

E-ISSN: 2707-6644
P-ISSN: 2707-6636
IJCPDM 2020; 1(1): 41-49
Received: 22-11-2019
Accepted: 23-12-2019

Mark Quaye Affum
Akim Bosome Technical
University, South Africa

Safeguarding internal control and profitability at Akim Bosome Rural Bank-Akim oda through digital services

Mark Quaye Affum

DOI: <https://doi.org/10.33545/27076636.2020.v1.i1.a.66>

Abstract

The purpose of the study is to aim at evaluating the role of digital services in ensuring profitability as well as the internal controls in the banking sector with particular reference to Akim Bosome Rural Bank (Akim Oda Branch).

The research design was descriptive and cross sectional in nature. It used associational research design to establish the relationship between the variables (Digital services, Profitability and Internal Control). It included the employees and customers of the Akim Bosome Rural Bank-Akim Oda branch. A sample size of 40 people was used using simple random and purposive sampling methods. Data was collected from both primary and secondary sources using interviews and questionnaires. The data was analyzed using quantitative data with tables drawn to show the correct percentages to evaluate the role of digital services in ensuring profitability as well as the internal controls at the bank.

The research showed that computerization has advantage on reducing service delivering cost; control systems and increase in efficiency levels in service delivery thereby increase profitability levels as well as effective internal control systems in the bank.

The study therefore recommends that the bank should / must use Digital services to render services that meet the genuine needs of the customers and if there's change in the customer lifestyle, the bank should change along rapidly.

Keywords: digital services, profitability, internal control, profitability, banking sector

1. Introduction

Information Technological Advancement is becoming a more important factor in the Banking domain than what it was in the past. Banks work hard to ensure that they do all they can to retain customers through provision of services like Internet banking.

The problem at hand is how the Information Technological Advancement has influenced the profitability and internal controls in the banking sector. The Researcher will therefore establish the relationship between the Digital services, Profitability and the Internal Control in the banking sector. This chapter is discussed under the following sections; The background of the study; Statement of the problem; The objectives of the study; Research questions; Significance of the study; The limitations of the study and Organisation of the study.

1.1 Background of the Study

Digital services has become an inseparable segment of banking organisation (Mittal and Sanay, 2007) ^[12]. The application of digital services in the banking sector results in the development of different concepts of banking such as E-banking, internet banking, online banking, telephone banking, automated teller machine, universal banking and investment banking and many others (Ho and Mallick, 2006) ^[9]. Again, digital services has a lot of influence on banking transactions. It ensures quick service with low transactions cost to the customers. The real success of IT in the banking sector depends upon the customer's satisfaction (Ho and Mallick, 2006) ^[9]. Therefore banks should organize and conduct customer awareness program in their service area. Security is an important issue in the context of E-banking. The development of technology for the identification of customers with different means of communication devices is a must for a successful business and also to reduce frauds in banking.

Corresponding Author:
Mark Quaye Affum
Akim Bosome Technical
University, South Africa

Digital services is a wide field, and has enabled organisations across the world to work in an efficient manner. It plays a very important role in effective management and running of a business. The use of digital services in organisations is inevitable, be it any type of company like manufacturing, banking, or medicinal sector. It has contributed largely to the process advancements in organisations. From time immemorial, digital services has always played a prominent role in human life but the emergence of social progress and the vigorous development in science and technology has incalculably increased the role of digital services in every facet of human endeavor (Rampur, 2011).

Today's business environment is very dynamic and experiences rapid changes as a result of creativity, innovation, technological changes, increase awareness and demand from Business organisation of the 21 century operates in a complex and environment characterized by these changing conditions and highly unpredictable economic climate with digital services at the center of this global curve (Emeka, 2009). Laudon and Laudon (1991) contend that managers cannot ignore digital services systems because they play a critical role in modern organisations.

They pointed out that, the entire cash flow of most fortune 500 companies in Nigeria is linked to digital services systems. (Harold and Jeff, 1995) also contended that financial service providers should modify their traditional operating practice to remain viable in the 1990s and the decade beyond. Thus, information emerged as a catalyst in the various industries of the world to aid the process and procedure required to ensure the realization of various organisational goals.

In 1980's when competition intensified: most banks in Ghana started using personal computers to facilitate their office operations. As time went on, telex (cashier) started using computers to provide services to their customers. Computers were also used in crediting deposits, withdrawals and balancing amounts (Senge, 1990)^[18] The networking all branches has made it possible for customers to deposit or withdraw branch in Ghana Among the first banks to use this technology in Ghana are Standard Chartered Bank and Barclays Bank.

