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Behavioural Accounting and Profitability of Selected Deposit Money Banks Listed on the Nigeria Exchange Group

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Abstract
Indeed, in many fields, researchers have become aware that the behaviour of the decision-making agent influences the agent's decision. A behavioural accounting problem existed with the human resource accounting management. Therefore, the inspiration of this study was to examine the behavioural accounting of banks represented by personnel cost and how it affects the performance of Deposit Money banks in Nigeria. The population of the study comprised of the fourteen (14) Commercial banks listed on the Nigerian Exchange Group as at the year 2023. Ex-post facto research design was adopted for the study. Regression and correlation analysis was used for the study. The result of the analysis can be summarized as follows; there was a positive relationship between behavioural accounting and financial performance of banks in Nigeria. There is a significant impact of behavioural accounting on the financial performance (return on assets) of banks in Nigeria. There is a significant impact of behavioural accounting on the financial performance (return on equity) of banks in Nigeria. Based on the

findings of the study, the following recommendations were made; Researchers should invest more in behavioural research as an emerging issue in academics. Banks should priorities behavioural management as it's a significant determinant of its financial performance.

***Keywords**: Behavioural Accounting, Return on Asset, Return on Equity*

1.0 Introduction

The worth of a firm is today dependent on financial and non-financial variables, i.e., behavioural, cognitive, and emotional variables, as opposed to previous decades when the primary goal was to value a company using numerical data. Since its emergence some twenty years ago, behavioral accounting has developed significantly. Indeed, in many fields, researchers have become aware that the behaviour of the decision-making agent influences the agent's decision. Thus, behavioral accounting is based on human variables related to the individual's intrinsic characteristics. Researchers have focused on the behavioral aspects of the individual in many areas (Adekoya, 2020). Human resource is one of the major factors of production and had been generally referred to as all human efforts (skilled, semi-skilled and unskilled) used in the process of production. Human resource is a term which refers to the set of individuals who make up the workforce of an organization or a business entity (Edom, Inah & Adanma, 2015). In the words of Okpala and Chidi (2010), human resource accounting relates to the quantification in monetary terms of human resources employed by an organization. They concluded that a well-developed system of human resource/capital accounting could contribute significantly to internal decisions by management and external decisions by investors. Generally, performance could be regarded as one of the key determinant factors that are widely used in measuring the success or failure of firms. It is imperative to note that one of the most influential and an indispensable component that drives firm's performance is the human resource component specifically the behaviour of the human resources. Therefore, the relationship between behavioural accounting and firm performance becomes very crucial and a matter of concern for firms especially service-oriented ones. Anderson and Kincaid (2005) noted that behaviour modification in an organisation is usually studied to investigate how employees perceive their performance in relation to rewards. Performance could be viewed as the achievement of a firm in relation with its set goals. It includes outcomes achieved or accomplished through contribution of individuals or team to the firm strategic goals.

In Nigeria, behavioural accounting research and development is still in its infancy compared to other areas of accounting. For instance, if behavioural accounting research is compared to financial accounting research with issues like the capacity of financial measures to forecast stock prices, bankruptcy, etc., we can claim that behavioural accounting research is lagging. This makes sense given that the field of behavioural accounting (the behavioural part of accounting) is relatively new. Even now, in 2023, few universities regularly offer the behavioural accounting course as part of their undergraduate accounting degree programmes. This may be due to a lack of knowledge about this course.

The development of behavioural accounting surely depends on the results of the researches conducted. Therefore, information about the direction of research and development in behavioural accounting is very useful for accountants who are interested in carrying out researches in this field. The challenge of conducting a research on behavioural accounting is mostly caused by inadequate supporting reading facilities (books and journals). Academics should initiate the research interests in the field of behavioural accounting and it is on this note that this study seeks to examine the influence of behavioural accounting on the performance of banks in Nigeria.

