International Journal of Innovative Finance and Economics Research 13(4):55-65, Oct.-Dec., 2025
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doi:10.5281/zenodo.17297644

Effect of Innovation and Digitalization Index on Sustainable Growth of Listed Deposit Money Banks in Nigeria

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ABSTRACT
This work empirically investigated the effect of innovation and digitalization index on sustainable growth of listed deposit money banks in Nigeria. The study is vital as it portrays the extent to which investment in banks' innovation and digitalization index influence banks' sustainable growth in Nigeria. Two hypotheses were formulated to guide the investigation and the statistical test of parameter estimates was conducted using Panel least squares regression model. The research design used is Ex Post Facto design and data for the study were obtained from the published annual financial reports of listed deposit money banks on the floors of the Nigerian Exchange Group (NGX) spanning from 2020-2024. The findings generally indicate that innovation and digitalization index have positive and significant effect on banks sustainable growth in Nigeria at 1%-5% level of significance. Based on this, the study concludes that innovation and digitalization index ensure sustainable growth of listed deposit money banks in Nigeria. The study therefore recommends that listed deposit money banks in Nigeria should sustain and also increase their investment on innovation and digitalization infrastructure as it has the potential to positively influence sustainable growth of listed deposit money banks in Nigeria.
Keywords: Innovation Index; Digitalization Index; Sustainable Growth

1. INTRODUCTION

Investment in innovation and digitalization in the banking sector characterized by rapid technological advancements and strategies, has revolutionized operations across sectors. This evolution is not just a prevailing trend but an imperative for achieving sustainable development in the banking industry (Kumar et al., 2021). The integration of digital technologies in banking operations has led to enhanced resource efficiency, reduced carbon footprint, and increased social responsibility, aligning with the broader goals of environmental sustainability. However, this transformation is not without its challenges. The rapid integration of digital solutions raises concerns about data privacy, electronic waste, and the digital divide, which need to be proactively addressed. Banks, especially in Africa, have not accelerated their digitalization efforts in response to the COVID-19 pandemic, which has further highlighted the need for a balanced approach that leverages digital transformation to advance sustainability while addressing these challenges (Miković, 2021). Thus, the need to investigate if banks' sustainable growth relies on innovation and digitalization index in Nigeria.

Some studies carried out in Sub-Sahara Africa (Nwobu, 2021; Gold & Aifuwa, 2022; Edward et al., 2022; Anet & Johan, 2022; Wayne, 2023; Thokozani, 2023; Granzier, 2023) buttressed on the need for sustainability of banks' due to the fact that the sudden collapse of banks in the recent decade without any prior indications has led to the sudden collapse of hitherto strong firms in Nigeria and South Africa. Also, Thomas et al. (2019), Beck (2020) and Pellegrino et al. (2020), Chen et al. (2021), Kumari and Devi (2022), and Ojo and Akinyade (2023) reported that the rise in investment in innovation and digitalization in the banking sector have enhanced financial services' accessibility, efficiency and cost-effectiveness in Sub-Sahara Africa. Hence, the need to investigate if innovation and digitalization could also ensure banks sustainable growth in Nigeria.

From the a priori expectations, it was found that investment in new technologies in the banking sector has transformed the banking industry and allows stakeholders to do business better and efficiently. Evidence of this change is shown in the involvement and utilization of modern technology in virtually every aspect of business transactions (Akinade, 2023). Hence, the need for the present study to ascertain if these investments in new technologies ensure banks sustainable growth in Nigeria. Thus would help in restoration of investors' confidence in the banking hall and also reduce the fear of sudden collapse of these banks especially as witnessed in the recent decade in Sub-Sahara Africa.

Against this backdrop, this study seeks to investigate the effect of innovation and digitalization index on sustainable growth of listed deposit money banks in Nigeria which have received no attention based on the available literature.

To achieve this purpose, we formulated the following hypotheses:

H_{01}: Innovation index has no significant effect on sustainable growth of listed deposit money banks in Nigeria.

H_{02}: Digitalization index has no significant effect on sustainable growth of listed deposit money banks in Nigeria.

2. Review of the Related Literature

2.1 Conceptual Review

2.1.1 Innovation Index

Innovation index in the banking sector is the act of creating and then popularizing new financial instruments as well as new financial technologies, institutions, and markets (Makur, 2024). It may be viewed as the design, development, and implementation of innovative financial instruments and processes, and the formulation of creative solutions to problems in finance. According to Omaliko et al. (2025), innovation is one of the most important competitive weapons and generally seen as a firm's core value capability. It is considered as an effective way to improve firm's productivity due to the resource constraint issue facing a firm.