Currently, many banks use ATM in their business transactions in the country and these Banks include Ghana Commercial Bank, Standard Chartered Bank, Society Generale Social Security Bank (SG-sSB) and many more but Rural banks are yet to use ATM card system This technological advancement has made it possible for people to withdraw money without necessarily going to the counter which was the routine some years ago.

Some Rural Banks started using the facility way back 2001 in collaboration with the Agricultural Development Bank (Sanda *et al.*, 2011) L This is a major boost to the banking sector. Also, the introduction of electronic cards and debit cards by trust bank and standard chartered bank respectively has brought about a tremendous strength in the banking industry. The problem however is that most businesses and individuals are not aware of the benefits brought about by the use of computers Sanda *et al.*, 2011; Al-Hawari *et al.*, 2009)^[1].

The role of information technology in banking sector became of interest to this study due to the significant role it plays in the economy by stimulating economic growth

through the intermediation of funds to economic agents that need growth because it makes arrangements that bring borrowers and lenders of financial resource together and more efficiently too than if they had to relate directly with one another (Adam, 1998, Ojo, 2007)

1.2 Statement of the Problem

Even though there are a lot of benefits in Digital services in the banking sector of our economy, the problem however is that most businesses and individuals are not aware of the importance and the use of Digital services and how it helps in ensuring profitability therefore aimed at making known the role of Digital services in ensuring profitability and internal controls in the banking sector. There is a lot of research about (Ho, 2006) as well effective internal controls. The research is the role of information technology in the banking sector and this has paved a way for different views. In view of the competition in the banking institutions, some banks such as Akim Bosome Rural Bank Limited have adopted the use of Information Technology to capture more clients, to store information to better their services and also for fast and easy banking transactions. This has necessitated the need to undertake this study to know the impact on digital services on both parties (clients and the banking sector)

1.3 Objectives of the Study

The general aim is to find out the role of digital services in ensuring profitability as well as the internal controls in the banking sector.

However, specific aims are to;

1. Examine the level of computer literacy of the Rural Bank's customers,
2. Examine how Digital services has helped to increase profit levels of bank's over the years,
3. Review the effectiveness of the internal control of the banking sector,
4. Examine how digital services innovations have helped to improve customers business and transactions,
5. Identify the views customers have towards digital services innovation and
6. Evaluate the challenges customers face in using digital services devices.

1.4 Research Question

1. What is/are the level of computer literacy of the Rural Bank's customers?
2. How has Digital services helped to increase profit levels of banks over the years?
3. How effective are the internal control system at the banking sector?
4. How has digital services innovations helped to improve customers business and transactions?
5. What are the views customers have towards digital services innovation?
6. What is the challenges customers face in using information technology devices.

1.5 Significance of the Study

It is the researcher hope that the research work shall be of immense use in the following

Ways;

The research work will help people especially students to

know more about the impact of digital services on the banking sector of our economy. It will also help the bank especially, to notice how best they could use Digital services to increase profit level as well as managing its internal control system. Additionally, the work will help both banks and customers in banking sectors to examine how digital services have influenced banking in recent years. Furthermore, the research work will help discover the effect of digital services on business operations.

Finally, the research work will help customers to be updated to the recent Information Technology devices in use at the banking sector.

1.6 limitations of the study

As with all research work, this was not exceptional. There were a lot of limitations which made it difficult to come out with this paper work. Due to what they describe as professional ethics and conduct policy, the staff of Akim Bosome Rural Bank may be reluctant to disclose vital information necessary for the project. However, majority of the information may be disclosed. In addition, Due to high transportation cost, stationary and other miscellaneous expenses, the researcher may not cover large scope as may be expected.

1.7 Organisation of the Study

The study is organized into five chapters. Chapter one dealt with the introduction, background of the study, the problem statement, research questions and research objectives, significance of the study, limitation and scope of the study. Chapter two dealt with review of related literature on concept of the digital services in the banking sector and how it helps in ensuring profitability and internal control. Chapter three considered the methodology used in the data collection, the research approach and/or strategy and describe how the research was conducted and how the problems were investigated. It also discusses how the questionnaires were issued out of the information which was used for the analysis, while chapter four dealt with the analysis of the data collected and discussions of the results of data. Finally chapter five dealt on the summary of the major and significant ideas, the findings and conclusions as well as recommendations based on the findings.

Chapter two

Literature review

2. Introduction

The purpose of the study was to delineate the role of Digital services in ensuring profitability and internal control in the banking sector.