1.2 Statement of Problem

Only 8 banks were designated as systematically important by the CBN as of 2019. Banks that the CBN deems to be "too big to fail" are known as systemically critical banks. This indicates that the banks consistently operate at their best. Additionally, the merger and purchase of some banks, such as Access Bank and Diamond Bank, is evidence of Diamond Bank's performance shortcomings, which might be linked to the issue of inadequate human resource accounting management. A behavioural accounting problem existed with the human resource accounting management. Therefore, the inspiration of this study is to examine the behavioural accounting of banks represented by personnel cost and how it affects the performance of Deposit Money banks in Nigeria.

1.3 Objectives of the study

The main objective of the study is to examine the influence of behavioural accounting on the performance of selected deposit money banks in Nigeria. The following were the specific objectives of the study;

i. To examine the relationship between behavioural accounting and the performance of deposit money banks in Nigeria.
ii. To assess the influence of behavioural accounting on the return on equity of deposit money banks in Nigeria.
iii. To evaluate the effect of behavioural accounting on the return on assets of deposit money banks in Nigeria.

1.4 Research Questions

The following research questions were raised for the study;

i. What is the relationship between behavioural accounting and the performance of deposit money banks in Nigeria?
ii. What is the influence of behavioural accounting on the return on equity of deposit money banks in Nigeria?
iii. What is the effect of behavioural accounting on the return on assets of deposit money banks in Nigeria?

1.5 Hypotheses of Study

The following hypotheses were formulated for this study;

Ho_1: There is no significant relationship between behavioural accounting and the performance of deposit money banks in Nigeria.

Ho_2: There is no significant influence of behavioural accounting on the return on equity of deposit money banks in Nigeria.

Ho_3: There is no significant effect of behavioural accounting on the return on assets of deposit money banks in Nigeria.

1.6 Significance of the study

For a variety of stakeholder groups, including managers, practitioners, policy makers, regulators, and academics, the study on Behavioural Accounting and Profitability of Selected Deposit Money Banks on the Nigeria Exchange Group has important ramifications.

Management:

The findings of this study would offer insightful information to Nigerian deposit money bank management. They would use it to better understand the behavioural aspects influencing their financial performance and make defensible decisions about how to allocate resources, manage risks, and develop customer engagement initiatives. Management would seek to improve overall bank performance, optimise resources, and increase shareholder value by identifying and addressing behavioural variables affecting profitability.

Practitioners: By implementing behavioural accounting principles into their daily operations, banking practitioner would profit from the findings of this study. Better risk analysis, better lending practises, and more efficient customer relationship management would result from this. By customising their goods and services to better suit customer wants and expectations, banks that use behavioural accounting techniques would acquire a competitive edge and draw in more customers.

Policy Makers: The findings of the study would educate decision-makers on the significance of taking behavioural factors into account when enacting banking laws. It would result in the creation of regulations that support ethical and responsible banking practises, thereby enhancing the stability of the financial industry. The study's conclusions would be used by policymakers to create consumer protection laws that protect bank customers' interests and guarantee fair treatment in financial transactions.

Regulators: Regulatory bodies would use the findings of this study to enhance their oversight of deposit money banks. Understanding behavioural factors would help regulators identify potential risks early and implement measures to mitigate them. The findings of the study would lead to the establishment of compliance standards that would require banks to incorporate behavioural accounting principles into their reporting and risk management procedures.

Academics: Academics would build on the findings of this study to carry out additional research in the area of behavioural accounting, enhancing the body of knowledge and advancing this new area of specialization. The findings of this study would give students practical insights into the use of behavioural accounting concepts and would be utilised as a reference material in academic programmes in banking, accounting, and finance.

1.7 Scope of the Study

The study focuses on behavioural accounting and the financial performance of banks in Nigeria with emphasis on Deposit Money banks. The study covers the period 2013 to 2022 financial year.

2.0 Review of Related Literature

2.1 Conceptual Framework

The relevant concept in the study are explained hereunder

2.1.1 Behavioural Accounting and Behavioural Auditing

Behavioural accounting is a branch of accounting that is related to behaviour besides the accounting knowledge. Accounting was recognized as a phenomenon that operated in contexts that forms, functioning, and consequences were interdependent with; now, it is recognized as a practice whose outcomes are mediated by the human and social contexts in which it operates Hopwood (2019). It deals with the attitude and behaviour of people when they are encountered with an accounting phenomenon which determines the behaviour that they will show in decision-making.