Ignazio (2022) groups innovations index in the banking sector into; new products for example adjustable rate mortgages and exchange-traded index funds; new services for example on-line securities trading and Internet banking; new "production" processes for example electronic record keeping for securities and credit scoring and new organizational forms for example a new type of electronic exchange for trading securities and Internet-only banks.

According to Makur (2024), commercial banks in Kenya have continuously been innovating new products, services and governance in order to improve their financial performance. The financial sector has over time developed successfully with innovation products and services available in financial market. Some of these products are debit cards, credit cards, ATM cards, M-pesa and others which facilitate the use of electronic means of payment and sometimes substitute for the use of physical cash.

Similarly, these products gain a wider recognition in financial market leading to reduction of holding amount of money. The study notes that the latest service innovation will lead to furthering of financial inclusion and innovative service offerings for all Kenyans by presenting their financial services offering on to a single platform which will make banking services more accessible, flexible convenient and more affordable. Innovation in the banking sector is seen as an improvement in the array of financial products

and instruments that are stimulated by unexpected change in customer needs and preferences, tax policy, technology and regulatory impulses (Venkatesh & Davis, 2020).

2.1.2 Digitalization Index

Digitization index in banking and financial services refers to the transformation of traditional financial activities, such as transactions, investments, and customer interactions, into digital formats.

Digitalization leverages technology to improve efficiency, accessibility, and customer experience across various financial services. Digitization aims to enhance operational efficiency, reduce costs, expand financial inclusion, and improve the overall customer experience in the banking and financial services industry. The digitization of banking and finance presents an exciting opportunity to create a more efficient, inclusive, and customer-centric financial landscape. By embracing innovation and addressing its challenges, this digital revolution can reshape the ways we manage and interact with our finances (Ojo & Akinyede, 2023).

According to Okoro et al. (2024), the digitization of banking and other financial services is a revolution reshaping how funds are managed. It offers a glimpse into a future filled with convenience, efficiency, and potentially, greater financial empowerment. However, challenges like cyber-security threats and the digital divide require careful consideration and solutions. The study notes also that as banks navigate this digital transformation, the key lies in leveraging technology responsibly and ensuring inclusivity. By doing so, they can unlock the full potential of digital banking and create a more accessible and secure financial landscape for everyone.

2.1.2.1 Features of Digitalization Index in the Banking Sector

The features of digitalization in the banking sector according to the Mgebmena and Onah (2024) are stated below as thus:

1. **Mobile Banking**

This is the powerhouse of digital banking, allowing one to access ones' finances on the go through a mobile app downloaded in smartphone or tablet. Common features include:

- **Account Management**: This can be used to Check balances, view transaction history, and download statements.
- **Payments and Transfers**: This could be used to transfer funds between accounts, pay bills electronically, and send money to friends and family.
- **Mobile Deposit**: This can be used to deposit checks electronically by snapping a picture with your phone's camera.
- **Remote Check Deposit**: It can be used to order pre-printed deposit envelopes to mail in checks for secure deposit.
- **Bill Pay Reminders and AutoPay**: This can used to set up automatic bill payments or receive reminders to ensure timely payments.

2. **Online Banking**

This web-based platform provides similar functionalities as mobile banking, but accessed through a computer with an internet connection. It offers a wider screen and might be preferred by some for more complex tasks like managing investments or analyzing financial statements. This type allows customers to access their bank accounts and perform transactions via a secure website operated by the bank. It typically includes features such as account balance inquiries, fund transfers between accounts, bill payments, and online statements.

3. Digital Wallets

These virtual wallets stored on ones' phone or wearable device allow for contactless payments at participating retailers. Popular digital wallets include Apple Pay, Google Pay, and Samsung Pay.

Person-to-Person (P2P) Payments: Send and receive money instantly between friends, family, or even for business transactions using apps like Venmo, Zelle, or Cash App. These are applications or platforms that allow users to store payment information digitally and make transactions electronically. Examples include Apple Pay, Google Pay, and PayPal. Digital wallets often integrate with banking accounts and offer convenience in making payments both online and in physical stores.