This chapter describes other author's perspective about the role of digital service in ensuring profitability and internal control in the banking sector. The chapter is discussed under the following sections; The concept of Information Technology; Definition of Banking; Types of Banks; Digital services in Banking Sector; Benefits And Uses of Digital services; Profitability, Problems in the Use of Digital services, Internal Control and Purpose of Internal Control.

2.1 The Concept of Digital services

Digital services is concerned with technology to treat information (Beaumaster, acquisition, processing, storage and dissemination of vocal, pictorial, textual and numerical information by a microelectronics-based combination of

computing and telecommunications are its main fields. The term in its modern sense first appeared in a 1958 article published in the Harvard Business Review, in which authors like Leavitt and Whisler commented, "the new technology does not yet have a single established name. We shall call it digital services ((T). Some of the modern and emerging fields of Digital services are next generation web technologies, bioinformatics, cloud computing, global information systems, large-scale knowledge bases, etc. Advancements are mainly driven in the field of computer science. 2009).

Digital services is the automation of process, controls, and information production using computers, telecommunication, software's and other gadgets that ensure smooth and efficient running of activities (Eldin, 2008). It largely covers the coupling of electronic technology for the information needs of business at all levels. IT has surpassed the role of support services or only electronic data processing; its field of application is slightly global and unlimited. Its devices especially the internet and modern computer email facilities have further strengthened early modernization like the telephone and fax. Other digital services includes data recognition equipment, factory automation hardware and services, tele computing and teleconferences using real time online system (Adeoti, 2005).

According to Grath, (1996), Digital services is the study or use of systems (especially computers and telecommunications) for storing, retrieving, and sending information. Terms such as information age, information society and knowledge workers are in circulars and we wonder what they mean. What these and other such terms mean in one aspect or the other has increased the role that information and communication technology is playing in our careers.

Information Technology is a concept that is having a remarkable effect on almost all entire aspects of human endeavor. This implies the application of principle to engage physical component in achieving an intended goal. The merging of computer and telecommunication after about four decades of applying computers to routine data processing, mainly in information storage and retrieval, has created a new development which has become the engine of growth around the world. This development has created developing countries like Ghana to attain desired levels of development without necessarily reinventing the wheels of the economic growth .This new technology has brought far-reaching revolution in societies, which has tremendously transformed most business (banking) scenes (Ovia, 2005) . Pontin (2003), IT is the powerful force that drives the world towards a converging commonality. From the beginning of human era, technology has been one of the most essential factors for the development of humanity. Pontin (2003) said the tasks that are handled using ICT continue to increase almost on daily bases. No matter what field of study one is employed, he or she is assured to find ICT at work. Information and Communication Technology can do at least three things:

- A. Processing data into useful information
- B. Recycling processed information and using it as data in another processing steps
- C. Packaging information in a form so that it becomes easier to understand, move or become useful.

2.1.1 ICT stands on two legs: hardware and software

The term hardware is the machines, wiring, and other physical components of a computer. The term hardware is applied to any of the physical equipment in a system usually containing electronic component and performing some kind of function in information processing. Hardware includes not only the tangible part of the computer and devices such as screens and printers but also all elements used to tie information system together. Software is instructions that guide in the performance of duties. It controls the application and usage of hardware resources and enables the application software to run (Curtain, 2000).

In 1999, companies for the first time spent more on computing than on industrial mining, farming and constructing machines. As to significance "Digital services is now as vital as the air we breathe" (Stewart, 1999) [21], Computer and communication have brought about revelation that would make and indeed is making new profound changes in our lives. However, the concept on which they are based is as simple as the flick of a light switch (Ibid).

Chambers Dictionary 10th edition, digital services is related to the gathering, recording and communicating of information. Ige (2000) explains that Information and Communication Technology (ICT) refers to the creation, gathering, processing, storing and delivering of information and the process and devices that make very possible. These processes and devices are tools that make one's life and career better or more efficient.

2.2 What is banking?

Banking refers to the activities involved in the exchange of monies between an institution (bank) and other institution, organisation or individuals. The purpose of this exchange is generally to keep money and other valuable items in safe location and have access to the services the bank provides.

