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Full Financial Inclusion (Ffi): A Pre-Requisite for Inclusive Economic Development in Nigeria

Bertram, O. A
Department of Banking & Finance
Enugu State University of Science & Technology, Enugu State

Nwankwo, S.N.P
Department of Accounting & Finance
Godfrey Okoye University, Enugu State, Nigeria

Onwuka, I. O
Department of Accounting & Finance
Godfrey Okoye University, Enugu State, Nigeria

Abstract

This study identified full financial inclusion as a prerequisite for inclusive economic development in Nigeria. The study utilized descriptive survey method that entails the use of questionnaire to generate data from stakeholders in financial inclusion, such as Banks, Insurance, Regulators, and Telecom firms providing every household with access to a suite of modern financial services, including savings, credit, insurance, and payments, as well as sufficient education and support to help customers make good decisions for themselves. Financial inclusion has continued to assume increasing recognition across the globe among policy makers, researchers and development oriented agencies. The world over and especially in developing countries, governments are working on various strategies and regulatory framework to ensure they reach all that are excluded from financial services. Access to financial services will mobilize greater household savings, marshal capital for investments, expand the class of entrepreneurs and enable more people to invest in themselves and families. Financial inclusion offers incremental and complementary solutions to tackle poverty, to promote inclusive development and to address Millennium Development Goals (MDGs). It aims at drawing the unbanked population into the formal financial system so that they have the opportunity to access financial services ranging from savings, payment, and transfers to credit and insurance. The result of the study reveals that financial inclusion is a bold step towards inclusive economic development. The paper concludes that all initiatives that make formal financial services available, accessible and affordable to all segments of the population should be encouraged to achieve inclusive economic development.

Key words: Financial inclusion, Stakeholders, Insurance, Millennium Development Goal, Regulators

INTRODUCTION

Financial inclusion has its roots on social exclusion. Social exclusion is a concept that characterizes contemporary forms of social disadvantage. It is the processes in which individuals and entire communities of people are systematically blocked from exercising their rights, opportunities and resources that are normally available to members of the society and which are the key to social integration.

The Central Bank of Nigeria (CBN or the Bank) in 2012 rolled out a financial inclusion strategy aimed at setting a clear agenda for significantly increasing access to and use of financial services in Nigeria by 2020, by which time the Bank aims to increase the formal use on financial services to 70 percent from the current level of 36 percent of the adult population (roughly 31 million out of an adult population of 85 million). This figure compares to 68 percent in South Africa and 41 percent in Kenya (CBN, 2012).

Financial inclusion is therefore necessary to ensure that economic growth performance is inclusive and sustained. Financial inclusion refers to all initiatives that make formal financial services available, accessible and affordable to all segments of the population (Triki & Faye, 2013). This requires particular attention to specific portion of the population that have been historically excluded from the formal financial sector either because of their income level and volatility, gender, location, type of activity or level of financial literacy. There is a need to harness the untapped potential of those individuals and business currently excluded from the formal financial sector or underserved to enable them develop their capacity, strengthen their human and physical capital, engage in income-generating activities, and manage risks associated with their livelihoods.

Full financial inclusion means providing every household with access to a suite of modern financial services, including savings, credit, insurance, and payments, as well as sufficient education and support to help customers make good decisions for themselves (Goland, Bays & Chaia,2010) in Aduda and Kaluda (2012).

On the converse, the denial of financial services and the conditions that lead to depriving an individual or a group from the benefits of these services is called financial exclusion and hinders inclusive economic development (Aduda & Kalunda, 2012).

Statement of Problem

An economy cannot thrive on a fraction of its citizens while excluding the others. In many developing countries, economic development is skewed towards a few rich people and regions while the larger population and regions are left out with huge rural populations that are economically challenged.

Financial inclusion is indispensible for the sustainable growth in Nigeria. Financial inclusion is needed for rural and downtrodden masses that are the future growth engine of the economy. Despite the recorded progress made by financial institutions, the majority of the world's poor remain unserved by formal financial intermediaries that can safely manage cash and intermediate between net savers and net borrowers.

Recent world Bank data show that Nigeria under-performs most of its Sub-Saharan Africa (SSA) peers, with the widest disparity being in the category of percentage of adults who borrowed from financial institutions in the past 12 months. While 24 percent of Nigerians confirmed that they have saved in a financial institution in the past years, less than 2 percent have been able to access loans, making Nigeria one of the worst performers in that category in SSA. The data also showed that only 26.67 percent of Nigerians have accounts at a formal financial institution, 42.34 percent in Kenya and 53.65 percent of South Africa have the same (Business Day, 2015).