2.1.3 Benefits of Innovation Digitalization Index in the Banking Sector

By leveraging the benefits, digital banking empowers one to manage ones' finances more effectively, conveniently, and securely. It's a win-win for both consumers and financial institutions, leading to a more efficient and accessible financial services landscape. According to Abu et al. (2024), the benefits of digitalization in the banking sector are as follows:

i. Convenience at One's Fingertips

Gone are the days of waiting in long lines at the bank. Digital banking allows one to manage ones' finances anytime, anywhere, from the comfort of one's couch or while on the go. With mobile apps and online platforms, one can check balances, transfer funds, pay bills, and even deposit checks with just a few taps or clicks.

ii. Enhanced Security and Control

Digital banking platforms offer robust security features to protect one's financial information. Multi-factor authentication, encryption, and real-time transaction alerts help keep ones' money safe. Additionally, one can have a greater control over ones' accounts and also allowing one to easily monitor transactions, set spending limits, and freeze ones' cards if necessary.

iii. Time-Saving Efficiency

Digital banking streamlines one's financial activities and saving one's valuable time. If there is a need to pay a bill, this can be done in seconds. Also, if there is a need for money supply between accounts; just a few clicks, it's done. This efficiency frees up one's time for other priorities.

iv. Personalized Financial Insights

Many digital banking platforms offer tools that provide valuable insights into ones spending habits and financial health. One can categorize ones' expenses, track ones' progress towards financial goals, and receive personalized recommendations for budgeting and saving strategies.

v. 24/7 Customer Support

Digital banking doesn't mean that one is on his or her own. Most platforms offer 24/7 customer support through secure chat options, email, or even phone hotlines. This ensures that one can get assistance with any questions or issues one encounters, even outside of traditional banking hours.

the collection, storage, manipulation and transfer of information using electronic means. Technological infrastructure is defined as those facilities, machines, and tools that are used [at least in its basic form] to facilitate the execution of economic transactions/activities in an effective and efficient manner (Usoro, 2022).

2.1.4 Sustainable Growth

According to Tutun and Som (2019), sustainable growth is a growth that could be profitably maintained for future benefits. Sustainable growth as a concept was popularized by Higgins' remarkable study in 1977, where he proposed that sustainable growth rate model should be used to explain its practical limits to growing firms. Therefore, sustainable growth rate explains if there is consistency between the sales growth with the realities of the firm and the financial market. As reported by Uzodimma et al. (2024), corporate sustainable growth is all about the financial performance information and non-financial performance information that includes social and environmental activities that enable firms to grow sustainably and friendly.

A firm with growth rate which deviates from sustainable growth will eventually fall into the dilemma of unsustainable growth (Buffa et al., 2020; Omaliko et al., 2023). For the purpose of this study, sustainable growth was measured as return on equity multiplied by retention ratio. This is expressed as ROE (1-DPR).

2.2 Theoretical Framework

2.2.1 Technology Acceptance Model

The technology Acceptance Model (TAM) was propounded in the year 1989 by Fred Davis. The model was originally designed to predict user's acceptance of information technology and usage in an organizational context. The model posits that user acceptance is determined by two key beliefs, namely perceived usefulness and perceived ease of use. Perceived usefulness (U) is defined as the extent to which

a person believes that using a particular technology will enhance her/his job performance, while perceived ease of use (EOU) is defined as the degree to which a person believes that using a technology will be free from effort (Asidok & Micheal, 2018).

The theory argues that the consumers' attitude towards using new technology is influenced by perceived usefulness and perceived ease of use. The theory uses psychometric scales to measure usefulness and ease of use. Perceived usefulness is measured on scales of whether work is done more quickly, job performance, increased productivity, effectiveness and usefulness (Godwin, 2024). Perceived ease of use scales included whether the technology is easy to learn, clear and understandable, easy to become skillful easy to use, controllable and easy to remember.

According to Mgbemena and Onah (2024), technology acceptance theory explains systems with the ability to carry out complex communication between humans, machines and the environmental aspects of the work system as its evident in most ICT systems in the banking sector today. The theory has become significant in understanding the impact of information technology on different forms of banking activities in order to achieve a desirable outcome. TAM has also been known for its ability to take to account the costs involved in acquiring a new technology (technology investment). Thus, serves as a guide to the organizations that may be willing to adopt a new technology but may not have the necessary resources (financial or human) to do so. Hence, TAM is still one of the most useful models in explaining the adoption of new technology in the organizational context. This theory is informed on the process and motivation of e-banking amongst commercial bank (Asidok & Micheal, 2018).