The definition of *Behavioural Accounting* is an offspring from the union of accounting and behavioural science; it represents the application of the method and outlook of behavioural science to accounting problems and the *objective of Behavioural Accounting* is to understand, explain, and predict human behaviour in accounting situations or contexts.

Behavioural accounting attempts to correct and enrich traditional approaches to accounting theory where preparer and user perceptions, attitudes, values, and behaviors are underemphasized (Rogow, 2019). Rogow (2019) defines it as "the application of behavioural science to accounting, with its basic objective being the explanation and prediction of human behaviour in all possible accounting contexts" (p. 438). Behavioural aspect of accounting is that segment of accounting which attends to develop an understanding of both cognitive (perceived) and affective (emotional) elements of human behaviour that influence the decision-making process in all accounting contexts and settings. This special area of accounting addresses such aspects as human information-processing behaviour, judgment quality, accounting problems that are created by users and providers of accounting information, and accounting information users' and producers' decision-making skills. It was assumed that the decision-maker behaved basically as a profit maximizer in handling accounting problems; but today it is accepted that the individual exhibits psychological behaviour also in accounting (Kurawa, 2009).

Behavioural auditing is concerned with the human behaviour of staff, the quality of the staff and the work they undertake in order to meet the demands of the employer. It also examines whether it is possible to provide assurance that the employer provides the right processes to enable its staff to be as effective as possible (Morerell, 2010). It is carried out by auditors that are very experienced with dealing of human issues and those that are trained for that purpose. The ability of an auditor to carry out behavioural auditing is a function of the seniority, background and as well as the experience of the auditor. Morrell (2010) identified; information/decisions; judging people; management; motivation; auditing motivations; relationship vis-a-vis accounting; relationship vis-a- vis information; reporting; organisation's social dimension and understanding people as elements of behavioural auditing. Behavioural auditing is based on control system rules and procedures of the audit firm. The effect of controls might be negatively strong on the company's performance and result to managerial stress and tension (Paino, Ismail, & Smith, 2010). This effect is caused by dysfunctional behaviour exhibited by the auditor in carrying out the audit assignment. The focus of behavioural auditing is on human behaviour. Therefore, auditors need to have the requisite skills and experience in carrying out this type of audit so that users of financial statements can ascertain the level to which the behaviour of staff impacted on organisational goals and objectives.

2.1.2 Financial Performance

Financial Performance in a broader sense refers to the degree to which financial objectives are being or have been accomplished. It is the process of measuring the results of a firm's policies and operations in monetary terms. It is a measure of a firm's overall financial health over a given period of time and can also be used to compare similar firms across the same industry or to compare industries or sectors in aggregation (Adeniji, 2014).

Any given firm has four measures of performance, these include customer-oriented performance, organizational effectiveness, human resource performance and financial performance. Financial performance is defined as one of the mathematical measures to determine if a firm is making profit (Farlex Financial Dictionary, 2012). It also defined as a measurement of how well an organization is generating value for its stakeholders. This is done through analysis of financial ratios of the companies in the oil and gas industry (Ahmad and Hassan, 2007). Financial performance is the process of evaluating the operating and financial characteristics of an organization from its financial statements in order to determine the performance and efficiency of the orgnanization's management with reference to its financial reports and records (Amalendu, 2012)

Financial performance indicators that may be relevant for assessing performance include ratios for sales and costs as well as profit. Business entities will monitor their annual growth or decline in sales, measured as a percentage of sales in the previous year. For instance, if sales in the year just ended were 7,800,000 and sales in the previous period were 7,500,000 the annual growth in sales has been 5.45% (300,000/7,500,000). Sales growth therefore is a very important measure of financial performance for a number of reasons; Sales growth helps to achieve a sustained growth in profits overtime and it exposes the extent of the growth (whether increase or decline) (ACCA, 2019).