Financial inclusion goes beyond improved access to credit to encompass enhanced access to savings and risk mitigation products, a well functioning financial infrastructure that allows individuals and companies to engage more actively in the economy, while protecting user's right should be developed.

The problem which this study addressed therefore was the examination of the role of financial inclusion as a key element to achieving inclusive economic development in Nigeria, with emphasis on the impact of financial inclusion on inclusive economic development in Nigeria such as measured by the level of financial inclusion and the relationship between financial inclusion and financial exclusion.

Objectives of the Study

The broad objective of this study was to explore financial inclusion as a prerequisite for inclusive economic development in Nigeria.

Specifically, the study sought to;

a. Evaluate the role of financial inclusion on achieving inclusive economic development in Nigeria.
b. Ascertain the challenges of financial exclusion on inclusive economic development.
c. Make recommendations aimed at addressing identified challenges.

Research Questions

a. What are the roles of financial inclusion in achieving inclusive development?
b. What are the challenges of financial inclusion on inclusive economic development?

CONCEPTUAL FRAMEWORK/LITERATURE REVIEW

Overview on Financial Inclusion

Aduda and Kalunda (2012) defined financial inclusion as the process of ensuring access to appropriate financial products and services needed by all sections of the society in general, vulnerable groups such as weaker sections and low income groups in particular, at an affordable cost in a fair and transparent manner by regulated mainstream institutional players.

The purpose of defining a Financial Inclusion strategy for Nigeria is to ensure that a clear agenda is set for increasing both access to and use of financial services within the defined timeline, that is, year 2020. Financial inclusion is achieved when adults have easy access to a broad range of financial products designed according to their needs and provided at affordable costs. The products include payments, savings, credit, insurance and pensions (Berger: 2012)

Agarwal (2010) defined financial inclusion as the process of ensuring access to financial services, timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost.

Hanning and Jansen (2011) defined financial inclusion as the absence of price or non-price barriers in the use of financial services. They further add that it aims at improving access to financial services, which entails improving the degree to which financial services are available to all at a fair price.

These three definitions according to Aduda et al (2012) emphasized the issue of affordability in terms of cost. The target group is defined by the first two definitions while the first definition mentions the prayers. All these definitions through different means are almost one and the same thing.

Triki and Faye (2013) refer to financial inclusion as all initiatives that make formal financial services available, affordable, and accessible to all segment of the population. This requires particular attention to specific portion of the population that are historically excluded from the formal financial sector either because of their income level and volatility, gender, location, type of activity or level of financial literacy

With the successful introduction and implementation of the cashless policy, which culminated in Mobile Money Operation (MMO) in the country, the Central Bank of Nigeria (CBN) is currently targeting the unbanked segments of the society with the launching of National Financial Inclusion Strategy in Nigeria.

Following the commencement of registration of agent bankers by Central Bank of Nigeria, experts believe that the financial inclusion strategy will deepen the market and create economies of scale (Alawiye, 2013)

The Nigerian banking sector has no doubt, undergone dramatic changes. Hitherto, deposit money banks have always targeted corporate customers while the retail customers, particularly those in the rural areas, were neglected.

The banking sector crisis and subsequent intervention by the Financial Regulators in 2013 showed that same corporate customers were in the habit of taking bank loans without any intention to pay back. This singular action made bank to review their strategy with a view to attracting more retail customers. This and low level of banking penetration in the country also resulted in the inauguration of the financial inclusion strategy in 2013 (EFInA, 2013).

The definition of Financial Inclusion is based on ease of access to financial products and services. That means financial products must be within easy reach for all groups of people and should avoid onerous requirements, such as challenging Know Your Customer (KYC) procedures.

There is broad range of financial products and services apart from those ones mentioned above. This means that financial inclusion implies access to a broad range of financial services including payments, savings, credit, insurance and pension's products. Financial products must be designed according to target clients needs and should consider income levels and access to distribution channels. Formal financial services should be affordable even for low-income groups, particularly when compared to informal services e.g. Esusu or moneylenders (Berger 2012).

Objectives of Financial Inclusion Strategy

According to the Central Bank of Nigeria (CBN, 2012), financial inclusion strategy are expected to achieve the following objectives, both for the CBN monetary operations and the economy in general. These include:

- The CBN will be better able to influence savings, investment and consumption behaviour through interest and exchange rate changes, and a direct result of increased participation of Nigerians in the formal financial sector.