The study is therefore anchored on Technology Acceptance Model. This is based on the fact that deposit money banks have the same production technology and the only difference in performance is due to the level of economies of scale of each of the deposit money banks. Also, the justification for using this theory to underpin the study stem from the fact that literature review has demonstrated the existence of relationship between the innovation and digitalization index in the banking sector, banks performance and banks sustainable growth.

2.3 Empirical Review

Yusuf et al. (2024) examined the effect of financial technology on the financial performance of deposit money banks in southwest, Nigeria. The study employed an Ex-Post Facto research design to establish functional relationship among customers and employees of the DMBs branches in the South West geopolitical zone in Nigeria. The descriptive statistics, which involved the current levels of financial performance on deposit money banks showed an improvement in the return on assets due to the deployment of financial technology with the weighted average of 216 or 35.94% while more than 97% of respondents perceive the level of improvement in equities of banks in Nigeria as moderate followed by the rate of improvement in net income margin of banks with weighted mean of 192 or 31.9%. The empirical results showed that the deployment of automated teller machine, mobile banking, internet banking and point of sales on the financial performance of banks have significantly and positively improve banks' return on asset, equity and the net income. This is an indication that the financial performance of Nigerian banks is highly sensitive to changes in the alternative banking channels as 1%, rises in automated teller machine increase the return on asset by 0.18%. In the same vein, increase in mobile banking to the tune of 1% raised the level of return on asset by 0.29%. Thus the study concludes that the deployment of mobile banking and internet bank drive virtually all the indicators of bank financial performance in Nigeria.

Okoro et al. (2024) examined the impact of financial technology on financial performance of Nigerian banks. The volume of ATM transactions, POS transactions and internet bank transactions were used to measure financial technology while liquidity ratio was used to measure financial performance. To achieve the objective of the study, ex-post facto was adopted. The data were collected through secondary source from CBN statistical bulletin. The data collected were analyzed using ordinary least multiple regression analysis. The result revealed that ATM transactions have positive impact on the performance of commercial banks in Nigeria. POS transactions have positive impact on the performance of commercial banks in Nigeria. Internet banking transactions have negative impact on the performance of commercial banks in Nigeria.

Binuyo and Aregbeshola (2023) assessed the impact of ICT on the performance of South African banking industry using bank annual data over the period 2000 – 2022 published by Bankscope – World banking information source. Data analysis was carried out in a dynamic panel environment using the orthogonal transformation approach. The robustness of the results was affirmed by residual co-integration regression analysis using both Pedroni and Kao methods. The findings of the study indicated that the use of ICT increases return on capital employed as well as return on assets of the South African banking industry. The study discovers that more of the contribution to performance comes from information and communication technology cost efficiency compared to investment in information and communication technology.

Odoyemi et al. (2024) analyzed the sustainable information technology (IT) practices in the Nigerian banking sector, focusing on environmental perspectives. The methodology for the study involves a comprehensive review of existing literature, including academic journals, industry reports, and case studies, to gather insights into the current state of sustainable IT in Nigerian banking. The findings of the study revealed that while some Nigerian banks have begun to adopt green IT initiatives, such as paperless operations, energy-efficient data centers, and electronic banking services, the overall adoption rate is relatively low compared to global standards. The study identifies barriers to adoption, including lack of awareness, limited regulatory frameworks, and inadequate infrastructure. Despite these challenges, the study highlights the potential benefits of sustainable IT practices, such as reduced carbon footprint, operational cost savings, and enhanced corporate reputation. The study therefore concludes that for Nigerian banks to fully embrace sustainable IT practices, there needs to be a concerted effort involving policy formulation, awareness campaigns, and investment in green technologies.

Oladunjoye and Tshidzumba (2023) examined the nexus between technology adoption and financial market performance in Nigeria and South Africa. Technology adoption index (TECH) and financial market performance index (FMP) were generated using the principal component analysis. Data for all variables were gotten from the World Bank and the Heritage database. Using regression model, the study reveals that for country-specific analysis, technology adoption has a strong and direct impact on the financial market performance in Nigeria and South Africa.

In agreement, Nkosi (2022) assessed the role of technology within the banking environment and seeks to find a correlation between increase in technological investment and the financial performance of banking institutions in South Africa. This was achieved through a comparative analysis of six banks in South Africa to prove that an increase in technological output results in improved productivity and ultimately, financial performance for banks within emerging markets. Using OLS, the findings indicate that technological advancements in the twenty first century have been contributed significantly to the financial performances of major banks in South Africa.