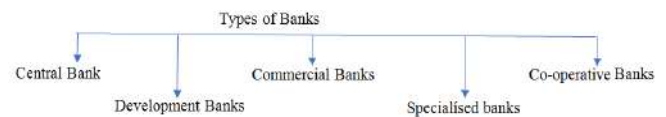
Allision (2002), defines banking as the act of engaging in the business of banking, maintaining savings, checking accounts and issuing credits. A broader definition of bank is any "financial institution that receives, collects, transfers, pays monies, exchange land invents or safeguards money of its customers, (Allision, 2002). This broader definition includes many other financial institutions that not usually thought of as banks but which nevertheless provide one or more of those broadly defined banking services. These institutions include financial companies, investment companies, insurance companies, pension funds, security brokers and deals, mortgage companies and real estate investment trusts.

One of the basic services a bank provides is giving out cheques that can be used to make payments and purchase goods and services including saving accounts and time deposits that can be used to save money for future use, loans that customers and business organisation can use to purchase goods and services. Basic cash management services such as cheques cashing and foreign currency exchange are services provided. The four types of banks specialized in offering these basic banking services are the commercial banks, savings and loan association, saving banks and credit unions.

2.3.0 Types of Banks

There are various types of banks that operate in our country to meet the financial requirements of different categories of

people engaged in primary and secondary service sectors of the economy. Based on functions, the banking institutions in Ghana may be divided into the various types:



2.3.1 Central Bank

This is a bank entrusted with the functions of guiding and regulating the banking system of a country is known as its central bank. Such a bank does not deal with the public. It acts essentially as government's banker: maintain deposit accounts of all other banks and advances money to other banks, when needed. The central bank provides guidance to other banks whenever they face any problem. It is therefore known as the banker's bank or mother of all banks. Bank of Ghana (BOG) is the central bank of Ghana.

In addition, this banking organisation is responsible for managing banking activities. The central of U.S is responsible to Federal Reserve or in many cases called the "Fed", as also the central bank of Ghana is called the Bank of Ghana, and other countries also have central bank. The roles of the central banks are similar but they have different goals. The majority of consumers will never interact with the central bank. The large financial banks usually work with the central bank behind the scene. The central bank maintains record of government revenue and expenditure under various heads. It also advises the government on monetary and credit policies and decides on the interest rates for bank deposit and loans. In addition, foreign exchange rates are also determined by the central bank. Another important function of the central bank is the issuance of currency notes, regulating their circulation in the country by different methods. No other bank than the central bank can issue currency.

2.3.2 Commercial Banks

These are banking institutions that accept deposits and grant short-term loans and advances to their customers. In addition to giving short-term loans, commercial loans also give medium-term and long-term loans to business organisations. Now-a-days some of the commercial banks are also providing housing loan on long-term basis to individuals.

There are three main types of commercial banks, namely: Public Sector Banks, Private Sector Banks and Foreign Banks.

2.3.3 Investment Banks

These banks have a purpose of helping organisation to use investment market. When a company wants to raise money through the issues of bonds and stocks, investment will assist them in this process. The investment banks will also consult regarding acquisition and mergers as well as other things. Investment banks work primarily when investment markets do not take deposits from customers. Yet some large investment banks will also work as retail banks or commercial banks.

2.3.4 Development Banks

These banks normally grant business medium term and long-term capital for purchases of machinery and

equipment, for using latest technology, undertaking projects or expansion and modernization. They also undertake development measures like subscribing to shares and debentures issued by companies, in case of under subscription of the issue by the public. Agricultural Development Bank is example of development banks.

2.3.5 Savings and Loans

These banks were credited primarily for homeowners. The government assisted with building the industry of savings and loans by insuring the deposit on savings accounts. This did encourage people to save their money there even though the low interest rate was federally regulated. The savings and loans to land with thirty (30) years mortgages even though there were higher interests offered for payment each month then used these funds. During 1960s and 1970s, the majority of homeowners received their mortgage through savings and loans. Yet the interest rate in the 1970s and the popularity of money market accounts from the 1980s reduce the interest of customers in saving accounts.

2.3.6 Rural Banks

Rural banks are profit-making organisation. They are joint stock companies whose aim is to make profits for shareholders. The profits either are in the form of dividends, or retained to build capital (net worth). Rural banks traditionally have the broadest varieties of assets and liabilities. Their historical specialties have been commercial lending to businesses and helping farmers. However, rural banks also give loans to customers for automobiles and other goods as well as for both commercial and industrial businesses assisting farmers and executives and women. Rural banks are owned by private investors called shareholders or by companies. The bank holding companies could engage in activities above that permitted in banking. These include offering investment advice, underwriting securities and engaging in other investment activities.