- Increased penetration of e-payments use and cashless efforts will reduce the cost of cash management and thereby reduce the cost of issuing legal tender.
- Increased access to finance for Medium (M) Small and Medium Enterprises (SMEs) as a result of financial inclusion (credit made on the back of mobilized savings) will lead to greater productivity and increased non-oil exports- and subsequent demand for the Naira will stabilize its value.
- Financial Inclusion will lead to development of stable financial system funded by non-volatile savings which are robust and provide cushion against external shocks.
- The CBN will be better able to advise the government as increased participation in formal finance will lead to greater visibility of the performance of the economy.

Definitions and measurements of financial inclusion have evolved from classifying individuals and enterprises according to a dichotomous division as either included or not, to viewing financial inclusion as multidimensional. With the aim of defining a more complete concept of inclusion, the financial Inclusion Data Working Group of the Alliance for Financial Inclusion (AFIFDWG) agreed on three main dimensions of Financial inclusion that provide the underpinning framework for data collection.

a. Access: - Availability of formal regulated financial services, physical proximity and affordability.
b. Usage: - Actual usage of financial services and products, regulatory, frequency and duration of times used.
c. Quality: - Products are well tailored to client needs, appropriate segmentation to develop products for all income levels (Triki & Faye, 2013).

The adoption of broader and multidimensional definition of financial inclusion is crucial in the sense that it help to move beyond the often erroneous assumption that inclusion will inevitably be achieved by simply offering enough access points. Instead, a more complete understanding of financial inclusion should speak to how frequently clients use products, if the products are effectively meeting their needs, and if they are better off as a result. As shown above, defining and measuring usage and quality in addition to simple access would be very useful for analytical purposes (Triki & Faye, 2013).

These three dimensions of financial inclusion according to Triki and Faye (2013) are broad categories into which indication can be grouped, without being restrictive. They simply provide a framework to guide policymakers in developing a sufficiently robust measurement strategy that reflects the multi-dimensional nature of financial inclusion. Within this framework, policy makers will still need to design a set of indicators appropriate to their needs and level of resources.

Index of financial inclusion (IFI)

Several indicators have been used to assess the extent of financial inclusion. They include, Bank accounts per adult, Geographic branch penetration, Demographic branch penetration, Demographic Loan penetration, Loan income ratio, Demographic deposit penetration, Deposit income ratio (or deposit-GDP ratio) and Cash-Deposit Ratio) (Canrad et al, 2008 in Aduda & Kalunda, 2012).

Chattopadhyay (2011) opined that IFI must satisfy the following criteria:

- It should incorporate information as many aspects (dimensions) of inclusion as possible.
- It should be easy and simple to compute.
- It should be comparable across countries/states.

Financial Exclusion

According to the United Nations as cited in Triki and Faye (2012), 2.7 billion people around the world do not have access to formal financial services like savings accounts, credit insurance, and payment services. Although this problem is universal, the financially excluded person is more often than not the average citizen in a developing country.

Research further confirms that more than 80 percent of households in most of Africa are financially excluded. In sub-Saharan Africa 80 percent of the adult population, 325 million people, remains financially excluded. Even for those with access, the distribution to the products varies with some having marginal financial services encompassing merely a bank account. The people who lack access to financial services are frequently also excluded in other aspect of social exclusion (Kempton & Whyley, 1999).

Those lacking financial services comprise certain exclusive groups of people and thus form an important component of a wider social exclusion. According to Kempton and Whyley (1999) in Aduda & Kalunda (2012), social exclusion has clear link with poverty, disadvantage and deprivation and is a much broader concept which, is a shorthand term for what happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low income, poor housing, high crime environments, bad health, poverty and family breakdown.

Social exclusion brings about social classes and divisions. The included became fearful and distrustful of the excluded and vice versa culminating to polarized societies that are unhealthy for the economy. In such cases the rich areas and people tend to get richer and poor areas and people poorer. Therefore financial inclusion can be instrumental in bridging the gap between the included and the excluded and the rich and the poor. This means that financial inclusion should not be dealt with in isolation but in line with other socioeconomic, cultural and geographic aspects.