Xiao and Wang (2025) investigated the impact of financial technology on the profitability of listed banks in China. The study used a sample of 33 listed banks from 2013 to 2020 using web crawling technology and text mining methods to construct a financial technology index as the core explanatory variable. Using a two-way fixed effects model to analyze the impact of the FinTech index on the profitability of listed banks, the study found that financial technology has positive and significant impact on profitability (ROA) of listed banks in China.

Siphokazi (2022) investigated the impact of digital transformation on the financial performance of the traditional South African banks. The study used the quantitative research method where financial performance, was measured by return on assets (ROA) and digital technology (data analytics, artificial intelligence, cloud computing, and the Internet of Things). The data was collected using secondary data accessed from the traditional South African banks, namely; ABSA, Standard Bank, FNB, and Nedbank's annual reports and full-year consolidated financial statements, from the year 2014-2021. Using regression model, the results indicate that there is a strong relationship between digital technology and business performance, meaning that digital transformation does have an impact on the business performance of the traditional South African banks.

3. METHODOLOGY

An *ex post facto* design was used in the study based on the fact that the data for the study was secondary which already existed and cannot be controlled. The population of the study consists of 14 listed deposit money banks on Nigerian Exchange Group (NGX) as at December 31, 2024, covering the period 2020-2024. The data was collected from the annual accounts and annual accounts of the sampled banks. Panel least square regression model was used to examine the effect of innovation and digitalization index on sustainable growth of listed deposit money banks in Nigeria.

Table 1: Measurement and Operationalization of Variables

Variables	Measurement	Sources	A Priori Expectations
Independent Variable			
Innovation Index	Log of the innovation capacity of banks in terms of technology adoption	Adeku (2020), Jean et al. (2024)	It is expected to have a positive effect.
Digitalization Index	The percentage of online transactions, mobile banking and the use of digital tools	Abu et al. (2024)	It is expected to have a positive effect.
Dependent Variable			
Sustainable Growth	ROE(1-DPR)	Kanyarat (2023), Taiwo et al. (2023), Omaliko et al. (2023)	

Source: Researcher's Compilation (2025)

3.2 Model Specification and Justification

In line with the previous researches, the present study adapted and modified the models of Jean et al (2024) and Abu et al (2024) in determining the effect of innovation and digitalization index on sustainable growth of listed deposit money banks in Nigeria. This is shown below as thus:

Jean et al. (2024): $\mathbf{SG_{it} = \beta_0 + \beta_1 INI_{it} + \mu}$

Abu et al. (2024): $\mathbf{SG_{it} = \beta_0 + \beta_1 DI_{it} + \mu}$

The functional model for the study is therefore shown below as thus:

SG = F(INI, DI)

The explicit form of the regression designed for the study is expressed as thus:

$\mathbf{SG_{it} = \beta_0 + \beta_1 INI_{it} + \beta_2 DI_{it} + \mu}$

Where:

SG = Sustainable Growth
INI = Innovation Index
DI = Digitalization Index
μ = Stochastic Term
$\beta_1 - \beta_2$ = Coefficient of Regression Equation
β_0 = Constant coefficient (intercept) of the model

Decision Rule: accept Ho if P-value > 1%-5% significant level otherwise reject Ho

4. DATA ANALYSIS AND RESULTS

Table 2: Descriptive Statistics

	SG	INI	DI
Mean	5.92	5.21	7.28
Maximum	6.06	11.3	11.2
Minimum	1.03	4.98	3.00
Std. Dev.	0.27	0.21	0.11
Skewness	4.42	3.38	1.22
Kurtosis	1.34	2.07	2.31
Jarque-Bera	2.54	11.2	2.22
Probability	0.31	0.57	0.77
Sum	426	825	133
Sum Sq. Dev.	109	203	11.9
Observations	**70**	**70**	**70**

Source: E-View 12 Computational Results (2025)

From Table 2 above, the mean (average), maximum values, minimum values, standard deviation and Jarque-Bera Statistics (Normality Test) were shown. The results provide some insight into the nature of the listed deposit money banks in Nigeria used in this study. First, it can be observed that on the average, in a 5-year period (2020-2024), the sampled banks were characterized by a positive sustainable growth (SG) value of 5.92. This implies that banks with SG values of 5.92 and above have sustainable growth.