2.4 Information Technology (IT) in Banking

The banking business is becoming highly ICT based due to its inter-sectoral link; it appears to be reaping most of the benefits of revolution in technology, as can be seen by its application to almost all areas of its activities (Akinuli, 1999). It has broadened the scope of banking practices and changed the nature of banking as well as the competitive environment in which they operate. A broad opening has been experienced around the world for banks and they are currently taking due advantage of these innovations to provide improved customer services in the face of competition and faster services that enhance productivity (Akinuli, 1999; Ovia, 2005).

Technological advancement facilitates payment and creates convenient alternatives to cash and cheques for making transactions. Such new practices have led to the development of a truly global, seamless and internet enabled 24-hour business of banking.

Technological advance payments are important because it will be feasible to outsource quite a number of the banks role in the payments system. In addition, banks regulation can be more technologically dependent and better focused rather than focusing on conceptual guideline. ICT revolution both in terms of innovation rate, speedy operation, and cost per unit (portraying reduction in average total and marginal costs) has made a good number of banks embrace the use of

ICT infrastructure in their operation (Akinuli, 1999). However, there may be little interruption at times due to network failures, which may make customers unable to carry out transactions at a particular point in time. This little shortcoming is not in any way comparable to the days when banking halls were characterised by long queues mainly as a result of delays in the traditional banking operations.

Brucher, Scherngell *et al.* (2003) opined that ICT adoption wills three critical domains that are efficiency, quality, and transparency in any organisation.

Agboola *et al.* (2002) discussed the dimensions in which automation in the banking sector manifest in Nigeria. They include; bankers automated clearing services; automated payment systems, automated delivery channels.

Davenport and Pinrak (2000) define information as a message usually in the form of document or an audible and visible communication meant to charge how the receiver perceives something and to influence judgment and behavior. As said by Leow (1999), the use of digital services has changed banking operations managed by both human and machines. The use computer and other electronic technological equipment have made it possible to automate banking because of increased demand for customer deposits. Ghanaian banks especially the new generation banks have realized the imperative of good and prompt customer service. Leow further argued that proximity to the banks is no longer the issue but rather safety and the level of services provided. Some of the services provided by IT in banking are automated teller machine (ATM), telephone banking, personal computer banking, internet banking, branch networking and electronic funds transfer.

Chapter three

Research methodology

3. Introduction

The purpose of the study was to delineate the role of Digital services in ensuring profitability and internal control in the banking sector. This chapter contains the research design, population and sample, hypothesis of the study, sampling procedure, method of data collection and methods of data analysis.

3.1 Research Design

Descriptive research design was the design adopted for the study, Gey (1997). It explains the descriptive research as the process of collecting data in the status of the study. The descriptive research reports the way things are undertaken. In view of this, the descriptive survey was opted for because, taking the purpose of the study into consideration, it was the most appropriate design that could lead to the drawing of meaningful conclusion from the study.

3.2 Population

The targeted population considered in this research study is the employees and customers of Akim Oda Rural Bank Limited-Akim Bosome branch as a case study.

3.3 Sampling and Sample Size

Due to the large nature of the population and time limit, the research could not cover all the population. Therefore, the researcher selected a sample size of forty (40) respondents comprising of thirty (30) customers and ten (10) out of the lots for an effective study.

Sampling technique is whereby the method used in ascertaining the result of a problem at hand is based on part of the population under consideration. The sampling technique used in finding out the solution to the research question is simple random sampling. Simple random sampling is where the sample or part used in ascertaining a solution to a problem is picked unsystematically. In the selection of customers, the researcher used the random sampling technique since preference was placed on those who visited the banks during the period of data collection. In addition, purposive sampling technique was used in the selection of personnel in the bank from whom answers were needed.

3.4 Data Collection Instrument

The tools used for the collection of data are interviews and questionnaires. The researcher sees Interview as an interaction between or among people or persons whereas questionnaires are written down questions given to people to know their thoughts about a situation. The two main ways or methods of collecting data are primary and secondary data. Primary data is where information is collected from the original source whereas secondary data is the collection of information from secondary source. For example, library, internet and others.

The researcher designed structured questionnaires with both close and open-ended questions. This was to enable the researcher obtain primary data. The questionnaires were solicited views from both customers and banking staff. The questionnaires were administered personally to the workers and customers of the bank by the researcher. The researcher took time to explain the items in the questionnaire to the customers and the banking personnel.

3.5 Data Collection Procedure

It is an undoubtedly fact in research that use various suitable method of data collection. It helps the researcher to rectify any inconsistency in his or her answer. Due to this, various data collection method sources were employed to obtain and achieve the stated objective of the study. This includes primary and secondary data.