Profitability may be assessed by relating profit to the amount of capital employed by the business. Return on Investment (ROI), Residual Income (RI), Profit Margin, Return on Investment (ROI) or Accounting Rate of Return (ARR) measures the return on capital employed for an investment centre. It is a measure of divisional performance for investment centres. Residual Income (RI) is another way of measuring the performance of an investment centre. It is an alternative to using ROI. Profit margin is the profit as a percentage of sales revenue. It is the ratio of profit that has been achieved for every ₦1 of sales. It would be wrong to conclude that a high profit margin means good performance and vice versa. To assess performance by looking at profit margin, it is necessary to look at the circumstances in which the profit margin has been achieved. The most suitable ratios for profit margin are; Gross profit margin (gross profit/sales), Return on asset, return on equity and Net Profit Margin (Net Profit/Sales).Any change in profit margin from one year to the next may be caused by changes in selling prices, changes in costs as a percentage of sales or a combination of both (Adeniji, 2014).

2.2 Empirical Reviews

Purnama and Azizah (2019) analysed the moderation of the implementation of the village financial system in influencing accounting behaviour on the performance of village government officials (strengthening / weakening). Their type of research was explanatory research. The data that was used are primary data collected using survey methods. Data collection techniques were obtained from the results of interviews and questionnaire results. The population in this study were all village financial system operators in the Kuningan Regency area of 361 villages with an analysis unit of the head of financial affairs or treasurer assigned as the operator of the village financial system. Samples were obtained as many as 190 respondents using the Yamane formula. Determination of the number of samples used in this study using the random sample method. The analytical tool used is multiple regression analysis and moderation regression analysis. The results of the study concluded that the implementation of the village financial system can strengthen the influence of attitudes, perceptions, emotions and training on the performance of village government officials, while the implementation of the village financial system cannot strengthen the motivational effect on the performance of village government officials.

Ogbaisi and Ohiokha (2020) reviewed literature on issues in behavioural auditing. Specifically, the study review issues relating to auditors' behaviour in the discharge of their responsibilities in Nigeria.The study adopts library research design whereby extant literature on behavioural auditing was reviewed. From the survey of literature, the study observed that auditor's judgement, auditor's decision making and auditor-client relationship are issues relating to auditors' behaviour in the discharge of their responsibilities. The study concludes that audit firms should always consider the mood of members of audit team before assigning audit engagements or assignments to them since mood have influence on how auditors behave and carry out their audit assignments. The study recommends that auditors should be made to take training on sociology, psychology and philosophy because it will go a long way in enhancing their approach in dealing with human behaviour and behavioural issues at any given situation. The study suggests that there is need for further empirical studies on behavioural auditing in Nigeria since it is yet to be fully appreciated and further studies should also be carried out from the perspective of the audit client.

Kusumastuti, Touriano and Prasetio (2018) developed a behavioural accounting conceptual model as a study of Behavioural Accounting Model on Online Shopping Behaviour and Risk Perception on Entrepreneurial Orientation of creative industry entrepreneurs in minimizing the risk of facing the development of information technology progress so that they have the competence in managing existing resources to face the open markets and strengthen the entrepreneurial ecosystem from a behavioural accounting perspective. The target of the findings and implementation of this study, namely as input for relevant agencies and for Micro Small and Medium Enterprises (MSME) in the creative industry where Behavioural Accounting as the basic concept of the model of development and improvement of innovation and creativity, assess the stability of industrial culture based on the risks faced, increase the functional value of products and services and increasing the entrepreneurial orientation and creative economy of the community and internet-based business actors in Jambi Province from the standpoint of behavioural accounting. And placing Jambi Province as one of the drivers of the national creative economy and increasing the competitiveness of Indonesian local products on the world market. Incoming respondents 'answer data indicates that respondents' Online Shopping Behaviour is in the medium category; Risk Perception is very high category and low Entrepreneurship Orientation.

