Act (EFT Act) covers some electronic consumer transactions (Simpson, 2002; Fox & Beier, 2006).

ATMs are electronic terminals that let you bank almost any time. To withdraw cash, make deposits, or transfer funds between accounts, you generally insert an ATM card and enter your pin. Some financial institutions and ATM owners charge a fee, particularly if you don’t have accounts with them or if you engage in transactions at remote locations. Generally, ATMs must tell you they charge a fee and its amount on or at the terminal screen before you complete the transaction.

Direct Deposit lets you authorize specific deposits, (like paychecks and Social Security check and other benefits) to your account on a regular basis. You also may pre-authorize direct withdrawals so that recurring bills (like insurance premiums, mortgages, utility bills, for consumers) are paid automatically. Be cautious before you pre-authorize direct recurring withdrawals to pay companies you aren’t familiar with; funds from your bank account could be withdrawn improperly. Also monitor your bank account to ensure that direct recurring payments from your account to others are for the correct amount (Simpson, 2002).

Pay-by-Phone Systems let you call your financial institution with instructions to pay certain bills or to transfer funds between accounts. You must have an agreement with the institution to make such transfers (Simpson 2002). Personal Computer Banking lets you handle many banking transactions via your personal computer. For instance, you may use your computer to view your account balance, request transfers between accounts, and pay bills electronically (Simpson, 2002).

Debit Card Purchase or Payment Transaction let you make purchases or payments with a debit card, which also may be your ATM card. This could occur at a store or business, online, or by phone. The process is similar to using a credit card, with some important exceptions (Fox & Beier, 2006). While the process is fast and easy, a debit card purchases or payment transfer's money fairly quickly from your bank account to the company's account. So it's important that you have funds in your account to cover your purchase. This means you need to keep accurate records of the dates and amounts of your debit card purchases, payments, and ATM withdrawals. Also be sure you know the store or business before you provide your debit card information to avoid the possible loss of funds through fraud. Your liability for unauthorized use, and your rights for error resolution may be different for a debit card than a credit card (Simpson, 2002).

Electronic Check Conversion converts a paper check into an electronic payment or when company receives your check in the mail (Fox & Beier, 2006). When you give your check to a cashier, the check is run through an electronic system that captures your banking information and the amount of the check. You're asked to sign a receipt and you get a copy for your records. When your

check is handed back to you, it should be voided or marked by the merchant so that it cannot be used again. The merchant electronically sends information from the check (but not the check itself) to your bank or other financial institution, and the funds are transferred into the merchant's account.

When you mail in a check for payment to a merchant or other company, they may electronically send information from your check (but not the check itself) through the system, and the funds are transferred from your account into their account. For a mailed check, you should still receive advance notice from a company that expects to send your check information through the system electronically. For example, the merchant or other company might include the notice on your monthly statement. The notice also should state if the merchant or company will electronically collect from your account a fee like a "bounced check" fee if you have insufficient funds to cover the transaction (Simpson, 2002).

Level of Awareness of E-Banking

Consumers' level of awareness of internet banking influences the adoption of internet banking. The internet banking literature supports that individual factors like knowledge (Polatoglu & Ekin, 2001) has an impact on consumer's adoption of internet banking. Polatoglu and Ekin (2001) highlighted that many consumers were simply unaware of internet banking and its unique benefits. Here knowledge refers to the consumers' awareness of internet banking and the benefits associated with internet banking, and their knowledge of how to use basic technology. Colgate et al (2003) state that when consumers made decisions for different alternatives in the marketplace, the awareness of the existing alternatives was a determinant for consumers to stay with their

current banking provider. In this context, Polatoglu and Ekin (2001) empirically supported the idea that consumer knowledge has an effect on electronic banking adoption. They further explain that the lack of awareness about electronic banking and its benefits contribute to the non-adoption of electronic banking.

Furthermore, Polatoglu and Ekin (2001) stated that the more knowledge and skills a consumer possessed in electronic banking, the easier it was for the consumer to utilize electronic banking. Therefore, consumers who are more aware of internet banking are more likely to perceive internet banking as more useful, easy to use and more reliable, thereby influencing the adoption of internet banking.

Perceived Usefulness

Davis (1989) asserts that the decision to use new technology is determined by the extent to which a person believes that it is cost effective in providing goods or services compared to the current method. Perceived Usefulness (PU) is defined as the degree to which a person believes that using a particular technology will enhance his performance. The PU is also an important variable from Technology acceptance model (TAM) (Araujo & Araujo, 2003). PU has been confirmed as an important variable that influences users' technology acceptance and therefore has received a great deal of attention from previous researchers.

Internet banking provides two major advantages: convenience (Gerrard & Cunningham, 2003; Meuter et al, 2000; Polatoglu & Ekin, 2001) and quick service (Karjaluoto et al, 2002), compared to traditional banking services. Convenience and effective management of personal finances are two advantages in using internet banking. Therefore if the consumer perceives

internet banking to have perceived usefulness, then the consumer is more likely to perceive internet banking as easy to use and reliable and also influence the adoption of internet banking. Hence it was hypothesized that; perceived usefulness has a positive impact on perceived ease of use of internet banking, perceived usefulness has a positive impact on perceived reliability on internet banking, and also, perceived usefulness has a positive impact on consumer adoption of internet banking (Karjaluoto et al, 2002).

Perceived Ease of Use

Perceived ease of use refers to the degree to which a person believes that using a particular system would be free of effort. Extensive research over the past decade provides evidence of the significant effect of perceived ease of use on usage, either directly or indirectly through its effect on perceived usefulness (Venkatesh & Morris, 2000). Information technologies that are easy to use will be less threatening to the individual (Moon & Kim, 2001). This implies that perceived ease of use is expected to have a positive influence on users in their interaction with internet banking systems. It is also found that ease of use positively correlates with the use of consumer technologies, such as computer software (Davis, 1989; Venkatesh & Davis, 1996). Suganthi et al (2001) establish therefore that, the more the consumer perceives internet banking as easy to use, the more he or she is likely to adopt internet banking. This has brought to bear the hypothesis that perceived ease of use has a positive effect on consumer adoption of internet banking. That is, once an individual notifies that, he/she would not be constrained in an attempt to use e-banking/internet banking there is the high tendency of its adoption.

Perceived Reliability

Customers frequently do not trust internet technology for two specific reasons: Security of the system and worries about the reliability of internet services (Lee & Turban, 2001). Strong concern about security is one common factor related to an unwillingness to use internet channels for commerce (Black et al, 2002). Most customers are not satisfied with the infrastructure of web security systems (Black et al, 2002). In internet banking, security is one of the most important future challenges, because customers fear higher risk in using the web for financial transactions (Aladwani, 2001; Black et al, 2002; Gerrard & Cunningham, 2003). This study considers “Reliability” which explains the degree to which internet banking is perceived to be safe and reliable” in the offering and secure transmission of financial transactions. If the potential adopter of internet banking perceives that the new technology is not safe and believes that mistakes are likely to occur, she or he is not likely to adopt (Gerrard & Cunningham, 2003).

Polatoglu and Ekin (2001) found that the security dimension was an important determinant for consumers who used electronic banking. Furthermore, Polatoglu and Ekin (2001) found that security was positively related to the use of electronic banking. For banks, their immediate need is not simply to reduce fraud in internet banking. It is also about retaining consumers’ confidence and making customers rely on, not just in their bank and its ability to deliver secure access to their money, but also in internet banking as a key delivery channel. Therefore, perceived reliability is expected to have a positive influence on the adoption of internet banking. Perceived reliability has a positive impact on consumer adoption of internet banking.