3.5.1 Primary Data

They are data or information collected directly from respondents. To obtain primary data, questionnaire was sent out to respondents as observation and interview were also used.

Interviews refer to an interaction between or among people or persons whereas, questionnaires refers to written down questions given to people to know their thoughts about a situation. This paved way for open discussion, which helped the researcher to know customers reaction to banking services. In addition, illiteracy rate on the part of some respondents called for open-ended questions. Questionnaires were used for the following purposes:

- a. Time saving
- b. Easy to process
- c. Ambiguous responses can be avoided

3.5.2 Secondary Data

They are already existing data or information. Information was gathered from documentary sources such as books, journals, reports and researches related to the study.

3.5.3 Interviews

Face-to-face interviews were conducted with the workers, management and customers and the interviews were

unstructured. This allowed the interviewee to elaborate more on certain areas of the study.

3.5.4 Observation

Observation, which is another source of primary data collection, was also employed. This was aimed at gathering data as consumers undertake their normal purchase activities.

This gave the observer first-hand information of what prevails at the grounds and to find out whether data provided by respondents were consistent with what actually pertains on the grounds.

3.6 Data Analysis

The various data obtain from respondents were edited and the one suitable for the study were chosen. The researcher designed structured questionnaires with both close and open-ended questions. This was to enable the questionnaires were solicited views from customers and banks by the researcher. The researcher took time to explain the items in the questionnaire to the customers and the banking personnel. Microsoft excel were also used for the analysis of the data. The method of analysis used was quantitative data with tables drawn to show the correct researcher obtain primary data. The percentages followed by the discussion of key issues relating to the data.

Chapter four

Results of the study

4. Introduction

The purpose of the study was to delineate the role of Digital services in ensuring profitability and internal control in the banking sector. This chapter deals with the presentation and discussion of the results of the study. It has been divided based on the analysis and presentation of results. The researcher reports the facts or findings that the study discovered. These facts are direct words of respondents. The researcher then interprets the results by summarizing, and presents in tabular form and then discusses the results.

4.1 Background of Respondents

The background of respondents consists of the various departments and working experience of respondents. The profile of the respondents relate to their gender, ages, and years in service of the company. It assumed that these attributes of the respondents could influence their behavior and hence performance. The bank is divided into departments each department is headed by qualified personnel with the overall head being the General Manager of the company. Some of the departments in the bank include the Human Resource Unit, Accounts Unit, and Loans Unit. Eighteen (18) of the respondents were females and twelve (12) were males and their age ranges from twenty (20) to over fifty(50) years.

Table 4.2: Age Distribution of Respondents

Age	Frequency	Percentage (%)
20-30 years	6	15
31-40 years	15	37.50
41-50 years	15	37.50
51 and above	4	10
Total	40	100

Source: Field Survey, May 2022

From the table 4.2, 6 respondents representing 15% of the

total respondents were between the age group of 20 - 30 years; 15 respondents representing 37.50% of the respondents were between the age group of 31 - 40 years and 41 - 50 years; and finally, 4 respondents representing 10% were above 50 years. From the age distribution of respondents above, it was noticed that majority 75% of the respondents were between the age group of 31- 50 years.

Table 4.3: Staff working experience in the bank

Working experience	Frequency	Percentage (%)
1-5 years	6	60
6-10 years	2	20
11-15 years	1	10
16 and above	1	10
Total	10	100%

Source: Field Survey, May 2022

From the Table 4.3, 6 respondents representing 60% has 1-5 years working experience; 2 respondents representing 20% has 6-10 years; 1 respondents each representing 10% respectively have been working for 11 = 15 years and 16 years and above.

This means that majority of the employees been administered the questionnaires have been with the bank before and after the computerization of the bank's operations in 2008. Hence, they can make a more informed and accurate comparison about the banks digital services systems before filling the questionnaire.

Table 4.4: Effect of Digital services utilization on profitability of the bank

Year	Net Profit GHC
2019	812, 546.27
2020	1, 212, 044.57
2021	1, 436, 362.63
2022	1, 988, 436.00

Source: Field Survey, May 2022.

From the Table 4.4, it can be deduced that there is an improvement in profitability when the bank started utilizing digital services. There has been a positive effect of Digital services on the Profitability of the bank. Profit has increased from 2019 to 2022 representing 40.86%

Table 4.5: Existence of Internal Control System

Response	Frequency	Percentage
Yes	30	100
No	0	0
Total	30	100%

Source: Field Survey, May 2022.

