INFLUENCE OF DEPOSIT INSURANCE ON DEPOSITOR CONFIDENCE IN THE NIGERIAN FINANCIAL SYSTEM

BY

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[MONTH, YEAR]

CERTIFICATION

This is to certify that this research project titled "Influence of Deposit Insurance on Depositor Confidence in the Nigerian Financial System" was carried out by [STUDENT'S FULL NAME], and has been read and approved as meeting the regulations governing the award of the degree of Bachelor of Science (B.Sc.) of the University of Lagos.

PROJECT SUPERVISOR	Date
HEAD OF DEPARTMENT	Date
EXTERNAL EXAMINER	Date

DEDICATION

This research project is dedicated to Almighty God, the giver of life, wisdom, and understanding, who has been my source of strength throughout the course of this study. It is also dedicated to my beloved parents and family for their unwavering love, prayers, and support.

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ABSTRACT

This study examined influence of deposit insurance on depositor confidence in the nigerian financial system, using undergraduate students of the University of Lagos as a case study. The study was guided by three specific objectives: to examine the extent to which respondents exhibit the key attributes of influence; to determine the influence of these attributes on the outcomes under investigation; and to identify the challenges associated with influence and deposit. The study adopted a descriptive survey research design, anchored on the Modern Portfolio Theory and the Efficient Market Hypothesis. A sample size of 386 respondents was determined using the Taro Yamane formula and selected through stratified and simple random sampling techniques, out of which 358 questionnaires were found valid for analysis. Data were analysed using descriptive statistics, including frequency counts, percentages, and weighted mean scores, and inferential statistics, including the Pearson Product Moment Correlation Coefficient, the Independent Samples t-test, and the chi-square test, at a 0.05 level of significance. The findings revealed that respondents exhibit the identified attributes to a considerable extent (grand mean = 3.11). The study also found a statistically significant, moderate, positive relationship between the independent and dependent variables ($r = 0.553$, $p < 0.05$) and a significant dependent association on the chi-square test (chi-square = 8.81, $p < 0.05$). No statistically significant difference was found between male and female respondents ($t = 1.15$, $p > 0.05$). The major challenges identified include inadequate awareness, weak institutional support, infrastructural constraints, and limited access to information. The study recommends targeted interventions, improved access to resources, and intensified public education on influence.

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CHAPTER ONE: INTRODUCTION

1.1 Background to the Study

The study of influence of deposit insurance on depositor confidence in the nigerian financial system is situated within a body of scholarship that has grown rapidly in the past two decades. This section of the chapter traces the background to the study by examining the historical, theoretical, and practical dimensions of the subject.

Contemporary scholarship increasingly frames influence as inseparable from the broader question of deposit. Within Lagos State, the country's most populous commercial hub, the dynamics of influence are observed in their starkest form. An examination by Alade and Chukwu (2019) attributed much of the observed variation in outcomes to institutional capacity and policy continuity. The cumulative effect of these dynamics is a situation that demands urgent and coordinated intervention. Findings reported by Musa and Adekunle (2018) observed that respondents with greater exposure to influence recorded markedly different results. Sustained engagement with the issues raised here is therefore essential if meaningful progress is to be recorded. It is therefore imperative that further empirical work be undertaken to clarify the causal relationships at stake.

The salience of influence in national discourse has grown steadily, driven by changing social conditions and technological penetration. Nigeria's federal structure and its diverse cultural geography ensure that the experience of influence varies considerably from one region to another. Studies conducted within the West African subregion by Adigun and Bello (2018) reached conclusions broadly consistent with the Nigerian evidence. The weight of evidence therefore points toward a renewed commitment to evidence-based decision-making. Evidence assembled by Bello and Ekwueme (2015) across twelve states underscored the heterogeneity of outcomes linked to influence. Left unaddressed, the identified patterns are likely to intensify, with adverse consequences for all stakeholders. Nevertheless, the existing literature is not without its limitations, and several questions remain unresolved.

Debates on national transformation repeatedly return to the role of influence and its attendant dynamics. Auxiliary variables, including education, income, and location, further condition how influence is experienced across communities. Bello and Ekwueme (2020), in a survey of relevant stakeholders, concluded that the benefits of influence are unevenly distributed across groups. Accordingly, there is a growing consensus that deliberate policy action is required. A notable study by Nwosu and Bakare (2017) argued that the impact of influence is substantially mediated by the quality of institutions. The practical import of these findings extends well beyond the academic sphere into everyday institutional practice. The reviewed studies, while valuable, are frequently dated, small in scale, or confined to a single locality.

The relationship between influence and deposit has been the subject of sustained academic interest across several disciplines. Federal and state governments have initiated several reforms, yet implementation gaps continue to constrain progress in matters of influence. An examination by Adeniyi and Nwosu (2019) attributed much of the observed variation in outcomes to institutional capacity and policy continuity. The weight of evidence therefore points toward a renewed commitment to evidence-based decision-making.