Birnberg (2011) offered a framework within which BAR literature can be viewed as a whole rather than in segments, such as by accounting sub-areas or by research method. The framework classifies BAR by the focus of the research: the individual, group, organization, or the society within which accounting exists. The purpose of the framework is to help researchers in BAR to appreciate the insights to their research questions that can be found in BAR using another research method or studying a similar issue in another sub-area of accounting. Existing research in each of these four areas is discussed to illustrate the usefulness of the framework. In addition, behavioural research in other disciplines that could impact BAR and areas of potential future research are discussed.

Danescu, Constantinescu and Matei (2022) analyzed and examined the research area of behavioural accounting. As today's society is increasingly focused on the general state of human well-being, it is reasonable to assume that this field of social sciences will continue to receive the significance gained through contributions to social life. From the perspective of illustrating the evolution of research conducted in the field of behavioural accounting and starting from the evidence that this field of accounting has developed from the empirical to the theoretical dimension, the criterion of temporal succession of manifestation is used. The descriptive analysis technique is used for data analysis. The research results emphasize the constant concern and permanent diversification towards the human emotional component of accounting, through the systematic observation of people and the measurement of variables.

Se, Agustina and Meyliana (2017) analyzed and examine the research content and method which was used in BRIA during 2005-2014 in order to depict the research direction and development of behavioral aspect in accounting over the past decade. The analysis is done by comparing the article content (scope), category of topic, and research method. The scope of behavioural accounting is classified according to Siegel & Marconi (1989). The article topic is classified using Birnberg and Shield (1989) taxonomy which has been modified by Meyer and Rigsby (2001). Descriptive analysis technique is used to analyze data. The analysis result shows that the behavioural accounting research scopes are dominated by topics about (1) the strategy/method to alter human behaviour (29.75%); (2) the handling of human can affect the subject's behavior (27.27%); and (3) the effect of accounting system to human behaviour (13.22%). As much as 47.09% of articles discuss the behavioral accounting topics outside of Siegel & Marconi's (1989) scopes, which are the handling of human can affect the subject's behaviour; research methodology related to behavioral aspect in accounting; building a model related accounting professions; and the use of theory to analyze human behaviour in accounting discipline.

According to Pourghanbari, Yazdifar and Faghani (2022), accounting information systems have recently received many investments in the implementation, resulting in introducing of its technology and gaining importance. However, factors affecting the accounting information system's success are the adoption and use by accountants in organizations. The present study used the unified model of acceptance and the use of technology and the model of task-technology fit to investigate the factors affecting the accountants' behavioral intentions regarding an accounting information system adoption. The present study was a descriptive survey regarding the applied purpose and collecting data tools. The data were collected using a questionnaire distributed among accountants of companies listed on the 2020 Tehran Stock Exchange, and 200 questionnaires approved by structural equation modelling were analyzed by Smart PLS 3 software. The results showed a direct and positive association between all model constructs (i.e., self-efficacy, effort expectancy, performance expectancy, and perceived technology fit) in accounting information system adoption, except the facilitating conditions in the research.

Alalade, Y. S. & Adelakun, V. A. (2019) examined the relationship between behaviour modification and profitability performance of firms between 1996 and 2015. The researchers' motivation was to determine the effect of changes in behaviour modification and its influence on profitability of firm through return on assets, net revenue growth and earnings per share as proxies in Nigeria quoted companies. Ex-post factor research design was adopted for this study. The population of the study comprises of all companies listed on the Nigerian stock Exchange as at 2015. The sample size is eight (8) companies listed on the Nigerian Stock Exchange and categorized under the consumer goods industry, selected using random and purposive sampling techniques based on the availability of annual financial report from 2006 to 2015 financial year. Data were collected from the annual reports and accounts of the sampled companies for the period of ten years (2006-2015). Researchers employed simple and multiple regression methods to analyse the data. The result of the analysis of the effect of behaviour modification for model one shows p-value of 2% which is lower than the significant level adopted for the work which indicate that behaviour modification has a significance effect on corporate performance while model two, three, and four show p-value of 16.8%, 5.8%, and 6.6% respectively, which indicate that behaviour modification have no significant effect on corporate performance. Only return on asset was found significant on the multiple regression model. In conclusion, it should come to the knowledge of the companies' management, and economic agents, that is, individual investors and firms in the consumer goods industry that performance depend largely on proper management and composition of their assets.