From Table 4.5, 30 represent 100% respondents "Yes; 0 represent 0% respondents for *No', to test the respondent's knowledge of the existence of internal control system in

Akim Oda Rural Bank. All the respondents to the questionnaire acknowledged there were internal control systems. This implies that information about the existence of internal control has been well communicated by management.

Out of the 30 persons who answered the questionnaires, all of them, which represent

100% accepted the fact that, digital services has really improved the internal. Control systems as well as the services offered to their customers. Comments like: Ensures assets are protected and safeguarded, stops things such as assets, documents and records from going missing but benefiting individuals either within or outside an organisation, ensures discipline, were some of the comments asserting to the fact that digital services is very significant on the bank's activities.

Chapter five

Summary, conclusion and recommendations

5. Introduction

The purpose of the study was to delineate the role of Information Technology in ensuring profitability and internal control in the banking sector. This chapter looks at the Summary of the main findings, conclusions of all facts and recommendations.

5.1 Summary

Currently almost all the financial institutions in Ghana are revolutionizing their operations with computers since they have come to realize the fact that computerized banks enjoy accounting devices, more organized data handling, facilities utilization among others. In light of the above, this study was set up to identify the role of digital services in the banking sector in ensuring profitability and internal control at Akim Oda Rural Bank and know how the computerization exercise has affected the bank's profitability and it internal control. This was done through two sets of questionnaires administered to the staff and customers of the bank showed the computerization has advantage on reducing service delivering cost, control systems and increase in efficiency levels in service delivery thereby increase profitability levels and effective internal controls. The base of increase in profit levels could therefore be traced to reduced delivery cost, innovative new products and services, reduction of stress and more efficient services among others are the benefits accrued to computer faster, reduction in stress and fatigue, more accurate. Among other things, the major finding of the study application in the banking action of Akim Oda Rural Bank Limited. Apart from the satisfaction of customers, staff satisfaction through ease of their job and early closing has been ensured through application of the information technologies. Computer has been of immense benefit to staff and customers of Akim Oda Rural Bank Limited. It increased the satisfaction of both the customers and staff alike and this benefits the organisation at large hence increase in profitability and effective internal controls.

5.2 Conclusion

The study has shown that digital services is extremely important in the present and in the future banking operations. However, it can be extremely dangerous when confidential data's creeps in to the wrong hands, but the fact remains that the pay offs in adopting digital services obviously exceed the shortcomings. We have accepted the unpleasant truth that Ghanaians are still far behind the advanced countries of the world in the employment of computer technology to solve management and operational problems in the banking system, but given the attitude of the Ghana bank management to computerization it may not be too long before we narrow the gap.

However, we should attempt to move faster than the present pace and make full use of available technology to solve our numerous operational problems in the banks. This will finally make the management of the bank and the customers pleased with the premium received in the form of customer satisfaction and on the other prospective contributions to the profitability and the internal controls of the banking industry in Ghana.

It therefore become important that technology changes such as the introduction of computer in organisation should carefully be evaluated so that the gains in technical efficiency are not made at the expense of the wellbeing integration of the employees.

Tremendous opportunities exist for Ghana financial market to embrace the current digital revolution in order to create and grow new products and services through business solutions. The development of information and communication technology has altered the landscape of Ghanaian financial market and has become the strategic resource for achieving competitive advantage in 21st century digital economy. Digital services is designed for the orderly and systematic procurement, transfer, storage and conversions of data which will reduce time, effort, cost and increase the utility of information for decision makers. This information reduces the cost of decision making because relevant information is not lacking. Digital services has increased ability to make sound decisions involving complex combinations of factors and doing so rapidly. It makes available reliable, concise and routine information in an organisation that in turn leads to such benefits as good decision and confidence of the decision maker. It also assures good judgment since the judgments are based on facts.

It is pertinent that digital services has affected and will continue to have impact on decision making in every field of human endeavor most especially with the increase in use and development of various digital services architectural Components.