Despite this knowledge on the effects of financial exclusion, financial inclusion has not been fully realized as evidenced by the size of the financially excluded; that is, those lacking access to formal financial services (Aduda & Kalunda, 2012)

Types of Financial Exclusion

According to Aduda and Kalunda (2012), there are six types of financial exclusion namely;

a. Physical access exclusion
b. Access exclusion
c. Condition exclusion
d. Price exclusion
e. Market exclusion
f. And self exclusion.

Access exclusion refers to the restriction of access through processes of risk assessment; condition exclusion is where the condition attached to financial products makes them inappropriate for the needs of some people while price exclusion occurs where some people can only gain access to financial products at price they cannot afford.

Conversely market exclusion is whereby some people are effectively excluded by targeting marketing and sales and finally self-exclusion refers to people deciding that there is little point applying for a financial product because they believe they would be refused. Sometime this is a result of having been refused personally in the past, sometimes because they know some one else who has been refused, or because of a belief that they do not accept people who live around here.

There is no clearly incongruity among researchers that many people across the globe are excluded from mainstream banking but the reasons for exclusion differ. The main reasons behind exclusion according to Agarwal (2010) are;

a. Lack of information about the role and functions of banks, bank services and products, interest rates.
b. Insufficient documentation whereby many people are unable to show their self identification documents during the opening of a bank account or during taking a loan.
c. Lack of awareness of the banking terms and conditions.
d. High transaction charges
e. Lack of access mainly for those people who live in geopolitically isolated regions
f. Illiteracy, which renders a substantial number of people unable to take recourse to banking services (Ellis, Lemma & Rud, 2010)

Benefits of Financial Inclusion

Several benefits could potentially accrue from financial inclusion. These include, amongst others:

a. Establishment of an account relationship can pave way to the customer availing of a variety of savings products, loan products for consumption livelihood and housing.
b. Financial inclusion enables the included to manage their money on a day-to-day basis, effectively, securely and confidently, plan for the future and cope with financial pressure, by managing their finances to protect against short-term variations in income and expenditure, and to take advantage of longer term opportunities, and deal effectively with financial distress, should unexpected events lead to serious financial difficult (HM Treasury, 2007 in Aduda & Kalunda, 2012).
c. It provides poor individuals with the opportunity to improve their standard of living.
d. It enables companies, especially financial services providers to do good while gaining access to many profitable new customers in dynamic and high-growth markets.
e. It have the potential to stimulate economic activity and improve the overall quality of life of their citizens (Goland, Bays & Chaia, 2010)

METHODOLOGY

Population, Sample size and Sampling

The population of this study comprised some selected stakeholders in financial inclusion in Enugu. Four (4) stakeholders were systematically selected for purposes of this study.

They are:

a. Banks: - Deposit Money Banks, Primary Mortgage Banks, Microfinance Banks,

b. Insurance: - Insurance Companies, Loss Adjusters and Insurance Agents,
c. Regulators: - CBN, NDIC, NIC, NCC, etc;
d. Telecomm firms:-ATM Services Providers, Mobile Services Providers and E-payment/E-channel operators. The population size of the study is 200. The sampling frame of the study comprises male and female workers of four selected financial inclusion stakeholders firms.

Survey approach was adopted and data were collected from 200 respondents randomly as follows;

i. Banks: DMBs=18, Mortgage Institutions=16, Microfinance banks=16, total=50.
ii. Insurance: Insurance companies=18, lost adjusters=16, insurance agents=16,total=50
iii. Regulators: CBN=12,NDIC=12, NIC=14, NCC=12, total=50
iv. Telecomm firms: ATM Services Providers=18, Mobile Services Providers=16, E-payment/E-channel operators=16, total=50; giving a grand total of 200 respondents.

The instrument used in data collection was the questionnaire. This was administered to the respondents by the researcher.

The questionnaire was divided into two sections for analytical convenience. The first section collected demographic information such as age, sex, and educational qualifications while the second section contained ten (10) questionnaire items that measured financial inclusion as a prerequisite to inclusive Economic Development.

Out of the 200 questionnaire distributed, 180 were returned, given a response rate of 90%. The Reponses were measured with five-point likert-type rating scale, where strongly agree (SA) =5, agree (A) =4, disagree (D) =3, strongly disagree (SD) =2, neutral (N) =1. In analyzing the data, mean and scores were used. A cut off point was determined by finding the average mean of the nominal values assigned to the responses. Thus, 5+4+3+2+1= 15/5 =3.00. For decision to be reached, mean scores of 3.00 and above were regarded as agreed statement.