Benefits of E-Banking

The customers' point of view

The main benefit from the bank customers' point of view is a significant saving of time by the automation of banking services processing and the introduction of easy maintenance tools for managing customer's money. A 'customer first' approach is critical for success in e-banking. Customers hold the key to success and bankers must find out what different customers want and provide it using the best available technology, ensuring that they are acting on the latest, most up-to-date information. In modern business environments, customers want greater choice. They want the traditional range of banking services, augmented by the convenience of online capabilities and a stronger focus by banks on developing personal relationships with customers (Shah & Clarke, 2009).

The main advantages of e-banking for corporate customers according to Bank-Away (2001) are as follows: reduced costs in accessing and using the banking services; increased comfort and timesaving - transactions can be made 24 hours a day, without requiring the physical interaction with the bank; quick and continuous access to information. Corporations will have easier access to information as they can check on multiple accounts at the click of a button; and better cash management. E-banking facilities speed up cash cycle and increase the efficiency of a business processes as large variety of cash management instruments are available on internet sites of Ghanaian banks. For example, it is possible to manage company's short-term cash via internet banks (investments in over-night, short- and long-term deposits, in commercial papers, in bonds and equities, in money market funds).

Private customers seek slightly different kind of benefits from e-banking. In the study on online banking drivers, Aladwani (2001) has found, that providing faster, easier and more reliable services to customers were amongst the top drivers of e-banking development. The main benefits from e-banking for private customers in the Bank according to Away (2001) includes; reduced costs, convenience, speed and funds management.

Moreover, it has been claimed that Internet banking offers the customer more benefits at lower costs. Turban et al. (2000) indicated that Internet banking is extremely beneficial to customers because of the savings in costs, time and space it offers, its quick response to complaints, and its delivery of improved services, all of which benefits make for easier banking.

Problems Related to E-Banking

E-banking, an element of IT, offers advantages such as improved efficiency, speed and convenience. But since the internet is a public network, it presents some privacy and security issues. Generally, online banking can pose a significant risk to a financial institution as well as to an individual. Naturally, these risks can be mitigated by adopting a comprehensive risk management program (Hansotia, 2002).

Electronic banking relies on a networked environment. As mentioned before, network access can be performed through a combination of devices such as personal computers, telephones, interactive television equipment, and card devices with embedded computer chips. The connections are completed primarily through telephone lines, cable systems, and in some instances wireless technology. These systems, whether informational or transactional, facilitate

interaction between the bank and the consumer, often with the support of third-party service providers.

However, not all networks carry the same degree of risk, and not all networks are equally vulnerable. It is worth noting, that the internal attacks are potentially the most damaging because the bank's personnel, which can include consultants as well as employees, may have authorized access to critical computer resources. Combined with detailed knowledge relating to the bank's practices and procedures, an internal attacker could access value transfer systems directly, or exploit trusted relationships among networked systems to gain a level of access that allows him to circumvent established security controls. After that, the attacker could potentially transfer money or other assets inappropriately. That is why, the first thing a financial institution should do, is to review and evaluate the security of internal networks (Liao & Cheung, 2002).

Internet, as said, is a public network and an open system where the identity of the communicating partners is not easy to define. In addition, the communication path is non-physical and may include any number of eavesdropping and active interference possibilities (Ghana web, 2005).

The development of an efficient money transfer system is associated with so many problems. These problems are infrastructural deficiency such as erratic power supply and communication link, especially in developing countries. In this case, it requires government or organizations to provide stable and efficient power supply and telecommunication system (Oleka, 2009). Inadequately skilled managers and requisite tools on end users and client systems, here efforts should be done in the provision of infrastructure and skilled manpower, another problem is the large accumulation of cash in the

economy and in this the government should compel legislation that would charge the dominance of cash usage to electronic payments. Also, there is a high charge or cost for the e-payment terminals (ATMs) so the banking legislation should set out standard charges for e-payment services (Littler & Melanthiou 2006).

Non-provision of adequate security for fraud prevention, banks should endeavour to provide stand-by-camera in every ATMs machine for confirming identify of operators account and employ a good computer wizard in directing and preventing frauds committed by computer hackers. Lack of government support for the improvement of e-banking, there should be an involvement of central banks in public awareness campaign and escalating infrastructural challenges to the relevant government agencies.

Power Failure and Communication Link

Constant electric failure leads to deficiencies in infrastructures such as ATMs computers and others which slow down the rate of electronic transactions and also failure links from Nitel lines which are often as a result of spikes and surges caused consistent electronic power supply (Akinuli, 1999).

Lack of Computer Back Ups

As a result of lack of computer backup when the bank system is corrupt there will be a loss of information about a customer, and this may lead to misappropriation of customers account, therefore the bank should have a manual backup (ledger) containing all data about the customers (Akinuli, 1999).

Lack of Adequate Investment Capital

Funds that can be used to buy new information technologies and for modernizing existing systems is generally in short supply. While there are a number of modern banking applications in use, there is also integrated banking system, which continued to experience innovations in terms of product development specifically, and there has been tremendous improvement in the speed in which funds are transferred within and outside the domestic economy (International Money Transfer) (James, 2009).

Reduces Employment in the Country

Electronic banking in the country today has reduced the rate of employment in the country whereby most works that should be done by human are done by machines thereby lead to a minimum rate of employment and high rate of unemployment in the country (Oleka, 2009).

High Charges on Machines

The rate of commission or charges imposed by banks is too high thereby discouraging customers from using the electronic machine for the exchange of transactions example of such charges are charged on withdrawing ATMs and online transfer from one bank branch to another (James, 2009).

Low Public Acceptance

Customers and the public do not have trust in the machine in the sense that fraudulent persons use the system to carry out fraudulent activities. Even today banks use the machine in looting customers money from their accounts. Some customers complain that sometimes when they go for withdrawing with their ATM cards the machine seize the card while their account will still be

debited with un withdraw sum. In the course of ratification of this problem, the customer might be discouraged because it will take a longer time or end up unsolved (James, 2009).

Insecurities in Banks

Most electronic machines today are not secure thereby making it easier for fraudulent personnel to carry out their fraudulent activities without been caught. Due to insecurity, banks cannot prevent, stop or detect any fraudulent activity. Computer hackers also use the system in stealing data or information by the breaking of codes (Hodagho, 1996).

Encourages Excessive Withdrawal

Un-operational days like Saturdays when banks are not in operation customers can go and withdraw with their ATM cards, especially when there is a function like wedding ceremonies, customers with little or no money can rush to a nearby ATM machine to withdraw money for excessive spending, customers complained about this in an interview conducted by banks (James, 2009).

Access to the Internet

Although the growth of the Internet has been very fast, there is still a large population not connected to the Internet. Lack of computer literacy, the high cost of hardware and call charges and various other social and economic factors are some of the reasons cited for this (Walczych et al., 2000). This is changing fast as more and more people connect to the Internet, and numbers are expected to grow even faster with the maturity of mobile communications

(Samuals, 2002). However, this is still more of a problem in some developing countries, where the telecommunications infrastructure is less developed.