3.0 Methodology

3.1 Research Design

The research design that was used for this study is the *expost facto* research design.

3.2 Population of the study

The population of this study comprised of the fourteen (14) Commercial banks listed on the Nigerian Exchange Group as at the year 2023, encapsulated on Table 3.1.

Table 3.1: Population of the study

S/N	Name of Bank
1	Access Bank Plc.
2	Zenith Bank
3	Wema Bank Plc.
4	Unity Bank Plc.
5	United Bank for Africa Plc
6	Union Bank of Nigeria
7	Sterling Bank Plc.
8	Ecobank Plc
9	Guaranty Trust Bank Plc.
10	First City Monument Bank Plc.
11	First Bank Holdings
12	Fidelity Bank Plc.
13	Stanbic IBTC
14	Jaiz Bank Plc

Source: Nigerian Exchange Group (2023)

3.3 Sample Size and Sampling technique

The purposive sampling technique would be adopted for this study. Consequently, Ecobank will be excluded due to the fact that its financial statements are presented in foreign currency, this would create translation problem. Other commercial banks with no relevant data on the Nigerian Exchange Group for period are excluded. Thus, the sample size was 13 banks for the period of 2013 to 2022.

3.4 Sources and Nature of Data

The study made use of secondary data. Data from the financial reports was extracted using content analysis from the financial statements of the selected banks.

3.5 Measurement of Variables

The variables of the study are explained in this section of the study.

Table 3.1: Dependent and Independent Variables

S/N	Variables	Types	Definition	*Apiori* Expectation
1.	Return of Assets	Dependent	Profit for the Year/Total Assets	
2.	Return on Equity	Dependent	Profit for the Year/Total Equity	
3	Behavioural Accounting	Independent	Personal Costs	Positive

Source: Researcher's Compilation (2023)

3.6 Theoretical Specification of Model

The theoretical model specification for this study is that profitability of a company is a function of its firm attributes. The specification of this model is presented thus;

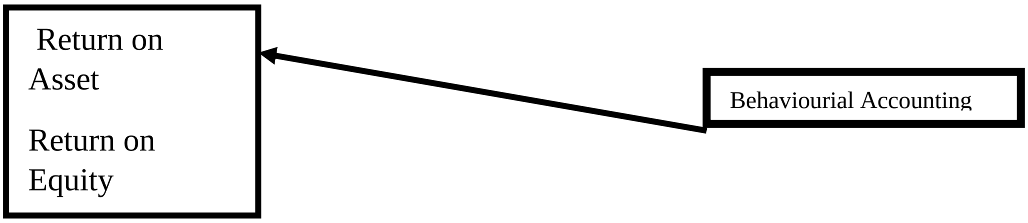

Figure 3.1: Theoretical Specification of Model
Source: Researcher's Conceptualization (2023)

3.7 Empirical Specification of Model

The model developed for this study are:

Performance = f (Behavioural Accounting)

ROA= $\beta + b_1 BAi_{i,t} + \varepsilon$ 3.1

ROE $= \beta + b_2 BA_{i,t} + \varepsilon$ 3.2

3.8 Method of Data Analysis

Descriptive statistics and linear regression analysis were adopted as the data analysis technique of this study. Descriptive statistics include mean, minimum, maximum, skewness, kurtosis and standard deviation. Regression analysis was used to analyse the model specified in the study. The decision rule states that the null hypothesis will be rejected if the p-value is less than 0.05 and also if the calculated F statistics is less than the critical value of F at the degree of freedom of n-k-1.

4.0 Data Analysis and Discussion of Findings

4.1 Data Presentation

The variables adopted for this study include financial performance (return on assets and return on equity) as dependent variables and behavioural accounting as Independent variables. The values for profitability were express in percentage and behavioural was express in millions of naira.