DATA PRESENTATION AND ANALYSIS

Demographic Information

Table 1 - Distribution of Respondents according to Sex

Stakeholders	MALE	%	FEMALE	%	TOTAL	%
Banks	20	11.11	15	8.33	35	19.44
Insurance	23	12.78	18	10	41	22.28
Regulators	27	15	22	12.22	49	27.22
Telecom firms	30	16.67	25	13.89	55	30.56
TOTAL	**100**	**55.56**	**80**	**44.44**	**180**	**100**

Source: Field Survey, 2016

Table 1 was used to show the sex distribution of the respondents. The table showed that out of 180 questionnaires distributed, 20 or 11.11% respondents from Bank Institutions are males while 15 or 8.33% are female. Insurance has 23 or 12.78% respondents as male and 18 or 10% respondents are female. Regulators have 27 or 15% as male and 15 or 22% are female. Telecom firms have 30 or 16.67% as male and 25 or 13.89 as female respondents. The sex distribution therefore has about 55.56% respondents as male and the remaining 44.44% as female.

Table 2 - Distribution of Respondents according to Age

Stakeholders	26-35	%	36-45	%	46-above	%	Total	%
Banks	20	11.11	6	3.33	6	3.33	42	23.33
Insurance	18	10	9	5	8	4.44	47	26.11
Regulators	16	8.89	5	2.78	5	2.78	40	22.23
Telecom firms	22	12.22	7	3.89	7	3.89	52	28.33
Total	**76**	**42.22**	**27**	**15**	**26**	**14.44**	**180**	**100%**

Source: Field Survey, 2016

Table 2 showed the age distribution of respondents across the institutions/stakeholders. It was observed that the highest proportion of the respondents, i.e. 76(42.22%) were in the 26-35 years age bracket followed by 36-45 years with 27(15%), while those at 46 and above were 26 or 14.44% of the distribution. We observed that more than 70.56% of the respondents are youths, i.e. 26-46 years, thus creating age balance between the institutions/stakeholders.

Table 3 - Distribution of Respondents according to Educational Qualification

Stakeholders	OND/NCE	%	B.Sc/HND	%	M.Sc/Ph.D	%	Total	%
Banks	10	5.56	20	11.1	6	3.33	42	23.33
Insurance	12	6.67	18	10.0	8		47	26.11
Regulators	14	7.78	16	8.89	5		40	22.22
Telecom firms	15	8.33	22	12.22	7		51	28.33
Total	**51**	**28.34**	**76**	**42.22**	**26**		**180**	**100**

Source: Field, Survey, 2016

Table 3 showed the distribution of respondents according to educational qualifications. The result showed that most of the respondents had first degree i.e. B.Sc/HND which represents about 76 or 42.23%, 51 or 28.34% held OND/NCE, 26 or 14.44% had Master's degree and other professional qualifications. Studies have showed that institutions used in the study usually hire degree holders between the ages of 26-46 years and above. They are a crop people that can easily adapt to the ever changing technological environment.

Table 4 – Respondents Perception on full financial Inclusion as a prerequisite to inclusive economic development in Nigeria

Questions		SA	A	D	SD	U	TOTAL	Mean
1	Financial inclusion is a step towards economic development	50 (27.79)	46 25.56)	40 (22.22)	34 (18.89)	10 (5.56)	180 (100)	3.13
2	Financial inclusion occupies a significant place in the economy of every nation.	49 (27.22)	50 (27.79)	41 (22.78)	28 (15.56)	12 (6.67)	180 (100)	3.53

3	I am aware of the current state of financial inclusion in Nigeria including the states of ongoing initiatives	28 (15.56)	12 (6.67)	50 (27.77)	41 (22.78)	49 (27.22)	180 (100)	2.61
4	Financial inclusion is an intervention strategy that seeks to overcome the market fraction that hinders the market from operation	46 (25.56)	50 (27.77)	34 (18.89)	40 (22.22)	10 (5.56)	180 (100)	3.46
5	Financial inclusion offers incremental and complementary solutions to tackle poverty.	34 (18.89)	40 (22.22)	46 (25.56)	50 (27.77)	10 (5.56)	180 (100)	3.21
6	Income, physical access, financial literacy, affordability and eligibility are the major barriers to financial inclusion.	40 (22.22)	49 (27.22)	50 (27.77)	30 (16.67)	11 (6.11)	180 (100)	3.43
7	Financial exclusion has clear links to poverty, disadvantage and deprivation.	50 (27.77)	49 (27.22)	41 (22.78)	12 (6.67)	28 (55.56)	180 (100)	**3.45**
8	Social exclusion brings about social class and division.	12 (6.67)	28 (55.56)	50 (27.77)	49 (27.22)	41 (22.78)	180 (100)	**3.42**
9	Financial inclusion is a necessary condition for financial deepening, which helps to address the basic issue of growth with equity.	41 (22.27)	28 (55.56)	49 (27.22)	50 (27.77)	12 (6.67)	180 (100)	**3.20**
10	Financial inclusion influences investment decision and technological innovation	49 (27.22)	12 (6.67)	50 (27.77)	41 (22.78)	28 (55.56)	180 (100)	**3.70**