Consumer Behaviour

A large number of consumers of financial services are still reluctant to conduct their financial management online. A study of consumer habits in 10 countries found that two-thirds of consumers do not consider online services important and that almost 30 per cent do not know whether their bank offers Web-based services (Regan & Macaluso, 2000).

Changing consumer behaviour takes many years, as was the case with the 10-year adoption cycle of the ATM. This process can be accelerated with aggressive marketing and high value-added features, two things that are lacking in today's online banking market (Cheng et al., 2006). This can also be true for some businesses, which may be even slower than consumers in adopting new technologies. Factors such as security, perceived difficulties of use, perceived usefulness; functionality and lack of promotion (such as availability of cheaper products on new channels) are most commonly cited factors, which are hindering the widespread adoption of new technologies (Cheng et al., 2006).

Language and Culture Issues

These play a major role in global e-Commerce. Although English is accepted as the primary language of the Internet worldwide, in some cases a website has to be designed specifically to suit the market that it is trying to reach. The main problems associated with this are speed and cost. It takes a human translator up to a week to translate a small website into just one language (Turban et al., 2000). Financial services related websites are usually very large

and consume large resources in the translation process. The problem does not end with the translation of a website; it also need be adapted to the local culture to attract visitors. Banks around the world would do well to learn from Swiss banks, which successfully offer their services in several different languages (Turban et al., 2000).

Fear of Competition

Some banks have been hesitant to promote e-banking systems, fearing that their costs will become too high and that it will be difficult for them to match the prices of competing Internet-only banks (Shah & Clarke, 2009).

Availability of Resources

For some banks, lack of financial and human resources will be a problem because offering the sophisticated Internet-based services is an expensive project requiring major changes in IT infrastructure (Mols, 1998). Walczuchet. al. (2000) synonymously reports that the primary deterrents for businesses establishing a Web presence startup costs and the costs associated with major organizational changes required for such moves. Mols (1998) suggest strategic partnerships between banks to share such costs. These partnerships could combine to develop e-banking related systems. However, finding suitable partners in very competitive environments may prove difficult.

Empirical Evidence

The past three decades have witnessed a lot of research in the electronic banking scheme. Some of these studies focused on the technological innovation or electronic delivery channels that have contributed positively to the provision of banking services and the growth of the Ghanaian banking industry.

Owusu-Afriyie (2012) conducted a study on knowledge and utilization of E-Banking facilities with regards to Ghana Commercial Bank in Asuogyman District and found out that there was a high level of awareness among the customers, however, utilization of E-Banking was low as a result of poor internet accessibility at home, delay in issuing of cards among others.

Wungwanitchakorn (2002) indicated that internet banking is still in its growth stage since fewer bank customers accustomed to the use of electronic channels to manage their financial affairs hence the low adoption internet banking. Additionally, Wungwanitchakorn (2002) indicated the dissatisfaction with the electronic or internet banking is because of the high failure rates of most of the innovative products and services introduced.

Casaló et al. (2008) indicated that increasing levels of website usability might lead to increasing levels of consumer's effective and commitment to the website which would have a direct, positive and significant effect on its use as well as on satisfaction. This will lead to an increase in the use of internet banking when it was introduced in the banking.

In an exploratory study by Malhotra and Singh (2010) for the Indian economy on internet banking, it was found out that the private and foreign Internet banks have performed well in offering a wider range and more advanced services of Internet banking in comparison with public sector banks. This led the private and foreign firms being able to satisfy their customers more than their local counterparts in the public sector.

Raj and Upadhyay-Dhungel (2013) conducted a study on internet Banking in Nepal: Use and challenges and found out that majority of the account holders use the internet, have some knowledge about the internet banking

provided by their bank, but they have not developed the habit of utilizing those facilities. Also, awareness about internet banking and its benefit and security were identified as the major reason behind less utilization of internet banking among the customers. However, customer's education levels, their knowledge about the computer and internet, electricity problem and theft of password, and internet infrastructure were identified as major challenges faced by the bank regarding the development of their online facilities.

In a whole, a number of studies have concluded that IT has appreciable positive effects on bank productivity, cashiers' work, banking transaction, bank patronage, bank services delivery, customers' services and bank services. They concluded that these have positive effects on the growth of banking (Balachandher et al, 2001; Idowu et al., 2002; Yasuharu, 2003).

Chapter Summary

This section looked at theories such as information production and contemporary theory and innovation diffusion theory that underpinned the study. Also, concepts such as e-banking as well as conceptual framework were elaborated. Moreover, history and evolution of e-banking, e-banking in Ghana, applications and usefulness of e-banking, level of awareness of e-banking, benefits of e-banking as well as problems associated with e-banking were discussed. Literature reviewed shows that e-banking improve upon service quality of banks and reduce the long queue at various banking halls. However, there are few challenges with awareness, security, network and cost.

CHAPTER THREE

RESEARCH METHODS

Introduction

This section of the study primarily seeks to cater to the specific methods and techniques employed in undertaking this research. The entire chapter clearly spells out the means through which these techniques are used and how effectively they contribute to the realization of the set objectives. Notable within the section are in-depth information with regards to the research design, population, sample and sampling techniques which are employed in carrying out this research. Further information is provided concerning the data collection and mode of analysis.

Research Design

This study employed a quantitative approach which emphasizes objective measurements and the statistical, mathematical, or numerical analysis of data are collected through polls, questionnaires, and surveys. Quantitative research focuses on gathering numerical data and generalizing it across groups of people or to explain a particular phenomenon. Quantitative research designs are either descriptive (subjects usually measured once) or experimental (subjects measured before and after a treatment) (Babbie, 2010).

The study used a descriptive research design. Mugenda and Mugenda (2003) describe descriptive research design as a systematic, empirical inquiring into which the researcher does not have a direct control of independent variable as their manifestation has already occurred or the inherently cannot be manipulated. Descriptive studies are concerned with the what, where and how

of a phenomenon hence more placed to build a profile on that phenomenon (Mugenda & Mugenda, 2003). The descriptive research design is more appropriate because the study sought to build a profile about the impact of internet banking on the financial performance of Kaaseman Rural Bank in Ghana.

Population

Amadehe and Gyimah (2002) defined population as the entire aggregation of cases that meet a designated set of criteria. This refers to the target group or elements that the researcher is interested in gaining information in order to achieve the set objectives of the study. All the eight branches of the Kaaseman Rural Bank customers and management were targeted for this study. These branches were found in the west of western and northern of Brong-Ahafo as Kaase, Yawmatwa, Debiso, Oseikojokrom, Drobo, Berekum, Dormaa and Sunyani. There were 960 customers and eight managers in sum of all these branches.

Profile of Kaaseman Rural Bank Limited

This study was conducted at Kaaseman Rural Bank in Ghana. Kaaseman Rural Bank limited is a limited liability company incorporated in Ghana under the companies' code, 1963 (Act 179). The company is located in Ghana with its registered head office in Kaase in the western region of Ghana with other located branches at both the west of western and northern of Brong-Ahafo; Kaase, Yawmatwa, Debiso, Oseikojokrom, Drobo, Berekum, Dormaa and Sunyani. The bank is licensed to carry out the business of banking and its subsidiaries (KRB portfolio analysis report, 2013).

Kaaseman Rural Bank Limited was incorporated on the day of October 1987 and commenced business on the 14th day of July 1989. The bank further received a license to operate the business of banking under the then banking Act, 1970 (Act 339) on the 2nd day of November 1987 now reversed as the Banking Act 2009. Kaaseman Rural Bank Limited was designed as a rural development Bank with a strategic focus on the development of rural people through the purchases of cocoa, shea nut and micro savings and finance (KRB portfolio analysis report, 2013).