4.1.1 Descriptive Statistics

The descriptive statistics used in this study were minimum, maximum, mean and standard deviation.

Table 4.1 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
ROA	130	-9.5318	7.0774	1.80	2.0798380
ROE	130	-80.0433	48.5301	13.46	13.4402623
Behavioural Accounting (N'000)	130	883,231	128,772,000	37,385,079.66	28415548.59983
Valid N (listwise)	130				

Source: Researcher's computation (2023).

The result of the descriptive statistics as shown in Table 4.1 indicates that return on assets of the selected banks was at a minimum value of -9.53%, maximum of 7.077% and an average value of 1.80%. This implies that for every one naira invested in the assets of banks, a return on ₦1.80 is expected. The descriptive statistics indicates that the return on equity of the studied banks stood at a minimum of -80.04% with a maximum of 48.53%. The average return on equity of the banks was 13.46%. This implies that for every one naira invested in the equity of the banks, a return on N13.46 is expected. The analysis therefore implies that investment in the equity of banks is very profitable which shows that the financial performance of the banks is at its best.

On the other hand, behavioural accounting which was proxied by personnel costs had a minimum value of ₦883,231,000 and a maximum value of N128,772,000,000. The average personnel cost stood at N37,385,079,660. This the average amount spent on the human resources of the banks. This shows the amount of reward given to the bank workers. The accounting for the personal cost is classified as behavioural accounting.

4.2 Test of Hypotheses

This section shows the test of the hypotheses based on the data presented in section 4.1. The study had three hypotheses which were formulated in chapter one of the study. In testing the hypotheses, the researcher was guided by the following decision rule which states that the null hypothesis should be rejected if t-calculated is greater than the critical value of t and p-value is less than 0.05.

Hypothesis One: There is no significant relationship between behavioural accounting and the performance of deposit money banks in Nigeria. The results of correlation analysis and the correlation coefficient are shown in Table 4.2.

Table 4.2: Correlations

		Behavioural Accounting	Return on Asset	Return on Equity
Behavioural Accounting	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	130		
Return on Asset	Pearson Correlation	.233	1	
	Sig. (2-tailed)	.008		
	N	130	130	
Return on Equity	Pearson Correlation	.201	.767	1
	Sig. (2-tailed)	.022	.000	
	N	130	130	130

Source: Researcher's Computation (2023)

In line with the decision rule of the study, the null hypothesis one is rejected because the p-values of 0.08 and 0.022 are less than 0.05. This implies that there is there is a significant relationship between behavioural accounting and the performance of deposit money banks in Nigeria.

Hypothesis Two: There is no significant influence of behavioural accounting on the return on assets of deposit money banks in Nigeria. The results of regression analysis and the regression coefficient are shown in Table 4.3-4.5.

Table 4.3 Model Summary for hypothesis Two

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.233[a]	.054	.047	2.0303400	.808

a. Predictors: (Constant), Behavioural Accounting

b. Dependent Variable: Return on Asset

Source: Researcher's Computation (2023)

Table 4.4 ANOVA for Hypothesis Two

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.367	1	30.367	7.366	.008[b]
	Residual	527.652	128	4.122		
	Total	558.019	129			

a. Dependent Variable: Return on Asset
b. Predictors: (Constant), Behavioural Accounting

Source: Researcher's Computation (2023)

Table 4.5 Coefficients for Hypothesis Two

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-6.870	3.201		-2.146	.034		
	Behavioural Accounting	1.169	.431	.233	2.714	.008	1.000	1.000

a. Dependent Variable: Return on Asset

Source: Researcher's Computation (2023)

In line with the decision rule of the study, the null hypothesis two is rejected because the t-calculated value of 2.714 is greater than the critical t-value of 1.978 and the p-value of 0.008 is less than 0.05. This implies that there is a significant effect of behavioural accounting on the return on assets of deposit money banks in Nigeria**.**

Hypothesis Three: There is no significant effect of behavioural accounting on the return on assets of deposit money banks in Nigeria. The results of regression analysis and the regression coefficient is shown in Table 4.6-4.8.