Source: Field Survey, 2016

Note: SA=Srongly agree, A=Agree, D= Disagree, SD=Stronly disagree, U= Undecided

Tables 4 showed respondents' perception on the role of financial inclusion as a prerequisite for achieving inclusive economic development and its impacts. Specifically, responses were sought to find out whether financial inclusion was a step towards inclusive economic development. About 96(53.35%), agreed that financial inclusion was a step towards inclusive economic development in Nigeria, while 74(41.11%), disagreed. 99(54.51%) with a mean score of 3.53 agreed that financial inclusion occupies a significant place in the economy of any nation, while 69(38.34%), disagreed. 40(22.23%) respondents agreed that they are aware of the current state of financial inclusion in Nigeria, while 91(50%) disagreed. With a mean score of 2.61, the statement stands rejected. 96 (53.33%) agreed that financial inclusion was an intervention strategy that sought to overcome the market fraction that hinders the market from operation, while 74(41.11%) disagreed. 74(41.11%) with a mean of 3.21 agreed that Financial inclusion offered incremental and complementary solution to tackle poverty, while 96(53.33%) disagreed. On whether income, physical access, financial literacy, affordability and eligibility were the major barriers to financial inclusion, 89(49.44%) agreed to that statement with a mean score of 3.43, while 70(44.44%) disagreed. 99(54.99%) agreed that financial exclusion had clear links to poverty, disadvantaged and deprivation, while 52(29.45%) disagreed to the statement. On whether social exclusion brought about social class and division, the responses have mean score of 3.42, while the responses on whether financial inclusion was a necessary condition for financial deepening which helped to address the basic issues of growth with equity has a mean score of 3.20. On whether financial inclusion influences investment decision and technological innovations have a mean score of 3.70

DISCUSSION OF FINDINGS, CONCLUSION AND RECOMMENDATION

Discussion of findings

This study was to appraise the role of financial inclusion as a prerequisite for achieving inclusive economic development and its impact in Nigeria. Tables 1-3 sought to determine the demographic information of the respondents. Table one which was used to determine the sex distribution of the respondents revealed that out of 180 respondents, 100 or 56.56 were male and 80 or 44.44% were female. Table two was used to determine the age distribution across the stakeholders. It was discovered that more than 70.56% of the workers were youths i.e. aged 26-46 years, thus creating age balance of the workers. Table three was used to determine the educational qualification across the stakeholders. It was found out that most of them had first degree i.e. B.Sc/HND which represented about 76 or 42.23%. They are the crop of people that can easily adapt to the ever changing technological environment. Table four measured and analyzed the responses on the role financial inclusion as a prerequisite for achieving inclusive economic development and impact in Nigeria. The study specifically determined whether financial inclusion was a step towards inclusive economic development. 96 or 53.35% were of the opinion that financial inclusion was a step towards inclusive economic development, while 74 or 41.11% disagreed. 99 or 54.51% with a mean score of 3.53 agreed that financial inclusion occupied a significant place in the economy of any Nation, while 69 or 38.34% disagreed. 40 or 22.23% agreed that they are aware of the current state of financial inclusion in Nigeria, while 91 or 53.33% agreed. With a mean score of 2.61, the statement stands rejected. 96 or 53.33% agreed that financial inclusion was an intervention strategy that sought to overcome the market fraction that hinders the market from operation, while 74 or 41.11% disagreed with a mean score of 3.21 agreed that financial inclusion offered incremental and complementary solution to tackle poverty, while 96 or 53.33% disagreed. On whether income, physical access, financial literacy, affordability and eligibility were the major barriers to financial inclusion have a mean score of 3.43. On whether financial inclusion had clear links to poverty, disadvantage and deprivation had a mean score of 3.45. Other responses had 3.42, 3.20 and 3.7 mean scores which are agreed statements.