The bank can currently boast of (8) branches all in Ghana, with four (4) located in the Western Region and the remaining at Brong-Ahafo Region. Some products and services of Kaaseman Rural Bank Ltd include: demand deposit account, savings account, time deposits account, “Susu” deposits account, call account, western union money transfer, MoneyGram money transfer, MTN money transfer, Voda cash money transfer, Apex link money transfer and microfinance.

KRB Ltd primary mission was to improve the situation of low income, productive poor people in its catchment areas through increased access to lending and saving services to every customer. The institutional objectives of KRB Ltd are: to promote socioeconomic development in our operational areas, take banking to the doorstep of the rural dwellers, objective through which agriculturally, and non- agricultural economic activities are promoted; outreach objective for poverty alleviation and stimulating the districts economic growth, giving priority to rural and remote communities, particularly women; Impact objective- which helps to significantly increase the income and asset position of

clients; and Institutional sustainability to promote sustainable financial services, both operational and financial (KRB Ltd Policy manual, 2001).

Sampling Procedure

Sampling involves “the use of definite procedures in the selection of a part for the express purpose of obtaining from its description or estimates certain properties and characteristics of the whole” (Kumekpor, 2002; p.123). Purposive sampling was used to select two branches each from Brong Ahafo region and Western region. Brong Ahafo: Berekum and Drobo and for western: Kaase and Debiso were selected for the study due to the fact that they have been operating for a long time even before and after the adoption of the internet banking. In all, four branches were chosen out of the eight branches of the Kaaseman Rural Bank. They were able to address the expected need for this study. Four managers of the Kaaseman Rural Bank were purposively selected to form part of the study. The four branches have nine hundred and sixty customers (960). Out of this, two hundred and fifteen (215) respondents were involved in the study. This was calculated with the aid of Yamene (1967) formula:

$$n = \frac{N}{1+N(e)^2}$$

Where:

n= sample size

N = Population size

e= error of margin

$$n = \frac{960}{1+960(0.06)^2} = 215$$

Table 1: Sample size determination

Branch	Respondents	Sample
Kaase	311	70
Debiso	212	48
Berekum	259	58
Drobo	178	39
Total	960	215

Source: Kaaseman Rural Bank report (2017)

Source and Type of Data

Both primary and secondary sources were being employed. The primary data was made up of the questionnaires administered to the customers and managers respectively. The secondary data will include documents and reports of the various branches of the Kaaseman Rural Bank. The other sources of the information include books, internet search, articles, and journals among others.

Data Collection Instruments

The study used a questionnaire as the instrument for data collection. It serves the following purposes: to collect the appropriate data comparable and amenable to analysis, minimize bias in formulating and asking the question, and to make question engaging and varied. The questionnaire started with the purpose of the research and assurance of confidentiality. The questionnaire has only close ended questions for the customers and mix of open ended for the managers and sectionalised into a number of sections. The first Section sought information on the demographic characteristics of the respondents. The next section tends to focus on the level of awareness of the availability of e-banking

facilities and the last section looked at the level of knowledge and utilization of e-banking facilities among the customers.

Data Collection Procedure

An introductory letter was obtained from the researchers' department. The letter spelt out the purpose of the instrument, the need for the individual participation, anonymity as well as the confidentiality of respondents' responses. After establishing the necessary contact with the customers and the management of Kaaseman Rural Bank, permission was granted for the administration of the instrument. The researcher administered questionnaires to the selected customers and the management personally at the various branches of Kaaseman Rural Bank premises. The presence of the researcher was necessary as it enabled the establishment of rapport between the researcher and the respondents, which facilitated a complete understanding of the questionnaire by explaining areas respondent did not understand. The questionnaires were completed and given back to the researcher on the same day. The questionnaire was administered from 12:30 pm to 1:30 pm for two weeks. This time was favourable since it was the break time for the workers of Kaaseman Rural Bank which permitted the researcher to administer the instrument to the customers without the interference with their busy schedule.

Data Processing and Analysis

Data analysis is a systematic search for meaning. It is a way to process data so that what has been learned can be communicated to others. Analysis means organizing and interrogating data in ways that allow researchers to see patterns, identify themes, discover relationships, develop explanations, make

interpretations, mount critiques, or generate theories. It often involves synthesis, evaluation, interpretation, categorization, hypothesizing, comparison, and pattern finding (Hatch 2002).

The questionnaires that were retrieved from the field were analyzed through the use of quantitative tools. Since the research was mainly descriptive, the Stata version 14.0 was used to organize, analyze and interpret using descriptive statistics including means, standard deviations, mean deviations, frequency and percentages.

Ethical Issues

This work would not be successful if the key ethical issues in social science research were ignored. The research topic was sent to the supervisor for approval and acceptance. The supervisor approved it as a researchable topic and free from harming the respondents, but of infringe benefits to the respondents. The research also assures absolute confidentiality and consent of the respondents by providing introductory information to the respondents to make an informed decision on whether they will participate or not. The respondents were given the right to withhold information that they may consider private. Moreover, the researcher ensured that the respondents were not harmed physically or psychologically during and after the research. Respondents' confidentiality was assured by using the information that was gathered for the study purpose only. Furthermore, researchers ensured that others whose works were used in the study were acknowledged adequately and appropriately.

Chapter Summary

The study used a quantitative approach and descriptive design of which customers and management of Kaaseman Rural Bank were targeted. Two hundred and fifteen (215) respondents were chosen with the aid of simple random sampling technique for selecting the customers while purposive sampling was used to select the managers of the four branches of Kaaseman Rural Bank. The questionnaire was the main data collection instruments. Furthermore, the data were analyzed with the help of statistical software known as Stata version 14.0 and interpreted by using percentages and frequencies and presented by using tables, and charts using Excel 2013 version. However, the responses from the interviews were transcribed verbatim and discussed thematically based on the objectives of the study.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This chapter considers the analysis of the data. It uses descriptive statistics, simple percentage and frequencies to describe the data which have been collected. It was mainly based on the questionnaires administered to the respondents. Out of the 215 questionnaires administered, 180 were retrieved as well as 4 managers, thus, 83.7 percent of the response rate.

Demographic Information on Respondents

This section presents information on the background characteristics of the respondents, that is, sex, age, marital status, educational, religion, occupational status, household size and average monthly income.

According to Table 2, 105 out of 180 of the respondents were males while 75 were females. This shows that majority of the respondents in this study were males.

Table 2 also shows that 74 respondents representing 41.1 percent were between 31-40 years. Fifty respondents which represent 28 percent were between the ages of 41 – 50 years, 32 respondents who represented the 18 percent were between the ages of 20 – 30 years and 5 (6%) of the respondents were at 60 years and above. This means that majority of the respondents who partook in this study were found below 50. Majority of the respondents were active to either visit various bank premises for banking services and also to access e-banking as compared to the aged who find it difficult in dealing with technology.