5.3 Recommendations

In view of the findings from the research work-that were obtained in the chapter 3 and 4, the following recommendations were made:

1. The government should accelerate actions that will create an enabling environment \in order to stimulate growth in the banking sector.
2. Government should lower the tariff on information technology aided tools and government should subsidize equipment imported. Even better, government should collaborate with multinational companies abroad to supply equipment to Ghana banks directly at discounted rate.
3. All banks should utilize information technologies to render services that meet the genuine needs of the customers and if there is change in the customer lifestyle, the banks should change along rapidly.
4. Given that digital services facilities depend largely on electric power supply, without a good power source, it becomes very difficult to maintain and other digital services equipment is used by the banks.
- A. Government and other private sector investors should focus on improve and provide different sources of energy that would complement the current power supply

- B. Hence the
5. The regulatory agencies should upgrade their information technologies constantly so as to align with the rapidly developing private sector banking innovation pace.
6. The Ghana government should strive harder by encouraging local Information technology firms and companies towards meeting up the need of the 21st century state of the earth digital services requirement of the country.
7. ARB Apex Ghana should create network, which would protect and regulate the computerized systems of the rural banks in Ghana to prevent hackers from disturbing their systems.
8. Bank of Ghana should establish computerized banking training center to train workers of the various banks in Ghana to help them get the requisite skills and knowledge in the usage of banking software. This in a way may increase efficiency, and finally reduce cost and increase profitability and internal control.
9. The Regional Offices of Akim Oda Rural Bank should ensure the regular monitoring of the internal control activities at the schemes level in order to unearth potential lapses, abuse and prudently manage resources under their control Wrong doing and ensure that schemes

References

1. Al-Hawari M, Newby L. The Relationship Between Service Quality and Retention Within The Automated and Traditional Contexts of Retail Banking, *Journal of Service Management*. 2009;20(4):455-472.
2. Beaumaster S. Digital services Implementation Issues: An Analysis. 2009.
3. Bridges W. Managing Organisational Transitions. *Organisational Dynamics*. 1988;15(1):24-33.
4. Daven J, Paul G. *Business Information Systems Technology Development Management*, 1999.
5. Eldin M. Benefits of Live E -Learning Instrumentation, Automation and Process Financial Time, Great Britain Pitman Publication. Control. 2008.
6. Guru B, Vaithiligom K. *Electronic Banking in Malaysia: A Note on Evolution of Services and Customers Reaction*. 2001.
7. Hack L. *Bankers Journal, New Distribution Channel In Banking Services*. 1999.
8. Hevesi G. 2005. www.osc.ny.us/audit/control/standards.htm2009juneó
9. Ho J, Mallick S. *The Impact of Digital services On The Internal Control Standards in New York States Government Operations Of Rural Banks*, 2006.
10. Hughes A. *Framework for Internal Control Systems In Banking Organisations*, Basel: Basel Committee Publications, 14th ed., 1998, 24-30
11. Leavitt and Whisler (Harvard business Review) Management and staff of Akim Oda Rural Bank, Akim Bosome Branch.
12. Mittal K, Dhingra S. *Technology in Banking Sector: Issues and Challenges*, 2006.
13. Mohammed A, Arhin M. Using ATMS as Workload Relievers For Ghanaian Bank Tellers: The Customer Behavioural Challenge, *Journal Of Economics And Behavioral Studies*. 2011;3(1):13-21.
14. Parthasarthy R, Sethi P. *Relating Strategy And*

- Structure To Flexible Automation: A Test Of Fit And Performance Implications, Strategic Management Journal. 1993;14(5):375-405.
15. Porter E, Miler E. How Information Gives You Competitive Advantage. Havard Business Review July/August, 1985, 149-160.
 16. Powel C, Dent A. Digital services As A Competitive Advantage: The Role of Human, Business & Technology Resources, Strategic Management Journal, 1997;18(5):375-405.
 17. Rose S. Commercial Bank Management, 4th ed. Publishers. 2001.
 18. Senge P. The fifth discipline: The art and practice of the learning organisation. New Vinimay, Irwin McGraw-Hill York: Doubleday Currency. 1990;XXVII, 4, 2006-07.
 19. Shirley J, Susbantak M. Impact of digital services on the banking Industry. 2007.
 20. Smith. Internal Control Guide for Directors Washington DC: Office of the Comptroller of the Currency, 2002.
 21. Stewart AT. The Information Age in Chart. 1999.
 22. Stressmann G. information payoff, New York: Free Press, 1985.
 23. Uwaje C. Nigeria Choke under Information Overload, Guardian, 2000 January 25.
 24. Walters C. Dictionary of Information Science and Technology, Academic Press Inc. London. 1992.
 25. Walters G. Characteristics of successful organisation development: A review of the literature. 1990.
 26. Weil P. The relationship between investment in digital services and firm performance: A case study of Valve manufacturing industry, information system research, 1992;3(4):307-333.
 27. Willcocks L. Investment in information systems, London: 1996.
 28. Chapman Ha Woherem E, Adeogri D. 2000.