Other findings

Generally, in the course of the study, other findings were made. They are;

- Financial inclusion played an important role in the resource allocation process (Schumpeter, 1911)
- The main barrier to financial inclusion in rural areas was the great distances that rural residents must travel to reach a bank branch.
- The research revealed that only 21 million or 12.6 percent of Nigerians population had bank accounts in a nation of about 167 million people,
- At the global stage, out of the 7 billion people on earth, about 2.5 billion people that do not have bank accounts (CBN, 2012)
- Three quarters of the worlds poor do not have a bank account, not only because of poverty, but also because of the cost, travel distance, and amount of paper work involved in opening one.
- Agent banking had been successfully used to enhance financial inclusion in diverse economies across the world.
- Financial inclusion provides liquidity which enables more investments in productive assets and in so doing enhanced the efficiency of capital accumulation and economic growth (Diamond & Dybvig, 1983)
- Financial services were capable of distributing opportunities more evenly to poorer households and economically disadvantaged geographical regions.

- Financial inclusions occupied a significant place in the economy of every nation as revealed by Olugbenga and Olankunle (1998).
- Financial inclusion promoted inclusive development to address MDGs (Chibba, 2009).
- Financial inclusion draws the unbanked population into the formal financial system so that they have the opportunity to access financial services ranging from savings, payments and transfer to credit and insurance.
- Financial inclusion avail an array of required financial services, at a fair price, at the right place, form and time and without any form of discrimination to all members of the society.
- Financial exclusion led to loss of opportunity to grow and retarded country's growth and increased poverty level.
- A well developed financial system accessible to all reduces information and transaction costs, influences saving rates, investment decisions, technological innovations and the long-run growth rates.
- Financial inclusion often reinforced other aspects of social exclusion.
- Social exclusion had clear links to poverty, disadvantage and deprivation (Kempson & Whyley, 1999)
- Financial inclusion can be instrumental in bridging the gap between the included and excluded and the rich and the poor.
- Financial inclusion entail institutions designing products, processes and training staff to think, plan and deliver tailor made financial services and products.
- Financial inclusion was a necessary condition for financial deepening, which helps to address the basic issue of growth with equity.
- Financial inclusion was mainly concerned with eradication of poverty.

Conclusion

Ownership of a financial product does not result in financial inclusion rather it is the usage of the financial product for economic self-reliance and growth which ultimately leads to financial inclusion. For example, opening a bank account by an individual is often treated as an indicator of financial inclusion.

Financial inclusion is also measured by the usage intensity of the bank account by the individual, the quality of the service and products should also be evaluated when measuring financial institution as majority of the low-income population are left dependant on non-performing, unsustainable institutions. All initiatives that make formal financial services available and affordable to all segments of the population should be encouraged to achieve inclusive economic development.

Recommendations

Based on the findings, the study recommended as follows:

a. There should be considerable lead from the government and other financial institutions to foster the financial inclusion agenda.
b. Government should design policies that enforce regulation set by central banks regarding financial inclusion strategies
c. Financial inclusion is necessary to ensure that economic growth performance is included and sustained.
d. Financial inclusion requires particular attention to specific portions of the population that have been historically excluded from the formal financial sector either because of their income level and volatility, gender, location, type of activity, or level of financial literacy.

e. There is a need to harness the untapped potential of those individuals and businesses currently excluded from formal financial sector or underserved, and enable them to develop their capacity, strengthen their human and physical capital, and engage in income generating activities and manager risks associated with their livelihoods.
f. Financial inclusion goes beyond improved access to credit to encompass enhanced access to saving and risk mitigation products, a well-functioning financial infrastructure that allows individuals and companies to engage more actively in the economy, while protecting user's right (Triki & Faye, 2013).
g. A comprehensive understanding of financial inclusion should consider the availability and accessibility of services, frequency of use and suitability and quality of financial option for all income levels.
h. A financial system that is fully working for clients should also offer opportunities to easily access information about available products and their terms, and should establish rules protecting the consumer from deception or exploitation.
i. The supply-side, the availability of information on non-bank financial services such as microfinance, cooperatives, and mobile financial services and in some cases agent banking, could be improved.
j. Financial literacy should be adopted in school's curriculum by 30% in 2020 when 50% of adults would have been covered.

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