Table 2: Demographic characteristics of the respondents

Variable	Category	Frequency	Percentage
Sex	Male	105	58.3
	Female	75	41.7
	Total	180	100
Age	Below 20 years	11	6.1
	20 – 30 years	32	17.8
	31 – 40 years	74	41.1
	41 – 50 years	50	27.7
	51 – 60 years	8	4.4
	Above 60 years	5	2.7
	Total	180	100
Level of Education	No Formal Education	32	17.7
	Basic	108	60.0
	Secondary	34	18.8
	Tertiary	6	3.3
	Total	180	100
Marital status	Single	63	35
	Married	98	54.4
	Divorced	12	6.7
	Separated	7	3.8
	Total	180	100
Religious Affiliation	Christianity	111	61.6
	Muslim	54	30.0
	Traditionalist	15	8.3
	Total	180	100
Occupational status	Farming	91	50.5
	Artisan	35	19.4
	Teaching	25	13.8
	Pretty trading	17	9.4
	Civil servants	12	6.7
	Total	180	100
Net Monthly Income	GHC 100 and below	56	31.1
	GHC101-500	63	35
	GHC501-1000	24	13.3
	Above GHC1000	37	20.5
	Total	180	100

Source: Field survey, Adu (2017)

On the educational background of the respondents, basic education leavers had the highest number of respondents of 108 corresponding to 60 percent, followed by secondary 34 representing 18 percent and tertiary leavers

6 representing 3 percent. However, a significant number of the respondents 32 representing 17 percent of the respondents have had no form of formal education. This means that majority of the respondents have had a higher form of formal education and therefore could access e-banking. Also, they were able to read and respond to the demands of the questions asked in the study.

Data were also gathered on the marital status of the respondents and the result is presented in Table 2. It was found out that 63 of the respondents were single, 98 of the respondents were married, 12 of the respondents were divorced and 7 of the respondents were separated. This means that a little more of the respondents were married as compared to those who were not married. This may be due to the fact that most of the respondents were found above thirty (30) years, which is the ideal age of marriage for most of the youth in Ghana.

Concerning the religious affiliation of respondents, it was found from the study that 111 of the respondents constituting 62 percent indicated Christianity as their religious affiliation. This is consistent with religious distribution in Ghana. Out of the remaining, 30 percent of the respondents were Muslim and 8 percent was traditionalists. The 2010 Population and Housing Census agreed to this fact that Christians dominate in this Region and the nation as a whole.

With regard to the occupational status of the respondents, 91 of the respondents were into farming, 35 were artisans (hairdressers, masons, carpentry, electricians among others), 25 were teachers, 17 of the respondents were into petty trading and 12 of the respondents were civil servants. This means that all the respondents were working and could involve themselves in banking services.

The outcome in Table 2 also shows that more than one-fourth of the respondents earned GHC100 and below in almost every month, followed by 63 respondents who earned GHC100-500 in almost every month. However, only 37 respondents earned something more than GHC1000 in almost every month. This means that on the average, respondents were receiving less than GHC500 in almost every month.

The availability and accessibility of the various e-banking facilities

In order to find out whether customers were aware of the types of e-banking facilities available at the Kaaseman Rural Bank, series of questions were asked on the period of experience with Bank, account holding information, frequency of visit to the bank, information on e-banking services available at the bank and whether have ever utilized any e-banking facility before or not.

Table 3: Period of working with Kaaseman Rural Bank

	Frequency	Percentage
Less than a year	22	12.2
Between 1-3 years	73	40.5
4-6 years	42	23.3
7-9 years	31	17.2
10 years and above	12	6.7
Total	180	100

Source: Field survey, Adu (2017)

Table 3 shows that 22 of the respondents have been working with a bank in less than a year, 73 of the respondents have worked with the bank between 1 and 3 years, and 12 of the respondents have been working with the bank for 10 years and above. This means that majority of the respondents have worked with

the bank for more than a year and therefore, were conversant with the services of Kaaseman Rural Bank.

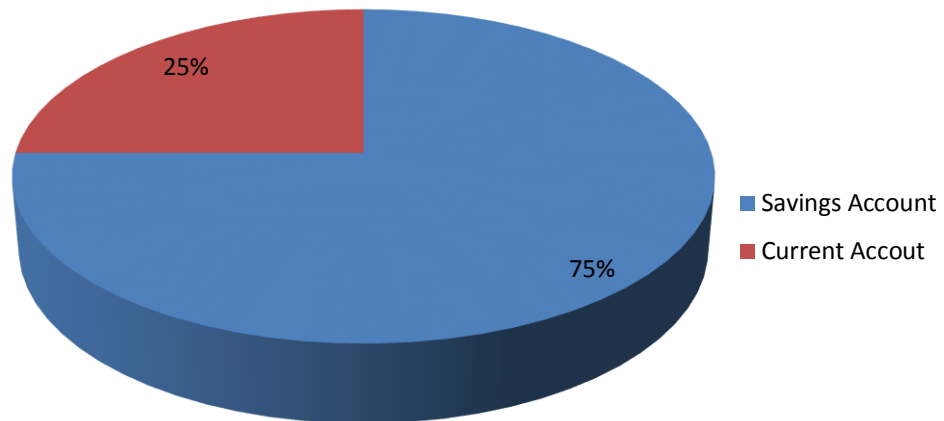


Figure 1: Type of account that customers hold with Kaaseman Rural Bank

Source: Field survey, Adu (2017)

Figure 1 shows the types of account that respondents hold with Kaaseman Rural Bank. It shows that 75 percent of the respondents were holding a savings account with the bank while 25 percent of the respondents hold a current account with the bank. This means that majority of the respondents were holding a savings account with the bank due to the type of business or occupation of the respondents.

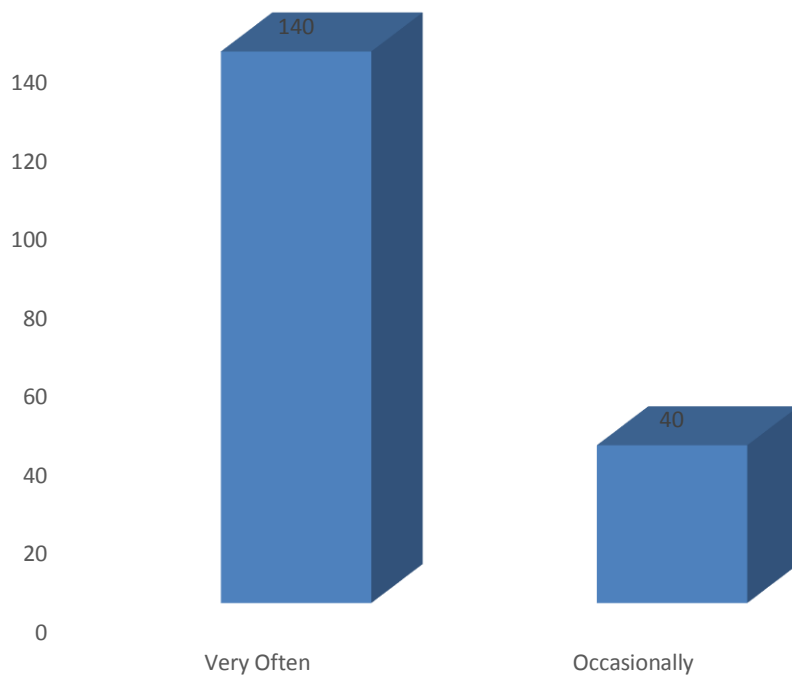


Figure 2: How often customers visit the bank

Source: Field survey, Adu (2017)

Data were gathered on how often respondents visit the bank premises for banking services and presented in Figure 2. It shows that 140 of the respondents used to visit the bank very often while 40 of the respondents used to visit the bank occasionally. This means that majority of the respondents used to visit the bank premises for banking services due to low patronage in e-banking. Invariably, only a few of the respondents were accessing the e-banking services of the Kaaseman Rural Bank.