Table 4.6 Model Summary for Hypothesis Three

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.201[a]	.040	.033	13.2175652	1.200

a. Predictors: (Constant), Behavioural Accounting
b. Dependent Variable: Return on Equity

Source: Researcher's Computation (2023)

Table 4.7 ANOVA for Hypothesis Three

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	940.528	1	940.528	5.384	.022[b]
	Residual	22362.116	128	174.704		
	Total	23302.644	129			

a. Dependent Variable: Return on Equity

b. Predictors: (Constant), Behavioural Accounting

Source: Researcher's Computation (2023)

Table 4.8 Coefficients for Hypothesis Three

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-34.820	20.841		-1.671	.097		
	Behavioural Accounting	6.506	2.804	.201	2.320	.022	1.000	1.000

a. Dependent Variable: Return on Equity

Source: Researcher's Computation (2023)

In line with the decision rule of the study, the null hypothesis three is rejected because the t-calculated value of 2.320 greater than the critical t-value of 1.978 and the p-value of 0.022 is less than 0.05. This implies that There is a significant effect of behavioural accounting on the return on equity of deposit money banks in Nigeria

4.3 Discussion of Findings

Behavioural Accounting and Financial Performance (Return on Assets)

The regression analysis reveals an adjusted R-Square value of 0.047, which implies that 4.7% of the variation in the financial performance of banks when measured as return on assets is accounted for by the behavioural accounting. The results indicate that behavioural accounting exert a significant influence on the financial performance as the p-value of 0.008 shown in Table 4.4 is lower than 0.05. The regression coefficient further indicates that behavioural accounting influences the financial performance of banks when measure using return on assets only by 23.3% as presented in Table 4.5.

Behavioural Accounting and Financial Performance (Return on Equity)

The regression analysis reveals an adjusted R-Square value of 0.033, which implies that 3.3% of the variation in the financial performance of banks when measured as return on Equity is accounted for by the behavioural accounting. The results indicate that behavioural accounting exert a significant influence on the financial performance as the p-value of 0.022 shown in Table 4.7 is lower than 0.05. The regression coefficient further indicates that behavioural accounting influences the financial performance of banks when measured using return on equity only by 20.1% as presented in Table 4.8.

The analysis also shows that there is a positive and significant relationship between behavioural accounting and financial performance of banks in Nigeria. This implication of this result is that in increase in the adoption and implementation behavioural accounting practices in banks will increase the financial performance of the selected banks.

5.0 Summary, Conclusion and Recommendations

This section carries the summary of the research, the conclusion and the recommendations made by the researcher.

5.1 Summary of the Study

This was carried to examine the effect of behavioural accounting on the financial performance of listed banks in Nigeria. The data used were secondary data. The research adopted ex-post facto research design. Linear regression and Pearson Moment Correlation was used to analyze and test the hypotheses. The result of the analysis can be summarized as follows;

i. There is a positive relationship between behavioural accounting and financial performance of banks in Nigeria.
ii. There is a significant impact of behavioural accounting on the financial performance (return on assets) of banks in Nigeria.
iii. There is a significant impact of behavioural accounting on the financial performance (return on equity) of banks in Nigeria.

5.2 Conclusion

Behavioural accounting is at the infancy stage, especially in the banking in Nigeria. Based on the result of the analysis it can be concluded that behavioural accounting has significant influence on the performance of the selected banks. It can also be concluded that there is scarcity of empirical research on the subject.

5.3 Recommendations

Based on the findings of the study, the following recommendations were made;

i. Researchers should invest more in behavioural research as an emerging issue in academics.
ii. Banks should priorities behavioural management as it’s a significant determinant of its financial performance.
iii. Further studies should be carried out on the subject matter to create more insight on the subject matter especially on other sectors of the economy.

5.4 Contribution to Knowledge

The researcher has empirically established the influence of behavioural accounting on the financial performance (return on assets and return on equity) of banks in Nigeria.

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