The mean value of innovation index (INI) for the sampled banks was 5.21 with a standard deviation value of 0.21. This means that banks with INI values of 5.21 and above have sustainable growth and also investment in innovation. There is also a high variation in maximum and minimum values of INI which stood at 11.3 and 4.98 respectively. This wide variation in INI values among the sampled banks justifies the need for this study that banks with higher INI values have sustainable growth than those banks with lower INI values

The average value of digitalization index (DI) for the sampled banks was 7.28. This means that banks with DI values of 7.28 and above have sustainable growth and infrastructural investment in digitalization index at a degree risk of 0.11. There is also a high variation in maximum and minimum values of DI which stood at 11.2 and 3.00 respectively. This wide variation in DI values among the sampled banks justifies the need for this study that banks with higher DI values have sustainable growth than those banks with lower DI values

Lastly, in table 4.1 above, the Jarque-Bera (JB) which test for normality or the existence of outliers or extreme values among the variables shows that all the variables are distributed normally at the 5% level of significance. This implies that any variable with outlier are not likely to distort our conclusion and are therefore reliable for drawing generalization. Hence, panel least square estimations can be used to estimate the regression model.

4.1: Test of Hypothesis

Table 3: Result on Effect of Innovation and Digitalization Index on Sustainable Growth of Listed Deposit Money Banks in Nigeria.

Dependent Variable: SG
Method: Panel Least Squares
Date: 05/22/25 Time: 1:51
Sample: 2020 -2024
Periods included: 5
Cross-sections included: 14
Total panel (balanced) observations: 70

Variable	Coefficient	Std. Error	t-Statistic	Prob.
INI	0.195388	0.091948	2.124984	0.0167
DI	4.565215	0.929530	4.911317	0.0000
C	13.71579	2.546013	5.387164	0.0000

R-squared	0.706773	Mean dependent var	0.890335
Adjusted R-squared	0.686912	S.D. dependent var	3.489996
S.E. of regression	24.30988	Akaike info criterion	4.843317
Sum squared resid	1603.389	Schwarz criterion	5.288589
Log likelihood	411.2551	Hannan-Quinn criter.	5.023512
F-statistic	11.35021	Durbin-Watson stat	1.852470
Prob(F-statistic)	0.000000		

Source: E-View 12 Computational Results (2025).

4.2: DISCUSSION OF FINDINGS

The coefficient of determination R^2 shows 0.71 indicating that the overall model explained 71 percent of the total variations in the dependent variable. Thus, shows that these variables (INI & DI) can only explain 71 percent of change in banks' sustainable growth leaving 29 percent unexplained. This is to say that there are other factors that could led to firm sustainable growth other than innovation and digitalization index. The sig. (or p-value) is .0000 which is below the .01 level; hence, we conclude that the overall model is statistically significant, or that the variables have a significant combined or joint effect on the dependent variable. With this, the researcher affirms the validity of the regression model adopted in this study.

The results of the regression are therefore slated below as follows:

H_{01}: Innovation index has no significant effect on sustainable growth of listed deposit money banks in Nigeria.

This hypothesis was tested and the result of this regression as exposited on table 3 indicates that the relationship between INI and SG is positive and significant; this can be justified with the P-value (significance) of 0.0167 which is less than the 5% level of significance adopted. Likewise the result of positive coefficient of 0.195 indicates that innovation index ensures firm sustainable growth of listed deposit money banks in Nigeria. Thus, implies that innovation index determines banks sustainable growth in Nigeria. We therefore accepted the alternate hypothesis which contends that innovation index has significant effect on sustainable growth of listed deposit money banks in Nigeria.

H_{02}: Digitalization index has no significant effect on sustainable growth of listed deposit money banks in Nigeria.

This hypothesis was tested and the result of this regression as exposited on table 3 indicates that the relationship between DI and SG is positive and significant; this can be justified with the P-value (significance) of 0.0000 which is less than the 1% level of significance adopted. Likewise the result of positive coefficient of 4.57 indicates that an increases in digitalization index ensures banks sustainable growth in Nigeria. We consequently accepted the alternate hypothesis which contends that digitalization index has significant effect on sustainable growth of listed deposit money banks in Nigeria.

5. CONCLUSION AND RECOMMENDATION

The study from the statistical analysis notes that innovation and digitalization index have positive and significant effect on sustainable growth of listed deposit money banks in Nigeria. Hence, the study concludes that innovation and digitalization index ensure sustainable growth of listed deposit money banks in Nigeria. The study therefore recommends that listed deposit money banks in Nigeria should sustain and also increase their investment on innovation and digitalization infrastructure as it has the potential to positively influence sustainable growth of listed deposit money banks in Nigeria.

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