Table 4: Types of e-banking services available at Kaaseman Rural Bank

	Yes (Available) %	No (Not Available) %
Internet banking	0	100
Electronic cards	100	0
SMS Mobile Banking	100	0
Electronic transfer	100	0

Source: Field survey, Adu (2017)

Managers were asked about the e-banking services available at Kaaseman Rural Bank and the result is shown in Table 4. It shows that all the managers confirmed that e-banking services at Kaaseman Rural Bank include: electronic cards such as ATM and e-switch, SMS Mobile Banking, Electronic transfer. However, internet banking was not part of the e-banking services offered by Kaaseman Rural Bank.

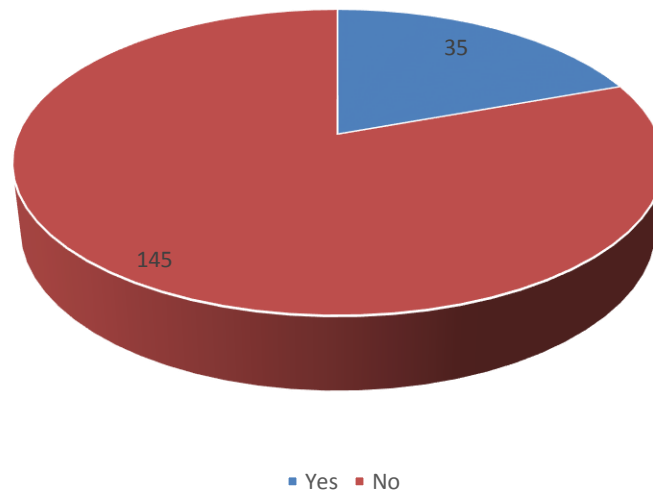


Figure 3: Use of any e-banking service

Source: Field survey, Adu (2017)

Figure 3 depicted that majority of the respondents have not used any of the e-banking services of Kaaseman Rural Bank as compared to few (35) of the respondents who have used some before.

Table 5: Availability of e-banking facilities

	Frequency	Percentage
Always available	20	57.1
Sometimes available	15	42.9
Not available	0	0
Total	35	100

Source: Field survey, Adu (2017)

With regards to those respondents who have used e-banking services before presented in Figure 3, Table 5 reveals that 57 percent of the respondents found the e-banking facilities always available while a significant proportion of the respondents (43%) sometimes, found it unavailable. This affects the utilization of e-banking by the respondents since they are not all that reliable.

The level of awareness of customers of the e-banking facilities available at Kaaseman Rural Bank

In order to identify the level of awareness among the respondents, questions were asked on whether they have heard about e-banking, sources of such information, the type of e-banking available at the Kaaseman Rural bank among others.

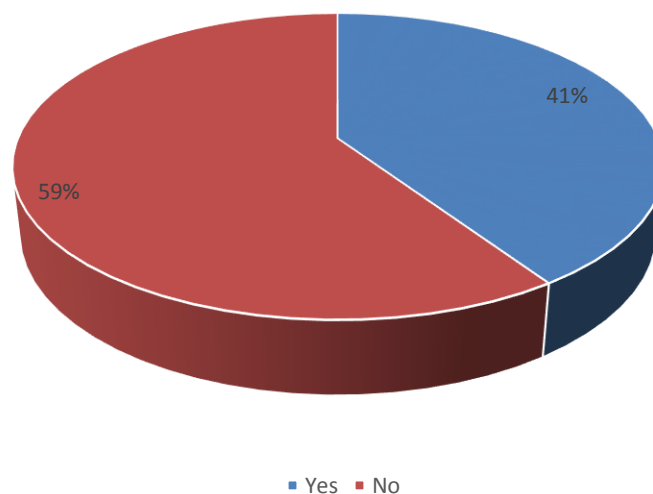


Figure 4: whether respondents have heard about e-banking services of Kaaseman Rural Bank

Source: Field survey, Adu (2017)

Figure 4 shows that most of the respondents have not heard anything about e-banking. This predicts low participation in the e-banking services of the Kaaseman Rural Bank.

Sathye (1999) explains that the lack of awareness about electronic banking and its benefits contribute to the non-adoption of electronic banking. Similarly, Polatoglu and Ekin (2001) stated that the more knowledge and skills a consumer possessed about electronic banking, the easier it was for the consumer to utilize electronic banking. Therefore, the findings of this study confirm the views of Sathye (1999) and Polatoglu and Ekin (2001).

Table 6: Sources of information on e-banking services at Kaaseman Rural Bank

	Frequency	Percentage
Self	8	10.8
Family and friends	32	43.2
Co-workers	14	18.9
Workers of KRB	20	27.1
Total	74	100

Source: Field survey, Adu (2017)

Table 6 shows the sources of information where respondents verify information about e-banking services of Kaaseman Rural Bank. It shows that few of the respondents (8, 11%) enquired about e-banking services of Kaaseman Rural Bank, 32 of the respondents got to know about it through family and friends while 20 of the respondents heard about e-banking through the workers of Kaaseman Rural Bank. This means that a larger proportion of the respondents heard it through their family and friends as compared to the workers of the Kaaseman Rural Bank.

Table 7: Types of e-banking services at Kaaseman Rural Bank perceived by the respondents

	Yes (Available)	No (Not Available)
Internet banking	0	74
Electronic cards	50	24
SMS Mobile Banking	60	14
Electronic transfer	32	42

Source: Field survey, Adu (2017)

According to Table 7, majority of the respondents perceived SMS Mobile Banking, and electronic cards while few of the respondents identified electronic transfer as e-banking services at Kaaseman Rural Bank. However, none of the respondents identified Internet Banking as an e-banking service. These e-banking services were confirmed by all the managers of Kaaseman Rural Bank.

The Knowledge and Utilization of e-banking Services by Customers

In order to examine respondents' knowledge and utilization of e-banking services of Kaaseman Rural Bank, data were gathered on respondents' understanding of e-banking services, the period of time respondents have been using e-banking, benefits of the using e-banking services, and usage of e-banking services such as ATM and SMS Mobile banking.

Table 8: Respondents' Understanding of e-banking

	Frequency	Percentage
Banking using computers and mobile phones	43	23.9
Banking via internet	10	5.5
Banking using electronic cards	14	7.8
Banking outside the banking hall	5	2.7
Don't know	106	58.9
Total	180	100

Source: Field survey, Adu (2017)

From Table 8, most of the respondents who have heard about e-banking as shown in Figure 4 knew e-banking to be as banking using computers and mobile phones, followed by a significant number of respondents (14) who knew it to be banking using electronic cards while only a few of the respondents thought it as banking outside the banking hall. This means among those respondents who have heard about e-banking services, they have an idea about the services it provides or involved in e-banking. This means that most of the respondents knew something about e-banking and according to James (2009), it influences their usage of e-banking services.

Table 9: How long respondents have been using e-banking services

	Frequency	Percentage
Less than a year	17	48.6
1-3	10	28.6
More than 3 years	8	22.9
Total	35	100

Source: Field survey, Adu (2017)

Table 9 shows that 17 of the respondents have been using e-banking services of the Kaaseman Rural Bank for less than a year, 10 of the respondents used it between 1 and 3 years and 8 of the respondents have been using it for the past 4 years and beyond. This means that majority of the respondents have been using e-banking for more than 2 years and therefore were abreast with the services and usage of e-banking.

Table 10: Benefits of e-banking services

	Frequency	Percentage
24 hours banking	45	36
Lower cost of banking	12	9.6
Easy access	33	26.4
Timely delivery	35	28
Total	125	100

Source: Field survey, Adu (2017)

Table 10 depicts the benefits of e-banking services. Among the benefits of e-banking according to the options given to the respondents to select at least two benefits, most of the respondents found e-banking as 24 hours banking services, it was followed by 33 respondents who found e-banking as easily in accessing it, 35 of the respondents found it as timely delivery services as compared to the traditional way of banking. However, majority of the respondents found e-banking costly.

This finding is consistent with that of Karjauloto (2003) who found out that Internet banking saves time and money, provides convenience and accessibility. However, this study found out that the cost of accessing internet banking is high according to the respondents.

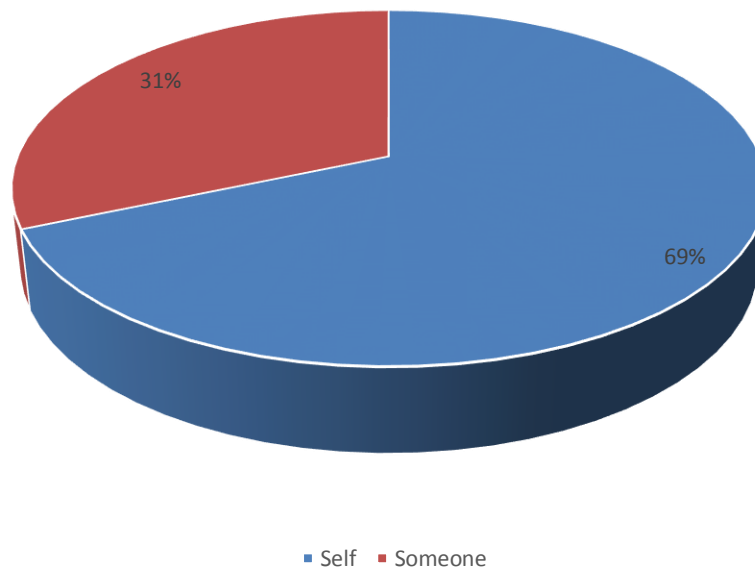


Figure 5: Use of ATM

Source: Field survey, Adu (2017)

In order to find out customers knowledge and utilization of ATM, they were asked whether they operated it themselves or not. Among the respondents who have used it before, 69 percent stated that they operated the machine themselves whilst 31 percent said that someone around helped them. This is an indication that majority of the customers know how to use the ATM to transact business with the bank.

Furthermore, the study discovered that 60% of the respondents were aware that ATM can be used to check account balance. Most of the respondents also further stated that they utilized the SMS-mobile banking where they received a text on their phones about transactions made on their balances. This confirms the view of James (2009) that awareness influences the usage of technology such as ATM.

The effective usage of e-banking facilities benefits customers

To find out the variables that influence the knowledge and utilization of e-banking in the areas, the investing asked respondents if his/her electronic card ever got stacked in the machine. The table below represents the participants' responses.

Table 11: ATM card captured by the machine

	Frequency	Percentage
Yes	15	42.9
No	20	57.1
Total	35	100

Source: Field survey, Adu (2017)

Based on the results from Figure 3 on whether respondents have used any of the e-banking services before or not, Table 11 shows that out of the 35 of the respondents who have used e-banking services before, 15 of the respondents' ATM cards have been captured by the machine before while 20 of the respondents' ATM cards have not been captured before. Also, among those respondents whose ATM cards have been captured by the machine, it occurs frequently almost every visit due to wrong password among others. This means that a larger proportion of the respondents do not use the ATM card effectively.

Table 12: How often respondents check up on SMS banking

	Frequency	Percentage
Very often	10	28.6
Occasionally	25	71.4
Never	0	0
Total	35	100

Source: Field survey, Adu (2017)

According to Table 12, 10 out of the 35 respondents who use e-banking services check their SMS update very often (almost every day) while 25 of the respondents check it occasionally (thus, monthly). This means that majority of the respondents do not use the SMS services of the e-banking effectively.

Chapter Summary

The study was dominated by males with few females. Majority of the respondents who partook in this study were found below 50, thus, the youth who were abreast with technology. Majority of the respondents have had a higher form of formal education with few having no form of formal education. A little more of the respondents were married as compared to those who were not married and a few were divorced or separated and were Christians with few being Moslems. Most of the respondents were into artisan, petty trading and few being teachers and civil servants. On the average income of the respondents, respondents were receiving less than GHC501 in almost every month.

Majority (140) of the respondents used to visit the bank very often while 40 of the respondents used to visit the bank occasionally. Also, all the managers confirmed that e-banking services at Kaaseman Rural Bank include: electronic cards such as ATM and e-switch, SMS Mobile Banking, Electronic transfer. More than half of the respondents found the e-banking facilities always available. Most of the respondents have not heard anything about e-banking while only 41 percent of the respondents have heard something about it. Among the respondents who have heard about e-banking, 32 got to know about it through family and friends while 20 of the respondents heard about it through the workers of Kaaseman Rural Bank.

Most of the respondents who have heard about e-banking knew it to be as banking using computers and mobile phones, followed by a significant number of respondents (14) who knew it to be banking using electronic cards while only a few of the respondents thought it as banking outside the banking hall. Among the respondents who have used ATM before, 69 percent stated that they operated the machine themselves whilst 31 percent said that someone around helped them. Lastly, out of the 35 of the respondents who have used e-banking services before, 15 of the respondents' ATM cards used to be captured by the machine frequently.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

In this chapter, the significant findings and the valuable information obtained or achieved by this study have been carefully summarized. The chapter by far is made up of the summary of the research, and the conclusion drawn from this research study. Also, significant recommendations for further studies were given from the analysis of the available data in this study.

Summary

The study was to examine the knowledge and utilization of e-banking facilities in Kaaseman Rural Bank in Ghana. Specifically, it sought to;

1. examine the availability and accessibility of the various e-banking facilities
2. identify the level of awareness of customers of the e-banking facilities available at Kaaseman Rural Bank
3. ascertain the knowledge and utilization of e-banking services by customers;
4. examine how effective the use of e-banking facilities benefits customers.

The study used a quantitative and descriptive design of which customers and management of Kaaseman Rural Bank were targeted. Two hundred and four (204) respondents were chosen with the aid of simple random sampling technique for selecting the customers while purposive sampling was used to select the managers of the four branches of Kaaseman Rural Bank. The questionnaire was the main data collection instruments.

Furthermore, the data were analyzed with the help of statistical software known as Stata version 14.0 and interpreted by using percentages and frequencies and presented by using tables, and charts using Excel 2013 version. However, the responses from the interviews were transcribed verbatim and discussed thematically based on the objectives of the study.

Key Findings

The study was dominated by males with few females. Majority of the respondents who partook in this study were found below 50, thus, the youth who were abreast with technology. Majority of the respondents have had a higher form of formal education with few having no form of formal education. A little more of the respondents were married as compared to those who were not married and a few were divorced or separated and were Christians with few being Moslems. Most of the respondents were into artisan, petty trading and few being teachers and civil servants. On the average income of the respondents, respondents were receiving less than GHC501 in almost every month.

Objective one was to examine the availability and accessibility of the various e-banking facilities in Kaaseman Rural Bank and the findings are elaborated further. It found out that majority (140) of the respondents used to visit the bank very often while 40 of the respondents used to visit the bank occasionally. Invariably, only a few of the respondents were accessing the e-banking services of the Kaaseman Rural Bank. Also, all the managers confirmed that e-banking services at Kaaseman Rural Bank include: electronic cards such as ATM and e-switch, SMS Mobile Banking, Electronic transfer. However, internet banking was not part of the e-banking services offered by Kaaseman Rural Bank. Moreover, majority of the respondents have not use any of the e-

banking services of Kaaseman Rural Bank as compared to few (35) of the respondents who have used some before. More than half (57) of the respondents found the e-banking facilities always available while a significant proportion of the respondents (43%) sometimes, found it unavailable.

Objective two was to identify the level of awareness of customers of the e-banking facilities available at Kaaseman Rural Bank. It was found out that most of the respondents have not heard anything about e-banking while only 41 percent of the respondents have heard something about it. This predicts low participation in the e-banking services of the Kaaseman Rural Bank. Among the respondents who have heard about e-banking, few of the respondents (8, 11%) enquired about e-banking services of Kaaseman Rural Bank by themselves, 32 of the respondents got to know about it through family and friends while 20 of the respondents heard about e-banking through the workers of Kaaseman Rural Bank. This means that a larger proportion of the respondents heard it through their family and friends as compared to the workers of the Kaaseman Rural Bank. Majority of the respondents' perceived electronic cards, and SMS Mobile Banking as e-banking services while few of the respondents identified electronic transfer as e-banking services at Kaaseman Rural Bank. However, none of the respondents identified Internet Banking as an e-banking service.

Objective three was to ascertain the knowledge and utilization of e-banking services by customers of Kaaseman Rural Bank. It was established that most of the respondents who have heard about e-banking knew it to be as banking using computers and mobile phones, followed by a significant number of respondents (14) who knew it to be banking using electronic cards while only a few of the respondents thought it as banking outside the banking hall.

This means among those respondents who have heard about e-banking services, they have an idea about the services it provides or involved in e-banking. With regards to uses of e-banking services, majority of the respondents have been using e-banking for more than 2 years and therefore were abreast with the services and usage of e-banking.

Most of the respondents found e-banking as 24 hours banking services, followed by 33 respondents who found e-banking as easy and convenient in accessing it, 35 of the respondents found it as timely delivery services as compared to the traditional way of banking. However, majority of the respondents found e-banking costly. Among the respondents who have used ATM before, 69 percent stated that they operated the machine themselves whilst 31 percent said that someone around helped them. This is an indication that majority of the customers know how to use the ATM to transact business with the bank. Furthermore, the study discovered that 60% of the respondents were aware that ATM can be used to check account balance. Most of the respondents also further stated that they utilized the SMS-mobile banking where they received a text on their phones about transactions made on their balances.

Objective four was to examine how effective the use of e-banking facilities benefits customers. It was found out that, out of the 35 of the respondents who have used e-banking services before, 15 of the respondents' ATM cards have been captured by the machine before while 20 of the respondents' ATM cards have not been captured before. Also, among those respondents whose ATM cards have been captured by the machine, it occurs frequently, almost every visit due to the wrong password among others. This means that a larger proportion of the respondents do not use the ATM card

effectively. Majority of the respondents do not use the SMS services of the e-banking effectively.

Conclusions

The descriptive study was well conducted through appropriate methodology and the following inferences were made over the findings based on the objectives of the study.

Electronic cards such as ATM and e-switch, SMS Mobile Banking, and Electronic transfer were the only e-banking services at Kaaseman Rural Bank. Not that withstanding, these services are sometimes not available. Therefore, few of the respondents used to access these services at the Kaaseman Rural Bank. There were no internet banking services at Kaaseman Rural Bank.

Also, the level of awareness of e-banking services was low among the respondents. Respondents heard about e-banking services through their family and friends while few heard it from the workers of the Kaaseman Rural Bank. Respondents knew much about SMS Mobile banking as compared to electronic cards and electronic transfers.

Moreover, respondents who have heard about e-banking understand its usage and functions. Respondents found e-banking very easy and convenient with regards to accessibility and time delivery was also good. However, it was costly for its usage.

Furthermore, E-banking services were not effectively used by the respondents. They found it complicated and costly to use it.

Recommendations

Based on the findings and conclusions drawn, the following suggestions are put forward for consideration;

Kaaseman Rural Bank should introduce more e-banking services such as Internet Banking to ease the cost of transportation among others and time wastage in queuing.

Also, Kaaseman Rural Bank should ensure that e-banking services are made available always to encourage its usage and benefits to customers.

Moreover, Kaaseman Rural Bank management should enrol sensitization and educative program about all the e-banking services it offers to the customers for effective usage.

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7. What is your average monthly income?

- a. GHS 100 and below []
- b. GHS 101 – GHS 500 []
- c. GHS 501 – GHS 1000 []
- d. Above GHc 1000 []

8. How many years of have you being working with Kaaseman Rural Bank?

- a. Less than a years []
- b. A year to 3 years []
- c. 4 - 6 years []
- d. 7 - 9 years []
- e. 10 years or more []

9. Type of account with Kaaseman Rural Bank?

- a. Savings []
- b. Current account []
- c. Others specify:.....

10. How often do you visit the bank? a) Very often [] b) Occasionally []

11. How would you rate the following e-banking products in terms of their availability, irrespective of whether you have used them before?

Service	Yes	No
Internet banking		
Electronic banking		
SMS mobile banking		
Electronic transfer		

12. Do you know the uses of any of the e-banking services?

- a. Yes [] b. No []

13. How are the e-banking services of Kaaseman Rural Bank available?

- a. Always available [] b. Sometimes available [] c. Not available []

14. Have you heard about e-banking services before?

- a. Yes [] b. No []

15. Where did you heard it from:

- a. Self []
 b. Family and friends []
 c. Co-workers []
 d. Workers of KRB []

16. What type of e-banking services are available at Kaaseman Rural Bank

Service	Yes	No
Internet banking		
Electronic banking		
SMS mobile banking		
Electronic transfer		

17. What is e-banking?

- a. Banking using computers and mobile phones []
 b. Banking via internet []
 c. Banking using electronic cards []
 d. Banking outside the banking hall []
 e. Don't know []

18. How long have you been using e-banking services?
- a. Less than a years []
 - b. A year to 3 years []
 - c. more than 3 years []
19. What are the benefits of e-banking services
- a. 24 hours banking []
 - b. Lower cost of banking []
 - c. Easily access []
 - d. Timely delivery []
20. Do you know how to use ATM?
- a. Yes [] b. No []
21. Have your ATM card been captured by the machine before?
- a. Yes [] b. No []
22. How often do you check up on SMS banking
- a. Very often []
 - b. Occasionally []
 - c. Never []

7. How effective are the e-banking services at Kaaseman Rural Bank?

- a. Effective [] b. Very effective [] c. Not effective []

8. What are the benefits implementing e-banking services at Kaaseman Rural Bank?

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9. What are the challenges management of Kaaseman Rural Bank faced in implementing e-banking?

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Thank you